BNP PARIBAS FLEXI III

Investment Company with Variable Capital – Specialised Investment Fund "SICAV-SIF"
Incorporated under Luxembourg law

Offering Document

N O V E M B E R 2 0 2 3

INFORMATION REQUESTS

BNP PARIBAS FLEXI III
10 RUE EDWARD STEICHEN
L-2540 LUXEMBOURG
GRAND DUCHY OF LUXEMBOURG

NOTICE

BNP PARIBAS FLEXI III, hereinafter referred to throughout this document as "the Company", is an investment company with variable capital – specialised investment fund (*abbreviated to SICAV-SIF)*, governed by the Luxembourg law of 13 February 2007 concerning Specialised Investment Funds as amended from time to time (referred to throughout this document as the "Law"), as well as by the provisions of the law of 12 July 2013 on Alternative Investment Fund Managers (referred to throughout this document as the "AIFM Law").

Consequently, shares of the Company are restricted exclusively to persons qualifying as well informed investors ("Well Informed Investors" or "Investors") as defined in article 2 of the Law. Well Informed Investors shall be an institutional investor, a professional investor or any other investor who meets the following conditions:

a) he has confirmed in writing that he adheres to the status of well informed investor, and

b) (i) he invests a minimum of EUR 125,000 in the specialised investment fund, or

(ii) he has been the subject of an assessment made by a credit institution within the meaning of the Directive 2006/48/EC, by an investment firm within the meaning of Directive 2014/65 or by a management company within the meaning of Directive 2009/65/EC certifying his expertise, his experience and his knowledge in adequately apprising an investment in the specialized investment fund.

The Company will refuse to issue shares to investors who do not meet these characteristics. Furthermore, the Company will refuse to make any transfer of shares to the extent that such transfer would result in the legal or beneficial ownership of such shares to a non-such investor. The Company, at its sole discretion, may refuse the issue or the transfer of shares if there is no sufficient evidence that the person or company to whom the shares should be issued or transferred is a qualifying person within the meaning of the Law. In order to determine whether a purchaser or transferee of shares may be qualified as a qualifying person, the Company will refer to the recommendations made by the relevant supervisory authorities. Generally, the Company may at its sole discretion, reject any application for subscription of shares and proceed, at any time, with the compulsory redemption of all the shares held by a non-qualified investor.

This Offering Document may not be used for the purpose of an offer or solicitation to sell in any country or any circumstance in which such an offer or solicitation is not authorized by the competent authority. The content of this Offering Document has not been reviewed by any foreign regulatory authority.

In particular, the Company's shares have not been registered in accordance with any legal or regulatory provisions in the United States of America. Consequently, this document may not be introduced, transmitted or distributed in that country, or its territories or possessions, or sent to its residents, nationals, or any other companies, associations, employee benefit plans or entities whose assets constitute employee benefit plan assets whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended (collectively, "Benefit Plans"), or entities incorporated in or governed by the laws of that country. Furthermore, the Company's shares may not be offered or sold to such persons.

THIS OFFERING DOCUMENT IN NO WAY CONSTITUTES AN OFFER OR SOLICITATION TO THE PUBLIC IN JURISDICTIONS IN WHICH SUCH AN OFFER OR SOLICITATION TO THE PUBLIC IS ILLEGAL. THIS OFFERING DOCUMENT IN NO WAY CONSTITUTES AN OFFER OR SOLICITATION TO A PERSON TO WHOM IT WOULD BE ILLEGAL TO MAKE SUCH AN OFFER OR SOLICITATION.

The Company has received marketing authorisation under the Directive 2011/61 (European Council Directive 2011/61/EC of 8 June 2011 on Alternative Investment Fund Managers) in Austria, Belgium, Cyprus, Czech Republic, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Spain, Slovakia, Slovenia, Sweden and United Kingdom, although not all sub-funds are necessarily authorised.

In addition, no one may issue any information other than that presented in the Offering Document or the documents mentioned in it, which may be consulted by the public. The Company's Board of Directors vouches for the accuracy of the information contained in the Offering Document on the date of publication.

Lastly, the Offering Document may be updated to take account of additional or closed sub-funds or any significant changes to the Company's structure and operating methods. Therefore, subscribers are recommended to request any more recent documents as mentioned below under "Information for Shareholders". Subscribers are also recommended to seek advice on the laws and regulations (such as those relating to taxation and exchange control) applicable to the subscription, purchase, holding and redemption of shares in their country of origin, residence or domicile and to consult their own financial or legal advisor or accountant on any issue relating to the content of this Offering Document or any doubt about any of the content of the Offering Document.

The Offering Document is only valid if accompanied by the latest audited annual report.

If there is any inconsistency or ambiguity regarding the meaning of a word or sentence in any translation of the Offering Document, the English version shall prevail.

Warning for Hong Kong investors:

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

CONTENTS

An information section is available for each of these sub-funds. It specifies each sub-fund's investment policy and objective, the features of the shares, their accounting currency, valuation day, methods of subscription, redemption and/or conversion, applicable fees and, if applicable, the history and other specific characteristics of the sub-fund in question. Investors are reminded that, unless otherwise stated in Book II of the Offering Document, the general regulations stipulated in Part I of the Offering Document will apply to each sub-fund.

BOOK I

REGISTERED OFFICE
BNP PARIBAS FLEXI III
10, rue Edward Steichen
L-2540 Luxembourg
Grand Duchy of Luxembourg

ALTERNATIVE INVESTMENT FUND MANAGER (“AIFM”)
BNP PARIBAS ASSET MANAGEMENT Luxembourg
10, rue Edward Steichen
L-2540 Luxembourg
Grand Duchy of Luxembourg

THE COMPANY’S BOARD OF DIRECTORS

Chair

Mr Hans STEYAERT, Head of Operational Change Management, BNP PARIBAS ASSET MANAGEMENT Belgium, Brussels

Members

Mrs Karine Hoang, Client Relationship Manager, BNP PARIBAS ASSET MANAGEMENT France, Paris
Mrs Elise Broussous, ESG Specialist, BNP PARIBAS ASSET MANAGEMENT France, Paris
Mr. Charles Clarke, Client Communications Manager, BNP PARIBAS ASSET MANAGEMENT UK, London

THE BOARD OF DIRECTORS OF THE AIFM
Chair

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

Members

Mr Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg
Mr Georges ENGEL, Independent Director, Vincennes, France
Mrs Marie-Sophie PASTANT, Head of ETF, Index & Synthetic Systematic Strategies Portfolio Management, BNP PARIBAS ASSET MANAGEMENT France, Paris

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

TRANSFER AND REGISTRAR AGENT
BNP Paribas, Luxembourg Branch
60 avenue J.F Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

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

INVESTMENT MANAGERS

- **BNP PARIBAS ASSET MANAGEMENT France**
  1 Boulevard Haussmann, F-75009 Paris, France
  A French company incorporated on 28 July 1980.
- **BNP PARIBAS ASSET MANAGEMENT UK LTD**
  5 Aldermanbury Square, London EC2V 7BP, United Kingdom
  A UK company incorporated on 27 February 1990.

SUB-INVESTMENT MANAGERS

- **BNP PARIBAS ASSET MANAGEMENT USA, Inc.**
  200 Park Avenue, 11th floor, New York, NY 10166, USA
  An US company, incorporated on 24 August 1972

AUDITOR

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
B.P. 1443
L – 2182 Luxembourg
Grand Duchy of Luxembourg

TERMINOLOGY

For purposes of this document, the following terms shall have the following meanings. The below terminology is a generic list of terms. Some of them may therefore not be used in the present document:

Absolute Return Investments: Investments seek to make positive returns by employing investment management techniques that differ from traditional mutual funds, such as short selling, futures, options, financial derivative instruments, arbitrage, and leverage.

Accounting Currency: Currency in which the assets of a sub-fund are stated for accounting purposes, which may be different of the share category valuation currency.

Active Trading: Subscription, conversion, or redemption in the same sub-fund over a short period of time and involving substantial amounts, usually with the aim of making a quick profit. This activity is prejudicial to other shareholders as it affects the sub-fund's performance and disrupts management of the assets.

ADR / GDR: ADR / GDR refer to all categories of American Depositary Receipts and Global Depositary Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs and GDRs are not listed locally but on such markets as New York or London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the sub-fund's investment policy.

Alternatives Investments: Investments outside of the traditional asset classes of equities, debt securities and cash: they include Hedge Funds, Managed Futures, Real Estate Investments, Commodities Investments, Inflation-linked Products and Derivatives Contracts. Alternative investments strategies may pursue the following strategies: Equity Long / Short, Equity Market Neutral, Convertible Arbitrage, Fixed Income Arbitrage (yield curve arbitrage or corporate spread arbitrage), Global Macro, Distressed Securities, Multi-strategy, Managed Futures, Take-over / merger arbitrage, Volatility arbitrage, and Total return.

AIFM Law: The Luxembourg law of 12 July 2013 related to Alternative Investment Fund Managers.

AIFM Regulation: Commission delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61 of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.

Alternative Investment Fund Manager Agreement: The agreement between the Fund and the Alternative Investment Fund Manager as amended, supplemented or otherwise modified from time to time.

Authorised Investors: Investors specially approved by the Board of Directors of the Company.

Benchmark Register: The Benchmark Administrators Register held by ESMA, in accordance with Article 36 of the Benchmark Regulation 2016/1011.

CDS: Credit Default Swap: When buying or selling a CDS the Company hedges against the risk of an issuer's default by paying a quarterly premium. In the event of payment default, settlement may be made either in cash, in which case the buyer of the protection receives the difference between the face value and the recoverable value, or in the form of an in-kind settlement, in which case the buyer of the protection sells the defaulting security, or another security chosen from a basket of deliverable securities agreed in the CDS contract, to the seller of the protection and recovers the face value. The events that constitute default are defined in the CDS contract, along with the procedures for delivery of the bonds and debt certificates.

CFD: Contract for Difference: Contract between two parties whereby they agree on a cash payment between them in the amount of the difference between two valuations of the underlying asset, at least one of which is unknown when they enter into the contract. By entering into a CFD, the Company undertakes to pay (or receive) the difference between the valuation of the underlying asset at the time of entering into the contract and the valuation of the underlying asset at a particular moment in the future.

Circular 02/77: Circular issued by the CSSF on 27 November 2002 concerning the protection of investors in case of NAV calculation error and correction of the consequences resulting from non-compliance with the investment rules applicable to undertakings for collective investments.

Circular 07/309: Circular issued by the CSSF on 3 August 2007 concerning the diversification of risks for the specialised investment funds ("FIS").This document is available on the CSSF website (www.cssf.lu).

Circular 07/310: Circular issued by the CSSF on 3 August 2007 and modified by Circular 08/348 on 17 April 2008 concerning the financial investments to be reported by the specialised investment funds ("FIS"). This document is available on the CSSF website (www.cssf.lu).

Circular 08/356: Circular issued by the CSSF on 4 June 2008 concerning the rules applicable to undertakings for collective investment when they utilise certain techniques and instruments based on transferable securities and money market instruments. This document is available on the CSSF website (www.cssf.lu).

Commodities Investments: Investments in instruments based on commodities.

Company Name: BNP PARIBAS FLEXI III.

CSSF: *Commission de Surveillance du Secteur Financier*, the regulatory authority for UCI in the Grand Duchy of Luxembourg.

Currencies:

EUR: Euro
HKD: Hong Kong Dollar
JPY: Japanese Yen
USD: US Dollar

Directive 2011/16: European Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation as amended by the Directive 2014/107.

Directive 2011/61: Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFM Directive).

Directive 2014/65: **MIFID II**: Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

Directive 2014/107: European Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16 as regards mandatory automatic exchange of information (AEOI) in the field of taxation.

EEA: European Economic Area.

EDS: Equity Default Swap: When buying equity default swap the Company hedges against the risk of a sharp fall (the current market norm is 70%) in the value of the underlying security on the stock markets, regardless of the cause for the fall, by paying a quarterly premium. When the risk is realised, i.e. when the closing price on the stock market reaches or exceeds the threshold (of –70%), the payment is made in cash: the buyer of the protection receives a pre-determined percentage (the current European market norm is 50%) of the notional amount initially assured.

Emerging markets: Non OECD countries prior to 1 January 1994 together with Turkey and Greece.

In the Emerging markets, 2 different categories may be identified by the main providers of indices:

- Frontier markets: a sub-category of emerging markets designating growing economies with widely varying characteristics in terms of development, growth, human capital, demographics and political openness.

- Advanced emerging markets: a sub-category of countries in the group of emerging markets gathering the best ranked countries in terms of market efficiency, regulatory environment, custody and settlement procedures and dealing tools available

Equity: A stock or any other security representing an ownership interest.

Equity equivalent security: ADR, GDR and investment certificates.

ESG: Environmental, Social and Governance
GSS: the Global Sustainability policy which governs the approach to sustainability of BNP Paribas Asset Management and can be found under the following link: Global Sustainability Strategy.

High Yield Bonds: These bond investments correspond to the ratings assigned by the rating agencies for borrowers rated below BBB- on the Standard & Poor's or Fitch rating scale and below Baa3 on the Moody's rating scale. Such high-yield bond issues are loans that generally take the form of bonds with a 5-, 7- or 10-year maturity. The bonds are issued by companies with a weak financial base. The return on the securities, and their level of risk, is significant, making them highly speculative. In the case of securities rated by two or more agencies, the worst rate available will be considered.

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

Investment Grade Bonds: These bond investments correspond to the ratings assigned by the rating agencies for borrowers rated between AAA and BBB- on the Standard & Poor's or Fitch rating scale and Aaa and Baa3 on the Moody's rating scale. In the case of securities rated by two agencies, the best rating among the

	two available will be taken. In the case of securities rated by three agencies, the two best ratings among the three available will be taken.
IRS:	Interest Rate Swap: OTC agreement between two parties to exchange one stream of interest payments for another, over a set period of time without exchange of notionals. IRS allow portfolio managers to adjust interest rate exposure and offset the risks posed by interest rate volatility. By increasing or decreasing interest rate exposure in various parts of the yield curve using swaps, managers can either increase or neutralize their exposure to changes in the shape of the curve. Within Money Market sub-funds of the Company IRS are only negotiated for hedging purpose (i.e. IRS with a fixed rate paying leg and a variable rate receiving leg
Law of 17 December 2010:	Luxembourg law of 17 December 2010 concerning undertakings for collective investment. This law implements Directive 2009/65/EC (UCITS IV) of 13 July 2009 into Luxembourg law.
Law of 10 August 1915:	Luxembourg law of 10 August 1915 on commercial companies, as amended.
Managers:	Portfolio managers and insurance companies subscribing within the scope of discretionary individual portfolios management mandates.
Market Timing:	Arbitrage technique whereby an investor systematically subscribes and redeems or converts units or shares in a single UCITS within a short space of time by taking advantage of time differences and/or imperfections or deficiencies in the system of determining the NAV of the UCITS. This technique is not authorised by the Company.
Money Market Instruments:	Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time.
Money Market Funds:	Funds providing short-term cash management and finance to financial institutions, corporations and governments in accordance with the provisions of the Regulation 2017/1131.
NAV:	Net Asset Value.
OECD:	Organisation for Economic Co-operation and Development.
Offering Document:	The present document.
OTC:	Over The Counter.
RBC Policy:	the Responsible Business Conduct Policy defining 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies. More information are available on the following link: Responsible Business Conduct policy.
Real Estate Investments:	Investments in Real Estate certificates, shares of companies linked to Real Estate REITs.
Reference Currency:	Main currency when several valuation currencies are available for a same share.
Regulation 1286/2014:	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).
Regulation 2015/2365:	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (SFTR).
Regulation 2016/679:	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation – "GDPR").
Regulation 2016/1011:	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
Regulation 2017/1131:	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.
Regulation 2019/2088:	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, also known as the Sustainable Finance Disclosure Regulation (**SFDR**) and that lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability - related information with respect to financial products.
Regulation 2020/852:	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, and amending Regulation (EU) 2019/2088 (**Taxonomy Regulation**), and that implements the criteria for determining whether an economic activity qualifies as environmentally sustainable.

SFT: Securities Financing Transactions which means:

- a repurchase or reverse repurchase transaction;

- securities lending and securities borrowing;

- a buy-sell back transaction or sell-buy back transaction

- a margin lending transaction

STP: Straight-Through Processing, process transactions to be conducted electronically without the need for re-keying or manual intervention.

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

Transferable Securities: Classes of securities which are negotiable on the capital market (with the exception of instruments of payment) such as:

- Equity and Equity equivalent securities, partnerships or other entities, and depositary receipts in respect of Equity
- Bonds or other forms of securitised debt, including depositary receipts in respect of such securities
- Any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures.

TRS: **Total Return Swap:** Derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference asset (equity, equity index, bond, bank loan) to another counterparty.

TRS are in principle unfunded ("Unfunded TRS"): the total return receiver pays no upfront amount in return for the total return of the reference asset; then it allows both parties to gain exposure to a specific asset in cost-effective manner (the asset can be held without having to pay additional costs).

TRS may also be funded ("Funded TRS") when it involves an upfront payment (often based on the market value of the asset) at inception in return for the total return of the reference asset.

UCI: Undertaking for Collective Investment.

UCITS: Undertaking for Collective Investment in Transferable Securities.

Valuation Currency(ies): Currency in which the net asset values of a sub-fund, share category, or share class are calculated. There may be several valuation currencies for the same sub-fund, share category, or share class (so called "Multi-Currency" facility). When the currency available in the share category, or share class is different than the Accounting Currency, subscription/conversion/redemption orders may be taken in account without suffer exchange rate charges.

Valuation Day: Each open bank day in Luxembourg and subject to exceptions available in the Book II.

It corresponds also to:

- Date attached to the NAV when it is published
- Trade date attached to orders
- With regards to exceptions in the valuation rules, closing date prices used for the valuation of the underlying assets in the sub-fund's portfolios.

VaR: **Value-at-Risk** is a statistical methodology used to assess an amount of potential loss according to a probability of occurrence and a time frame.

GENERAL PROVISIONS

BNP Paribas Flexi III, a *société anonyme* in the form of an investment company with variable capital – specialised investment fund (*abbreviated to SICAV-SIF)* governed by the Law as well as by the provisions of the AIFM Law and constituted for an unlimited duration on 18 July 2007.

Its Articles of Association have been published on 4 September 2007 in the *Mémorial, Recueil des Sociétés et Associations* (the "*Mémorial*"). The latest version of the Articles of Association has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website www.lbr.lu).

The Company's capital is expressed in euros ("EUR") and is at all times equal to the total net assets of the various sub-funds. It is represented by fully paid-up shares issued without a designated par value, described below as "The Shares". The capital varies automatically without the notification and specific recording measures required for increases and decreases in the capital of limited companies. Its minimum capital is defined by the Law.

The Company is registered in the Luxembourg Trade and Companies Register under the number B 130 436.

The Company is an umbrella fund, which comprises multiple sub-funds, each with distinct assets and liabilities of the Company. Each sub-fund shall have an investment policy and an Accounting Currency that shall be specific to it as determined by the Board of Directors.

The Company is a single legal entity.

In accordance with Article 71 (5) of the Law:

- the rights of shareholders and creditors in relation to a sub-fund or arising from the constitution, operation or liquidation of a sub-fund are limited to the assets of that sub-fund;
- the assets of a sub-fund are the exclusive property of shareholders in that sub-fund and of creditors where the credit arises from the constitution, operation or liquidation of the sub-fund;
- in relations between shareholders, each sub-fund is treated as a separate entity.

The Board of Directors may at any time create new sub-funds, investment policy and offering methods of which will be communicated at the appropriate time by an update to the Offering Document. Shareholders may also be informed via press publications if required by regulations or if deemed applicable by the Board of Directors. Similarly, the Board of Directors may close sub-funds, in accordance with the provisions of Appendix 4.

All the Benchmark Indexes mentioned in this Prospectus, which are used either for tracking or asset allocation purposes, are published by Benchmark index's administrators registered or to be registered in the Benchmark Register, as indicated in Book II. The Prospectus will be updated with newly registered Benchmark index's administrators in a timely manner.

The Company has produced and maintains robust written plans setting out the actions that it will take if a Benchmark Index materially changes or ceases to be provided, or if the Benchmark Index's administrator loses its registration with ESMA. These plans may be obtained free of charge and upon request from the Management Company.

MANAGEMENT AND ADMINISTRATION

The Company is directed and represented by the Board of Directors acting under the authority of the General Shareholders' Meeting. The Company outsources management, administration, audit services, and asset custody. The roles and responsibilities associated with these functions are described below. The composition of the Board of Directors and the names, addresses and detailed information about the service providers is listed above in the section entitled "General Information".

The AIFM, the Investment Managers, the Depositary, the NAV Calculation agent, Distributors and other service providers and their respective affiliates, directors, officers and shareholders are or may be involved in other financial, investment and professional activities that may create conflicts of interest with the management and administration of the Company. These include the management of other funds, purchases and sales of securities, brokerage services, depositary and safekeeping services, and serving as directors, officers, advisors or agents for other funds or other companies, including companies in which a sub-fund may invest. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such other involvement that they might have. In the event that a conflict of interest does arise, the Directors and the relevant Parties involved shall endeavour to resolve it fairly, within reasonable time and in the interest of the Company.

Board of Directors

The Board of Directors assumes ultimate responsibility for the management of the Company and is therefore responsible for the Company's investment policy definition and implementation.

AIFM

Acting as AIFM, BNP PARIBAS ASSET MANAGEMENT Luxembourg was incorporated as a limited company (*société anonyme*) in Luxembourg on 19 February 1988. Its articles of association have been modified at various times. Its share capital is EUR 3 million, fully paid up.The Board of Directors has appointed the AIFM as to serve as the Company's alternative investment fund manager within the meaning of Chapter II of Directive 2011/61 and Chapter 2 of the AIFM Law and in accordance with the provisions of the Law.

The AIFM performs the administration, portfolio management and marketing duties.

Alternative Investment Fund Manager Agreement

The Alternative Investment Fund Manager Agreement is subject to Luxembourg law and any dispute may be raised before Luxembourg competent jurisdiction. Each of the parties may terminate the Alternative Investment Fund Manager Agreement subject to three months notice.

In order to cover potential liability risks resulting from professional negligence, the AIFM holds appropriate additional own funds in accordance with the provisions of the AIFM Law. Among the functions assigned to it, the AIFM shall in particular be responsible for the following duties towards the Company:

- Risk Management function;
- Administration of the Company;
- Marketing and distribution (if applicable) of the shares of the Company.

In accordance with applicable laws and regulations and with the prior consent of the CSSF, the AIFM is empowered to delegate, under its responsibility, part of its duties and powers to any person or entity, which it may consider appropriate and which disposes of the requisite expertise and resources.

Any such delegation will be performed in compliance with the provisions of Book II of the Law and the AIFM Law.

At the date of the current Offering Document, the AIFM has delegated:

- the portfolio management of the Company's holdings, and the observance of its investment policy and restrictions, to the Investment Managers listed above in "General Information". A list of the investment managers effectively in charge of management and details of the portfolios managed are appended to the Company's periodic reports. Investors may request an up-to-date list of investment managers specifying the portfolios managed by each;
- within the administration functions, the functions of NAV calculation, Registrar (both for registered and bearer shares) and Transfer Agent are delegated to BNP Paribas,Luxembourg branch;

Investment advice is also sought from the Advisors mentioned above in "General Information".

In accordance with AIFM Law, the AIFM ensures that the delegates carry out the delegated functions effectively and in compliance with applicable law and regulatory requirements and must establish methods and procedures for reviewing on an ongoing basis the services provided by the delegates. The AIFM shall supervise effectively the delegated functions and manage the risks associated with the delegation and take appropriate action if it appears that the delegates cannot carry out the functions effectively or in compliance with applicable laws and regulatory requirements.

The AIFM shall:

(a) act honestly, with due skill, care and diligence and fairly in conducting their activities;

(b) act in the best interests of the Company or the investors of the Funds they manage and the integrity of the market;

(c) have and employ effectively the resources and procedures that are necessary for the proper performance of their business activities;

(d) take all reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose those conflicts of interest in order to prevent them from adversely affecting the interests of the Company and their investors and to ensure that the Funds they manage are fairly treated;

(e) comply with all regulatory requirements applicable to the conduct of their business activities so as to promote the best interests of the Company or the investors of the Funds they manage and the integrity of the market; and

(f) treat all the Company's investors fairly.

In executing securities transactions and in selecting any broker, dealer, or other counterparty, the AIFM and any Investment Managers will use due diligence in seeking the best overall terms available. For any transaction, this will involve consideration of all factors deemed relevant, such as market breadth, security price and the financial condition and execution capability of the counterparty. An investment manager may select counterparties from within BNP Paribas Group so long as they appear to offer the best overall terms available.

In addition, the AIFM may decide to appoint Distributors/Nominees to assist in the distribution of the Company's shares in the countries where they are marketed.

Distribution and Nominee contracts will be concluded between the AIFM and the various Distributors/Nominees.

In accordance with the Distribution and Nominee Contract, the Nominee will be recorded in the register of shareholders in place of the end shareholders.

Shareholders who have invested in the Company through a Nominee can at any time request the transfer to their own name of the shares subscribed via the Nominee. In this case, the shareholders will be recorded in the register of shareholders in their own name as soon as the transfer instruction is received from the Nominee.

Investors may subscribe to the Company directly without necessarily subscribing via a Distributor/Nominee.

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

Depositary

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

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 19(9) of the AIFM Law), (ii) the monitoring of the cash flows of the Company (as set out in Art 19(7) of the AIFM Law and (iii) the safekeeping of the Company's assets (as set out in Art 19(8) of the AIFM Law).

Under its oversight duties, the Depositary is required to:

1. ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the AIFM Law or with the Articles of Association,
2. ensure that the value of Shares is calculated in accordance with the AIFM Law and the Articles of Association,
3. carry out the instructions of the Company or the AIFM acting on behalf of the Company, unless they conflict with the AIFM Law or the Articles of Association,
4. ensure that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;
5. ensure that the Company's revenues are allocated in accordance with the AIFM Law and its Articles of Association.

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

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

Such other business relationships may cover services in relation to

- Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas or its affiliates act as agent of the Company or the AIFM, or
- Selection of BNP Paribas or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary is required to ensure that any transaction relating to such business relationships between the Depositary and an entity within the same group as the Depositary is conducted at arm's length and is in the best interests of shareholders.

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

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
    - Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
    - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned shareholders, or (ii) refuse to carry out the activity giving rise to the conflict of interest;
    - Implementing a deontological policy;
    - recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
    - setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the shareholders are fairly treated.

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

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

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

A list of these delegates and sub-delegates for its safekeeping duties is available in the website: https://securities.cib.bnpparibas/app/uploads/sites/3/2021/11/ucitsv-list-of-delegates-sub-delegates-en.pdf

Such list may be updated from time to time.

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

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

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Auditor

All the Company's accounts and transactions are subject to an annual audit by the Auditor.

INVESTMENT POLICY, OBJECTIVES, RESTRICTIONS AND TECHNIQUES

The Company’s general objective is to provide its investors with the highest possible appreciation of capital invested while offering them a broad distribution of risks. To this end, the Company will principally invest its assets in a range of transferable securities, money market instruments, units, or shares in undertakings for collective investment, credit institution deposits, and financial derivative instruments, denominated in various currencies and issued in different countries and other assets permitted by the Law.

Since the Company may invest its assets in undertakings for collective investment, the investor is exposed to the risk of dual fees (such as the management fees for the undertakings for collective investment in which the Company invests).

The Company’s investment policy is determined by the Board of Directors in light of current political, economic, financial and monetary circumstances. The policy will vary for different sub-funds, within the limits of, and in accordance with, the specific features and objective of each as stipulated in Book II.

The investment policy will be conducted with strict adherence to the principle of diversification and spread of risks. To this end, without prejudice to anything that may be specified for one or more individual sub-funds, the Company will be subject to a series of investment restrictions as stipulated for each sub-fund in Book II. In this respect, the attention of investors is drawn to the investment risks described for each sub-fund in Book II.

The assets of the Company are subject to normal market risks and no assurance can be given that the objectives set out above will be achieved.

Furthermore, the Company is authorised to use techniques and instruments on transferable securities and money market instruments under the conditions and limits defined for each sub-fund in Book II, provided that these techniques and instruments are employed for the purposes of efficient portfolio management. When these operations involve the use of financial derivative instruments, these conditions and limits must comply with the provisions of the law and regulation. Under no circumstances can these operations cause the Company and its sub-funds to deviate from the investment objectives as described in the Offering Document.
Unless otherwise specified in each sub-fund’s investment policy, no guarantee can be given on the realisation of the investment objectives of the sub-funds, and past performance is not an indicator of future performance.

Class Action Policy
The Board of Directors has adopted a corporate governance policy that includes voting at shareholders’ meetings of companies in which sub-funds invest. The main principles governing the Board's voting policy relate to a company's ability to provide shareholders with transparency and accountability with respect to the shareholders' investments and that a company should be managed to assure growth and return of the shares over the long term. The Board of Directors shall execute the voting policy in good faith taking into account the best interest of the shareholders of the investment funds. For further reference please consult also the website www.bnpparibas-am.com.
As a matter of policy, the AIFM:
- Does, in principle, not participate in active class actions (i.e., the AIFM does not initiate, act as a plaintiff, or otherwise take an active role in a class action against an issuer);
- May participate in passive class actions in jurisdictions where the AIFM considers, at its sole discretion, that (i) the class action process is sufficiently effective (e.g. where the anticipated revenue exceeds the predictable cost of the process), (ii) the class action process is sufficiently predictable and (iii) the relevant data required for the assessment of eligibility to the class action process are reasonably available and can be efficiently and robustly managed;
- Transfers any monies which are paid to the AIFM in the context of a class action, net of external costs, to the funds which are involved in the relevant class action.

The AIFM may at any time amend its class actions policy and may deviate from the principles set out therein in specific circumstances.

The principles of the class actions policy applicable to the Company are available on the website https://www.bnpparibas-am.com of the AIFM.

SUSTAINABLE INVESTMENT POLICY[1]

BNP PARIBAS ASSET MANAGEMENT's Global Sustainability Strategy governs the approach of BNP Paribas Asset Management to sustainability , which consists in particular of the implementation of ESG integration, responsible business conduct standards and stewardship activities (as defined below) into the investment processes applied by the investment managers of each sub-fund.

ESG stands for **E**nvironmental, **S**ocial and **G**overnance; these are criteria commonly used to assess the level of sustainability of an investment.

BNP PARIBAS ASSET MANAGEMENT is committed to having a sustainability approach for its investments. Nonetheless, the extent and manner in which this approach is applied varies according to the type of sub-fund, asset class, region and instrument used. Furthermore, some sub-funds may apply additional investment guidelines, as described in Book 2. Consequently, the implementation of the sustainability approach applies individually across all portfolios. This means, the sub-fund's extra-financial score is compared to the one of its investment universe, that is the main securities and geographical areas targeted by each sub-fund, unless otherwise stated in Book II.

Unless specified in Book II, the extra-financial analysis coverage of each sub-fund classified as article 8 under SFDR must be at least (the "Minimum Extra-Financial Analysis"):

90%* of its assets for equities issued by large capitalisation companies whose registered office is located in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries ; or

75%* of its assets for equities issued by large capitalisations whose registered office is located in "emerging" countries, equities issued by small and medium capitalisations, debt securities and money market, instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

* These ratio are understood excluding ancillary liquid assets.

The sustainability approach, including the integration of sustainability risks, is incorporated at each step of the investment process of each sub-fund and includes the following elements:

- **Responsible business conduct standards**: As defined in the BNP PARIBAS ASSET MANAGEMENT's Responsible Business Conduct policy ("RBC"), they include respecting: 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies.
    1) Norms-based screens: The United Nations Global Compact (www.unglobalcompact.org) defines 10 principles for businesses to uphold in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Similarly, the OECD Guidelines for Multinational Enterprises sets out principles for the responsible business conduct of businesses. These two shared frameworks are recognized worldwide and applicable to all industry sectors. Companies that violate one or more of the principles are excluded from the sub-funds' investments, and those at risk of breaching them are closely monitored, and may also be excluded.
    2) BNP PARIBAS ASSET MANAGEMENT has also defined a series of guidelines relating to investments in sensitive sectors, listed in the RBC. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the sub-funds' investments. The sectors concerned include, but are not limited to, palm oil, wood pulp, mining activities, nuclear, coal-fired power generation, tobacco, controversial weapons, unconventional oil and gas and asbestos.
- **ESG integration**: It involves the evaluation of the below three non-financial criteria at the level of the issuers in which the sub-funds invest:
    - Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;
    - Social: such as respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
    - Governance: such as Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

    ESG scores, as defined by an internal proprietary framework, is made available to assist in the ESG evaluation of securities' issuers. ESG integration is systematically applied to all investment strategies. The process to integrate and embed ESG factors in the investment decision-making processes is guided by formal ESG Integration Guidelines. However, the way and the extent to which ESG integration, including ESG scores, is embedded in each investment process is determined by its Investment Manager, who is fully responsible in this respect.
- **Stewardship**: It is designed to enhance the long-term value of shareholdings and the management of long-term risk for clients, as part of BNP PARIBAS ASSET MANAGEMENT's commitment to act as an efficient and diligent steward of assets. Stewardship activities include the following categories of engagement:
    - Company Engagement: the aim is to foster, through dialogue with companies, corporate governance best practices, social responsibility and environmental stewardship. A key component of company engagement is voting at annual general meetings. BNP PARIBAS ASSET MANAGEMENT publishes detailed proxy-voting guidelines on a range of ESG issues.
    - Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT aims to embed sustainability considerations more fully into the markets in which it invests and in the rules that guide and govern company behavior as per its Public Policy Stewardship Strategy.

ESG Scoring Framework

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

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

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

[1] in the meaning of global sustainability approach

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

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

2- ESG assessment vs. peers

This assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable between sectors and regions. For instance, health & safety is less important for an insurance company than a mining company.
Each issuer starts with a baseline 'neutral' score of 50. Each score is then summed for each of the three ESG pillars – Environmental, Social and Governance. An issuer receives a positive score for a pillar if it performs better than the average of its peer group. If it performs below than the average, it receives a negative score.
However, two universal issues that impact all companies are not scored relative to peers, introducing a deliberate 'tilt' for the most exposed sectors. These are:

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

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

3- Qualitative review

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

4- Final ESG score

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

SFDR's Sustainable Investments

In addition to the above, some sub-funds may have either a sustainable investment objective, in the meaning of Article 9 of SFDR, or intend to invest part of their assets in sustainable investments, as disclosed in Appendix 5.

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

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

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

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;
2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
   a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
   b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

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

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm “DNSH” principle) and should follow good governance practices. BNP PARIBAS ASSET MANAGEMENT uses its proprietary methodology to assess all companies against these requirements.

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

Taxonomy-aligned Investments

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

Thus, for the purpose of determining the environmental sustainability of a given economic activity, six environmental objectives are defined and covered by the Taxonomy Regulation: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.

To be qualified as Taxonomy-aligned, an economic activity has to meet the following four conditions:

- Being mapped as an eligible economic activity within the Technical Screening Criteria (TSC);
- Making a substantial contribution to at least one of the above mentioned environmental objective;
- Doing no significant harm (DNSH) to any other environmental objective;
- Complying with minimum social safeguards through the implementation of procedures to meets minimum social requirements embedded in the OECD Guidelines on Multinational Enterprises (MNEs), the UN Global Compact (UNGC) and the ten UN Guiding Principles on Business and Human Rights (UNGP), with specific reference to International Bill of Human Rights and the ILO Core Labour Conventions and Fundamental Principles and Rights at Work.

In order to determine the percentage of assets of each sub-fund invested in Taxonomy-aligned investments, as disclosed in Appendix 5, BNP PARIBAS ASSET MANAGEMENT may rely on third party data providers.

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

BNP PARIBAS ASSET MANAGEMENT is currently improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. Further subsequent prospectus updates will be made accordingly.
More information on the internal methodology can be found on the following website: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

Methodological limitations

Applying an extra-financial strategy may comprise methodological limitations such as the “Environmental, Social and Governance (ESG) Investment Risks” as defined in the appendix 3 of this Prospectus.
In the event the extra-financial criteria as specified above or in Book II for any sub-fund are no longer met from time to time, the Investment Manager will promptly adjust the porftfolio in the best interest of the shareholders.
In particular, it should be noted that the proprietary methodologies used to take into account ESG non-financial criteria may be subject reviews in the event of regulatory developments or updates that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

Transparency of adverse sustainability impacts

The sub-funds consider principal adverse impacts on sustainability factors (PAI) by applying the RBC, and/or the other sustainability pillars listed in the “SFDR Disclosure Statement: sustainability risk integration and PASI considerations” (the “Disclosure Statement”).

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

The sub-funds which are not categorized as Article 8 or Article 9, consider in their investment process, through the application of the RBC, the indicator n°10 on violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the indicator n°14 on the exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

For the sub-funds categorized as Article 8, through the combination of one or more pillars as detailed in the Disclosure Statement, and depending on the underlying assets, principal adverse impacts are considered and addressed or mitigated at sub-fund level.

Unless otherwise mentioned in the Tables disclosed in Appendix 5, by applying the sustainability pillars mentioned in the Disclosure Statement all of the following indicators are considered and addressed or mitigated by each sub-fund (the “General PAI Approach”):

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

More information on the PAI Disclosure are available on the website at the following address: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF.

SFDR classification

The sub-funds may be classified into 3 categories:

- sub-funds having a sustainable investment as their objectives (referred to as “**Article 9**”): Sustainable investment is defined as an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.
- sub-funds promoting environmental or social characteristics (referred to as “**Article 8**”): These sub-funds promote among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

  The following sub-funds are categorised as Article 8: Bond EM IG, Global Senior Corporate Loans, European Senior Corporate Loan, Senior Secured Bank Loan Fund Mogliano.
- Other sub-funds not categorized under Article 8 or Article 9, which represents all the sub-funds of the Company not listed above.

Integration of sustainability risks in the investment process of relevant sub-funds

Sustainability risks, as defined in the “Appendix 3 - Investment Risks”, are integrated into investment decisions of the sub-funds as part of the sustainable investment approach. The BNP PARIBAS Asset Management Global Sustainability Strategy sets out the rationale for integration of ESG factors into investment processes as well as common ESG integration principles implemented across investments. The in-house ESG scoring framework helps facilitate evaluation of sector specific ESG risks and opportunities considered to be material. For example, and as detailed in the Responsible Business Conduct Policy, an exclusion list of companies deemed to be in violation of the UN Global Compact Principles (www.unglobalcompact.org), the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines) as well as companies that don’t meet specific requirements are maintained.

SHARE CATEGORIES, SUB-CATEGORIES AND CLASSES

A. CATEGORIES

Within each sub-fund, the Board of Directors will be able to create and issue the share categories listed below and add new valuation currencies to the existing shares:

Category	*Investors*	*Initial subscription price per share*	*Minimum holding* (1) *(in EUR or its equivalent in any other Valuation Currency)*	*Maximum fees payable by the investors*(1)		
				Entry (max)	*Conversion (max)*	*Exit (max)*
N	Well-informed investors	Please refer to Book II for initial subscription price per share applicable for each particular sub-fund.	125,000	None	Not possible	None
Privilege	Distributors(2) Well-informed investors		Distributors: none Managers: none 125,000			
I	Institutional Investors and UCIs		1 million per sub-fund			
I Plus	Authorized Investors		1 million per sub-fund			
I Super Plus	Authorized Investors		30 Million per sub-fund			
X	Authorized Investors		None			

(1) Unless otherwise specified in Book II

(2) Distributors which provide only fee-based independent advisory services as defined by MiFID II, with respect to distributors that are incorporated in the EEA

B. SUB-CATEGORIES

1. MD/QD

These sub-categories pay dividend on a monthly (MD) or quarterly (QD) basis.

Such sub-categories may be duplicated (for example “MD2”, “MD3”…) to accommodate different dividend distribution arrangements.

The differences between such same classes within a sub-fund are explained in Book II.

2. Hedged (H)

These sub-categories aimed at hedging the currency exchange risks exposure of the portfolio of the sub-fund against their Reference Currency. In the event of changes in the net asset value of the portfolio and/or subscriptions and/or redemptions, hedging will be operated to the extent possible within specific bandwidths (should those limits not be respected from time to time, hedging readjustment will be operated). The currency exchange risk cannot be completely neutralized as the hedging technique is based on the sub-fund NAV.

The currency of these sub-categories appears in their denomination (for example, “IH EUR” for a category hedged in EUR and the accounting currency of the sub-fund is USD).

If the assets of one of these categories/classes in any sub-fund fall below EUR 1,000,000 or equivalent, the Board of Directors reserves the right to close the category and merge it with the same non hedged category of the same sub-fund.

3. Mono-Currency

These sub-categories are valued and issued solely in the Reference Currency, indicated by the denomination of the sub-category, which is different from the Accounting Currency of the sub-fund (for example “Classic USD” for a category issued and valued only in USD when the Accounting Currency of the sub-fund is EUR).

Other characteristics of these sub-categories as well as the fee structure are the same as those of their mother-category in the same sub-fund.

C. CAPITALISATION / DISTRIBUTION CLASSES

Any of the above share categories / sub-categories are issued in Capitalisation (“CAP”) and/or Distribution (“DIS”) classes as defined below.

1. CAP

CAP shares retain their income to reinvest it.

2. DIS

DIS shares may pay dividend to shareholders on an annual, monthly or quarterly basis.

The general meeting of shareholders holding DIS shares for each sub-fund concerned decides each year on the Board of Directors' proposal to pay a dividend, which is calculated in accordance with the limitations defined by law and the Articles of Association. In this respect, the general meeting reserves the right to distribute the net assets of each of the Company's sub-funds up to the limit of the legal minimum capital. The nature of the distribution (net investment income or capital) will be mentioned in the Company's financial statements.

If, given market conditions, it is in the shareholders' interest not to distribute a dividend, then no such distribution will be carried out.

If it deems it advisable, the Board of Directors may decide to distribute interim dividends.

The Board of Directors determines the payment methods for the dividends and interim dividends that have been decided upon. Dividends will, in principle, be paid in the Reference Currency of the class (exchange costs incurred for payments in different currencies will be borne by the investor).

Declared dividends and interim dividends not collected by shareholders within a period of five years from the payment date will lapse and revert to the sub-fund concerned.
Interest will not be paid on declared and unclaimed dividends or interim dividends, which will be held by the Company on behalf of the shareholders of the sub-fund for the duration of the legal limitation period.

D. SHARE LEGAL FORMS

All the shares are issued in registered form.
They cannot be issued in bearer form.
The shares are all listed into specific registers kept in Luxembourg by the Registrar Agent indicated in the section "General Information". Unless otherwise specified, shareholders will not receive a certificate representing their shares. Instead, they will receive a confirmation of their entry into the register.

E. GENERAL PROVISION AVAILABLE FOR ALL CATEGORIES

The Board of Directors has the option of adding new valuation currencies to existing categories or classes and, with the previous approval of the CSSF, of adding new unit categories, sub-categories and classes to existing sub-funds with the same specification as those described above on points A, B and C. Such a decision will not be published but the website http://www.bnpparibas-am.com and the next version of the prospectus will be updated accordingly.

The Board of Directors reserves the right to redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares.

Fractions of shares may be issued up to three decimals for all sub-funds, except for the following sub-fund, for which fractions of shares may be issued up to five decimals:

- BNP Paribas Flexi III Signature EUR

The shares of each sub-fund and/or each category and/or class have an equal right to the liquidation proceeds of the sub-fund and/or each category and/or class concerned.

SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES

Preliminary information

Subscriptions, conversions and redemptions of shares are made with reference to their unknown net asset value (NAV). They may concern a number of shares or an amount.
The Board of Directors reserves the right to:
(a) refuse a subscription, or conversion request for any reason whatsoever in whole or in part;
(b) redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares;
(c) reject subscription, conversion or redemption requests from any investor who it suspects of using practices associated with Market Timing and Active Trading, and, where applicable, take the necessary measures to protect the other investors in the Company, notably by charging additional exit fees up to 2% of the order amount, to be retained by the sub-fund.

The Board of Directors is authorised to set minimum amounts for subscription, conversion, redemption and holding.

Subscriptions from entities which submit subscription applications and whose names show that they belong to one and the same group, or which have one central decision-making body, will be grouped together to calculate these minimum subscription amounts.

Should a share redemption or conversion request, a merger/splitting procedure, or any other event, have the effect of reducing the number or the total net book value of the shares held by a shareholder to below the number or value decided upon by the Board of Directors, the Company may redeem all the shares.

In certain cases stipulated in the section on suspension of the calculation of the NAV, the Board of Directors is authorised to temporarily suspend the issue, conversion and redemption of shares and the calculation of their net asset value.

Fight against money laundering and the financing of terrorism

In connection with anti-money laundering procedures, in accordance with the Luxembourg laws and regulations (including but not limited to, the amended law of 12 November 2004 relating to the fight against money laundering, and the financing of terrorism, as amended, and the CSSF cirulars and regulations including CSSF Regulation N°12-02 as amended by CSSF

Regulation N°20-05), the subscription form must be accompanied, in the case of an individual, by the identity card or passport of the subscriber, authenticated by a competent authority (for example, an embassy, consulate, notary, police superintendent) or by a financial institution subject to equivalent identification standards to those applicable in Luxembourg or the Articles of Association; and by an extract from the trade and companies register for a legal entity, in the following cases:

1. **direct subscription to the Company;**
2. **subscription through a professional financial sector intermediary resident in a country that is not subject to an obligation for identification equivalent to Luxembourg standards as regards preventing the use of the financial system for the purposes of money laundering;**
3. **subscription through a subsidiary or branch office, the parent company of which would be subject to an obligation for identification equivalent to that required under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure that its subsidiaries or branch offices adhere to these provisions.**

The Company is also bound to identify the source of funds if they come from financial institutions that are not subject to an obligation for identification equivalent to those required under Luxembourg law. Subscriptions may be temporarily frozen pending identification of the source of the funds.

It is generally accepted that finance sector professionals resident in countries that have signed up to the conclusions of the FATF (Financial Action Task Force) on money laundering are deemed to have an obligation for identification equivalent to that required under Luxembourg law.

The Company finally confirms the existence of a) enhanced due diligence measures for intermediaries/nominees and b) AML/CFT controls on investments.

Processing of Personal Information

In accordance with GDPR, when submitting a subscription request, personal data of the investor ("Personal Data") may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company and the Management Company (as data controllers) with a view to managing its account and business relationship (such as to maintain the register of shareholder, process requests, provide shareholder services, guard against unauthorised account access, conduct statistical analyses, provide information on other products and services and/or comply with various laws and regulations). To the extent that this usage so requires, the investor further authorises the sharing of this information with different service providers of the Company, including some of which that may be established outside of the European Union, who may need to process these Personal Data for carrying out their services and complying with their own legal obligations, but which may not have data protection requirements deemed equivalent to those prevailing in the European Union. The Personal Data may notably be processed for purposes of filing, order processing, responding to shareholder's requests, and providing them with information on other products and services. Neither the Company nor its Management Company will disclose such Personal Data on shareholder unless required to do so by specific regulations or where necessary for legitimate business interests. Further detailed information in relation to the processing of Personal Data can be found in the Management Company's "Data Protection Notice" as well as on the "Personal Data Privacy Charter", which are accessible via the following link https://www.bnpparibas-am.com/en/footer/data-protection/. Each shareholder whose Personal Data has been processed has a right of access to his/her/its Personal Data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

Subscriptions

The shares will be issued at a price corresponding to the net asset value per share plus the entry fees described in the above list.

For an order to be executed at the net asset value on a given Valuation Day, it must be received by the Company before the time and date specified in the detailed conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next Valuation Day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the subscribed shares and the identity of the subscriber as described above.

Unless otherwise specified for a particular sub-fund, the subscription price of each share is payable in one of the valuation currencies of the shares concerned within the time period defined in Book II, increased, where necessary, by the applicable entry fees. At the shareholder's request, the payment may be made in a currency other than one of the valuation currencies. The exchange expenses will then be borne by the shareholder.

The Company reserves the right to postpone, and/or cancel subscription requests if it is not certain that the appropriate payment will reach the Depositary within the required payment time or if the order is incomplete. The Board of Directors or its agent may process the request by applying an additional charge to reflect interest owed at the customary market rates; or cancelling the share allotment, as applicable accompanied by a request for compensation for any loss owing to failure to make payment before the stipulated time limit. The shares will not be assigned until the duly completed subscription request has been received accompanied by the payment or a document irrevocably guaranteeing that the payment will be made before the deadline. If payment is made by uncertified cheque, the shares will be assigned after receipt of confirmation of payment. If payment is made in a currency other than the valuation currency for the shares subscribed, the exchange fees will be borne by the subscriber. The Company cannot be held responsible for the delayed processing of incomplete orders.

The Board of Directors may accept the issue of shares in exchange for the contribution in kind, in accordance with the conditions defined by Luxembourg law, in particular with respect to the obligation for the submission of a valuation report by the Auditor mentioned under "General Information" above, and provided that these transferable securities meet the Company's investment policy and restrictions for the sub-fund concerned as described in Book II. Unless otherwise specified, the costs of such a transaction will be borne by the applicant.

Conversions

Without prejudice to the specific provisions of a sub-fund and/or category and/or class such as specified in the detailed conditions for each sub-fund in Book II, shareholders may request the conversion of some or all of their shares into shares of another sub-fund and/or category and/or class. The number of newly issued shares and the costs arising from the transaction are calculated in accordance with the formula described below.

For a conversion order to be executed at the asset value on a given Valuation Day, it must be received by the Company before the time and date specified for each sub-fund in Book II. Orders received after this deadline will be processed at the asset value on the next Valuation Day.

Conversion Formula

The number of shares allocated to a new sub-fund, category or class will be established according to the following formula:

$$A = \frac{B \times C \times E}{D}$$

A	*being the number of shares to be allocated in the new sub-fund;*
B	*being the number of shares of the original sub-fund to be converted;*
C	*being the prevailing net asset value per share of the original sub-fund on the relevant Valuation Day;*
D	*being the prevailing net asset value per share of the new sub-fund on the relevant Valuation Day; and*
E	*being the exchange rate applicable at the time of the transaction between the currencies of the two concerned sub-funds*

Investors will be charged for any foreign exchange transactions carried out at their request.

Redemptions

Subject to the exceptions and limitations prescribed in the Offering Document, all shareholders are entitled, at any time, to have their shares redeemed by the Company.

For a redemption order to be executed at the net asset value on a given Valuation Day, it must be received by the Company before the time and date specified in the conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next Valuation Day.

Unless otherwise specified for a particular sub-fund, the redemption amount for each share will be reimbursed in one of the valuation currencies of the shares concerned and within the timeframe specified in Book II, less, where necessary, the applicable exit costs and back-end load where applicable.

At the shareholder's request, the payment may be made in a currency other than the valuation currencies of the redeemed shares, in which case the exchange costs will be borne by the shareholder and charged against the redemption price. The redemption price of shares may be higher or lower than the price paid at the time of subscription (or conversion), depending on whether the net asset value has appreciated or depreciated in the interval.

The Company reserves the right to postpone redemption requests if the order is incomplete. The Company cannot be held responsible for the delayed processing of incomplete orders.

The Board of Directors is entitled to meet payment of the redemption price for each consenting shareholder, by the allocation in kind of assets from the relevant sub-fund, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by the manager, taking into account the investment policy and restrictions of the sub-fund in question. The costs of such transfers will be borne by the applicant.

In the event that the total net redemption/conversion applications received for a given sub-fund on a Valuation Day equals or exceeds 10%* of the net assets of the sub-fund in question, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 10%* of the net assets of the sub-fund concerned. Any redemption/conversion applications deferred shall be given priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 10%* of net assets.

*5% applicable for the sub-funds "European Senior Corporate Loans" and "Global Senior Corporate Loans".

Stock Exchange listing

By decision of the Board of Directors, the shares may be admitted to official listing on the Luxembourg Stock Exchange and/or as applicable on another securities exchange.

At the date of this Offering Document, there are no shares listed on any stock exchange.

NET ASSET VALUE

CALCULATION OF THE NET ASSET VALUE PER SHARE

Each net asset value calculation will be made as follows under the responsibility of the Board of Directors:

1. The net asset value per share of each sub-fund, category and/or class will be calculated at a frequency set by the Board of Directors and mentioned in Book II.

   It will be calculated in the currencies specified in Book II for each sub-fund.
2. The net asset value per share will be calculated with reference to the total net assets of the corresponding sub-fund, category and/or class. The total net assets of each sub-fund, category and/or class will be calculated by adding all the asset items held by each (including the entitlements or percentages held in certain internal sub-portfolios as more fully described in point 4, below) from which any related debts and commitments will be subtracted, all in accordance with the description in point 4, paragraph 4, below.
3. The net asset value per share of each sub-fund, category and/or class will be calculated by dividing its respective total net assets by the number of shares in issue, up to two decimal places for all sub-funds, except for those currencies for which decimals are not used and except for the sub-fund BNP Paribas Flexi III Signature EUR, for which the net asset value per share will be calculated up to four decimals.
4. Internally, in order to ensure the overall financial and administrative management of the set of assets belonging to one or more sub-funds, categories and/or classes of shares, the Board of Directors may create as many internal sub-portfolios as there are sets of assets to be managed (the "internal sub-portfolios").

   Accordingly, one or more sub-funds, categories and/or classes of shares that have entirely or partially the same investment policy may combine the assets acquired by each of them in order to implement this investment policy in a sub-portfolio created for this purpose. The portion held by each sub-fund, category and/or class of shares within each of these internal sub-portfolios may be expressed either in terms of percentages or in terms of entitlements, as specified in the following two paragraphs. The creation of an internal sub-portfolio will have the sole objective of facilitating the Company's financial and administrative management.

   The holding percentages will be established solely on the basis of the contribution ratio of the assets of a given internal sub-portfolio. These holding percentages will be recalculated on each valuation day to take account of any redemptions, issues, conversions, distributions or any other events generally of any kind affecting any of the sub-funds, categories and/or classes of shares concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

   The entitlements issued by a given internal sub-portfolio will be valued as regularly and according to identical methods as those mentioned in points 1, 2 and 3, above. The total number of entitlements issued will vary according to the distributions, redemptions, issues, conversions, or any other events generally of any kind affecting any of the sub-funds, categories and/or classes of shares concerned that would increase or decrease their participation in the internal sub-portfolio concerned.
5. Whatever the number of categories and/or classes created within a particular sub-fund, the total net assets of the sub-fund will be calculated at the intervals defined by Luxembourg law, the Articles of Association and/or the Offering Document. The total net assets of each sub-fund will be calculated by adding together the total net assets of each category and/or class created within the sub-fund.
6. Without prejudice to the information in point 4, above, concerning entitlements and holding percentages, and without prejudice to the particular rules that may be defined for one or more particular sub-funds, the net assets of the various sub-funds will be valued in accordance with the rules stipulated below.

With respect to the protection of investors in case of net asset value calculation error, the Company will comply with the all the principles, procedures and rules set forth in Part I of Circular 02/77.

COMPOSITION OF ASSETS

The Company's assets primarily include:

(1) cash in hand and cash deposit including interest accrued but not yet received and interest accrued on these deposits until the payment date;
(2) all notes and bills payable on demand and accounts receivable (including the results of sales of securities before the proceeds have been received);
(3) all securities, units, shares, bonds, options or subscription rights and other investments and securities which are the property of the Company;
(4) all dividends and distributions to be received by the Company in cash or securities that the Company is aware of;
(5) all interest accrued but not yet received and all interest generated up to the payment date by securities which are the property of the Company, unless such interest is included in the principal of these securities;
(6) the Company's formation expenses, insofar as these have not been written down;
(7) all other assets, whatever their nature, including prepaid expenses.

VALUATION RULES

The assets of each sub-fund shall be valued as follows:

(1) the value of cash in hand and cash deposit, bills and drafts payable at sight and accounts receivable, prepaid expenses, and dividends and interest due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Company deems adequate to reflect the actual value of these assets;
(2) the value of shares or units in undertakings for collective investment shall be determined on the basis of the last net asset value available on the Valuation Day;
(3) the valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and

accessible to the public, is based on last known closing price in Luxembourg, on the valuation day, and, if the securities concerned are traded on several markets, on the basis of the last known closing price on the major market on which they are traded; if price last known closing price is not a true reflection, the valuation will be based on the probable sale price estimated by the Board of Directors in a prudent and *bona fide* manner;

(4) unlisted securities or securities not traded on a stock exchange or another regulated market which functions in a regular manner, is recognised and accessible to the public, shall be valued on the basis of the probable sale price estimated in a prudent and *bona fide* manner by a qualified professional appointed for this purpose by the Board of Directors;

(5) securities denominated in a currency other than the currency in which the sub-fund concerned is denominated shall be converted at the exchange rate prevailing on the Valuation Day;

(6) If permitted by market practice, liquid assets, money market instruments and all other instruments may be valued at their nominal value plus accrued interest or according to the linear amortisation method. Any decision to value the assets in the portfolio using the linear amortisation method must be approved by the Board of Directors, which will record the reasons for such a decision. The Board of Directors will put in place appropriate checks and controls concerning the valuation of the instruments.

(7) the Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation rates. Decisions taken in this respect shall be included in the Book II;

(8) IRS shall be valued on the basis of the difference between the value of all future interest payable by the Company to its counterparty on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments and the value of all future interest payable by the counterparty to the Company on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments;

(9) the internal valuation model for CDS utilises as inputs the CDS rate curve, the recovery rate and a discount rate (SOFR or market swap rate) to calculate the mark-to-market. This internal model also produces the rate curve for default probabilities. To establish the CDS rate curve, data from a certain number of counterparties active in the CDS market are used. The manager uses the valuation of the counterparties' CDS to compare them with the values obtained from the internal model. The starting point for the construction of the internal model is parity between the variable portion and fixed portion of the CDS on signing the CDS.

(10) since EDS (Equity Default Swaps) are triggered by an event affecting a share, their valuation depends mainly on the volatility of the share and its asymmetrical position. The higher the volatility, the greater the risk that the share will reach the 70% threshold and therefore the greater the EDS spread. The spread of a company's CDS also reflects its volatility, since high volatility of the share indicates high volatility of the assets of the company in question and therefore a high probability of a credit event. Given that the spreads of both EDS and CDS are correlated with the implicit volatility of the shares, and that these relations have a tendency to remain stable over time, an EDS can be considered as a proxy for a CDS. The key point in the valuation of an EDS is to calculate the implicit probability of a share event. Two methods are generally accepted: the first consists of utilising the market spread of the CDS as input in a model to evaluate the EDS; the second utilises the historic data of the share in question to estimate the probability. Although historic data are not necessarily a good guide as to what may happen in the future, such data can reflect the general behaviour of a share in crisis situation. In comparing the two approaches, it is very rare to see historic probabilities higher than the shares' implicit probabilities;

(11) the valuation of a CFD (Contract for Difference) and TRS (Total Return Swap) shall at any given time reflect the difference between the latest known price of the underlying stock and the valuation that was taken into account when the transaction was signed.

(12) the valuation of the Leveraged Loans will be made by multiplying the Principal Balance of the Collateral Obligation (loan) by the average bid price value determined by Loan Pricing Corporation or LoanX Mark-It Partners, in the case of loans, or LoanX Mark-It Partners, FT Interactive, Bridge Information Systems, KDP or IDC, in the case of bonds, or, in either case, any other Independent pricing service designated by the manager; if such service is not available, then an average of the bid side prices determined by independent broker-dealers active in the trading of such Collateral Obligation will be used for the valuation.

(13) the valuation of the mid price for a particular CDO (Collateralised Debt Obligations) will be done using the normal and customary method of pricing for determining the price at which a manager would purchase similar type seasoned assets for its own portfolio. This generally involves developing assumptions in respect of the pool (e.g. of mortgage loans) underlying the relevant CDO, including as to the frequency and timing of defaults across the pool, or across different product types within the pool, the severity of the loss on each loan that has defaulted or is assumed to default, the prepayment speed across the pool, or across different product types within the pool, and the level of future interest rates. Will also be taken into account the impact of any derivatives, triggers, call rights and other factors that are considered as relevant or appropriate to review and that are embedded in, or are part of, the underlying transaction. It will be applied what it is believed to be a then-current market-based discount (based on Bids or Mids provided by structuring banks as above) rate to the cash flows generated using the assumptions so developed to determine a bid price for the relevant CDO residual.

COMPOSITION OF LIABILITIES

The Company's liabilities primarily include:

(1) all loans, matured bills and accounts payable;

(2) all known liabilities, whether or not due, including all contractual obligations due and relating to payment in cash or kind, including the amount of dividends announced by the Company but yet to be paid;

(3) all reserves, authorised or approved by the Board of Directors, including reserves set up in order to cover a potential capital loss on certain of the Company's investments;

(4) any other undertakings given by the Company, except for those represented by the Company's equity. For the valuation of the amount of these liabilities, the Company shall take account of all the charges for which it is liable, including, without restriction, the costs of amendments to the Articles of Association, the Offering Document and any other document relating to the Company, management, advisory, performance and other fees and extraordinary expenses, any taxes and duties payable to government departments and stock exchanges, the costs of financial charges, bank charges or brokerage incurred upon the purchase and sale of assets or otherwise. When assessing the amount of these liabilities, the Company shall take account of regular and periodic administrative and other expenses on a prorata temporis basis.

The assets, liabilities, expenses and fees not allocated to a sub-fund, category, or class shall be apportioned to the various sub-funds, categories, or classes in equal parts or, subject to the amounts involved justifying this, proportionally to their respective net assets. Each of the Company's shares which is in the process of being redeemed shall be considered as a share issued and existing until closure on the Valuation Day relating to the redemption of such share and its price shall be considered as a liability of the Company as from closing on the date in question until such time as the price has been duly paid. Each share to be issued by the Company in accordance with subscription applications received shall be considered as being an amount due to the Company until such time as it has been duly received by the Company. As far as possible, account shall be taken of any investment or disvestment decided by the Company until the Valuation Day.

SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

Without prejudice to legal causes for suspension, the Board of Directors may at any time temporarily suspend the calculation of the net asset value of shares of one or more sub-funds, as well as the issue, conversion and redemption in the following cases:

(a) during any period when one or more currency markets, or a stock exchange, which are the main markets or exchanges where a substantial portion of a sub-fund's investments at a given time are listed, is/are closed, except for normal closing days, or during which trading is subject to major restrictions or is suspended;

(b) when the political, economic, military, currency, social situation, or any event of *force majeure* beyond the responsibility or power of the Company makes it impossible to dispose of one assets by reasonable and normal means, without seriously harming the shareholders' interests;

(c) during any failure in the means of communication normally used to determine the price of any of the Company's investments or the going prices on a particular market or exchange;

(d) when restrictions on foreign exchange or transfer of capital prevents transactions from being carried out on behalf of the Company or when purchases or sales of the Company's assets cannot be carried out at normal exchange rates;

(e) as soon as a decision has been taken to either liquidate the Company or one or more sub-funds, categories, or classes;

(f) to determine an exchange parity under a merger, partial business transfer, splitting, or any restructuring operation within, by or in one or more sub-funds, categories, or classes;

(g) for a "Feeder" sub-fund, when the net asset value, issue, conversion, or redemption of units, or shares of the "Master" sub-fund are suspended;

(h) any other cases when the Board of Directors estimates by a justified decision that such a suspension is necessary to safeguard the general interests of the shareholders concerned.

In the event the calculation of the net asset value is suspended, the Company shall immediately and in an appropriate manner inform the shareholders who requested the subscription, conversion or redemption of the shares of the sub-fund(s) in question.

In exceptional circumstances which could have a negative impact on shareholders' interests, or in the event of subscription, redemption or conversion applications exceeding 10% of a sub-funds' net assets, the Board of Directors reserves the right not to determine the value of a share until such time as the required purchases and sales of securities have been made on behalf of the sub-fund. In that event, subscription, redemption and conversion applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated.

Pending subscription, conversion and redemption applications may be withdrawn by written notification provided that such notification is received by the company prior to lifting of the suspension. Pending applications will be taken into account on the first calculation date following lifting of the suspension. If all pending applications cannot be processed on the same calculation date, the earliest applications shall take precedence over more recent applications.

SWING PRICING:

A sub-fund may suffer reduction of the net asset value due to investors purchasing, selling and/or switching in and out of the sub-fund at a price that does not reflect the dealing costs associated with this sub-fund's portfolio trades undertaken by the Investment Manager to accommodate such cash inflows or outflows. In order to mitigate this effect and enhance the protection of existing unitholders, the mechanism known as "swing pricing" may be applied at the discretion of the Board of Directors of the Management Company.

Such swing pricing mechanism may be applied to a given sub-fund when its total capital activity (i.e. net amount of subscriptions and redemptions) exceeds a pre-determined threshold determined as a percentage of the net assets value for a given valuation day. The net asset value of the relevant sub-fund may then be adjusted by an amount (the "swing factor") to compensate for the expected transaction costs resulting from the capital activity. The level of thresholds, if and when applicable, will be decided on the basis of certain parameters which may include the size of the sub-fund, the liquidity of the underlying market in which the respective sub-fund invests, the cash management of the respective sub-fund or the type of instruments that are used to manage the capital activity. The swing factor is, amongst others, based on the estimated transaction costs of the financial instruments in which the respective sub-fund may invest. Typically, such adjustment will increase the net asset value when there are net subscriptions into the sub-fund and decrease the net asset value when there are net redemptions. Swing pricing does not address the specific circumstances of each individual investor transaction. An ad hoc internal committee is in charge of the implementation and periodic review of the operational decisions associated with swing pricing. This committee is responsible for decisions relating to swing pricing and the ongoing approval of swing factors which form the basis of pre-determined standing instructions.

In principle, the swing factor will not exceed 1% of the respective sub-fund's net asset value. Such limit may however, on a temporary basis and to protect interests of the shareholders, be raised beyond this maximum level when facing exceptional market conditions. Situations such as a global pandemic, a financial crisis, a geopolitical crisis, or any other exceptional event causing a severe deterioration of the liquidity.

The swing pricing mechanism may be applied across all sub-funds of the Company. In the event that, in addition to the swing pricing mechanism, another anti-dilution mechanism is available for a given sub-fund as decided by the Board of Directors of the Management Company, such mechanisms shall not be cumulatively applied. On certain unit classes, the Management Company may be entitled to a performance fee. Where applicable, this will be based on the unswung net asset value.

FEES PAYABLE BY THE SUB-FUNDS

Please see Book II of this Offering Document for detailed information on fees and charges.

Each sub-fund is charged costs or expenses specifically attributable to it. Costs and expenses not attributable to any particular sub-fund are allocated among all the sub-funds pro rata to their respective net asset values.

Administrative Services

Fee calculated on each Valuation Day on the net asset value of each sub-fund at a rate which shall be agreed from time to time with the AIFM and paid to the AIFM monthly. This fee shall cover the services of the Administrative Agent, Domiciliary and Corporate Agent and the Registrar & Transfer Agent as well as of service providers and fees incurred in places where the Company is registered.

Custodian charge

Charge calculated on the net asset value of each sub-fund and paid by the Company. The rate will depend on the market in which the assets are invested and typically range from 0.003% of the net assets of the sub-fund in developed markets to 0.35% of the net assets of the sub-fund in emerging markets (excluding transaction charges and reasonable disbursements and out-of-pocket expenses), plus VAT if any. Certain sub-funds and share classes may pay higher custody fees applicable to investment in emerging markets.

Distribution Fee

Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the AIFM and serving to cover remuneration of the distributors, supplemental to the share of the management fee that they receive.

Extraordinary and Other Expenses

Expenses other than management, performance, distribution and administrative services:

They will be borne by the Company and include stamp duties, taxes, commissions and other dealing costs, foreign exchange costs, bank charges, registration fees in relation to investments, insurance and security costs, fees and expenses of the Auditors, the remuneration and expenses of its directors and officers, all expenses incurred in the collection of income and in the acquisition, holding and disposal of investments. The Company will also be responsible for the costs of preparing, translating, printing and distributing all rating agencies statements, notices, accounts, Prospectuses/offering documents, annual and semi-annual reports and relevant documents as required by relevant local laws, as well as certain other expenses incurred in the administration of the sub-fund such as but not limited to rating agency fees.

Certain sub-funds and share classes will also pay specific additional costs, without limitation, such as hedging expenses.

Moreover, the Company bears any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed on the Company or its assets, in the countries where the Company is marketed.

Management Fee

Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the AIFM and serving to cover remuneration of the asset managers and also distributors in connection with the marketing of the Company's stock.

Performance Fee

The sub-fund will only apply the following performance fee methodology:

Relative Performance fee definition:

The performance fee is determined over the performance period and corresponds to a percentage "performance fee rate" of the positive difference "over performance" between the annual performance of the share class and the annual performance calculated with the application of the "High Water Mark (HWM) with Hurdle Rate or Benchmark method". Performance fee provision will be accrued at each valuation day based on the unswung (see Swing Pricing part in the prospectus) share class' Total Net Asset if the share class' performance exceeds the performance determined as per "High Water Mark (HWM) with Hurdle Rate or Benchmark method". The performance fee provision will be then adjusted at each valuation day depending of the share class performance. In case of underperformance at the end of the performance period, neither the High-Water Mark nor the Hurdle Rate or Benchmark will be reset. Performance reference period will correspond in this case to the entire life of the share class.

Principles applicable to this methodology:
Performance fee provision is payable, on a yearly basis, to the Management Company based on the accruals at the end of the performance period.

If shares are redeemed during the performance period, the fraction of the provisioned performance fee linked to the total amount redeemed shall be granted definitively to the Management Company at the end of the performance period.
In case of share class' performance fee launching, the first performance period will be extended to the next financial year (> 12 months).

When decision is taken to liquidate or to merge a share class subject to performance fee, the potentially provisioned performance fee raised at the event date will be paid to the Management Company.
In case of merger with a ratio 1:1 and where the receiving share class is a newly established one with no performance history, the performance period of the merging share class should continue applying in the receiving share class.

Performance fee terminology:
Benchmark: a market index against which to assess the performance of a share class.
Fictive Asset: the fictive asset is defined by the net asset value at the launch date in case of share class launching or the last asset published at the end of the financial year when an over performance is noticed to which is added inflows and outflows. The determined amount is multiplied by the hurdle rate or the benchmark (% of performance) at each valuation day.
Gross Asset Value (GAV): Net Asset Value (NAV) before performance fee provision booking.
High-Water Mark (HWM): highest NAV per share at the end of any previous financial year on which performance fees becomes payable, after deducting any performance fee.

High Water Mark (HWM) with Hurdle Rate or Benchmark method: a performance fee model whereby the performance may only be charged on the basis of achieving a new High-Water Mark and exceeds that of the hurdle rate or the benchmark (% of performance).

Hurdle rate: a predefined minimum fixed rate of return or monetary index against which to assess the performance of a share class.

Over-performance amount: amount determined by the difference between GAV per share and the maximum amount between HWM and fictive asset.
Performance fee provision: amount determined by the application of the performance fee rate on the over-performance amount. This provision is booked and adjusted at each valuation day.
Performance fee rate: rate applied at each valuation day to determine the amount of the performance fees provision.
Performance period: period on which the share class' performance is measured and corresponds to the financial year.
Performance reference period: the time horizon over which the performance is measured and compared with that of the hurdle rate or Benchmark, at the end of which the mechanism for the compensation for past under-performance (or negative performance) can be reset.

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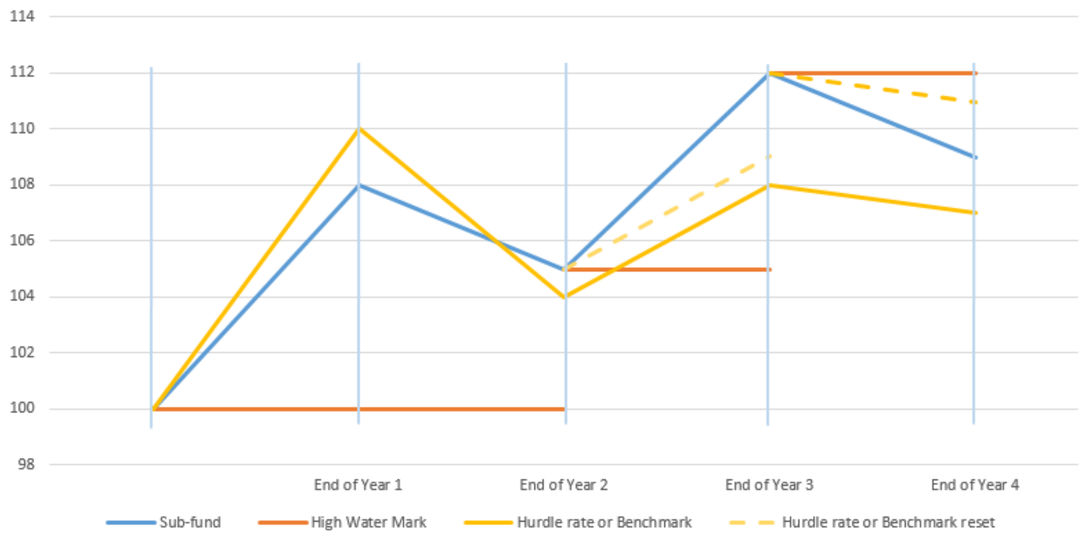
Examples:
Example are for illustration only, and are not intended to reflect any actual past performance or potential future performance.

- High Water Mark (HWM) with Hurdle Rate or Benchmark method:



- At the end of year 1, the Gross Asset Value per share class (108) outperforms the High Water Mark (100) but underperforms the hurdle rate or benchmark (110). No performance fee is payable and no reset will be performed on hurdle rate or benchmark and High Water Mark.

- During year 2, the Gross Asset Value per share class goes from underperforming the hurdle rate / benchmark to outperforming it while also remaining above the High Water Mark.
Even if the hurdle rate or benchmark and share class performance are negative, the last one is less negative than the performance of hurdle rate or benchmark.
At the end of year 2, the Gross Asset Value per share class (105) outperforms the High Water Mark (100) and outperforms the hurdle rate or benchmark (104). Double condition is completed. Performance fee is payable. High Water Mark and hurdle rate or benchmark are reset.

- At the end of year 3, the Gross Asset Value per share class (112) outperforms the hurdle rate or benchmark (109.04) and the High Water Mark (105). Performance fee is payable. High Water Mark and hurdle rate or benchmark are reset.

- At the end of year 4, the Gross Asset Value per share class (109) falls below both, High Water Mark (112) and hurdle rate or benchmark (110.96). No performance fee is payable and no reset will be performed on hurdle rate or benchmark and High Water Mark.

Below a quantified example

Year	0 (Initial values)	1	2	3	4
Final GAV per share level	100	108	105	112	109
Final hurdle rate or benchmark level	100	110	104	108	107
Final reset hurdle rate or benchmark level	100	110	105	= 109.04 = 105 * 108/104	= 110.96 =112* 107/108
High Water Mark level	100	100	100	105	112
Performance reference period ("PRP")	N.A.	Year 1	Years 1 + 2	Year 3	Years 4
GAV per share performance during the PRP	N.A.	8.00%	5.00%	6.67%	-2.68%
Hurdle rate or benchmark performance during the PRP	N.A.	10.00%	4.00%	3.85%	-0.93%
(1) GAV per share performance > Performance hurdle rate or benchmark over PRP	N.A.	NO	YES	YES	NO
(2) GAV per share > High Water Mark over PRP	N.A.	YES	YES	YES	NO
If both conditions (1) and (2) are met, then: ==> Performance fee is payable and performance reference period is reset	N.A.	NO	YES	YES	NO
Performance fee rate	20%	20%	20%	20%	20%
PERFORMANCE FEE	N.A.	0	20% x (5% - 4%) = 0.20%	20% x (6.67% - 3.85%) = 0.56%	0

TAX PROVISIONS

TAXATION OF THE COMPANY

At the date of the Offering Document, the Company is not liable to any Luxembourg income tax or capital gains tax.

However, the Company is liable to an annual *taxe d'abonnement* in Luxembourg representing 0,01% of the net asset value.

Are exempt from the *taxe d'abonnement*:

a) the value of the assets represented by units, or shares held in other undertakings for collective investment, provided that these units or shares have already been subject to the subscription tax provided for by the Article 174 of the Law of 17 December, 2010;

b) specialised investment funds as well as individual sub-funds of specialised investment funds with multiple sub-funds:

    (i) the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions, and,

    (ii) the weighted residual portfolio maturity of which does not exceed 90 days, and,

    (iii) that have obtained the highest possible rating from a recognised rating agency;

c) specialised investment funds the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employer's initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits.

d) specialised investment funds as well as individual sub-funds of specialised investment funds with multiple sub-funds the main object of which is the investment in microfinance institutions.

A grand-ducal regulation shall determine the conditions necessary for the application of the exemption, and fix the criteria with which the money market instruments referred to above must comply.

The provisions of c) above apply *mutatis mutandis* to:

- individual sub-funds of a specialised investment fund with multiple sub-funds the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employer's initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits, and,
- individual classes created within a specialised investment fund or within a sub-fund of a specialised investment fund with multiple sub-funds the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employer's initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits.

A grand-ducal regulation shall lay down the criteria which specialised investment funds as well as individual sub-funds of specialised investment funds with multiple sub-funds referred to in d) above, shall fulfil.

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

TAXATION OF THE COMPANY'S INVESTMENTS

Some of the Company's portfolio income, especially income in dividends and interest, as well as certain capital gains, may be subject to tax at various rates and of different types in the countries in which they are generated. This income and capital gains may also be subject to withholding tax. Under certain circumstances, the Company may not be eligible for the international agreements preventing double taxation that exist between the Grand Duchy of Luxembourg and other countries. Some countries will only consider that persons taxable in Luxembourg qualify under these agreements.

TAXATION OF SHAREHOLDERS

a) <u>Residents of the Grand Duchy of Luxembourg</u>

On the date of the Offering Document, the dividends earned and capital gains made on the sale of shares by residents of the Grand Duchy of Luxembourg are not subject to withholding tax.

Dividends are subject to income tax at the personal tax rate.

Capital gains made on the sale of shares are not subject to income tax if the shares are held for a period of over six months, except in the case of resident shareholders holding over 10% of the shares of the Company.

b) <u>Non-residents</u>

According to current law and in the event that the provisions of Directive 2011/16 as specified in item c) below do not apply:

- the dividends earned and the capital gains made on the sale of shares by non-residents are not subject to withholding tax;
- the capital gains made by non-residents on the sale of shares are not subject to Luxembourg income tax.

Nevertheless, if there is a dual tax convention between the Grand Duchy and the shareholder's country of residence, the capital gains made on the sale of shares are tax-exempt in principle in Luxembourg, with the taxation authority being attributed to the shareholder's country of residence.

EXCHANGE OF INFORMATION

a) <u>Residents of another member state of the European Union, including the French overseas departments, the Azores, Madeira, the Canary Islands, the Åland Islands and Gibraltar</u>

Any individual who receives dividends from the Company or the proceeds from the sale of shares in the Company through a paying agent based in a state other than the one in which he resides is advised to seek information on the legal and regulatory provisions applicable to him.

In most countries covered by Directive 2011/16 and Directive 2014/107, the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refunding or redemption of shares in the Company will be reported to the tax authorities in the state of residence of the beneficial owner of the income.

b) Residents of third countries or territories

No withholding tax is levied on interest paid to residents of third countries or territories. Nevertheless, in the framework of Automatic Exchange of Information package (AEOI) covering fiscal matters elaborated by OECD, the Company may need to collect and disclose information about its shareholders to third parties, including the tax authorities of the participating country in which the beneficiary is tax resident, for the purpose of onward transmission to the relevant jurisdictions. The data of financial and personal information as defined by this regulation which will be disclosed may include (but is not limited to) the identity of the shareholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A shareholder will therefore be required to comply with any reasonable request from the Company for such information, to allow the Company to comply with its reporting requirements. The list of AEOI participating countries is available on the website: http://www.oecd.org/tax/automatic-exchange/

c) US tax

Under the Foreign Account Tax Compliance Act ("FATCA") provisions which came into force as from 1st July 2014, in the case the Company invests directly or indirectly in US assets, income received from such US investments might be subject to a 30% US withholding tax.

To avoid such withholding tax the United States have entered, on 28th March 2014, into an intergovernmental agreement (the "IGA") with the Grand Duchy of Luxembourg under which the Luxembourg financial institutions undertake due diligence to report certain information on their direct or indirect US investors to the Luxembourg Tax authorities. Such information will be onward reported by the Luxembourg tax authorities to the US Internal Revenue Service ("IRS").

The foregoing provisions are based on the Law and on the practices currently in force, and are subject to change. Potential investors are advised to seek information in their country of origin, place of tax residence or domicile on the possible tax consequences associated with their investment. The attention of investors is also drawn to certain tax provisions specific to individual countries in which the Company markets its shares.

INFORMATION FOR SHAREHOLDERS

GENERAL SHAREHOLDERS' MEETINGS

The Annual General Shareholders' Meeting is held at 3.00 pm on the fourth Thursday of April at the Company's registered office or any other location in Luxembourg specified in the notice to attend the meeting. If that day is not a bank business day in Luxembourg, the Annual General Meeting will be held on the following bank business day. Other General Meetings may be convened in accordance with the prescriptions of Luxembourg law and the Articles of Association.

Notices inviting shareholders to attend General Meetings will be published according to the forms and times prescribed in Luxembourg law and the Articles of Association.

Similarly, General Meetings will be conducted as prescribed by Luxembourg law and the Articles of Association.

Every share, irrespective of its unit value, entitles its holder to one vote. All shares have equal weight in decisions to be taken at the General Meeting when decisions concern the Company as a whole. When decisions concern the specific rights of shareholders of one sub-fund, one category or one class, only the holders of shares of that sub-fund, category or class may vote.

INFORMATION FOR SHAREHOLDERS

Net asset values and dividends

The Company is not required to publish the net asset value on a regular basis according to the Law.

The latest net asset value per Share of each sub-fund, together with subscription and redemption prices are available on any bank business day in Luxembourg (the "Business Day") at the registered office of the Company.

Financial year

The Company's financial year starts on 1st January and ends on 31 December.

Financials reports

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors.

The financial reports of each sub-fund are published in the Accounting Currency of the sub-fund, although the consolidated accounts of the Company are expressed in euro.

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP* and will contain any material changes to the information listed in article 21 of the 2013 Law during the financial year to which the financial statement refers.

The annual report is made public within six months of the end of the financial year.

**: Luxembourg GAAP is a combination of authoritative standards and the commonly accepted ways of recording and reporting accounting information. GAAP aims to improve the clarity, consistency, and comparability of the communication of financial information.*

Documents for consultation

The Articles of Association, the Offering Document and financial reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual reports are available upon request.

Information on changes to the Company will be published in a Luxembourg newspaper and any other journal deemed appropriate by the Board of Directors in countries in which the Company markets its shares.

Indemnifications

The Company is required to indemnify, out of the assets of the Company only, the investment managers, officers, employees and agents of the Company, the Board of Directors and the AIFM for any claims, damages and liabilities to which they may become subject because of their status as investment managers, officers, employees or agents of the Company, the Board of Directors, or the AIFM, or by reason of any actions taken or omitted to be taken by them in connection with the Company, except to the extent caused by their gross negligence, fraud or willful misconduct or their material breach of the provisions of the Offering Document.

Conflict of Interests

The AIFM, the NAV calculation, Registrar and Transfer Agent, the Depositary or any delegate may from time to time act for other undertakings for collective investments or collective investment schemes which have similar investment objectives to those of the Company or any sub-fund.

It is therefore possible that any of them may, in the due course of their business, have potential conflicts of interest with the Company or any Sub-Fund. In such event, each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Company or any Sub-Fund.

In particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavor to ensure that such conflicts are resolved fairly.

There is no prohibition on the Company entering into any transactions with the AIFM, the NAV calculation, Registrar and transfer Agent or the Depositary or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, on terms no less favorable to the Company than could reasonably have been obtained had such transactions been effected with an independent party in compliance with applicable laws.

Reports and Notices

The following disclosures will be made in the Company's financial statements in accordance with applicable regulations' provisions, or in another appropriate periodic reporting, and where necessary on an ad hoc basis:

- Where available, the historical performance of each sub-fund;
- Changes to the Depositary' liability;
- The loss of an asset or financial instrument;
- Any changes to the maximum level of leverage which the AIFM may employ on behalf of each sub-fund as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement, if any;
- The total amount of leverage employed by each sub-fund;
- Any new arrangements for managing the liquidity of each sub-fund;
- The percentage of each sub-fund's assets which are subject to special arrangements arising from their illiquid nature;
- The risk profile of each sub-fund and the risk management systems employed by the AIFM to manage those risks;
- Any changes to risk management systems employed by the AIFM in accordance with point (c) of Article 23(4) of the AIFM Directive as well as its anticipated impact on each sub-fund and their Shareholders;

The following documents will be made available for inspection by Shareholders or their representatives at the registered office of the Company:

- The Offering Document;
- The Articles of Association;
- The annual reports of the Company;
- The agreement between the Depositary, the Company and the AIFM;
- The agreement between the NAV calculation, Registrar and Transfer Agent and the AIFM;
- The agreement between the AIFM and the Company.

Copies of the Articles of Association, the annual and interim reports and any other information detailed in article 21 of the AIFM Law can also be sent free of charge to prospective investors and to Shareholders upon request.

Any notice to Shareholders shall be published according to the forms and times prescribed in Luxembourg law and the Articles of Association.

PRIIPs Regulation

Shares of the Company are exclusively advised on, offered or sold to professional investors. As a consequence, Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) is not applicable to the Company and no PRIIPs KIDs shall be issued.

APPENDIX 1 – INVESTMENT RESTRICTIONS

1. A sub-fund may not invest more than 30% of its assets in assets of same kind issued by the same issuer **(*)**.

   This restriction is not applicable to:

   - Investments in assets issued or guaranteed by member States of the OECD or its local authorities or by public international bodies with EU, regional or worldwide scope;
   - Investments in UCI which are subject to risk diversification requirements comparable to those applicable to UCI which are subject to the Law.

     For the present restriction, each sub-fund of a target UCI with multiple sub-funds is to be considered as a distinct target UCI on the condition that the principle of segregation of the commitments of the different sub-funds towards third parties is ensured.
2. Short sales may, in principle, not result in a sub-fund having a short position on transferable securities which represent more than 30% of the assets of same kind issued by the same issuer **(*)**.
3. The Company does not allow borrowings exceeding 100% of the total net assets of the sub-fund concerned to be contracted in any sub-fund **(*)**.
4. A sub-fund can invest up to 100% of its assets in deposits invested in a single entity

(*) These restrictions are subject to exception in accordance with the specific features and objective of each sub-fund as stipulated in Book II of the present Offering Document in accordance with the provisions of the CSSF Circular 07/309.

In case of the discovery of a non-compliance with any of the investment rules set out in the present Appendix and/or in Book II for each sub-fund of the Company, the Company will ensure that such situation is remedied by taking all necessary steps in accordance with Circular 02/77 (Part II).

APPENDIX 2 – FINANCIAL TECHNIQUES AND INSTRUMENTS

Without prejudice to any stipulations for one or more particular sub-funds, the Company is authorised, for each sub-fund and in conformity with the conditions set out below, to use derivative financial instruments.

I. GUIDELINES TO FOLLOW WHEN USING FINANCIAL DERIVATIVE INSTRUMENTS

I.1. Counterparty Risk:

1.1. The counterparty risk exposure in an OTC derivative transaction may not exceed 30% of its assets if the counterparty is a first class rated counterparty and 10% of its assets in other cases.

1.2. Calculation of counterparty risk linked to OTC derivative instruments.

The counterparty risk linked to OTC financial derivatives shall be based as the positive mark to market value of the contract.

I.2. Collateral

Recognition of collateral to reduce the total risk linked to the use of financial derivative instruments is permitted.

I.3. Risk's management

In accordance with the AIFM Law, the AIFM must functionally and hierarchically separate the functions of risk management from the operating units and the portfolio management function.

The AIFM shall implement and review, at least once a year, adequate risk management systems in order to identify measure, manage, and monitor appropriately all risks relevant to each AIF investment strategy and to which each AIF is or may be exposed. The risk profile of each sub-fund shall correspond to the size, portfolio structure and investment strategy of each respective sub-fund.

I.4 Leverage

Each sub-fund may use leverage according to the investment policy defined in Appendix 1 and 2 of the Offering Document and guidelines specified for cash borrowings' reinvestments, repo or reverse repo agreements, securities lending/borrowing and derivative's operations.

Leverage will be used within the limits set forth in the table here under which sets the maximum commitment leverage and the possibility of re-use of collateral for each sub-fund.The AIFM sets a maximum level of leverage it may employ on behalf of each AIF it manages as well as the extent of the right to re-use collateral or guarantee that could be granted under the leveraging arrangements.

The AIFM must for each AIF it manages, provide a description of the associated risks, the circumstances in which it uses leverage, the type and sources of leverages; it provides on a regular basis any change to the maximum level of leverage.

Sub-funds	AIF Maximum Commitment Leverage	AIF Maximum Gross Leverage	Re-use of collateral
BNP PARIBAS FLEXI III BOND EM IG	150%	200%	Not Allowed
BNP PARIBAS FLEXI III SIGNATURE EUR	130%	150%	Not Allowed
BNP PARIBAS FLEXI III EUROPEAN SENIOR CORPORATE LOANS	110%	200%	Not Allowed
BNP PARIBAS FLEXI III GLOBAL SENIOR CORPORATE LOANS	110%	200%	Not Allowed
BNP PARIBAS FLEXI III SENIOR SECURED BANK LOAN FUND MOGLIANO	110%	200%	Not Allowed

In case the leverage calculated according to the commitment methodology exceeds three times its net asset value, the AIFM shall make available information about the overall level of leverage, the break down between leverage arising from borrowing of cash or securities and leverage embedded in financial derivatives.

I.5. Liquidity Management

The AIFM employs appropriate liquidity management methods and adopts procedures which enable it to monitor the liquidity risk of each sub-fund; it ensures that the liquidity profile of the investments complies with its underlying obligations and conducts stress tests on a regular basis.

The AIFM ensures that the investment strategy, the liquidity profile and the redemption policy are consistent; it provides a description of the AIF's liquidity risk management.

The above shall not apply to un-leveraged closed-ended AIF.

I. 6. TRS

At the date of this Offering Document, the Company does not make use of TRS for any of its sub-funds.

II. SECURITIES FINANCING TRANSACTIONS ("SFT")

In accordance with the Regulation 2015/2365 and Circulars 08/356 and 14/592, SFT comprise Securities Lending and borrowing, Repurchase and Reverse Repurchage Agreements transactions. At the date of this Offering Document, the Company does not make use of such transactions. Should the Company decide to make use of such transactions, the Offering Document will be amended accordingly.

APPENDIX 3 – INVESTMENTS RISKS

Potential investors are asked to read the Offering Document carefully in its entirety before making an investment. Any investments may also be affected by changes relating to rules governing exchange rate controls, taxation and deductions at source, as well as those relating to economic and monetary policies.

Investors are also warned that sub-fund performance may not be in line with stated aims and that the capital they invest (after subscription commissions have been deducted) may not be returned to them in full.

Sub-funds are exposed to various risks that differ according to their investment policies. The main risks that sub-funds are likely to be exposed to are listed below.

Some sub-funds may be particularly sensitive to one or several specific risks which are increasing their risk profiles compared to sub-funds sensitive only to generic risk; in such case those risks are mentioned specifically in the Book II of the Offering Document.

I. SPECIFIC MARKET RISKS

A. Specific Risks impacting only some sub-funds (please refer to Book II)

Counterparty Risk

This risk relates to the quality or the default of the counterparty with which the AIFM negotiates, in particular involving payment for/delivery of financial instruments and the signing of agreements involving forward financial instruments. This risk is associated with the ability of the counterparty to fulfil its commitments (for example: payment, delivery and reimbursement). If a counterparty does not live up to its contractual obligations, it may affect investor returns.

Credit Risk

This risk is present in each sub-fund having debt securities in its investment universe.

This is the risk that may derive from the rating downgrade or the default of a bond issuer to which the sub-funds are exposed, which may therefore cause the value of the investments to go down. Such risks relate to the ability of an issuer to honour its debts.

Downgrades of an issue or issuer rating may lead to a drop in the value of bonds in which the sub-fund has invested.

Some strategies utilised may be based on bonds issued by issuers with a high credit risk (junk bonds).

Sub-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.

Derivatives Risk

In order to hedge ("hedging" derivative investments strategy) and/or to leverage the yield of the sub-fund ("trading" derivative investment strategy), the sub-fund is allowed to use derivative investments' techniques and instruments under the circumstances set forth in Appendices 1 and 2 of the Offering Document (in particular, warrants on securities, exchange contracts of the securities, interest rates, currencies, inflation, volatility and other financial derivative instruments, contracts for difference [CFDs], credit default swaps [CDSs], futures and options on securities, rates or futures).

The investor's attention is drawn to the fact that these financial derivative instruments include leveraging. Because of this, the volatility of the sub-fund is increased.

Liquidity Risk

This risk may concern all financial instruments and impact one or several sub-funds.

There is a risk that investments made by the sub-funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), if their "rating" declines or if the economic situation deteriorates; consequently, it may not be possible to sell or buy these investments quickly enough to prevent or minimize a loss in these sub-funds.

Operational & Custody Risk

Some markets (emerging markets) are less regulated than most of the developed countries regulated markets; hence, the services related to custody and liquidation for the funds on such markets could be more risky. Operational risk addresses the risk of trading, back office, operational, custody and administration issues that may result in a loss to the sub-fund. This could be the result of oversight, ineffective securities processing procedures, computer systems problems or human error.

B. Generic risks present in all sub-funds:

Alternative Investment Strategies Risks

Alternative investment strategies involve risks that depend on the type of investment strategy: investment risk (specific risk), model risk, portfolio construction risk, valuation risk (when OTC derivative), counterparty risk, credit risk, liquidity risk, leverage risk (risk that losses exceed the initial investment), financial derivative instruments short selling risk (cf. risks due to short selling via financial derivative instruments).

Conflict of Interests

A policy of conflict of interests has been established with the AIFM.

With a view to adequately detect and manage conflicts of interests, the AIFM applies a policy that contains:

- A methodology for identification of potential conflicts situations;
- Standards on organizational arrangements to prevent, adequately manage or disclose conflicts of interests.

Potential conflicts of interest situations include situations linked to efficient portfolio management techniques.

The AIFM keeps and updates periodically a register with the details of established or potential conflicts of interest that may have arisen or are likely to arise.

A summary of the AIFM's conflicts of interest policy is available on the website http://www.bnpparibas-am.com.

Currency Exchange Risk

This risk is present in each sub-fund having positions denominated in currencies that differ from its Accounting Currency.

A sub-fund may hold assets denominated in currencies that differ from its Accounting Currency, and may be affected by exchange rate fluctuations between the Accounting Currency and the other currencies and by changes in exchange rate controls. If the currency in which a security is denominated appreciates in relation to the Accounting Currency of the sub-fund, the exchange value of the security in the Accounting Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security.

When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

Emerging Markets Risk

Sub-funds investing in emerging markets (defined as non OECD countries prior to 1 January 1994 together with Turkey) are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions (social, political and economic conditions). In addition, some emerging markets offer less security than the majority of international developed markets and certain markets are not currently considered to be regulated markets. For this reason, services for portfolio transactions, liquidation and conservation on behalf of funds invested in emerging markets may carry greater risk. The Fund and investors agree to bear these risks.

Extra-financial criteria Investment Risk

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

Inflation Risk

All types of investments are concerned by this risk.

Over time, yields of investments may not keep pace with inflation, leading to a reduction in an investment's purchasing power.

Interest Rate Risk

This risk is present in each sub-fund having debt securities in its investment universe.

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.

The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments.

Low Interest Rate Consequence

This risk is present in each sub-fund having debt securities in its investment universe.

A very low level of interest rates may affect the return on short term assets held by monetary funds which may not be sufficient to cover the management costs leading there a structural decrease of the net asset value of the sub-fund.

Risk Linked to Equity Markets

This risk is present in each sub-fund having equities in its investment universe.

The risks associated with investments in equity (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's shares to its bonds. Moreover, these fluctuations are often amplified in the short term.

The risk that one or more companies suffer a downturn or fail to grow can have a negative impact on the performance of the overall portfolio at a given time. There is no guarantee that investors will see an appreciation in value. 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 investment.

There is no guarantee that the investment objective will actually be achieved.

Some sub-funds may invest in initial public offerings ("IPOs"). In this case, there is a risk that the price of the newly floated share may see greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, the limited number of securities that can be traded and a lack of information about the issuer. A sub-fund may hold such securities for only a very short time, which tends to increase the costs.

Sub-funds investing in growth stocks may be more volatile than the market in general and may react differently to economic, political and market developments and to specific information about the issuer. Growth stocks traditionally show higher volatility than other stocks, especially over short periods. These stocks may also be more expensive in relation to their profits than the market in general. Consequently, growth stocks may react with more volatility to variations in profit growth.

Some sub-funds may base their objective on simple equity market growth, which produces higher than average volatility.

Managers may temporarily adopt a more defensive attitude if they consider that the equity market or economy of the countries in which the sub-fund invests is experiencing excessive volatility, a persistent general decline, or other unfavourable conditions. In such circumstances, the sub-fund may be unable to pursue its investment objective.

Taxation Risk

This is a generic risk.

The value of an investment may be affected by the application of tax laws in various countries, including withholding tax, or changes in government, economic or monetary policy in the countries concerned. As such, no guarantee can be given that the financial objectives will actually be achieved.

Risks related to investment restrictions in some countries

Investments in some countries (China, India, Indonesia, Japan, Saudi Arabia and Thailand) involve risks linked to restrictions imposed on foreign investors and counterparties, higher market volatility and the risk of lack of liquidity for some lines of the portfolio. Consequently, some shares may not be available to the sub-fund due to the number of foreign shareholders authorised or if the total investments permitted for foreign shareholders have been reached. In addition, the repatriation by foreign investors of their share of net profits, capital and dividends may be restricted or require the approval of the government. The Company will only invest if it considers that the restrictions are acceptable. However, no guarantee can be given that additional restrictions will not be imposed in future.

Risks due to short selling on transferable securities

A sub-fund can short sell transferable securities: selling a security that isn't owned by the seller, but that is promised to be delivered (decrease in share price anticipation).

Short selling can be motivated by 2 strategies: hedging to protect long positions with offsetting short positions; Trading to profit from an overpriced stock or market.

By short selling, the investor faces high risks for potentially high returns for the following reasons. Short selling is a very risky technique as it involves precise timing and goes contrary to the historical overall direction of the market; shorting transferable securities is more risky since it involves using borrowed money; finally if price goes up, his losses could mount without limit; If a large number of short sellers try to cover their positions in a stock, it can drive up the price even faster (short squeeze).

Risk linked to AIF Leverage

Leverage represents any method by which the AIFM increases the AIF’s exposure whether through borrowing of cash or transferable securities, or derivatives positions or by any other means.

Leverage generates an opportunity for higher return and therefore more important income, but, at the same time, increases the volatility of the value of the assets of the sub-fund hence a risk to lose capital.

Swing Pricing Risk

The actual cost of purchasing or selling the underlying investments of a sub-fund may be different from the carrying value of these investments in the sub-fund's valuation. The difference may arise due to dealing and other costs (such as taxes) and/or any spread between the buying and selling prices of the underlying investments. These dilution costs can have an adverse effect on the overall value of a sub-fund and thus the net asset value per share may be adjusted in order to avoid disadvantaging the value of investments for existing shareholders.

Tracking Error Risk

The performance of the sub-fund may deviate from the actual performance of the underlying index due to factors including but not limited to liquidity of the index constituents, possible stock suspensions, trade band limits decided by the stock exchanges, changes in taxation of capital gains and dividends, discrepancies between the tax rates applied to the sub-fund and to the index on capital gains and dividends, limitations or restrictions on foreign investors ownership of shares imposed by the governments, fees and expenses, changes to the underlying index and operational inefficiencies. In addition, the sub-fund may not be able to invest in certain securities included in the underlying index or invest in them in the exact proportions they represent of the index due to legal restrictions imposed by the governments, a lack of liquidity on stock exchanges or other reasons. There could be other factors which can impact the tracking error.

Warrant Risk

The investor’s attention is drawn to the fact that warrants are complex, volatile, high-risk instruments: the risk of a total loss of the invested capital is great. In addition, one of the principal characteristics of warrants is the “leverage effect”, which is seen in the fact that a change in the value of the underlying asset can have a disproportionate effect on the value of the warrant. Finally, there is no guarantee that, in the event of an illiquid market, it will be possible to sell the warrant on a secondary market.

Sustainability Risks

Unmanaged or unmitigated sustainability risks can impact the returns of the sub-funds integrating them into their investment decision. For instance, should an environmental, social or governance event or condition occur, it could cause an actual or a potential material negative impact on the value of an investment. The occurrence of such event or condition may lead as well to the reshuffle of a sub-fund investment strategy, including the exclusion of securities of certain issuers.

Specifically, the likely impact from sustainability risks can affect issuers via a range of mechanisms including: 1) lower revenue; 2) higher costs; 3) damage to, or impairment of, asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific topics such as climate change, the chance of sustainability risks impacting the returns of financial products is likely to increase over longer-term time horizons.

APPENDIX 4 – LIQUIDATION, MERGER, TRANSFER AND SPLIT PROCEDURES

Liquidation, Merger, Transfer, and split of sub-funds

The Board of Directors shall have sole authority to decide on the effectiveness and terms of the following, under the limitations and conditions prescribed by the Law:

1) either the pure and simple liquidation of a sub-fund; or
2) the closure of a sub-fund (merging sub-fund) by transfer to another sub-fund of the Company; or
3) the closure of a sub-fund (merging sub-fund) by transfer to another UCI, whether incorporated under Luxembourg law or established in another member state of the European Union; or
4) the transfer to a sub-fund (receiving sub-fund) a) of another sub-fund of the Company, and/or b) of a sub-fund of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union, and/or c) of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union; or
5) the splitting of a sub-fund.

The splitting techniques will be the same as the merger one foreseen by the Law.

As an exception to the foregoing, if the Company should cease to exist as a result of such a merger, the effectiveness of this merger must be decided by a General Meeting of Shareholders of the Company resolving validly whatever the portion of the capital represented. The resolutions are taken by a simple majority of the votes expressed. The expressed votes do not include those attached to the shares for which the shareholder did not take part in the vote, abstained or voted white or no.

To avoid any investment breach due to merger, and in the interest of the shareholders, the investment manager might need to rebalance the portfolio of the Merging sub-fund before the merger. Such rebalancing shall be compliant with the investment policy of the Receiving sub-fund.

In the event of the pure and simple liquidation of a sub-fund, the net assets shall be distributed between the eligible parties in proportion to the assets they own in said sub-fund. The assets not distributed within nine months of the date of the decision to liquidate shall be deposited with the Public Trust Office (Caisse de Consignation) until the end of the legally specified limitation period.

Pursuant to this matter, the decision adopted at the level of a sub-fund may be adopted similarly at the level of a category or a class.

Dissolution and Liquidation of the Company

The Board of Directors may, at any time and for any reason whatsoever, propose to the General Meeting the dissolution and liquidation of the Company. The General Meeting will give its ruling in accordance with the same procedure as for amendments to the Articles of Association.

If the Company's capital falls below two-thirds of the minimum legal capital, the Board of Directors may submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a simple majority of the votes of shareholders present or represented, account shall not be taken of abstentions.

If the Company's capital falls below one-quarter of the minimum legal capital, the Board of Directors shall submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a part of one-quarter of the votes of shareholders present or represented, account shall not be taken of abstentions.

In the event of the Company's dissolution, the liquidation will be conducted by one or more liquidators that may be individuals or legal entities. They will be appointed by the General Shareholders' Meeting, which will determine their powers and remuneration, without prejudice to the application of the Law.

The net proceeds of the liquidation of each sub-fund, category, or class will be distributed by the liquidators to the shareholders of each sub-fund, category, or class in proportion to the number of shares they hold in the sub-fund, category, or class.

In the case of straightforward liquidation of the Company, the net assets will be distributed to the eligible parties in proportion to the shares held in the Company. Net assets not distributed at the time of the closure of the liquidation and normally within a maximum period of nine months effective from the date of the liquidation will be deposited at the Public Trust Office (Caisse de Consignation) until the end of the legally specified limitation period.

The calculation of the net asset value, and all subscriptions, conversions and redemptions of shares in these sub-funds, categories, or classes will also be suspended throughout the liquidation period.

The General Meeting must be held within forty days of the date on which it is ascertained that the Company's net assets have fallen below the minimum legal threshold of two-thirds or one-quarter, as applicable.

APPENDIX 5 – PRE-CONTRACTUAL DISCLOSURES FOR THE PRODUCTS REFERRED TO IN ARTICLE 8 AND 9 OF SFDR AND ARTICLE 5 AND 6 OF THE TAXONOMY REGULATION

Name of the sub-fund	SFDR Category	Minimum proportion of sustainable investments in the meaning of SFDR	To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?		Does this financial product consider principal adverse impacts on sustainability factors?
			Minimum percentage of investments aligned with the EU Taxonomy[1] Including sovereign bonds	Minimum Share of investments in transitional and enabling activities	
BNP PARIBAS Flexi III Bond EM IG	Article 8	10%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS Flexi III European Senior Corporate Loans	Article 8	0%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS Flexi III Global Senior Corporate Loans	Article 8	0%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS Flexi III Senior Secured Bank Loan Mogliano	Article 8	0%	0%	0%	Yes, through the General PAI Approach

[1] The Management Company relies on third party data providers to disclose such information.

BOOK II

BNP PARIBAS FLEXI III BOND EM IG

Investment Objective

To increase the value of its assets over the medium term, by investing primarily in Investment Grade Bonds issued by emerging countries or by companies within these countries.

Investment Policy

This sub-fund invests at least 2/3 of its assets in Investment Grade Bonds issued by emerging countries or other investment grade fixed income instruments issued by emerging countries (Non OECD countries as at 1st January 1994 as well as Turkey, and Greece), and by companies that have their registered offices in or conduct the majority of their business activity in one of these countries. The sub-fund may not be invested in securities with a rating below BBB- (S&P or Fitch) or Baa3 (Moody's). In the event the rating criteria are no longer met, the manager will aim to adjust the composition of the portfolio in the interest of the shareholders within 6 months. The definition of the rating follows the following principles: In the case of securities rated by two or three agencies, one or two best rates among rates available rule will be considered. In the case of securities rated by two agencies, the best rating among the two available will be taken. In the case of securities rated by three agencies, the two best ratings among the three available will be taken. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in fixed income instruments, convertible bonds, money market instruments, equity exposures resulting from previously-held fixed income exposures or cash. Core financial derivative instruments and CDS may be used for efficient portfolio management and hedging. No borrowing is allowed in this sub-fund.

Sustainable investment Policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund, as set out in Book I. As such, the RBC, the ESG Integration as well as the Stewardship policies are fully incorporated in the investment process of this sub-fund.

In addition, the following binding criteria also apply to its investment strategy:

- the sub-fund invests at least 75% of its assets (except ancillary liquid assets) in securities issued by issuers evaluated against the ESG criteria, while
- the average portfolio ESG score of the sub-fund is higher than the one of its investment universe.

Additional guidelines and/or restrictions have been agreed between the investment manager and an authorised investor.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics**,** provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.
A summary of the commitments is also available in Appendix 5 of Book I.

Risk profile

For an overview of generic risks, please refer to the Appendix 3 of the Offering Document.

Specific sub-fund risks

Specific market risks:

- Credit Risk
- Emerging Markets Risk
- Extra-financial criteria Investment Risk
- Liquidity Risk

Accounting Currency:

EUR

Share Category

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
I Plus	CAP	LU2384475856	No	EUR	
I Plus QD	DIS	LU2440694284	Yes	EUR	

BNP PARIBAS FLEXI III BOND EM IG

Fees and costs

Category		Fees payable by the sub-fund		
	Management (max)	**Performance**	**Administrative services (max)**	**Taxe d'abonnement**
I Plus	0.25%	No	0.10%	0.01%

Valuation Day

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day.

Terms of subscription and redemption

Orders will be processed exclusively at an unknown NAV calculated each day in accordance with the rules set out below, only on Valuation Days in Luxembourg and the time mentioned is Luxembourg time.

Centralisation of orders (1)	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
12:00 CET for non STP orders and 16:00 CET for STP orders on the Valuation Day (D)	Valuation Day (D)	1 day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) (2)

(1) Centralisation for December 24 and 31 will be exceptionally advanced to 12:00 CET for STP orders due to an early closure of markets

(2) If the settlement day is a currency holiday, the settlement will occur the following business day.

Each time the "Orders Settlement Date" occurs before or on the same day of the "NAV calculation and publication date", the "Orders Settlement Date" will instead happen the next bank business day following of the "NAV calculation and publication date".

Historical information

The Sub-Fund will be launched on 4 December 2023.
Change of SFDR classification to Article 8 on August 22, 2022.

BNP PARIBAS FLEXI III EUROPEAN SENIOR CORPORATE LOANS

Investment Objective

The objective of this sub-fund is to construct a defensive portfolio of senior secured loans, providing a stable income stream. The sub-fund aims to offer its shareholders long-term returns, above comparable benchmark Index, over its life time. The portfolio will mainly consist of European senior secured bank loans to sub-investment grade issuers, also known as leveraged loans. These bank loans represent the highest ranking securities in the capital structure of the issuing companies.

The goals of the sub-fund are as follows:
- To provide attractive risk adjusted returns to its shareholder. The sub-fund seeks to provide an opportunity for the shareholders to achieve attractive levels of risk adjusted return, while seeking to minimize downside potential.
- To preserve the shareholder’s capital by investment in a defensive portfolio of assets. The sub-fund will attempt to provide consistent returns with lower relative levels of risk than is typically achieved with respect to other asset classes. The sub-fund targets investments in proven, recession resilient companies with strong market positions and high recovery prospects in case of a default.
- To provide dividend distributions. The sub-fund intends to have an annual dividend distribution for the shareholders invested in distribution share classes.

The sub-fund aims to reach these goals using a blend of both qualitative and quantitative methods to monitor and control the levels of portfolio risk. This will include, but not be limited to:
- Preliminary and ongoing fundamental credit research and monitoring;
- Tracking of rating changes, bond and loan prices, LCDS and CDS spreads, and stock prices of the underlying companies;
- Diversification across a number of sectors and geographic regions, thereby lowering the overall exposure to any individual entity, region or sector.

There is no guarantee that the sub-fund will achieve its investment objective. The sub-fund’s NAV will fluctuate with changes in the actual and perceived credit quality of the assets in which the sub-fund will invest and may be less than the NAV at the time of investment. Accordingly, shareholders can lose money investing in the sub-fund.

Investment Policy

The main underlying assets targeted for investment will consist of senior secured bank loans.
Some of the assets the sub-fund is permitted to invest in may only be drawn down over time hence are not payable immediately on acquisition by the sub-fund (i.e. delayed draw securities). In addition, there is a certain period between the purchase of a bank loan and settlement of such bank loan which should be taken into consideration. For the purposes of efficient management, the sub-fund may also (i) hold cash or cash equivalents, or (ii) money market instruments managed by a manager of BNP PARIBAS ASSET MANAGEMENT or an external manager. Outside of the provisions set out in the Appendix 2 of Book 1, no borrowing or short selling is allowed for investment purposes.
The sub-fund will not use techniques and financial instruments described in Appendix 2 of the Offering Document.

Sustainable investment Policy
The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT’s Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund, as set out in Book I. As such, the RBC, the ESG Integration as well as the Stewardship policies are fully incorporated in the investment process of this sub-fund.

In addition, the following binding criteria also apply to its investment strategy:
- the sub-fund invests at least 75% of its assets (except ancillary liquid assets) in securities issued by issuers evaluated against the ESG criteria, while
- the average portfolio ESG score of the sub-fund is higher than the one of its investment universe.

Investment Restrictions

The policy of the sub-fund is to spread investment risk.

The sub-fund is subject to but not limited to the following restrictions:
1. The sub-fund invests minimum 80% of its assets, excluding cash or cash equivalents, in Senior Secured Bank Loans.
2. The reference geographical allocation of the sub-fund is minimum of 80% for Europe and a maximum of 20% for North America, both based on the fund net assets.
3. The sub-fund cannot invest more than 5% of its assets in senior secured bank loans issued by a single issuer. However, this limit can be increased up to 10% provided that where the 5% limit is exceeded, the exposure to these issuers, when added together, does not exceed 40% of the fund’s assets.
4. The sub-fund does not directly make investments in any one issuer or issuer group if, immediately after such investment, the sub-fund would own more than 20% of such issuer’s outstanding debt.
5. The sub-fund does not directly invest more than 20% of the fund net assets into loans issued by issuers belonging to a single industry as defined by Moody’s Investors Service.
6. The sub-fund may not invest in equity or equity like securities except as a result of the purchase or ownership of a loan (like receiving warrants as part of the remuneration) or in connection with a reorganization of a borrower.
7. The sub-fund undertakes to hedge at minimum 90% of its currency exchange rate exposure of the senior secured bank loans denominated in non Euro currencies against the sub-fund reference currency (Euro)
8. The minimum credit rating of the loan facility that the sub-fund can invest in is B3 (rated by Moody’s) or B- (rated by S&P). In the case of no rating, an internal rating is applied. When a holding asset is downgraded to lower than B3/B-, such asset will be sold within 6 months, unless selling is not in the best interest of the investors due to exceptional market circumstances

In case of split rating between 2 agencies, the lower rating should be applicable.

With the exception of restriction 4 indicated above, the investment restrictions do not apply during Liquidation Period (please see below for a definition of this term). When calculating the concentration limits in relation to the restrictions as indicated in this document, all agreed upon asset transactions are included in the calculation as if the settlement of such transactions had already occurred.

Investment risks

An investment in the sub-fund involves certain risks relating to the sub-fund's structure and investment objectives which the prospective shareholder should evaluate before making a decision to invest in the sub-fund.

The sub-fund is subject but not limited to the following risks:

- **Illiquidity of the sub-fund's shares:** This sub-fund is not a certificate of deposit or money market fund, and differs substantially from these products with respect to risks and liquidity, among other factors. The sub-fund's shares have no trading market and no market is expected to develop. There will be no public market for the sub-fund, the ability to withdraw one's investment is limited by the terms of the sub-fund's governing documents, and withdrawal proceeds may not be paid immediately.
- **Illiquidity of the sub-fund's investments:** The majority of the sub-fund's investments are not liquid. The shareholder must be aware that this is a long-term investment and that payment of redemptions and dividends may be made later than the dates and periods envisaged. The illiquid nature of some loans and other assets invested in by the sub-fund may impair the sub-fund's ability to dispose of such assets in an expeditious manner. This may result in the sub-fund disposing of such assets on terms less favourable than the actual terms of the loan obtained by the fund on acquisition or reflected in the NAV.
- **Credit quality:** Each asset class in which the sub-fund invests in carries its own risks. The sub-fund may invest all or a substantial portion of its assets in below investment-grade senior loans, which are considered speculative by rating agencies and also referred to as "leveraged loans". There is a risk of default or of unexpected changes regarding cash flow maturities or of the debt collection rate of the sub-fund's investments. In addition, the sub-fund's investments will be subject to different countries' legislation concerning the rights of creditors and the implementation of guarantees. Therefore, one should expect that the fund's NAV will fluctuate as a result of changes in the credit quality of borrowers and other factors.
- **Collateral:** Collateral which secures senior loans might not be sufficient to satisfy the borrower's obligations in the event of non-payment of scheduled interest or principal and, in some cases, may be difficult to liquidate on a timely basis.
- **Long-dated nature of most investments:** As the bulk of the assets purchased by the fund are long-dated in nature, a mismatch between redemptions and repayments of these assets might require the sale of these assets at less than favourable prices.
- **Concentration:** Despite the mentioned restrictions the sub-fund may during its life, especially during the first 9 months following the Launch Date and Wind-down Period, be subject to concentration risk in the underlying investments.
- **Market risk:** The sub-fund will be subject to market prices when acquiring, trading and disposing assets.
- In addition, the NAV is calculated based on market prices, which might over- or under-estimate the true value of the investment or not represent the actual price at which the investment could be sold.
- **Interest rates:** An increase or decrease in interest rates may not be immediately reflected in the rates payable on the portfolio's underlying securities, while an increase in interest rates could have a negative impact on the quality of the sub-fund's investments.
- **Foreign exchange rates and hedging:** The currency of the assets of the sub-fund might differ from the sub-fund's currency of expression and consequently the sub-fund is subject to currency exchange fluctuations, with the sub-fund undertaking to hedge a certain percentage of the assets for a certain period. However, there is no assurance that currency hedging will be fully effective, as any unhedged portion remains exposed to currency exchange fluctuations, while in case of significant redemptions the sub-fund might be temporarily over-hedged.
- **Calculation of NAV:** The NAV per share of the sub-fund will be determined and communicated only after the value of its investments is determined.

  The NAV is based on data coming from a third party pricing service. The Investment Manager cannot opine on the accuracy of the prices obtained from a third party pricing service and by definition on the NAV based on such prices. There is no guarantee that the prices obtained from a third party pricing service represent fair value or will represent the value that will be realized by the sub-fund on the eventual disposal of the investment, a market price discovery, or that could in fact be realized upon an immediate disposal of the investment. Should the Company and/or the Investment Manager, change the method of valuation, than the same limitations as indicated above will hold for the new method of valuation.
- **Early redemption:** If the shareholder chooses to redeem its shares before the recommended investment horizon, an early redemption fee will be charged according to the investment period of the shareholder as defined in the section Fees and Costs.
- **Reinvestment:** It is possible that the sub-fund will not be able to reinvest its net income or the capital generated by the realisation of assets in the aforementioned Underlying Asset Classes at a similar level of risk-return.
- **Risk linked to warrants**
- **Extra-financial criteria Investment Risk**

BNP PARIBAS FLEXI III EUROPEAN SENIOR CORPORATE LOANS

Dividend Policy

Distribution share classes of the sub-fund intend to pay annual dividends starting 2017, provided that the underlying investments generated sufficient cash income during that period. Payment of the dividends will be made in November within 15 (fifteen) business days following the last Valuation Day of these months.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics**,** provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

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

A summary of the commitments is also available in Appendix 5 of Book I

Risk profile

For an overview of generic risks, please refer to the Appendix 3 of the Offering Document.

Accounting and Reference Currency

EUR

Share Category

Category	Class	ISIN code	Dividend	Reference Currency	Minimum Holding	Other Valuation Currencies
Privilege	CAP	LU1582324486	No	EUR	EUR 125,000	
I		LU1582324643			EUR 1,000,000	
I Plus		LU1582325459		EUR	EUR 10,000,000	
I Plus H CHF		LU1582324999		CHF		
I Plus H GBP		LU1582325293		GBP		
I Plus H USD		LU1634538513		USD		
I Super Plus		LU1634539081		EUR	EUR 30,000,000	
I Super Plus H CHF		LU1634539917		CHF		
I Super Plus H GBP		LU1634539248		GBP		
I Super Plus H JPY		LU1634539594		JPY		
I Super Plus H USD		LU1634539750		USD		
I	DIS	LU1582324726	Annual	EUR	EUR 1,000,000	
I Plus H CHF		LU1582325020		CHF	EUR 10,000,000	
I Plus H GBP		LU1582325376		GBP		
I Plus		LU1582325533		EUR		
I Plus H JPY		LU1634538869		JPY		
I Plus H USD		LU1634538604		USD		
I Super Plus		LU1634538943		EUR	EUR 30,000,000	
I Super Plus H CHF		LU1634539834		CHF		
I Super Plus H GBP		LU1634539164		GBP		
I Super Plus H JPY		LU1634539321		JPY		
I Super Plus H USD		LU1634539677		USD		
Privilege		LU1582324569		EUR	EUR 125,000	

BNP PARIBAS FLEXI III EUROPEAN SENIOR CORPORATE LOANS

Fees and costs

Category	Fees payable by the sub-fund				Costs payable by the investors		
	Management (max)	**Performance**	**Administrative services (max)**	**Taxe d'abonnement**	**Entry (max)**	**Conversion (max)**	**Exit (max)**
Privilege	0.90%	No	0.125%	0.01%	None	Not possible	1%
I	0.60%						None
I Plus	0.50%						
I Super Plus	0.40%						

Valuation Day

The NAV is calculated twice a month, based on the closing prices of the 15th calendar day of the month and the last Business Day of the month (the "**Valuation Days**") and such other days as the Board of Directors may from time to time determine at its discretion.

A "Business Day" is defined as any day on which banks are open for business in the Grand Duchy of Luxembourg, Paris, London and New York unless 50% or more of the underlying assets cannot be valued (due to, but not limited to stock exchange closure for listed assets). If the valuation day is not a business day, the calculation of the NAV will be based on the closing prices of the following business day.

The NAV per share of the sub-fund will be available at 17:00 CET 5 (five) business days after the Valuation Day and/or such other days as the Board of Directors may from time to time determine at its discretion ("**Valuation Notification Day**").

Pricing of investments will be made according to the pricing policy as indicated in Part I of the present Offering Document.

The Company has the right to change the valuation method of part or all of the sub-fund's assets, if in the opinion of the Company such other method better reflects the value of the relevant investments, with such decision to be communicated to the shareholder.

Terms of subscription

Orders will be processed exclusively at an unknown NAV calculated each month in accordance with the rules set out below, only on Valuation Days in Luxembourg and the time mentioned is Luxembourg time.

Centralisation of orders (1)	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (2)
16:00 CET one bank business day before the Valuation Day (D-1)	Valuation Day (D)	5 days after the Valuation Day (D+5)	Maximum 10 bank business days after the Valuation Day (D+10)

(1) Orders received after this deadline will be processed at the next order processing day.

(2) If the settlement day is a currency holiday, the settlement will occur the following business day.

Each time the "Orders Settlement Date" occurs before or on the same day of the "NAV calculation and publication date", the "Orders Settlement Date" will instead happen the next bank business day following of the "NAV calculation and publication date".

Payment will take place within 10 business days of the Valuation Day.

Terms of redemption

Unless in the event of suspension and/or exceptional circumstances, redemption requests must be received by the Company and/or the Transfer Agent **by 15:00 CET 30 calendar days prior to a Valuation Day**, and will be processed **on the basis of the net asset value on that Valuation Day**.

The redemption amount is paid within 10 business days following the applicable Valuation Day.

The net asset value of the sub-fund's assets on a given Valuation Day shall be calculated within 5 business days following the applicable Valuation Day.

In the event that the total net redemption/conversion applications received for the sub-fund on a Valuation Day equals or exceeds 5% of the net assets of the sub-fund, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 5% of the net assets of the sub fund. Any redemption/conversion applications deferred shall be given priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 5% of net assets.

Sub-fund liquidation

After the declaration of the sub-fund liquidation, the sub-fund will distribute back to the shareholder substantially all moneys received from the disposal of assets via repayment, prepayment, cancellation, sale or by any other means ("Liquidation Period"). Such distributions will be defined on each Valuation Day, or such other day as agreed with the shareholder, and will be paid within 10 business days following the Valuation Day until the sub-fund is liquidated.

Minimum sub-fund size

Should the sub-fund assets decrease below EUR 25,000,000 the Board of Directors reserves the right to liquidate the sub-fund.

BNP PARIBAS FLEXI III EUROPEAN SENIOR CORPORATE LOANS

Special subscription conditions

After the 9 months following the Launch date of the sub-fund, a subscription order in the following case is subject to the special subscription conditions:

Net Asset Value of the sub-fund ("AUM")	*A single subscription order larger than*
Less than 100 million €	30% of AUM
Equal to and bigger than 100 million €	20% of AUM

Manager has a right to choose between:

- to accept the order as any subscription order (as defined in "Terms of subscription"),

or

- the special draw-down procedure that is (i) subject to a commitment letter signed by both parties; (ii) up to 3 installments (capital call) defined by the Manager with 7 business days notice (iii) over maximum 3 months.

Historical information

The sub-fund was launched on 16 October 2017.
Change of SFDR classification to Article 8 on August 22, 2022.

BNP PARIBAS FLEXI III GLOBAL SENIOR CORPORATE LOANS

Investment Objective

The objective of this sub-fund is to construct a defensive portfolio of senior secured loans, providing a stable income stream. The sub-fund aims to offer its shareholders long-term returns, above comparable benchmark indexes, over its lifetime. The portfolio will consist of global senior secured bank loans to sub-investment grade issuers, also known as leveraged loans. These bank loans represent the highest ranking securities in the capital structure of the issuing companies.

The goals of the sub-fund are as follows:

- **To provide attractive risk adjusted returns to its shareholder**. The sub-fund seeks to provide an opportunity for the shareholders to achieve attractive levels of risk adjusted return, while seeking to minimize downside potential.
- **To preserve the shareholder's capital by investment in a defensive portfolio of assets**. The sub-fund will attempt to provide consistent returns with lower relative levels of risk than is typically achieved with respect to other asset classes. The sub-fund targets investments in proven, recession resilient companies with strong market positions and high recovery prospects in case of a default.
- **To provide dividend distributions**. The sub-fund intends to have an annual dividend distribution for the shareholders invested in distribution share class.

The sub-fund aims to reach these goals using a blend of both qualitative and quantitative methods to monitor and control the levels of portfolio risk. This will include, but not be limited to:

- Preliminary and ongoing fundamental credit research and monitoring;
- Tracking of rating changes, bond and loan prices, LCDS and CDS spreads, and stock prices of the underlying companies;
- Diversification across a number of sectors and geographic regions, thereby lowering the overall exposure to any individual entity, region or sector.

There is no guarantee that the sub-fund will achieve its investment objective. The sub-fund's NAV will fluctuate with changes in the actual and perceived credit quality of the assets in which the sub-fund will invest and may be less than the NAV at the time of investment. Accordingly, the shareholder can lose money investing in the sub-fund.

Investment Policy

The main underlying assets targeted for investment will consist of senior secured bank loans

Some of the assets the sub-fund is permitted to invest in may only be drawn down over time hence are not payable immediately on acquisition by the sub-fund (i.e. delayed draw securities). In addition, there is a certain period between the purchase of a bank loan and settlement of such bank loan which should be taken into consideration.

For the purposes of efficient management, the sub-fund may also (i) hold cash or cash equivalents, or (ii) money market instruments managed by a manager of BNP PARIBAS ASSET MANAGEMENT or an external manager.

Outside of the provisions set out in the Appendix 2 of Book I, no borrowing or short selling is allowed for investment purposes. The sub-fund will not use techniques and financial instruments described in Appendix 2 of the Offering Document.

Sustainable investment Policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund, as set out in Book I. As such, the RBC, the ESG Integration as well as the Stewardship policies are fully incorporated in the investment process of this sub-fund.

In addition, the following binding criteria also apply to its investment strategy:

- the sub-fund invests at least 75% of its assets (except ancillary liquid assets) in securities issued by issuers evaluated against the ESG criteria, while
- the average portfolio ESG score of the sub-fund is higher than the one of its investment universe.

Investment Restrictions

The policy of the sub-fund is to spread investment risk.

The sub-fund is subject to but not limited to the following restrictions:

1. The sub-fund does not invest less than 80% of its assets, excluding cash or cash equivalents, in Senior Secured Bank Loans.
2. The reference geographical allocation of the sub-fund is 50% for North America and 50% Europe, with a leeway of more or less 25%, both based on the fund net assets.
3. The sub-fund cannot invest more than 5% of its assets in senior secured bank loans issued by a single issuer. However, this limit can be increased up to 10% provided that where the 5% limit is exceeded, the exposure to these issuers, when added together, does not exceed 40% of the fund's assets.
4. The sub-fund does not directly make investments in any one issuer or issuer group if, immediately after such investment, the sub-fund would own more than 25% of such issuer's outstanding debt.
5. The sub-fund does not directly invest more than 20% of its assets into loans issued by issuers belonging to a single industry as defined by Moody's Investors Service.
6. The sub-fund may not invest in equity or equity like securities except as a result of the purchase or ownership of a loan (like receiving warrants as part of the remuneration) or in connection with a reorganization of a borrower.

7. The sub-fund undertakes to hedge at minimum 90% of its currency exchange rate exposure of the senior secured bank loans denominated in non Euro currencies against the sub-fund reference currency (Euro)
8. The minimum credit rating of the loan facility that the sub-fund can invest in is B3 (rated by Moody's) or B- (rated by S&P). In the case of no rating, an internal rating is applied. In case of split rating between 2 agencies, the lower rating should be applicable. If a loan facility of the sub-fund is downgraded to lower than B3/B-, and if the total amount of loan facilities downgraded below B3/B- exceed 2% of the total sub-fund net assets, such CCC bucket should be reduced to below 2% within 6 months maximum from the date when the limit has been exceeded, unless selling is not in the best interest of the investors due to exceptional market circumstances

With the exception of restriction 4 indicated above, the investment restrictions do not apply during Liquidation Period. When calculating the concentration limits in relation to the restrictions as indicated in this document, all agreed upon asset transactions are included in the calculation as if the settlement of such transactions had already occurred.

Investment risks

An investment in the sub-fund involves certain risks relating to the sub-fund's structure and investment objectives which the prospective shareholder should evaluate before making a decision to invest in the sub-fund.

There is no guarantee that the sub-fund will achieve its investment objective. The sub-fund's NAV will fluctuate with changes in the actual and perceived credit quality of the assets in which the fund will invest and may be less than the NAV at the time of investment. Accordingly, the shareholder can lose money investing in the sub-fund.

The sub-fund is subject but not limited to the following risks:

- **Illiquidity of the sub-fund's shares**: This sub-fund is not a certificate of deposit or money market fund, and differs substantially from these products with respect to risks and liquidity, among other factors. The sub-fund's shares have no trading market and no market is expected to develop. There will be no public market for the sub-fund, the ability to withdraw one's investment is limited by the terms of the sub-fund's governing documents, and withdrawal proceeds may not be paid immediately.
- **Illiquidity of the sub-fund's investments**: The majority of the sub-fund's investments are not liquid. The shareholder must be aware that this is a long-term investment and that payment of redemptions and dividends may be made later than the dates and periods envisaged. The illiquid nature of some loans and other assets invested in by the sub-fund may impair the sub-fund's ability to dispose of such assets in an expeditious manner. This may result in the sub-fund disposing of such assets on terms less favourable than the actual terms of the loan obtained by the fund on acquisition or reflected in the NAV.
- **Credit quality**: Each asset class in which the sub-fund invests in carries its own risks. The sub-fund may invest all or a substantial portion of its assets in below investment-grade senior loans, which are considered speculative by rating agencies and also referred to as "leveraged loans". There is a risk of default or of unexpected changes regarding cash flow maturities or of the debt collection rate of the sub-fund's investments. In addition, the sub-fund's investments will be subject to different countries' legislation concerning the rights of creditors and the implementation of guarantees. Therefore, one should expect that the fund's NAV will fluctuate as a result of changes in the credit quality of borrowers and other factors.
- **Collateral**: Collateral which secures senior loans might not be sufficient to satisfy the borrower's obligations in the event of non-payment of scheduled interest or principal and, in some cases, may be difficult to liquidate on a timely basis.
- **Long-dated nature of most investments**: As the bulk of the assets purchased by the fund are long-dated in nature, a mismatch between redemptions and repayments of these assets might require the sale of these assets at less than favourable prices.
- **Concentration:** Despite the mentioned restrictions the sub-fund may during its life, especially during the Ramp-up Period and Wind-down Period, be subject to concentration risk in the underlying investments.
- **Market risk**: The sub-fund will be subject to market prices when acquiring, trading and disposing assets.
- In addition, the NAV is calculated based on market prices, which might over- or under-estimate the true value of the investment or not represent the actual price at which the investment could be sold.
- **Interest rates**: An increase or decrease in interest rates may not be immediately reflected in the rates payable on the portfolio's underlying securities, while an increase in interest rates could have a negative impact on the quality of the sub-fund's investments.
- **Foreign exchange rates and hedging**: The currency of the assets of the sub-fund might differ from the sub-fund's currency of expression and consequently the sub-fund is subject to currency exchange fluctuations, with the sub-fund undertaking to hedge a certain percentage of the assets for a certain period. However, there is no assurance that currency hedging will be fully effective, as any unhedged portion remains exposed to currency exchange fluctuations, while in case of significant redemptions the sub-fund might be temporarily over-hedged.
- **Calculation of NAV**: The NAV per share of the sub-fund will be determined and communicated only after the value of its investments is determined.

  The NAV is based on data coming from a third party pricing service. The Investment Manager cannot opine on the accuracy of the prices obtained from a third party pricing service and by definition on the NAV based on such prices. There is no guarantee that the prices obtained from a third party pricing service represent fair value or will represent the value that will be realized by the sub-fund on the eventual disposal of the investment, a market price discovery, or that could in fact be realized upon an immediate disposal of the investment. Should the Company and/or the Investment Manager, change the method of valuation, than the same limitations as indicated above will hold for the new method of valuation.
- **Early redemption**: If the shareholder chooses to redeem its shares before the recommended investment horizon, an early redemption fee will be charged according to the investment period of the shareholder as defined in the section Fees and Costs.

- **Reinvestment**: It is possible that the sub-fund will not be able to reinvest its net income or the capital generated by the realisation of assets in the aforementioned Underlying Asset Classes at a similar level of risk-return.
- **Risk linked to warrants**
- **Extra-financial criteria Investment Risk**

Ramp-Up Period

The “Ramp-Up Period” is defined as the first 6 (six) months after the launch date.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics**,** provided that the companies in which the investments are made follow good governance practices,in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS RELATING TO THIS SUB-FUND IS AVAILABLE IN THE ANNEX OF THE PROSPECTUS SET OUT IN BOOK III.
A summary of the commitments is also available in Appendix 5 of Book I

Dividend Policy

Distribution share classes of the sub-fund intend to pay annual dividends starting 1 year after the Launch Date, provided that the underlying investments generated sufficient cash income during that period. Payment of the dividends will be made in November within 15 (fifteen) business days following the Valuation Day of these months.

Accounting and Reference Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Minimum holding	Other Valuation Currencies
N	CAP	LU1743289354	No	EUR	EUR 125,000	
N USD		LU1743289438		EUR	EUR 1,000,000	
I		LU1517865025				
I Plus		LU1116584399			EUR 10,000,000	
I Plus 2016(1)		LU1279470584				
I Plus 2017(1)		LU1517865298				
I Plus H CHF		LU1743289941		CHF		
I Plus H GBP		LU1743290105		GBP		
I Plus USD		LU1743290360		USD		
I Plus H USD		LU1743290527				
I	DIS	LU1116584472	Annual	EUR	EUR 1,000,000	
I Plus 2014(1)		LU0963670319			EUR 10,000,000	
I Plus		LU1116584555				
I Plus 2016(1)		LU1279470741				
I Plus 2017(1)		LU1517865611				
I Plus H CHF		LU1743290014		CHF		
I Plus H GBP		LU1743290287		GBP		
I Plus USD		LU1743290444		USD		
I Plus H USD		LU1743290527				
Privilege 2014(1)		LU0963670665		EUR	EUR 125,000	
Privilege		LU1743290873				
X2	CAP	LU2212330851	No	EUR	None	

(1) These share categories are closed to subscription after the initial subscription period, ending on each December 31st of the year mentioned in the share class name and only redemption orders will be allowed afterwards, except for current investors who can still increase their holdings after this period has expired.

Fees and costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance	Distribution fee[(1)]	Administrative services (max)	Taxe d'abonnement	Entry (max)	Conversion (max)	Exit (max)
N	0.60%	None	0.30%	0.125%	0.01%	None	Not possible	1%
N USD								None
Privilege 2014	0.90%		None					
Privilege								1%
I	0.60%							None
I Plus	0.50%							
I Plus 2014								
I Plus 2016								
I Plus 2017								
X2	None							

(1) Fee calculated and deducted monthly from the average net assets of the share category, paid to the AIFM and serving to cover remuneration of the distributors, supplemental to the share of the management fee that they receive.

Valuation Day

The NAV is calculated twice a month, based on the closing prices of the 15th calendar day of the month and the last Business Day of the month (the "**Valuation Days**") and such other days as the Board of Directors may from time to time determine at its discretion.

A "Business Day" is defined as any day on which banks are open for business in the Grand Duchy of Luxembourg, Paris, London and New York unless 50% or more of the underlying assets cannot be valued (due to, but not limited to stock exchange closure for listed assets).

The NAV per share of the sub-fund will be available at 17:00 CET 5 (five) business days after the Valuation Day and/or such other days as the Board of Directors may from time to time determine at its discretion ("**Valuation Notification Day**").

Pricing of investments will be made according to the pricing policy as indicated in Part I of the present Offering Document.

The Company has the right to change the valuation method of part or all of the sub-fund's assets, if in the opinion of the Company such other method better reflects the value of the relevant investments, such decision having to be communicated to the shareholder.

Terms of subscription

Orders will be processed exclusively at an unknown NAV calculated each month in accordance with the rules set out below, only on Valuation days in Luxembourg and the time mentioned is Luxembourg time.

Centralisation of orders [(1)]	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date [(2)]
16:00 CET one bank business day before the Valuation Day (D-1)	Valuation Day (D)	5 days after the Valuation Day (D+5)	Maximum 10 bank business days after the Valuation Day (D+10)

[(1)] *Orders received after this deadline will be processed at the next order processing day.*

[(2)] *If the settlement day is a currency holiday, the settlement will occur the following business day.*

Each time the "Orders Settlement Date" occurs before or on the same day of the "NAV calculation and publication date", the "Orders Settlement Date" will instead happen the next bank business day following of the "NAV calculation and publication date"

Payment will take place within 10 business days of the Valuation Day.

Special subscription conditions

A subscription order in the following case is subject to the special subscription conditions:

Net Asset Value of the sub-fund ("AUM")	A single subscription order larger than
Less than 100 million €	30% of AUM
Equal to and bigger than 100 million €	20% of AUM

Manager has a right to choose between:

- accepting the order as any subscription order (as defined in "Terms of subscription"),

or

- the special draw-down procedure that is (i) subject to a commitment letter signed by both parties; (ii) up to 3 installments (capital call) defined by the Manager with 7 business days notice (iii) over maximum 3 months.

Terms of redemption

Unless in the event of suspension and/or exceptional circumstances, redemption requests must be received by the Company and/or the Transfer Agent **by 15:00 CET 30 calendar days prior to a Valuation Day**, and will be processed **on the basis of the net asset value on that Valuation Day**.

The redemption amount is paid within 10 business days following the applicable Valuation Day.

Unless otherwise specified in the appendix to the sub-fund in question the net asset value per share for each category and/or sub-fund is determined monthly, based on the closing prices of the last business day of the previous month (the “Valuation Day”) in Luxembourg, Paris, London and New York by dividing the net asset value of the category and/or sub-fund concerned by the number of outstanding shares in said category or sub-fund, in accordance with the provisions of the relevant article in the Articles of Association.

The net asset value of the sub-fund's assets on a given Valuation Day shall be calculated within 5 business days following the applicable Valuation Day.

In the event that the total net redemption/conversion applications received for the sub-fund on a Valuation Day equals or exceeds 5% of the net assets of the sub-fund, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 5% of the net assets of the sub fund. Any redemption/conversion applications deferred shall be given priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 5% of net assets.

Minimum sub-fund size

Should the sub-fund assets decrease below EUR 25,000,000 the Board of Directors reserves the right to liquidate the sub-fund.

Sub-fund liquidation

After the declaration of the sub-fund liquidation, the sub-fund will distribute back to the shareholder substantially all moneys received from the disposal of assets via repayment, prepayment, cancellation, sale or by any other means (“Liquidation Period”). Such distributions will be defined on each Valuation Day, or such other day as agreed with the shareholder, and will be paid within 10 business days following the Valuation Day until the sub-fund is liquidated.

Historical information

The Sub-Fund was launched on 30th December 2013 at EUR 1,000 per share.
Change of SFDR classification to Article 8 on August 22, 2022.

BNP PARIBAS FLEXI III SENIOR SECURED BANK LOAN FUND MOGLIANO

Investment Objective

The objective of this sub-fund is to construct a defensive portfolio of senior secured loans, providing a stable income stream. The sub-fund aims to offer its shareholder long-term dividend returns, above comparable benchmark indexes, over its life time. The portfolio will consist of mostly European senior secured bank loans to sub-investment grade issuers, also known as leveraged loans. These bank loans represent the highest ranking securities in the capital structure of the issuing companies.

The goals of the sub-fund are as follows:

- **To provide excellent risk adjusted returns to its shareholder at an attractive entry point**. The sub-fund seeks to provide an opportunity for the shareholder to achieve excellent levels of risk adjusted return, while seeking to minimize downside potential. The current weakness in loan prices allows the sub-fund to purchase strong credits at discounted prices, thus making this an attractive entry point to pick up additional return from capital appreciation of such assets.
- **To preserve the shareholder's capital by investment in a defensive portfolio of assets.** The sub-fund will attempt to provide consistent returns with lower relative levels of risk than is typically achieved with respect to other asset classes. The sub-fund targets investments in proven, recession resilient companies with strong market positions and high recovery prospects in case of a default.
- **To provide dividend distributions**. The sub-fund intends to have a semi-annual dividend distribution.

The sub-fund aims to reach these goals using a blend of both qualitative and quantitative methods to monitor and control the levels of portfolio risk. This will include, but not be limited to:

- Preliminary and ongoing fundamental credit research and monitoring;
- Tracking of rating changes, bond and loan prices, LCDS and CDS spreads, and stock prices of the underlying companies;
- Diversification across a number of sectors and geographic regions, thereby lowering the overall exposure to any individual entity, region or sector.

Investment Policy

The main underlying assets targeted for investment (collectively the "**Primary Underlying Asset Classes**") will consist of **Senior secured bank loans;**

In addition, the sub-fund's investment strategy allows for investment in the following asset classes ("**Secondary Underlying Asset Classes**"):

- Second secured bank loans (like second lien and mezzanine, which rank before high yield debt and equity);
- Secured and unsecured fixed and floating rate corporate bonds and notes;
- AA-/Aa3 or higher rated tranches of collateralised loan obligations;

(the Primary Underlying Asset Classes and the Secondary Underlying Asset Classes are together referred to as "**Underlying Asset Classes**").

Some of the assets the sub-fund is permitted to invest in may only be drawn down over time hence are not payable immediately on acquisition by the sub-fund (i.e. delayed draw securities). In addition, there is a certain period between the purchase of a bank loan and settlement of such bank loan which should be held into consideration.

For the purposes of efficient management, the sub-fund may also (i) hold cash or cash equivalents, or (ii) invest in money market instruments each holding a minimum rating of AA/Aa2 by a recognised rating agency and in each case denominated in US dollars, Euros, British Pounds, or other currencies of countries holding a minimum rating of AA/Aa2 by a recognised rating agency ("Cash or Cash Equivalents").

No borrowing or short selling is allowed in this sub-fund.

The sub-fund will not use techniques and financial instruments described in Appendix 3 of the Offering Document.

Sustainable investment Policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund, as set out in Book I. As such, the RBC, the ESG Integration as well as the Stewardship policies are fully incorporated in the investment process of this sub-fund.

In addition, the following binding criteria also apply to its investment strategy:

- the sub-fund invests at least 75% of its assets (except ancillary liquid assets) in securities issued by issuers evaluated against the ESG criteria, while
- the average portfolio ESG score of the sub-fund is higher than the one of its investment universe.

Investment Restrictions

The policy of the sub-fund is to spread investment risk.

The sub-fund is subject to but not limited to the following restrictions:

1. The sub-fund does not invest less than 80 (eighty) per cent of its assets, excluding cash or cash equivalents, in Primary Underlying Asset Classes.
2. The sub-fund does not invest more than 20 (twenty) per cent of its assets in Secondary Underlying Asset Classes.
3. The sub-fund does not directly invest more than 35 (thirty-five) per cent of its assets to issuers whose main holding company and fund counterparty is not resident within Europe.
4. The sub-fund does not directly invest more than 4 (four) per cent of its assets in securities/ asset classes issued by a single issuer or issuer group, with the exception of a maximum exposure of 6 (six) per cent for 3 (three) issuers or issuer groups each. This restriction replaces the single issuer concentration limit indicated in Appendix 1 of the Offering Document.
5. The sub-fund does not directly make investments in any one issuer or issuer group if, immediately after such investment, the sub-fund would own more than 25 (twenty-five) per cent of such issuer's outstanding debt.

6. The sub-fund does not directly invest more than 12 (twelve) per cent of its assets in securities/ asset class issued by issuers belonging to a single industry as defined by Moody's Investors Service, with the exception of a maximum exposure of 15 (fifteen) per cent for 2 (two) industries each, a maximum exposure of 20 (twenty) per cent for 1 (one) industry and a maximum exposure of 25 (twenty five) per cent for the healthcare industry.
7. The sub-fund may not invest in equity or equity like securities except as a result of the purchase or ownership of a loan (like receiving warrants as part of the remuneration) or in connection with a reorganization of a borrower.
8. The sub-fund undertakes to hedge at minimum 67 (sixty-seven) per cent of its currency exchange rate exposure.

With the exception of restriction 5 indicated above, the investment restrictions do not apply during Wind-down Period. During Wind-down Period, the Investment Manager will undertake to, as regards to restrictions 4 and 6, honour the maximum permitted amounts allowed under these restrictions as calculated in case of the Wind-down Period based on the net asset value of the fund when the Wind-down Period started.

When calculating the concentration limits in relation to the restrictions as indicated in this document, all agreed upon asset transactions are included in the calculation as if the settlement of such transactions had already occurred.

Information relating to SFDR and Taxonomy Regulation
The sub-fund promotes environmental and / or social characteristics**,** provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it does not commit to make any sustainable investment within the meaning of SFDR.

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

A summary of the commitments is also available in Appendix 5 of Book I*Risks*

An investment in the sub-fund involves certain risks relating to the sub-fund's structure and investment objectives which the prospective shareholder should evaluate before making a decision to invest in the sub-fund.

There is no guarantee that the sub-fund will achieve its investment objective. The sub-fund's NAV will fluctuate with changes in the actual and perceived credit quality of the assets in which the fund will invest and may be less than the NAV at the time of investment. Accordingly, the shareholder can lose money investing in the sub-fund.

The sub-fund is subject but not limited to the following risks:

- **Illiquidity of the sub-fund's shares**: This sub-fund is not a certificate of deposit or money market fund, and differs substantially from these products with respect to risks and liquidity, among other factors. The sub-fund's shares have no trading market and no market is expected to develop. There will be no public market for the sub-fund, the ability to withdraw one's investment is limited by the terms of the sub-fund's governing documents, and withdrawal proceeds may not be paid immediately.
- **Illiquidity of the sub-fund's investments**: The majority of the sub-fund's investments are not liquid. The shareholder must be aware that this is a long-term investment and that payment of redemptions and dividends may be made later than the dates and periods envisaged. The illiquid nature of some loans and other assets invested in by the sub-fund may impair the sub-fund's ability to dispose of such assets in an expeditious manner. This may result in the sub-fund disposing of such assets on terms less favourable than the actual terms of the loan obtained by the fund on acquisition or reflected in the NAV.
- **Credit quality**: Each asset class in which the sub-fund invests in carries its own risks. The sub-fund may invest all or a substantial portion of its assets in below investment-grade senior loans, which are considered speculative by rating agencies and also referred to as "leveraged loans". There is a risk of default or of unexpected changes regarding cash flow maturities or of the debt collection rate of the sub-fund's investments. In addition, the sub-fund's investments will be subject to different countries' legislation concerning the rights of creditors and the implementation of guarantees. Therefore, one should expect that the fund's NAV will fluctuate as a result of changes in the credit quality of borrowers and other factors.
- **Collateral**: Collateral which secures senior loans might not be sufficient to satisfy the borrower's obligations in the event of non-payment of scheduled interest or principal and, in some cases, may be difficult to liquidate on a timely basis.
- **Long-dated nature of most investments**: As the bulk of the assets purchased by the fund are long-dated in nature, a mismatch between redemptions and repayments of these assets might require the sale of these assets at less than favourable prices.
- **Concentration**: Despite the mentioned restrictions the sub-fund may during its life, especially during the Ramp-up Period and Wind-down Period, be subject to concentration risk in the underlying investments.
- **Market risk**: The sub-fund will be subject to market prices when acquiring, trading and disposing assets,.

  In addition, the NAV is calculated based on market prices, which might over- or under-estimate the true value of the investment or not represent the actual price at which the investment could be sold.
- **Subordination**: Some of the sub-fund's investments might be subject to the risk arising from a subordination mechanism.
- **Collateralized Loan Obligations**: The sub-fund may invest in collateralized loan obligations over which the sub-fund might only have limited or no control.
- **Interest rates**: An increase or decrease in interest rates may not be immediately reflected in the rates payable on the portfolio's underlying securities, while an increase in interest rates could have a negative impact on the quality of the sub-fund's investments. Further a change in interest rates will have an impact on the performance of the sub-fund.
- **Foreign exchange rates and hedging**: The currency of the assets of the sub-fund might differ from the sub-fund's currency of expression and consequently the sub-fund is subject to currency exchange fluctuations, with the sub-fund undertaking to hedge a certain percentage of the assets for a certain period. However, there is no assurance that currency hedging will be fully effective, as any unhedged portion remains exposed to currency exchange fluctuations, while in case of significant redemptions the sub-fund might be temporarily over-hedged.
- **Calculation of NAV**: The NAV per share of the sub-fund will be determined and communicated only after the value of its investments is determined.

The NAV is based on data coming from a third party pricing service. The Investment Manager can not opine on the accuracy of the prices obtained from a third party pricing service and by definition on the NAV based on such prices. There is no guarantee that the prices obtained from a third party pricing service represent fair value or will represent the value that will be realized by the sub-fund on the eventual disposal of the investment, a market price discovery, or that could in fact be realized upon an immediate disposal of the investment. Should the Company and/or the Investment Manager, change the method of valuation, than the same limitations as indicated above will hold for the new method of valuation.

- **Sub-fund repayment**: The rate of repayment of the sub-fund after the Reinvestment Period is among others dependent on the level of repayment, prepayment, cancellation, or sale of the underlying assets which the Investment Manager might not have control over.
- **Early redemption**: If the shareholder chooses to redeem its shares before the planned maturity date, the selling prices may not represent the intrinsic value of the sub-fund's assets. In addition, the sub-fund can be exposed to additional costs like the premature unwinding of currency hedges.
- **Reinvestment**: It is possible that the sub-fund will not be able to reinvest its net income or the capital generated by the realisation of assets in the aforementioned Underlying Asset Classes at a similar level of risk-return.
- **Risks linked to warrants**
- **Conflict of interest**
- **Extra-financial criteria Investment Risk**

Reinvestment Period, Wind-down Period, Maturity Date

The sub-fund targets to reinvest all moneys (excluding capital gains) received from the disposal of assets (via repayment, prepayment, cancellation, sale or by any other means) during a reinvestment period determined by the Board of Directors (**"Reinvestment Period"**).

After the end of the Reinvestment Period and up to the Maturity Date, the sub-fund will distribute back to the shareholder substantially all moneys (excluding capital gains) received from the disposal of assets via repayment, prepayment, cancellation, sale or by any other means (**"Wind-down Period"**). Such distributions will be defined on each Valuation Day, or such other day as agreed with the shareholder, and will be paid within 5 (five) business days following the Valuation Day.

The Wind-down Period should last 4 (four) years and the Maturity Date should be determined by the Board of Directors in the last months of the Wind-down Period **("Maturity Date")**.

Dividend Policy

The sub-fund intends to pay semi annual dividends, provided that the underlying investments generated sufficient cash income during that period. Payment of the dividends will be made in February and August within 15 (fifteen) business days following the Valuation Day of these months.

Accounting Currency:

EUR

Share Category

Category	Class	ISIN code	Dividend	Minimum holding(1)	Reference Currency	Other Valuation Currencies
I	DIS	LU0374600871	Semi-annual	EUR 10,000,000	EUR	

(1) *Entry fees excluded, if any*

This category in this sub-fund is exclusively reserved for one institutional investor previously accepted by BNP PARIBAS ASSET MANAGEMENT.

Fees and costs

Category	Fees payable by the sub-fund		
	Management (max)	Administrative services (max)	Taxe d'abonnement
I	0.55%	0.125%	0.01%

Valuation Day

On the 22nd of each month on which banks are open for business in Luxembourg, Paris, London and New York (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued (due to, but not limited to stock exchange closure for listed assets).

In case the 22nd Calendar day is not a Business Day, the NAV will be calculated on the following Business Day.

A "Business Day" is defined as any day on which banks are open for business in the Grand Duchy of Luxembourg, Paris, London and New York.

The NAV per share of the sub-fund will be available at 17:00 CET 5 (five) business days after the Valuation Day and/or such other days as the Board of Directors may from time to time determine at its discretion ("**Valuation Notification Day**").

Pricing of investments will be made according to the pricing policy as indicated in Part I of the present Offering Document. Swing pricing as indicated in the Chapter "Calculation of the Net Asset Value per Share" in the part I of this Offering Document is not allowed.

If, however, no prices are provided under this pricing policy or the shareholder deems, in consultation with the Investment Manager, these quotations unreliable then the Company can, together with the Investment Manager, decide to use such other method for pricing the relevant investments as they seem fit with such decision to be communicated to the shareholder.

In addition, the Company has the right to change the valuation method of part or all of the sub-fund's assets, if in the opinion of the Company such other method better reflects the value of the relevant investments, with such decision to be communicated to the shareholder.

Terms of subscription

Orders will be processed exclusively at an unknown NAV calculated each month in accordance with the rules set out below, only on Valuation Days in Luxembourg and the time mentioned is Luxembourg time.

Centralisation of orders [(1)]	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date [(2)]
16:00 CET one bank business day before the Valuation Day (D-1)	Valuation Day (D)	5 days after the Valuation Day (D+5)	Maximum 7 bank business days after the Valuation Day (D+7)

[(1)] Orders received after this deadline will be processed at the next order processing day.

[(2)] If the settlement day is a currency holiday, the settlement will occur the following business day.

Each time the "Orders Settlement Date" occurs before or on the same day of the "NAV calculation and publication date", the "Orders Settlement Date" will instead happen the next bank business day following of the "NAV calculation and publication date".

Payment will take place within 7 business days of the Valuation Day.

Terms of redemption

Redemption requests will not be authorised during the first 6 (six) months from the Launch Date.

Requests for Redemptions must be received by a local agent, a placing agent or directly by the Transfer Agent before 4.00 pm on any business day ("**Redemption Notification Day**").

Considering the composition of the portfolio of the sub-fund the shareholder should be aware that the Investment Manager will be able to redeem only when there is a possibility to sell the assets at prices approved by the shareholder and to pay the redemption price as soon as the sales are settled.

For any redemption request received on a Redemption Notification Day, the Investment Manager will make a recommendation of the to-be-disposed investments ("Target Disposal Assets"), which are selected fully at the Investment Manager's discretion though the Investment Manager intends such Target Disposal Assets to be an average representation of the sub-fund's assets, and indicate potential sale price ranges on these Target Disposal Assets to the shareholder.

The shareholder will then decide whether (i) to proceed with the sale of part or all of the Target Disposal Assets and at which minimum selling price or (ii) alternatively might request the Investment Manager to (partly) propose a different set of to-be-disposed investments or (iii) to remove his redemption request.

The Investment Manager will then attempt to sell the Target Disposal Assets within the minimum agreed selling price, or notify the shareholder when part or all of the Target Disposal Assets can not be sold or can not be sold within the minimum agreed selling price.

The shareholder should be aware that the final settlement of bank loans could in certain circumstances take a longer time which in turn could delay the receipt of the net proceeds of such disposal.

Redemptions will only be allowed, provided that sufficient assets will remain in the sub-fund to cover outstanding purchase commitments and envisaged costs of the sub-fund (including but not limited to breaking costs for hedging agreements).

Taking into account the individual specification of this sub-fund any redemption request will be processed by the board in collaboration with the shareholder, the amount and payment date of the redemption will be communicated by the board as soon as the redemption will be possible.

Redemption in kind

The shareholder has the option to request that part or all of the assets to be redeemed in kind.

Terms of payment of redemption in kind will be treated case by case by the Board of Directors.

Minimum sub-fund size

Should the sub-fund assets decrease below EUR 100,000,000 the Board of Directors reserves the right to wind-up the sub-fund.

Historical information

The sub-fund was launched on 29 August 2008. The first NAV was set at EUR 1,000 per share.
Change of SFDR classification to Article 8 on August 22, 2022.

BNP PARIBAS FLEXI III SIGNATURE EUR

Investment objective

The investment objective of this sub-fund is to offer shareholders a return (before commissions and fees) in line with its benchmark index: 80% €str (Euro Short Term Rate)* + 20% ICE BofAML 1-3 Years AAA- A Corporate EX Subordinated Debt Index**(E1XS). The sub-fund is not a Money Market Fund as defined by Regulation 2017/1131.

** with “European Central Bank” as Benchmark Index administrator, Central Bank exempt from registration in the Benchmark Register*

*** Following Brexit, ICE Benchmark Administration Limited, the Benchmark Index administrator, is no longer registered in the Benchmark Register. Since January 1st, 2021, ICE Benchmark Administration Limited is considered as a “third country” UK administrator vis-à-vis the European Union and no longer appears on the Benchmark Register. The non-EU benchmarks are permitted to be used in the EU until the Regulation 2016/1011’s transition period which has been extended to January 1st 2024. During this time the ICE Benchmark Administration Limited can either be granted the UK “equivalence” by the European Union or “endorsement” or “recognition” as per Regulation 2016/1011.*

Investment policy

To achieve this objective, the sub-fund may invest at least 80% of its assets in term deposits, money market instruments, bonds, financial derivative instruments and/or other transferable securities denominated in Euro.

The sub-fund seeks to invest in money market instruments and bonds, issued by any entity of the BNP Paribas Group, and in money market UCI/UCITS as defined in Regulation 2017/1131.

Between 10% and 30% of the sub-fund’s assets are invested in bonds with a maturity exceeding 1 year. At least 10% of the sub-fund’s assets are invested in bonds with a maturity exceeding 2 years.

After hedging, the sub-fund’s exposure to currencies other than the euro may not exceed 1%.

The sub-fund may use financial derivative instruments (such as interest rate derivatives and bond futures) in order to manage its interest rate exposure both for hedging and trading purposes.

Information relating to SFDR and Taxonomy Regulation

The sub-fund is not categorized under Article 8 or Article 9 SFDR.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable.

Thus, the EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental as well as social objectives are yet part of the Taxonomy Regulation.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Risk profile

For an overview of generic risks, please refer to the Appendix 3 of the Offering Document.

Specific sub-fund risks

Specific market risks:

- Counterparty risk
- Derivative risk

Accounting Currency

EUR

BNP PARIBAS FLEXI III SIGNATURE EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Minimum holding	Other Valuation Currencies
Privilege	CAP	LU0753966273	No	EUR	EUR 250,000	none
I Plus		LU0753966190			EUR 5,000,000	
I Plus H GBP		LU2258953509		GBP		
I Plus H USD		LU2258953764		USD		
I Plus	DIS	LU0753966356	Annual	EUR		
I Plus H GBP		LU2258953681		GBP		
I Plus H USD		LU2258953848		USD		

Capitalisation and distribution shares are issued in registered form.

The first minimum subscription amount shall never be less than EUR 5,000,000 – and the total maximum holding per investor shall never be more than the equivalent of 15,000 shares for the “I Plus” category and of 20.000 shares for the “Privilege” category. These amounts apply to the final investor.

Fees and costs

Category	Fees payable by the sub-fund				Maximum fees payable by the investors		
	Management (max)	Performance	Administrative services (max)	Taxe d’abonnement	Entry (max)	Conversion (max)	Exit (max)
Privilege	0.50%	No	0.05%	0.01%	2%	Not possible	none
I Plus	0.30%						

Valuation Day

For each day of the week on which banks are open for business in Luxembourg and Paris (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued (due to, but not limited to stock exchange closure for listed assets).

Terms of subscription and redemption

Orders will be processed exclusively at an unknown NAV calculated each day in accordance with the rules set out below, only on Valuation days in Luxembourg and the time mentioned is Luxembourg time.

Centralisation of orders (1)	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (2)
14.30 CET on the Valuation Day (D)	Valuation Day (D)	1 day after the Valuation Day (D+1)	1 day after the Valuation Day (D+1)

(1) Orders received after this deadline will be processed at the next order processing day.

(2) If the settlement day is a currency holiday, the settlement will occur the following business day.

Payment will be made in EUR and will take place on the valuation day.

Historical information

The Sub-Fund was launched on March 19, 2012 at a price of EUR 1,000 per share.
Current name as from 17 January 2019.

BOOK III

PRE-CONTRACTUAL DISCLOSURES FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF SFDR AND ARTICLE 6, FIRST PARAGRAPH, OF THE TAXONOMY REGULATION

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: BNP PARIBAS FLEXI III BOND EM IG

Legal entity identifyier: 2138001ZSP2XZGQK7P02

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective**: ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective**: ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental,social and governance practices.

The investment strategy selects :

- Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to :
  - Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

- Sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using an internal Sovereign ESG methodology that focuses on measuring governments' efforts to produce and preserve assets, goods, and services with high ESG values, according to their level of economic development. This involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

  - Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;

  - Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;

  - Governance: business rights, corruption, democratic life, political stability, security.

BNP Paribas Asset Management's Global Sustainability Strategy places a strong emphasis on combatting climate change. Therefore, given the importance of sovereigns in addressing climate change, the internal Sovereign ESG methodology includes an additional scoring component that captures the country's contribution to progress towards the net-zero goals set out in the Paris Agreement. This additional scoring component reflects countries' commitment to future targets balanced by their current policies and their forward-looking physical climate risk exposure. It combines temperature alignment methodology for determining national contributions to climate change with an assessment of the laws and policies countries have in place for addressing climate change.

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy;

- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology ;

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the prospectus;

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

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

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

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

How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account all principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es'

(Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

As regards the sustainable investments that the financial product intends to make, the following principal adverse sustainability impacts are taken into account:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

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

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The investment universe of the financial product, through investments into direct lines or internal active funds, is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an "exclusion list" and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a "watch list" monitored, as appropriate.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes, the product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues;

- Ensuring all securities included in the portfolio have supportive ESG research.

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions

2. Carbon footprint

3. GHG intensity of investee companies

4. Exposure to companies active in the fossil fuel sector

5. Share of non-renewable energy consumption and production

6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water

9. Hazardous waste ratio

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

12. Unadjusted gender pay gap

13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

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

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve the investment objective of the financial product, the investment manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with an improved ESG profile compared to its investment universe.

Environmental, social and governance (ESG) criteria contribute to, but are not a determining factor in, the manager's decision-making.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this financial product as described below are systematically integrated throughout the investment process.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;

  More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com);
- The financial product shall have at least 75% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the prospectus.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics.

The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair),
- Board diversity,
- Executive pay (remuneration policy),
- Board Independence, and key committees independence
- Accountability of directors,
- Financial expertise of the Audit Committee,
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower),
- Tax disclosure,
- An assessment of prior negative incidents relating to governance.

The ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from our ESG model are reflected in the culture and operations of investee companies. In some cases, the ESG analysts will conduct due diligence meetings to better understand the company's approach to corporate governance.

What is the asset allocation planned for this financial product?

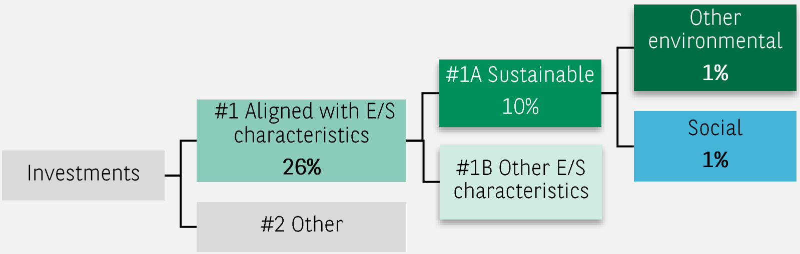
Asset allocation describes the share of investments in specific assets.

At least 26% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 10%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management, hedging and/or investment purposes, if applicable. These instruments are not used to attain the environmental or social characteristics promoted by the product.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Non applicable

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

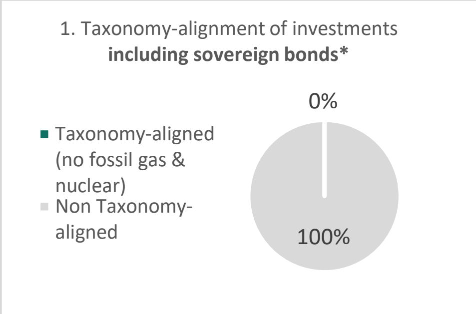
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

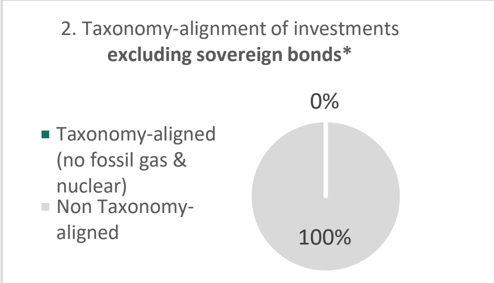
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





This graph represents 100% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

Not applicable.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 1%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- the proportion of assets that are not used to meet environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Not applicable

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable

- *How does the designated index differ from a relevant broad market index?*

Not applicable

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: BNP Paribas Flexi III European Senior Corporate Loans

Legal entity identifyier: 213800LC8YMJAWH1CY90

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: ___%	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of sustainable investments with a social objective: ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental,social and governance practices.

The investment strategy selects corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to :

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the portfolio assets compliant with the RBC Policy;
- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The financial product does not intend to make any sustainable investment.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The financial product does not intend to make any sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

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

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

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues;

- Ensuring all securities included in the portfolio have supportive ESG research.

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

For listed issuers:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

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

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

Unlisted issuers:

Corporate mandatory indicators:

4. Exposure to companies active in the fossil fuel sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve the investment objective of the financial product, the investment manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with an improved ESG profile compared to its investment universe.

Environmental, social and governance (ESG) criteria contribute to, but are not a determining factor in, the manager's decision-making.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;

  more information on the RBC Policy, and in particular on criteria relating to sectorial exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

- The financial product shall have at least 75% of its assets covered by the ESG analysis based on the ESG internal proprietary methodology.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

- *What is the policy to assess good governance practices of the investee companies?*

For all investments, including those not covered for listed issuer, the investment team highlights the key ESG issues that could have a material impact on the company and how the company is managing those issues, following the SASB materiality map of the issuer sector https://materiality.sasb.org to identify the most material ones.

In addition, the investment team refers to the ESG assessment of rating agencies when available, or/and refer to the ESG section of due diligences when available or/and check Legal and Environmental risks from due diligences when available.

Additionally, specifically on Governance & shareholding, the investment team will look at the ESG score of the shareholder or sponsor, when available, or check if such shareholder is PRi signatory, UN GC signatory, if they have an ESG policy or ESG reporting.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the asset allocation planned for this financial product?

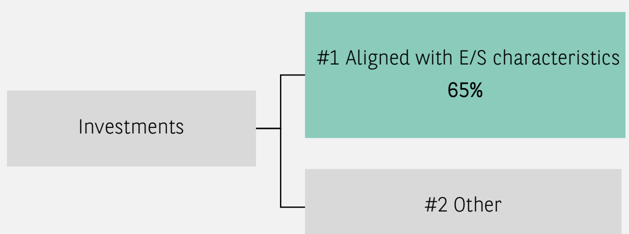
Asset allocation describes the share of investments in specific assets.

At least 10% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Financial derivative instruments may be used for efficient portfolio management, hedging and/or investment purposes, if applicable. These instruments are not used to attain the environmental or social characteristics promoted by the product.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

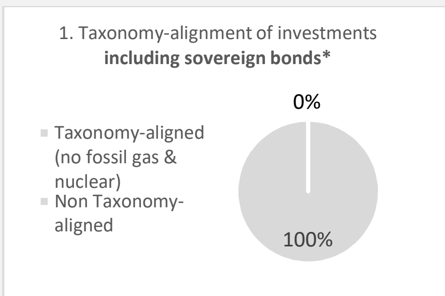
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

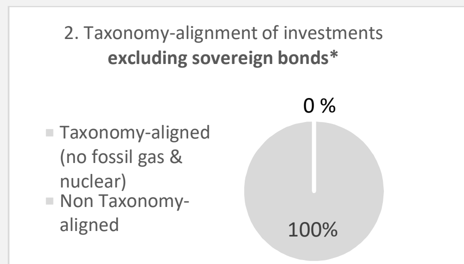
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





This graph represents 100% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- the proportion of assets that are not used to meet the environmental or social characteristics promoted by the financial product. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Not applicable

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable

- *How does the designated index differ from a relevant broad market index?*

Not applicable

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: BNP Paribas Flexi III Global Senior Corporate Loans   **Legal entity identifyier:** 213800UGM1MEEM64QV37

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

> **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

> The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental,social and governance practices.

Corporate issuers

The investment strategy selects corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to :

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the portfolio assets compliant with the RBC Policy;
- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The financial product does not intend to make any sustainable investment.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The financial product does not intend to make any sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

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

✖ Yes

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

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues;

- Ensuring all securities included in the portfolio have supportive ESG research.

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

For listed issuers:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

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

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

Unlisted issuers:

Corporate mandatory indicators:

4. Exposure to companies active in the fossil fuel sector

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve the investment objective of the financial product, the investment manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with an improved ESG profile compared to its investment universe.

Environmental, social and governance (ESG) criteria contribute to, but are not a determining factor in, the manager's decision-making.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;

  more information on the RBC Policy, and in particular on criteria relating to sectorial exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com);

- The financial product shall have at least 75% of its assets covered by the ESG analysis based on the ESG internal proprietary methodology.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

For all investments, including those not covered for listed issuer, the investment team highlights the key ESG issues that could have a material impact on the company and how the company is managing those issues, following the SASB materiality map of the issuer sector https://materiality.sasb.org to identify the most material ones.

In addition, the investment team refers to the ESG assessment of rating agencies when available, or/and refer to the ESG section of due diligences when available or/and check Legal and Environmental risks from due diligences when available.

Additionally, specifically on Governance & shareholding, the investment team will look at the ESG score of the shareholder or sponsor, when available, or check if such shareholder is PRi signatory, UN GC signatory, if they have an ESG policy or ESG reporting.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

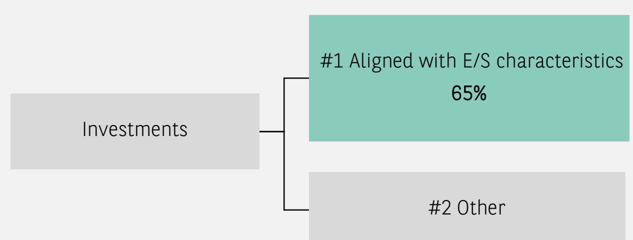
At least 10% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Financial derivative instruments may be used for efficient portfolio management, hedging and/or investment purposes, if applicable. These instruments are not used to attain the environmental or social characteristics promoted by the product.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

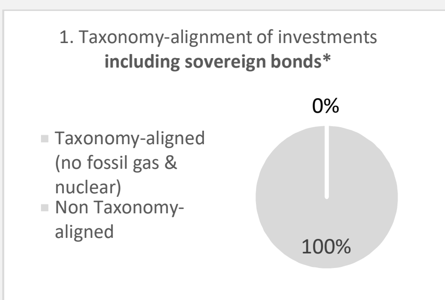
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

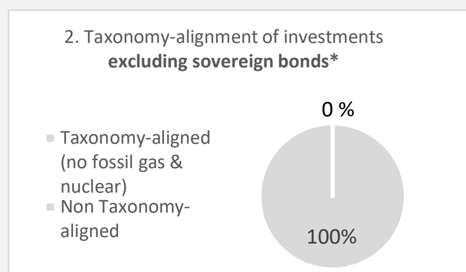
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





This graph represents 100% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the

What is the minimum share of investments in transitional and enabling activities?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- the proportion of assets that are not used to meet the environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Not applicable

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable

- *How does the designated index differ from a relevant broad market index?*

Not applicable

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
BNP Paribas Flexi III Senior Secured Bank Loan Mogliano

Legal entity identifyier: 213800YWWPYTULPXYW74

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of sustainable investments with a social objective: ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental,social and governance practices.

The investment strategy selects corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to :

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the portfolio assets compliant with the RBC Policy;
- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The financial product does not intend to make any sustainable investment.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The financial product does not intend to make any sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

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

✖ Yes

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

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the "3Es" (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts;

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues;

- Ensuring all securities included in the portfolio have supportive ESG research.

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

For listed issuers:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

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

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

Unlisted issuers:

Corporate mandatory indicators:

4. Exposure to companies active in the fossil fuel sector

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

To achieve the investment objective of the financial product, the investment manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with an improved ESG profile compared to its investment universe.

Environmental, social and governance (ESG) criteria contribute to, but are not a determining factor in, the manager's decision-making.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;

  More information on the RBC Policy, and in particular on criteria relating to sectorial exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com);

- The financial product shall have at least 75% of its assets covered by the ESG analysis based on the ESG internal proprietary methodology.
- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

For all investments, including those not covered for listed issuer, the investment team highlights the key ESG issues that could have a material impact on the company and how the company is managing those issues, following the SASB materiality map of the issuer sector https://materiality.sasb.org to identify the most material ones.

In addition, the investment team refers to the ESG assessment of rating agencies when available, or/and refer to the ESG section of due diligences when available or/and check Legal and Environmental risks from due diligences when available.

Additionally, specifically on Governance & shareholding, the investment team will look at the ESG score of the shareholder or sponsor, when available, or check if such shareholder is PRi signatory, UN GC signatory, if they have an ESG policy or ESG reporting.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

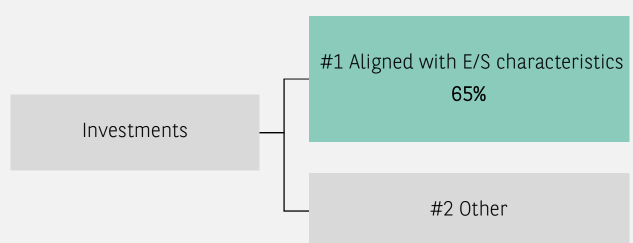
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 10% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report.

The minimum proportion of sustainable investments of the financial product is 0%.

The remaining proportion of the investments is mainly used as described under the question: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Financial derivative instruments may be used for efficient portfolio management, hedging and/or investment purposes, if applicable. These instruments are not used to attain the environmental or social characteristics promoted by the product.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

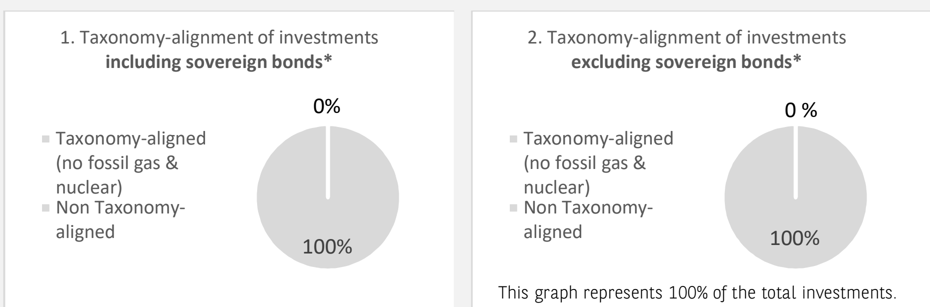
- *Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?*

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- *What is the minimum share of investments in transitional and enabling activities?*

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm an EU Taxonomy objective –see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- the proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable

- *How does the designated index differ from a relevant broad market index?*

Not applicable

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: www.bnpparibas-am.com after choosing the relevant country and directly in the section "Sustainability-related disclosures" dedicated to the product.