



BNP PARIBAS
ASSET MANAGEMENT

BNP PARIBAS BOND 6 M

FUND PROSPECTUS

MUTUAL FUND UNDER EUROPEAN DIRECTIVE 2009/65/EC

I – GENERAL CHARACTERISTICS

I.1 – FORM OF THE UCITS

NAME: BNP PARIBAS BOND 6 M

LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS INCORPORATED: Mutual Investment Fund (FCP) under French law.

INCEPTION DATE AND INTENDED LIFETIME: This Fund was authorised by the French financial markets authority (Autorité des marchés financiers, AMF) on 7 September 2004. It was established on 22 September 2004, for a term of 99 years.

FUND OVERVIEW:

UNIT CLASSES	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM SUBSCRIPTION AMOUNT	FRACTIONING OF UNITS
Classic C	FR0010116343	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors	Initial subscription: one thousandth of a unit	Thousandths
Classic D class	FR0010116574	Net income: Distribution Net realised capital gains: Accumulation			Subsequent subscriptions: one thousandth of a unit	
R	FR0011037746	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Reserved for financial companies and for insurance companies to use for insurance contracts	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	Thousandths
Mandat	FR0011175645	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit Subsequent subscriptions: One thousandth of a unit	Thousandths
X	FR0011352517	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	Thousandths
I	FR0013263811	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths

I USD H*	FR0013347119	Net income: Accumulation Net realised capital gains: Accumulation	USD	All investors. Specifically intended for institutional investors	Initial subscription**: USD 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
Privilege	FR0013301686	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Intended exclusively for investors advised by independent advisors as defined by MiFID II (1) and managed under mandate	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	Thousandths
I Plus C	FR00140026N9	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I Plus D	FR001400JJ61	Net income: Distribution Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I Prime	FR001400FMW7	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I GBP H*	FR00140026O7	Net income: Accumulation Net realised capital gains: Accumulation	GBP	All investors. Specifically intended for institutional investors	Initial subscription**: GBP 3,000,000 or the equivalent in number of units Subsequent subscriptions: one thousandth of a unit	Thousandths

*The I USD H and I GBP H units are hedged against currency risk.

**These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

- (1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II).

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

The latest annual report and the composition of assets will be sent to unitholders within eight business days of receipt of a written request sent to:

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

These documents are also available on the website at www.bnpparibas-am.com

Additional information can be obtained from branches of BNP PARIBAS.

I.2 – ADMINISTRATIVE AGENTS

MANAGEMENT COMPANY:

BNP PARIBAS ASSET MANAGEMENT France

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

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

Postal address: TSA 90007, 92729 Nanterre CEDEX, France

A portfolio management company authorised by the AMF on 19 April 1996 under no. GP 96002

ADEME No.: FR200182_03KLJL

DEPOSITARY AND CUSTODIAN:

BNP PARIBAS

Limited company (*Société anonyme*)

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

Office address: Grands Moulins de Pantin

9, rue du Débarcadère, 93500 Pantin, France

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

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

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

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

CUSTODIAN:

BNP PARIBAS

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

BNP PARIBAS

**DELEGATED ISSUER ACCOUNT
REGISTRAR:**

BNP PARIBAS

STATUTORY AUDITOR:

DELOITTE ET ASSOCIES
 Tour Majunga
 6, place de la Pyramide
 92908 Paris La Défense Cedex, France
 Represented by Mr Stéphane Collas

PROMOTER:

BNP PARIBAS
 Limited company (*société anonyme*)
 16, boulevard des Italiens,
 75009 Paris, France

And BNP Paribas Group companies

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

DELEGATED ACCOUNTING MANAGER:

BNP PARIBAS
 Limited company (*société anonyme*)
 Registered office: 16, boulevard des Italiens,
 75009 Paris, France

Office address: Grands Moulins de Pantin
 9, rue du Débarcadère, 93500 Pantin, France

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

DELEGATED FINANCIAL MANAGER:

BNP PARIBAS ASSET MANAGEMENT UK Ltd
 Registered office: 5 Aldermanbury Square, London EC2V
 7BP, United Kingdom
 Portfolio management company authorised by the Financial
 Conduct Authority

The delegated financial management concerns the hedging of the currency risk of liabilities in the event that the unit class of the Fund is denominated in a currency other than the accounting currency of the portfolio and/or the hedging of net cash positions denominated in currencies other than the Fund's reference currency, through foreign exchange transactions in the Fund's reference currency.

ADVISOR:

None

II OPERATING AND MANAGEMENT PROCEDURES

II.1 – GENERAL CHARACTERISTICS

CHARACTERISTICS OF UNITS:

- RIGHTS ATTACHED TO THE UNIT CLASS:

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

TYPES OF UNITS: Administered registered, pure registered or bearer shares. The Fund is listed on Euroclear France.

- VOTING RIGHTS:

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

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

- UNIT SPLITTING:

Fund units are issued in thousandths of a unit.

FINANCIAL YEAR END:

Last stock exchange trading day in March.

First financial year: last stock exchange trading day of March 2005.

TAX SYSTEM:

In connection with the provisions of European Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, the Fund invests over 25% of its net assets in debt securities and similar products.

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

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

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

II.2 – SPECIAL PROVISIONS**ISIN CODES:**

Classic unit classes:

. C: FR0010116343

. D: FR0010116574

R unit class: FR0011037746

Mandat unit class: FR0011175645

X unit class: FR0011352517

Privilege unit class: FR0013301686

I unit classes:

. I FR0013263811

. I GBP H: FR0014002607

. I USD H: FR0013347119

. I Plus C: FR00140026N9

. I Plus D: FR001400JJ61

. I Prime: FR001400FMW7

CLASSIFICATION: Euro-denominated bonds and other debt securities

MANAGEMENT OBJECTIVE:

The Fund's management objective for the Classic C, Classic D, R, Mandat, X, I, Privilege, I Plus C, I Plus D and I Prime unit classes is to outperform, net of fees, the following composite benchmark index over a minimum investment term of six months: 80% capitalised €STR (Euro Short-Term Rate) + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested), less financial management fees and external administrative fees charged to the Fund in relation to each unit class.

The management objective of the I GBP H unit is to outperform, net of fees, the following composite benchmark index over a minimum investment term of six months: 80% SONIA + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested) hedged in sterling, less financial management fees and external administrative fees charged to the Fund in relation to this unit class.

The management objective of the I USD H unit is to outperform, net of fees, the following composite benchmark index over a minimum investment term of six months: 80% Effective Federal Funds Rate + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested) hedged in US dollars, less financial management fees and external administrative fees charged to the Fund in relation to this unit class.

BENCHMARK INDEX:

The benchmark for Classic C, Classic D, R, Mandat, X, I, Privilege, I Plus C, I Plus D and I Prime unit classes is the following composite index: 80% capitalised €STR (Euro Short-Term Rate) + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested).

The Euro Short-Term Rate (€STR) benchmark is a short-term rate in euros that reflects the unsecured overnight borrowing costs of banks in the eurozone. The rate is published by the ECB at 8.00 a.m. (Central European Time) on every TARGET2 business day. If, after publication, any errors are identified that affect the €STR by more than 2 basis points, the ECB will revise and re-publish the €STR at 9.00 a.m. (Central European Time) the same day. No changes will be made to the €STR on the ECB's website after this time. The €STR is calculated as an average interest rate weighted by the volume of transactions carried out.

For further information about the Index, investors are invited to consult the following website: https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

The Bloomberg Euro Aggregate 1–3 Years benchmark index is calculated (with coupons reinvested) and published by Bloomberg Index Services Limited. It represents fixed-rate bonds denominated in euros, issued by governments and public and private sector issuers with a minimum rating of BBB-/Baa3 and a residual term of at least 1 to 3 years.

For additional information about this index, the unitholders may consult the website at: www.bloomberg.com.

The benchmark for the I GBP H unit is the following composite index: 80% SONIA + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested) hedged in pounds sterling.

The SONIA (Sterling Overnight Index Average) index is the effective rate benchmark for unsecured transactions in the sterling market. On each business day, the SONIA price is calculated at the average rate of all transactions denominated in pounds sterling. This rate is administered and published daily by the Bank of England.

For additional information about this index, the unitholders may consult the website at: <https://www.bankofengland.co.uk/markets/sonia-benchmark>.

The benchmark index of the I USD H unit class is the following composite index: 80% Effective Federal Funds Rate + 20% Bloomberg Euro Aggregate 1–3 Years (coupons reinvested) hedged in US dollars.

The Effective Federal Funds Rate benchmark index is, calculated in US dollars. It corresponds to the rate at which banks in the United States lend, on a day-to-day basis, their surplus reserve requirements in the Federal Reserve to other banks in the US domestic money market.

For any further information concerning this benchmark, unitholders may consult the website: [Effective Federal Funds Rate — FEDERAL RESERVE BANK of NEW YORK \(newyorkfed.org\)](http://EffectiveFederalFundsRate—FEDERALRESERVEBANKofNEWYORK(newyorkfed.org)).

The Bloomberg Euro Aggregate 1-3 Years benchmark index hedged in US dollars is calculated (with coupons reinvested) and published by Bloomberg Index Services Limited. It represents fixed-rate bonds denominated in euros, issued by governments and public and private sector issuers with a minimum rating of BBB-/Baa3 and a residual term of at least 1 to 3 years. It is hedged in US dollars.

For additional information about this index, the unitholders may consult the website at: www.bloomberg.com.

INVESTMENT STRATEGY:

1. STRATEGY USED TO ACHIEVE THE MANAGEMENT OBJECTIVE

In order to achieve its investment objective, the Fund is actively managed by the BNP PARIBAS ASSET MANAGEMENT France euro bond management team, and applies an ultra-short bond strategy.

This strategy aims to combine very low sensitivity to interest rate risk with high liquidity for securities held in the portfolio. It aims to outperform the composite benchmark, net of fees, through the use of bond and money market instruments, and associated derivatives.

This strategy is based on an active fundamental management approach through qualitative analysis that takes into account interest rate risk, country allocation and issuer selection.

The euro bond management team also relies on three internal research teams covering the non-financial, credit risk and macroeconomic analysis aspects. A quantitative analysis team is also involved in the portfolio composition.

The weighted average life of the instruments in the portfolio is limited to 18 months.

No security will have a lifetime in excess of three years.

In addition, the management team incorporates environmental, social and governance (ESG) criteria.

The Fund invests at least 90% of its net assets in securities from issuers and/or UCIs, which have been evaluated from an ESG perspective by the Management Company's team of expert analysts. The calculation of the aforementioned percentage is made excluding the cash held by the Fund. The calculation of the aforementioned percentage is made excluding the cash held by the Fund.

The Fund will have a higher ESG rating than that of its investment universe; this universe is defined as all of the issuers of short-term bonds or other short-term debt securities.

Issuers that operate in sensitive sectors and that do not comply with BNP PARIBAS ASSET MANAGEMENT's industry-specific policies (for example, coal-based energy production), which are available on its website, are excluded. Issuers that do not comply with the Ten Principles of the United Nations Global Compact and/or the OECD Guidelines for multinational issuers are also excluded.

The ESG analysis is backed up by an active policy whereby the Management Company engages in responsible practices with issuers (individual and collective engagement, general meeting votes etc.).

Incorporating ESG and sustainable development criteria into the Fund's investment strategy may result in the securities of some issuers being excluded. The performance of the Fund may therefore be better or worse than the performance of another UCI invested in the same asset class that does not incorporate ESG or sustainable development criteria into its investment strategy.

Information relating to the SFDR and the EU Taxonomy Regulation:

The Fund promotes environmental and/or social and governance characteristics in accordance with Article 8 of the European regulation of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) and holds a minimum percentage of its assets in sustainable investments within the meaning of this regulation.

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

Pre-contractual information on the environmental or social characteristics promoted by the Fund is available in the appendix to the prospectus in accordance with the Delegated Regulation (EU) of 6 April 2022 supplementing the SFDR.

2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES)

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

- Equities: None

- Debt securities and money market instruments

The Fund invests up to the totality of the net assets in interest rate products denominated in euros: fixed-rate and/or variable-rate bonds and/or indexed and/or convertible bonds (up to 10% of net assets for the latter two) and up to 20% of its net assets in money market instruments (short-term negotiable securities, medium-term negotiable securities, Euro Commercial Paper, French fixed-rate treasury bills (BTF) or any non-bond government-issued securities with the same characteristics (Italian, multi-year and variable-rate treasury bills (CCT) and so on).

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

The Fund invests in bonds which may have a minimum rating of BBB- (Standard & Poor's and Fitch) or Baa3 (Moody's) or a rating deemed equivalent by the Management Company.

The Fund invests in low-sensitivity money market instruments, which may have a minimum long-term issuer rating of Investment Grade (BBB-) (Standard & Poor's) or Baa3 (Moody's) or BBB- (Fitch) or, in the absence of such a rating, a short-term issuer rating of the same level (A3 / P3 / F3), or a rating deemed equivalent by the Management Company.

If the rating of the issue is downgraded by one of the agencies, the Management Company is authorised to sell the security within one month if it deems it to be in the interest of the investors. However, the decision to sell or retain the security must be based on the analysis carried out by the manager.

Private debt may amount to up to the totality of the net assets.

Furthermore, the Fund may invest up to 10% of its net assets in debt securities denominated in currencies other than the euro. These positions will be systematically hedged against currency risk. However, the Fund may have a residual currency risk of up to 2% of the net assets.

<u>Interest rate sensitivity range</u>	From 0 to 0.5
<u>Exposure range corresponding to the issuers' geographical area</u>	All geographic areas

- Units or shares of foreign UCITS, AIFs or investment funds

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

- in units or shares of French and/or European "money market" UCITS or those with an equivalent classification,
- in units or shares of French or European AIFs or investment funds under European foreign law or that do not meet the four conditions laid down in Article R. 214-13 of the French Monetary and Financial Code and that do meet the aforementioned classifications.

The foreign UCITS, AIFs and investment funds mentioned above are managed by BNP PARIBAS ASSET MANAGEMENT and the management companies in the BNP Paribas Group.

3. DERIVATIVES

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

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

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

The Fund will not use total return swaps.

The overall risk is 100% of the Fund's net assets. This also takes positions on instruments with embedded derivatives into account.

These instruments will all be used to hedge the portfolio against or expose it to interest rate and/or currency and/or credit risks.

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

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

4. INSTRUMENTS WITH EMBEDDED DERIVATIVES

In order to meet its management objective, the Fund may also invest in financial instruments with the following embedded derivatives: French medium-term notes (BMTN), European medium-term notes (EMTNs), credit linked notes (CLN) and convertible bonds. The use of convertible bonds is limited to 10% of net assets. These will be convertible bonds nearing maturity for which the conversion risk into shares will be negligible. These instruments may also be used to hedge the portfolio against or expose it to credit and interest rate risks.

The maximum investment is 100% of the Fund's net assets.

5. DEPOSITS

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

6. CASH BORROWINGS

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

7. TEMPORARY PURCHASES AND SALES OF SECURITIES

In order to manage its cash flow, the Fund may use temporary purchases of securities (within a limit of 100% of its net assets, reverse repurchase agreements) and temporary sales of securities (within a limit of 100% of its net assets, repurchase agreements; and within a limit of 30% of its net assets, securities lending) in accordance with the French Monetary and Financial Code.

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

	Securities lending	Securities borrowing	Reverse repurchase agreements	Repurchase agreements
Maximum proportion of net assets	30%	None	100%	100%
Expected proportion of net assets	26%	None	100%	100%

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

Further information about temporary purchases and sales of securities is given in the "Charges and fees" section.

8. INFORMATION RELATING TO THE UCITS' COLLATERAL:

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

The eligibility of securities received as collateral is determined in accordance with investment constraints and according to a discount procedure determined by the Management Company's risk department. Securities received as collateral must be liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the Fund's net assets (with the exception of securities

issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

Assets
Cash (EUR, USD and GBP)
Interest rate instruments
Securities issued or guaranteed by an eligible OECD member country The Fund may receive securities issued or guaranteed by an eligible member country of the OECD as collateral, to the extent of over 20% of its net assets. Therefore, the Fund may be fully guaranteed by securities issued or guaranteed by a single eligible member country of the OECD.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by a government of another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible member country of the OECD
Convertible bonds issued by a company whose registered office is located in an eligible member country of the OECD
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible member country of the OECD or in another eligible country.

(1) UCITS managed by companies belonging to the BNP PARIBAS ASSET MANAGEMENT Group only.

Eligible indices & related shares
Securitisations(2)

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

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

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

COLLATERAL:

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

RISK PROFILE:

Investors' money will be primarily invested in financial instruments selected by the Management Company. These instruments will be subject to financial market fluctuations and risks.

The Fund is classified as a "Euro-denominated bonds and other debt securities" mutual fund. Investors are therefore exposed to the following risks:

- Discretionary management risk: The discretionary management style is based on anticipating trends in the various markets (equities, bonds). However, there is a risk that the Fund may not be invested in the best-performing markets at all times.
- Risk of capital loss: Investors should be aware that the performance of the Fund may not meet their objectives and that the amount of capital invested may not be recovered in full.
- Interest rate risk: Interest rate markets have an inverse relationship with interest rates. The Fund uses "sensitivity" criteria to measure the impact of a change in interest rates, within a range of 0 to 0.5. Sensitivity measures the potential impact of a 1% change in interest rates on the Fund's net asset value. A sensitivity of 0.50 means that a 1% rise in interest rates will produce a 0.50% fall in the Fund's net asset value.
- Credit risk: This is linked to an issuer's ability to honour its debts and to the risk of an issue or issuer being downgraded, which may result in a drop in the value of the debt securities in which the Fund is invested.

- **Counterparty risk:** This risk is associated with the conclusion of contracts involving forward financial instruments (see the section on "Derivatives" above) or temporary purchases and sales of securities (see the section on "Temporary purchases and sales of securities" above) and results from the failure of a counterparty with whom a contract has been concluded to honour its commitments (e.g. payment or repayment), which may lead to a fall in the net asset value of the Fund.
- **Risk of potential conflicts of interest:** This risk is associated with the conclusion of temporary purchases/sales of securities in which the Fund's agent, counterparty and/or financial intermediary is an entity linked to the group to which the Fund's Management Company belongs. In this case, there is a risk of conflicts of interest between the interests of the unitholders and those of the group to which the Management Company belongs. The Management Company has introduced a procedure for the management of any conflicts of interest in order to ensure that its unitholders' interests are given priority.
- **Risks linked to securities financing transactions and collateral management:** Unitholders may be exposed to a legal risk (in conjunction with the legal documentation, the enforcement of contracts and the limits thereof) and to the risk associated with the reuse of cash received as collateral, as the net asset value of the Fund may change in line with fluctuations in the value of the securities acquired by investing the cash collateral received. In exceptional market circumstances, unitholders may also be exposed to liquidity risk, which may, for example, make it difficult to trade certain securities.
- **Liquidity risk:** For most instruments held in the Fund's assets, the liquidity risk is based primarily on the size and format of the issue, on the issuer category, the nature of the instrument and the quality of the underlying assets. If these risks were to materialise, the net asset value of the Fund could fall.
- **Contagion risk:** The Fund includes two classes of units known as *hedged units*. The use of futures contracts specific to this unit may incur a contagion risk for certain operational risks and a counterparty risk to other unit classes of the Fund, even if they have not used this type of derivative instrument. The Management Company ensures that this risk is adequately monitored and moderated.
- **Sustainability risk:** Unmanaged or unmitigated sustainability risks can impact returns on financial products. For example, if an environmental, social or governance event or situation were to occur, it could have an actual or potential negative impact on the value of an investment. The occurrence of such an event or situation may also lead to a modification of the Fund's investment strategy, including the exclusion of the securities of certain issuers. More specifically, the negative effects of sustainability risk may affect issuers by means of a series of mechanisms, including: 1) a decrease in revenues; 2) higher costs; 3) damages or depreciation of asset value; 4) higher cost of capital; and 5) regulatory fines or risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood that sustainability risks will impact returns on financial products is liable to increase in the longer term.
- **Risk associated with the incorporation of non-financial criteria:** A non-financial approach may be implemented in different ways by financial managers, in particular due to the lack of common or harmonised labels at European level. This means that it can be difficult to compare strategies that incorporate non-financial criteria. Indeed, the selection and weighting applied to certain investments can be based on indicators that share the same name but have different meanings. When evaluating a security on the basis of non-financial criteria, the Management Company may also use data sources provided by external providers. Given the evolving nature of the non-financial criteria, these data sources may currently be incomplete, inaccurate, unavailable or updated. The application of responsible business conduct standards and non-financial criteria in the investment process may lead to the exclusion of the securities of certain issuers. Therefore, the financial performance of the Fund may sometimes be better or worse than the performance of similar funds that do not apply these strategies. It should also be noted that the proprietary methodologies used to incorporate non-financial criteria may be revised in the event of regulatory changes or updates that may lead, in compliance with the applicable regulations, to an increase or decrease in the classification of products, the indicators used or the set minimum investment commitment levels.
- **Risk associated with ancillary investments in convertible bonds:** The Fund carries a risk of fluctuations in its valuation, due to its exposure to the convertible bond markets. These instruments are indirectly linked to equity markets and interest rate markets (term and credit) and as such, in periods of decline in the equity and interest rate markets, the Fund's net asset value may fall.
- **Currency risk:** This concerns unitholders in the eurozone and relates to a drop in the listing currencies of the financial instruments used by the Fund, which may result in a drop in the net asset value. Since currency hedging can never be perfect, a residual risk of up to 2% of the net assets may arise.

- Risk linked to investments in securities of emerging country issuers up to 5%: The economies of emerging countries are more fragile and more exposed to changes in the global economy. In addition, the financial systems in these countries are less mature. The risks of substantial capital losses or disruptions in the trading of certain financial instruments are not insignificant.

TARGET INVESTORS AND TYPICAL INVESTOR PROFILE:

Classic unit classes: All investors.

R unit class: Reserved for financial companies and for insurance companies to use for insurance contracts.

Mandat unit class: All investors. Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.

X unit class: Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.

I unit classes: All investors. Specifically intended for institutional investors.

I Plus C unit class: All investors. Specifically intended for institutional investors.

I Plus D unit class: All investors. Specifically intended for institutional investors.

I Prime unit class: All investors. Specifically intended for institutional investors.

The Fund is aimed at investors seeking steady growth in net asset value in line with a benchmark index (€STR) less operating and management fees.

I GBP H unit class: All investors. Specifically intended for institutional investors.

The I GBP H unit class is aimed at investors seeking steady growth in net asset value in line with a benchmark index (SONIA) less operating and management fees.

I USD H unit class: All investors. Specifically intended for institutional investors.

The I USD H unit class is aimed at investors seeking steady growth in net asset value in line with a benchmark index (Effective Federal Funds Rate) less operating and management fees.

Privilege unit class: Intended exclusively for investors advised by independent advisors as defined by MiFID II (1) and managed under mandate.

(1) *Distributors from member countries of the European Economic Area providing independent advisory services as defined by Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II).*

The amount that it is reasonable to invest in this Fund depends on the investor's personal circumstances. To determine this, investors should consider their personal assets, current requirements and requirements over a six-month investment horizon, as well as their willingness to take risks or, alternatively, their preference to invest cautiously. Investors are also strongly advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this Fund.

INFORMATION RELATING TO US INVESTORS:

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

The Fund is not registered as an investment vehicle in the United States and its units are not and will not be registered pursuant to the Securities Act of 1933; consequently, they may not be offered or sold to the "Restricted Persons" defined below, except in the context of a discretionary management mandate or a subscription made by an investor outside the United States, provided that such subscription cannot be considered in any way as an act of promotion, marketing or communication in the United States.

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

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

FATCA:

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

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

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

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

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

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

RECOMMENDED MINIMUM INVESTMENT PERIOD: six months.

METHODS FOR DETERMINING AND ALLOCATING DISTRIBUTABLE AMOUNTS:

For the Classic C, R, Mandat, X, I, I GBP H, I USD H, I Plus C, I Prime and Privilege unit classes:

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

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

For the Classic D and I Plus D unit classes:

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

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

DISTRIBUTION FREQUENCY:

For the Classic D and I Plus D unit classes:

Net income: annual; the Management Company may decide to make one or more dividend payments per year.

Net realised capital gains: none.

Interest is recorded using the interest received method.

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

UNIT CLASSES	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM SUBSCRIPTION AMOUNT	FRACTIONING OF UNITS
Classic C	FR0010116343	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors	Initial subscription: one thousandth of a unit	Thousandths
Classic D	FR0010116574	Net income: Distribution Net realised capital gains: Accumulation			- Subsequent subscriptions: one thousandth of a unit	
R	FR0011037746	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Reserved for financial companies and for insurance companies to use for insurance contracts	Initial subscription: one thousandth of a unit - Subsequent subscriptions: one thousandth of a unit	Thousandths
Mandat	FR0011175645	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	Thousandths
X	FR0011352517	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit - Subsequent subscriptions: one thousandth of a unit	Thousandths
I	FR0013263811	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial Subscription**: EUR 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I USD H*	FR0013347119	Net income: Accumulation Net realised capital gains: Accumulation	USD	All investors. Specifically intended for institutional investors	Initial subscription**: USD 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
Privilege	FR0013301686	Net income: Accumulation Net realised capital gains: Accumulation	EUR	Intended exclusively for investors advised by independent advisors as defined by MiFID II (1) and managed under mandate	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	Thousandths

I Plus C	FR00140026N9	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I Plus D	FR001400JJ61	Net income: Distribution Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I Prime	FR001400FMW7	Net income: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
I GBP H*	FR00140026O7	Net income: Accumulation Net realised capital gains: Accumulation	GBP	All investors. Specifically intended for institutional investors	Initial subscription**: GBP 3,000,000 or the equivalent in number of units Subsequent subscriptions: one thousandth of a unit	Thousandths

*The I USD H and I GBP H units are hedged against currency risk.

**These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II).

SUBSCRIPTIONS AND REDEMPTIONS:

Orders are executed in accordance with the table below:

Business D	Business D	D: NAV calculation date	Business D+1	Business D+1	Business D+1
Subscription orders cleared before 2.00 p.m. ⁽¹⁾	Redemption orders cleared before 2.00 p.m. ⁽¹⁾	Latest execution of the order in D	Publication of net asset value	Subscriptions settled	Redemptions settled

⁽¹⁾ Unless there is a specific deadline agreed with your financial institution.

Subscription requests may be expressed as an amount, in whole units or fractions of units, as each unit is divided into thousandths.

Redemption requests may be expressed as an amount, in whole units or fractions of units, as each unit is divided into thousandths.

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

Redemption/subscription transactions for the same number of units transacted at the same net asset value (round-trip transactions) are permitted.

MINIMUM SUBSCRIPTION AMOUNT:

Initial subscription:

Classic unit classes: one thousandth of a unit

R unit class: one thousandth of a unit

Mandat unit class: one thousandth of a unit

X unit class: one thousandth of a unit

I unit class: *EUR 3,000,000 or the equivalent in number of units

I GBP H: *GBP 3,000,000 or the equivalent in number of units

I USD H unit class: *USD 3,000,000 or the equivalent number of units

I Plus C unit class: *EUR 100,000,000 or the equivalent number of units

I Plus D unit class: *EUR 100,000,000 or the equivalent number of units

I Prime unit class: *EUR 100,000,000 or the equivalent number of units

Privilege unit class: one thousandth of a unit

* These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

Subsequent subscriptions:

Classic unit classes: one thousandth of a unit

R unit class: one thousandth of a unit

Mandat unit class: one thousandth of a unit

X unit class: one thousandth of a unit

I unit class: one thousandth of a unit

I GBP H unit class: one thousandth of a unit

I USD H unit class: one thousandth of a unit

I Plus unit class: one thousandth of a unit

I Prime unit class: one thousandth of a unit

Privilege unit class: one thousandth of a unit

DELEGATED INSTITUTION AUTHORISED TO CLEAR SUBSCRIPTIONS AND REDEMPTIONS: BNP Paribas

INITIAL NET ASSET VALUE:

Classic unit classes: EUR 200

R unit class: EUR 200

Mandat unit class: EUR 1,000

X unit class: EUR 1,000

I unit class: EUR 100,000

I GBP H unit class: GBP 100,000

I USD H unit class: USD 100,000

I Plus unit class: EUR 100,000

I Prime unit class: EUR 100,000

Privilege unit class: EUR 99,946.159

DATE AND FREQUENCY OF CALCULATION OF THE NET ASSET VALUE:

Daily, except for Saturdays, Sundays, statutory public holidays in France, and days on which the French markets are closed (according to the official Euronext calendar).

Redemption capping mechanism ("gates")

The Fund may decide to spread unitholders' redemption requests over several net asset values if they exceed a specified threshold, when exceptional circumstances so require and if this is in the interest of the unitholders or the public.

(i) Description of the method

The Fund may choose not to execute all cleared redemption orders on the same net asset value if the sum of the net redemptions exceeds 5% of the Fund's net assets. In this event, the Fund may decide to execute redemptions up to a maximum of 5% of the Fund's net assets (or a greater percentage at the Fund's discretion) on a proportional basis for each request. The 5% threshold is determined on the basis of the Fund's last known net asset value.

(ii) Provision of information to unitholders

If the gates mechanism is triggered, the unitholders will be informed by any means via www.bnpparibas-am.com

As soon as possible after the redemption order clearing date, the clearing house will individually inform Fund unitholders whose redemption requests have not been fully executed.

(iii) Processing of unexecuted orders

If the gates mechanism is triggered, redemption requests will be reduced proportionately for all Fund unitholders. Redemption requests pending execution will be automatically carried forward to the next redemption order clearing date. Requests carried forward will not be given priority over subsequent redemption requests.

The Fund unitholders cannot formally oppose the carryforward of the unexecuted part of their redemption order or request the cancellation thereof in accordance with the Fund's notice period for clearing.

If, on a given redemption order clearing day, the net redemption requests of Fund units represent 15% of the Fund's net assets, but the gate is set at 5%, the Fund may, for example, decide to honour redemption requests up to 10% of the Fund's net assets. Thus, 66.66% of redemption requests would be executed instead of the 33.33% that would have been executed if the Fund had strictly applied the 5% threshold.

This redemption timing mechanism may not be triggered more than 20 times in a three-month period and may not last more than one month. After this point, the Fund will automatically terminate the gates mechanism and consider another ad hoc solution (such as suspending redemptions) if required.

(iv) Exemptions

Subscription and redemption transactions for the same number of units made on the basis of the same net asset value and for the same unitholder or economic beneficiary (round-trip transactions) are not gated.

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

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

CHARGES PAYABLE BY THE INVESTOR, DEDUCTED AT THE TIME OF SUBSCRIPTION AND REDEMPTION	BASIS	RATE/SCALE
SUBSCRIPTION FEE NOT PAYABLE TO THE FUND	Net asset value x number of units	<p>Classic unit classes: maximum 2% R unit class: maximum 1% Mandat unit class: maximum 9% X unit class: maximum 9%** I unit class: maximum 2% I GBP H unit class: maximum 2% I USD H unit class: maximum 2% I Plus unit class: maximum 2% I Prime unit class: maximum 2% Privilege unit class: maximum 2%</p> <p>*Exemption: subscriptions made as part of the sale of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.</p> <p>**Exemption: none for subscriptions of feeder UCITS or AIFs and to institutional mandates managed by BNP Paribas Group management companies.</p>
SUBSCRIPTION FEE PAYABLE TO THE FUND	/	None
REDEMPTION FEE NOT PAYABLE TO THE FUND	/	None
REDEMPTION FEE PAYABLE TO THE FUND	/	None

Fees charged to the Fund:

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

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

The costs charged may also include:

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

FEES CHARGED TO THE FUND	BASIS	RATE/SCALE
FINANCIAL MANAGEMENT FEES AND ADMINISTRATIVE FEES EXTERNAL TO THE MANAGEMENT COMPANY	Net assets, less deductions made for UCIs in the portfolio	Classic unit classes: Maximum 0.50% (incl. tax) I, I GBP H, I USD H, I Prime, Privilege and R unit classes: Maximum 0.25% (incl. tax) I Plus unit class: Maximum 0.20% (incl. tax) Mandat unit class: Maximum 0.70% (incl. tax) X unit class: Maximum 0.08% (incl. tax)
TRANSACTION FEES	/	None
PERFORMANCE FEE	Daily net assets	<u>Classic, R, Mandat, I Plus and Privilege unit classes:</u> 20% inclusive of tax of a performance, net of fees, exceeding or equal to the composite benchmark 80% €STR + 20% Bloomberg Euro Aggregate 1–3 Years over the reference period (1) <u>I GBP H unit class:</u> 20% inclusive of tax of a performance, net of fees, exceeding or equal to the composite benchmark 80% SONIA + 20% Bloomberg Euro Aggregate 1–3 Years hedged in pounds sterling over the reference period (1) <u>I USD H unit class:</u> 20% inclusive of tax of a performance, net of fees, exceeding or equal to that of the composite benchmark 80% Effective Federal Funds Rate + 20% Bloomberg Euro Aggregate 1–3 Years hedged in US dollars over the reference period (1) <u>I Prime unit class:</u> No performance fee

(1) METHOD FOR CALCULATING THE PERFORMANCE FEE:

The Fund's performance fee is charged when the performance, after deducting the Fund's fixed management fees, is higher than the performance of the benchmark index over the same period.

The performance fee is 20% incl. tax of the calculated performance and is defined as:

- The performance fee that is accrued each day the net asset value is calculated on the basis of the difference between:
 - o The daily net assets of the Fund, less financial management fees, administrative fees from outside the management company and transaction fees, and before performance fees;
 - o And the net indexed assets, representing the net assets of a virtual fund tracking the same benchmark index and having undergone the same subscription and redemption flows as the Fund.
- If the Fund underperforms compared with the benchmark index, the provision for performance fees will be readjusted via a provision reversal limited to the amount already accrued.

The annual reference period for calculating and possibly deducting the performance fee is the financial year. The duration of the performance reference period has been short since performance fees were introduced.

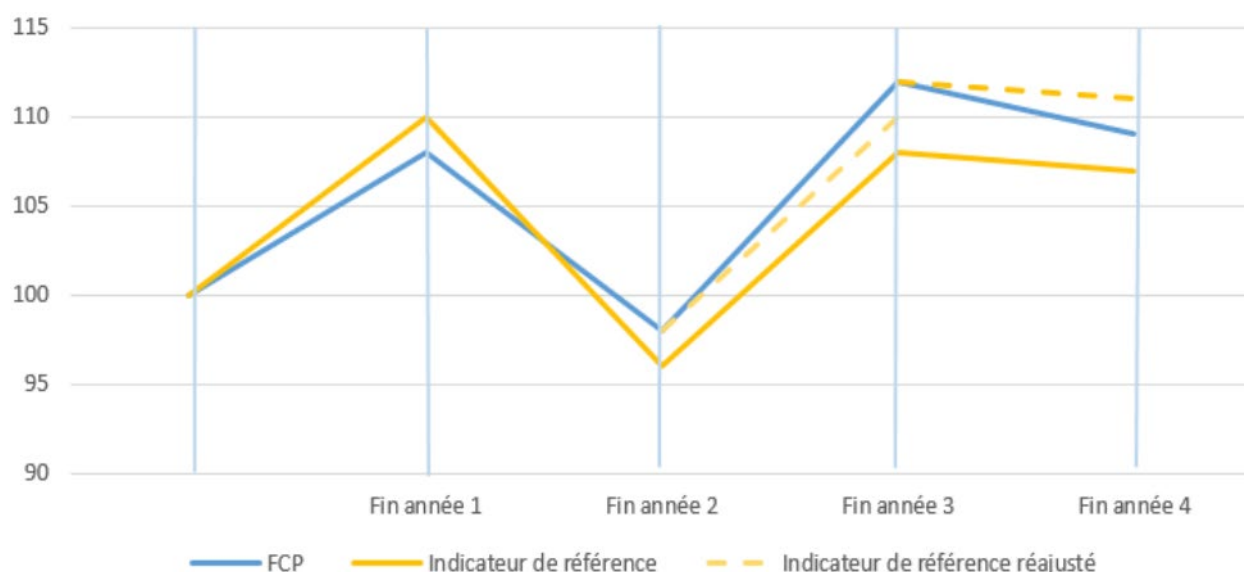
Performance fees may not be charged until the underperformance of the Fund relative to the benchmark index has been offset over the performance reference period.

Performance fees will be charged if the Fund outperforms its benchmark index, even if the Fund's performance is negative over the reference period.

For all units, the annual reference periods for calculating and deducting the performance fee are between 1 April and 31 March each year.

In the event of redemption, the portion of the provision for performance fees corresponding to the units redeemed finally accrues to the financial manager, and is allocated to the provision for final performance fees. The portion of the provision for performance fees corresponding to the units remaining in the Fund is known as the available provision for performance fees (because it can be called into question).

Illustrative example:



FR	EN
Fin année 1	End of year 1
Fin année 2	End of year 2
Fin année 3	End of year 3
Fin année 4	End of year 4
FCP	Fund
Indicateur de référence	Benchmark index
Indicateur de référence réajusté	Readjusted benchmark index

At the end of the first year, the Fund (108) underperformed relative to the benchmark index (110). No performance fee was charged and the benchmark index was not readjusted.

In the second year, the Fund underperformed relative to the benchmark index and then outperformed it. Although the Fund and the benchmark index did not perform well over the period, the Fund performed better than the benchmark index and it was therefore considered to have outperformed the index at the end of the year.

At the end of year two, the Fund (98) was higher than the benchmark index (96). A performance fee was charged and the benchmark index was readjusted.

At the end of year three, the Fund (112) outperformed the readjusted benchmark index (110). A performance fee was charged. The benchmark index was readjusted again.

At the end of year four, the Fund (109) underperformed relative to the benchmark index (111). No performance fee was charged and the benchmark index was not readjusted.

ADDITIONAL INFORMATION ABOUT TEMPORARY PURCHASES AND SALES OF SECURITIES:

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

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

The proceeds from any repurchase and/or reverse repurchase agreements are retained in full by the Fund. Operating costs and charges associated with these repurchase and/or reverse repurchase agreements are not charged to the Fund, as the Management Company meets these costs and charges in full.

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

III – COMMERCIAL INFORMATION

III.1 – SUBSCRIPTION AND REDEMPTION OF UNITS

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

III.2 – PROVISION OF INFORMATION TO UNITHOLDERS**COMMUNICATION OF THE PROSPECTUS, THE KEY INFORMATION DOCUMENTS AND THE LATEST ANNUAL AND INTERIM REPORTS:**

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

These documents are also available online at www.bnpparibas-am.com.

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

Service Marketing & Communication, TSA 90007, 92729 Nanterre CEDEX, France
or online at www.bnpparibas-am.com.

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

Additional information can be obtained from branches of BNP PARIBAS.

- COMMUNICATION OF THE NET ASSET VALUE:

The net asset value is available from branches of BNP PARIBAS and online at www.bnpparibas-am.com.

- AVAILABILITY OF THE FUND'S MARKETING DOCUMENTATION:

The Fund's marketing documentation may be obtained by unitholders from branches of the BNP PARIBAS Group and online at www.bnpparibas-am.com.

- INFORMATION PROCEDURE WHEN CHANGING THE FUND'S OPERATING CONDITIONS:

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

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

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

INFORMATION RELATING TO THE SUSTAINABILITY-RELATED APPROACH OF BNP PARIBAS ASSET MANAGEMENT:

Further information and documents on BNP PARIBAS ASSET MANAGEMENT's approach to sustainability are available online at <https://www.bnpparibas-am.com/en/sustainability-bnpp-am/>.

CLASS ACTIONS POLICY

In accordance with its policy, the Management Company:

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

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

The policy's principles with regard to class actions applicable to the Fund are available on the Management Company's website.

- INFORMATION AVAILABLE FROM THE AUTORITE DES MARCHES FINANCIERS:

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

IV – INVESTMENT RULES

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

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

V – TOTAL RISK

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

VI – ASSET VALUATION AND ACCOUNTING RULES

VI.1 – ASSET VALUATION RULES

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

The Fund's accounting currency is the euro.

All transferable securities held in the portfolio are recognised on an historical cost basis, excluding charges. Securities, forward financial instruments and options held in the portfolio that are denominated in a foreign currency are converted to the accounting currency based on the exchange rates in Paris on the valuation day. The portfolio is valued each time the net asset value is calculated, and at the end of the accounting period, using the following methods:

- LISTED FINANCIAL INSTRUMENTS:

Listed financial instruments are valued at their stock market value, including accrued coupons.

However, financial instruments whose price has not been recorded on the valuation day or whose price has been adjusted, and securities not traded on a regulated market, are valued under the responsibility of the Management Company at their probable trading value. These valuations and their justification are notified to the auditors when their audits are carried out.

- UCIs:

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

- NEGOTIABLE DEBT SECURITIES AND SIMILAR SECURITIES:

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

- TEMPORARY PURCHASES AND SALES OF SECURITIES:

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

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

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

- FORWARD FINANCIAL INSTRUMENTS:

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

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

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

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

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

Adjusted net asset value or swing pricing mechanism (from 31 December 2023)

The Management Company has chosen to implement an adjusted net asset value or swing pricing mechanism.

In the event of significant subscriptions or redemptions of units, this mechanism allows the costs resulting from the subsequent adjustments to the Fund's portfolio (costs related to the purchase or sale of securities generated by changes in the Fund's liabilities) to be borne by those unitholders having made these subscriptions or redemptions.

The Fund's net asset value is adjusted up (in the case of net subscriptions) or down (in the case of net redemptions) to protect the Fund's existing unitholders from the impact of performance dilution generated by portfolio adjustment costs.

Swing pricing aims to reduce portfolio adjustment costs relating to new inflows (subscriptions) and outflows (redemptions) to and from the Fund for its unitholders.

The Management Company calculates an adjusted net asset value when the net amount of subscriptions or redemptions on all of the Fund's unit classes, cleared on a day of net asset value calculation, exceeds a predetermined threshold set by the Management Company (trigger threshold) based on market conditions. The net asset value supporting these subscription or redemption orders will then be adjusted up in the case of net subscriptions or down in the case of net redemptions using an adjustment percentage (swing factor) set by the Management Company.

The Management Company has adopted a policy for applying the swing pricing mechanism that defines the organisational and administrative measures as well as the conditions for applying the trigger threshold and the swing factor (swing pricing policy). The cost and trigger threshold parameters are reviewed periodically by the Management Company.

VI.2 – ACCOUNTING METHOD

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

VII – REMUNERATION

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

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

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

Prospectus publication date: 29 December 2023

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 include 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 BOND 6M**

Legal Entity Identifier : 9695009GGL2ARI16W024

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



x 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 will make a minimum of sustainable investments with a social 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

☐ 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 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 a proprietary ESG methodology, and by investing in issuers that demonstrate good environmental, social and governance practices.

Issuing companies

The investment strategy is to select:

Issuing companies which apply good ESG practices in their sector of activity. The ESG performance of an issuer is assessed based on a combination of environmental, social and governance factors.



BNP PARIBAS
ASSET MANAGEMENT

The sustainable investor for a changing world

From a so-called “negative screening” selection which applies exclusion criteria with regard to issuers that are in violation of international standards and conventions or which operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Sovereign issuers

The investment strategy includes selecting sovereign issuers based on their performance within the environmental, social and governance pillars. The ESG performance of each country is evaluated using a proprietary sovereign ESG methodology focused on assessing the efforts of governments to produce and preserve assets, goods and services with high ESG values, based on their level of economic development. Against this backdrop, countries are assessed against a combination of environmental, social and governance factors, which include, but are not limited to:

- The Environment: climate change mitigation, biodiversity, energy efficiency, land resources, pollution
- Society: living conditions, economic inequalities, education, employment, healthcare infrastructure, human capital
- Governance: corporate rights, corruption, democratic life, political stability, security

BNP Paribas Asset Management’s sustainable development strategy focuses on the fight against climate change. Given the importance of sovereign issuers in this fight, the internal ESG methodology for countries includes an additional rating component that reflects the country’s contribution to achieving the neutrality targets enshrined in the Paris Agreement. This additional rating component reflects countries’ commitment to achieving future targets and takes into account their current policies and prospective exposure to physical climate risk. It combines the temperature alignment methodology which is used to determine the contribution of countries to climate change with an assessment of laws and policies implemented to fight climate change.

The Management Company also applies the BNP Paribas Group’s sensitive country framework, which includes restrictive measures on certain countries and/or activities considered particularly exposed to money laundering and terrorist financing 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 compliant with the RBC Policy
- The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology
- The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus
- The percentage of the financial product’s portfolio invested in ‘sustainable investments’ as defined in Article 2 (17) of the SFDR regulation

● 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 sustainable investments made aim to finance companies that contribute to environmental and/or social objectives through their products and services and their sustainable practices. The proprietary methodology incorporates various criteria into its definition of sustainable investments. These are considered essential components for qualifying a company as “sustainable”. These criteria complement



each other. In practice, this means an issuer must fulfil at least one of the criteria described below before it is deemed to be contributing to an environmental or social objective:

1. A company whose economic activity is aligned with the objectives of the EU Taxonomy Regulation
2. A company whose economic activity contributes to one or more of the United Nation's Sustainable Development Goals (UN SDGs)
3. A company operating in the high-GHG emissions sector that is changing its business model in order to achieve the objective of limiting global temperature rise to below 1.5°C
4. a company that applies "best-in-class" environmental or social practices compared to its peers in the relevant sector and geographic region. The evaluation of the best E or S return is based on BNPP AM's ESG rating methodology. The methodology evaluates companies and assesses them compared to a group of peers comprising companies in comparable geographic regions and sectors.

Green bonds, social bonds and sustainable bonds issued to support specific environmental and/or social projects are also classified as sustainable investments, provided that these debt securities receive a "POSITIVE" or "NEUTRAL" investment recommendation from the Sustainability Centre following an assessment of the issuer and the underlying project based on a proprietary methodology for the evaluation of green/social/sustainable bonds.

Companies identified as sustainable investments must not have an adverse material impact on other environmental or social objectives (the "Do No Significant Harm" principle) and must adopt good governance practices. BNP Paribas Asset Management (BNPP AM) draws on its internal methodology to assess all companies in terms of these requirements.

The Management Company's website provides more detailed information regarding the internal methodology: <https://docfinder.bnpparibas-am.com/api/files/14787511-CB33-49FC-B9B5-7E934948BE63>

● **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.

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

Throughout its investment process, the Management Company ensures that sustainable investments take into account all of the principal adverse impact indicators in Table 1 of Appendix 1 to delegated regulation (EU) 2022/1288 by systematically implementing the sustainable investment pillars defined in BNP Paribas Asset Management's Global Sustainability Strategy (GSS) as part of its investment process and further detailed below: RBC Policy, ESG integration; Voting, dialogue and commitment policy, Forward-looking perspective: the '3Es' Energy transition, Environmental sustainability, Equality & inclusive growth).

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

The investment universe of the financial product 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 financial product considers the principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS as part of 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 helps 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 prioritise 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 include a series of commitments that are material to mitigating principal adverse sustainability impacts and guiding the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse impacts on sustainability factors caused by companies in which we invest. The 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 Management Company considers principal adverse sustainability impacts throughout the investment process through the use of the proprietary ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

In its forward-looking perspective, the Management Company defines a set of objectives and performance indicators to measure how the research, portfolios and commitments are aligned on three key issues, the '3Es' (Energy transition, Environmental sustainability and Equality & inclusive growth) and thus support all investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other 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, the ESG Integration Guidelines and the Engagement and Voting Policy, which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions, and of 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
- 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 conclusive supportive ESG research
- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark

Based on the above approach and according to the composition of the financial product's portfolio (i.e. the type of issuer), the financial product takes into account and manages or mitigates the following principal adverse sustainability impacts:

mandatory indicators applicable to the companies:

1. Greenhouse gas emissions (GHG)
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 and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and



Development (OECD) Guidelines for Multinational Enterprises

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

12. Unadjusted gender pay gap

13. Board gender diversity

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

Voluntary indicators applicable to the companies:

Environmental indicators

4. Investments in companies with no initiatives to reduce carbon emissions

Social

4. No supplier code of conduct

9. No human rights policy

Mandatory indicators applicable to sovereign assets:

15. GHG intensity

16. Investment in countries where social standards are breached

BNPP AM's SFDR disclosure statement: 'Integration of sustainability risk and recognition of principal adverse impacts' includes detailed information regarding the recognition of the principal adverse impacts on sustainability factors.

<https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-BOED-84FC06E090BF>

In addition, the financial product's annual report contains information regarding the manner in which the principal adverse impacts on sustainability factors were taken into account during the year.

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 (<https://www.bnpparibas-am.com/sustainability-documents/>)

- 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

- The financial product shall have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product shall invest at least 10% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of 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 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?**

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.

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.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.

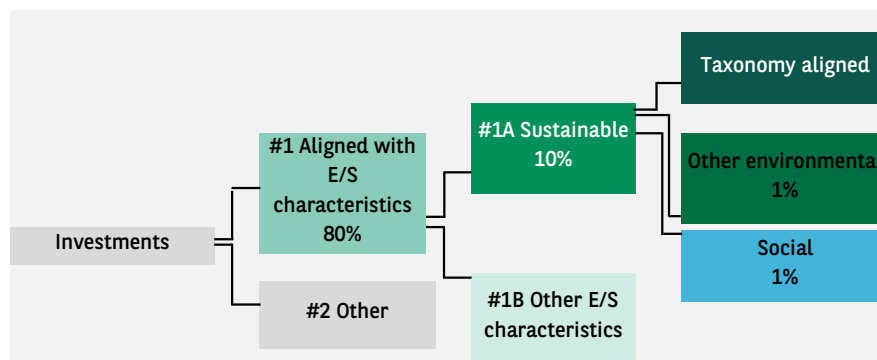
At least 80% of the financial product's investments will be used to achieve the environmental or social characteristics promoted (#1 Aligned with E/S characteristics), in accordance with the binding elements of the financial product's investment strategy. The percentage expressed is only a minimum commitment and the actual percentage of investments of the financial product that has obtained the promoted environmental or social characteristics will be indicated in the annual report.

The minimum proportion of sustainable investments (#1A Sustainable) is 10% of the net assets.

The remaining share of investments is mainly used as described below



- 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.

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.

● 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?

The minimum share of sustainable investments with an environmental objective that are aligned with the European Taxonomy Regulation is 0%.

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 any 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.

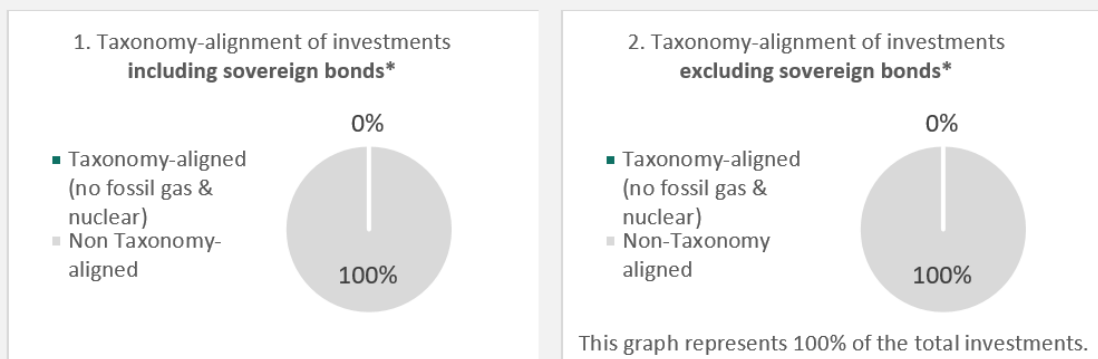
At the date on which this pre-contractual information document was drafted, the Management Company did not have the necessary data to disclose whether the financial product intended to invest or not in activities related to fossil gas and/or nuclear energy which comply with EU Taxonomy; the No box has therefore been checked accordingly.



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.

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



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

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

The minimum share of investments in transitional and enabling activities within the meaning of EU Taxonomy is 0% for transitional activities and 0% for enabling activities.

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?

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 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: <https://www.bnpparibas-am.com/> after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.



BNP PARIBAS ASSET MANAGEMENT France

1 boulevard Haussmann

75009 Paris, France

Paris Trade Companies Register no. 319 378 832

MUTUAL FUND REGULATIONS

BNP PARIBAS BOND 6 M

PART I

ASSETS AND UNITS

ARTICLE 1 – Co-ownership units

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

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

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

The Fund may issue different unit classes, the characteristics and eligibility requirements of which are described in the Fund's prospectus.

The different unit classes may:

- have different income distribution methods;
- be denominated in different currencies;
- incur different management fees;
- charge different subscription and redemption fees;
- have a different nominal value;
- be partially or fully hedged as a matter of course, as defined in the prospectus. This hedging is achieved by means of financial instruments, thereby minimising the impact of the hedging transactions on the Fund's other unit classes;
- be reserved for one or more distribution networks.

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

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

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

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

ARTICLE 2 – Minimum assets

Units cannot be redeemed if the assets of the Fund or, if applicable, a sub-fund, fall below the threshold established by the regulations. If the assets remain below this amount for thirty days, the Management Company shall take the steps required to liquidate the UCITS in question, or carry out one of the transactions mentioned in Article 411-16 of the AMF General Regulations (transfer of the UCITS).

ARTICLE 3 – Issue and redemption of units

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

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

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

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

Redemptions are made in cash.

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

In general, redeemed assets are valued according to the rules set out in Article 4 and redemptions in kind are made based on the first net asset value following acceptance of the securities concerned. Redemptions are settled by the delegated issuer within five days of the units being valued.

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

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

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

The Management Company may decide to spread unitholders' redemption requests over several net asset values if they exceed a specified threshold, when exceptional circumstances so require and if this is in the interest of the unitholders or the public.

The operating procedures for the capping mechanism and for informing unitholders are clearly specified below:

(i) Description of the method

The Fund may choose not to execute all cleared redemption orders on the same net asset value if the sum of the net redemptions exceeds 5% of the Fund's net assets. In this event, the Fund may decide to execute redemptions up to a maximum of 5% of the Fund's net assets (or a greater percentage at the Fund's discretion) on a proportional basis for each request. The 5% threshold is determined on the basis of the Fund's last known net asset value.

(ii) Provision of information to unitholders

If the gates mechanism is triggered, the unitholders will be informed by any means via www.bnpparibas-am.com

As soon as possible after the redemption order clearing date, the clearing house will individually inform Fund unitholders whose redemption requests have not been fully executed.

(iii) Processing of unexecuted orders

If the gates mechanism is triggered, redemption requests will be reduced proportionately for all Fund unitholders. Redemption requests pending execution will be automatically carried forward to the next redemption order clearing date. Requests carried forward will not be given priority over subsequent redemption requests.

The Fund unitholders cannot formally oppose the carryforward of the unexecuted part of their redemption order or request the cancellation thereof in accordance with the Fund's notice period for clearing.

If, on a given redemption order clearing day, the net redemption requests of Fund units represent 15% of the Fund's net assets, but the gate is set at 5%, the Fund may, for example, decide to honour redemption requests up to 10% of the Fund's net assets. Thus, 66.66% of redemption requests would be executed instead of the 33.33% that would have been executed if the Fund had strictly applied the 5% threshold.

This redemption timing mechanism may not be triggered more than 20 times in a three-month period and may not last more than one month. After this point, the Fund will automatically terminate the gates mechanism and consider another ad hoc solution (such as suspending redemptions) if required.

(iv) Exemptions

Subscription and redemption transactions for the same number of units made on the basis of the same net asset value and for the same unitholder or economic beneficiary (round-trip transactions) are not gated.

If the net assets of the Fund (or a sub-fund, if applicable) fall below the threshold established by the regulations, no redemptions may be carried out (in the sub-fund in question, if applicable). Minimum subscription conditions may exist, in accordance with the procedures set out in the Fund's prospectus.

Pursuant to paragraph three of Article L. 214-8-7 of the French Monetary and Financial Code, the UCITS may cease to issue units either temporarily or permanently, partially or totally, in objective situations that require the closure of subscriptions, such as reaching the maximum number of units issued, or the maximum amount of assets, or the expiry of a specified subscription period.

Existing unitholders will be informed by any means of the triggering of this tool, as well as the threshold and the objective situation that led to the decision on partial or total closure. In the event of a partial closure, this notification by any means will specify explicitly the conditions under which existing unitholders may continue to subscribe for the duration of this partial closure. Unitholders will also be informed by any means of the UCITS' or Management Company's decision to either end the total or partial closure of subscriptions (once they fall below the trigger threshold) or not to end their closure (in the event of a change to the threshold or a change to the objective situation that led to the application of this tool).

A change to the objective situation invoked or to the trigger threshold of the tool must always be made in the interests of the unitholders. Information specifying the exact reasons for these changes may be shared via any means.

ARTICLE 4 – CALCULATION OF THE NET ASSET VALUE

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

PART II**OPERATION OF THE FUND****ARTICLE 5 – The Management Company**

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

ARTICLE 5B – Operating rules

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

More than 25% of the Fund is invested in debt securities and similar products.

ARTICLE 6 – The depositary

The depositary undertakes the tasks incumbent upon it pursuant to the laws and regulations in force as well as those that are contractually entrusted to it by the Management Company. In particular, it must ensure that the decisions taken by the Portfolio Management Company are lawful. Where applicable, it must take all protective measures it deems necessary. In the event of a dispute with the Management Company, the depositary shall inform the AMF.

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

ARTICLE 7 – The statutory auditor

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

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

The statutory auditor's mandate may be renewed.

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

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

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

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

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

The statutory auditor's fees are determined by mutual agreement between the auditor and the board of directors of the portfolio management company on the basis of an agenda indicating all duties deemed necessary.

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

If the Fund is a feeder UCITS:

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

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

ARTICLE 8 – The financial statements and the management report

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

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

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

PART III**DIVIDEND POLICY****ARTICLE 9 – Allocation of income and distributable sums**

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

Distributable income is equal to:

- 1) the net income for the financial year plus retained earnings plus or minus the balance of the accrual account for income from the past financial year, and from the financial years beginning on or after 1 January 2013,
- 2) the capital gains, net of charges, minus the capital losses, net of charges, recorded during the financial year, plus the net capital gains of the same type recorded during previous financial years that have not been reinvested and plus or minus the balance of capital gains accruals.

The sums mentioned in 1) and 2) above may be distributed in part or in full, independently of each other.

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

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

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

The Management Company can either assign, in full or in part, the assets included in the Fund to another UCITS that it manages, or split the Fund into two or more other Funds.

These merger or split transactions can only be carried out after the unitholders have been advised of them. A new certificate will be issued after such transactions indicating the number of units held by each unitholder.

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

ARTICLE 11 – Dissolution – Extension

If the assets of the Fund or, if applicable, the sub-fund, remain below the amount established in Article 2 above for 30 days, the Management Company shall inform the *Autorité des marchés financiers* and shall dissolve the Fund or, if applicable, the sub-fund, except in the event of a merger with another fund.

The Management Company may dissolve the Fund or, if applicable, a sub-fund, early; it shall advise the unitholders of its decision and, from that date, requests for subscription or redemption will no longer be accepted.

The Management Company shall also dissolve the Fund or, if applicable, the sub-fund, if there is a request for redemption of all of the units, termination of the depositary's function when another depositary has not been appointed, or on expiry of the term of the Fund, if it has not been extended.

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

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

ARTICLE 12 – Liquidation

In the event of dissolution, the Management Company shall assume the duties of liquidator; failing this, the liquidator is appointed by the court at the request of any interested person. For this purpose, it is vested with the widest powers to liquidate assets, pay off any creditors and distribute the available balance among the unitholders in cash or securities.

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

PART V

DISPUTES

ARTICLE 13 – Jurisdiction – Address for service

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