



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

**FUND PROSPECTUS**

**BNP PARIBAS IMMOBILIER ISR**

**FUND GOVERNED BY EUROPEAN DIRECTIVE 2009/65/EC**

## I. GENERAL CHARACTERISTICS

### I.1 – FORM OF THE FUND

**NAME:** BNP PARIBAS IMMOBILIER ISR

**LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS INCORPORATED:** Mutual fund (FCP) incorporated in France.

**INCEPTION DATE AND INTENDED LIFETIME:** Fund launched on 19 January 2005 for a term of 99 years. It was authorised by the *Autorité des marchés financiers* (AMF – the French financial markets authority) on 26 November 2004.

**FUND OVERVIEW:**

UNIT CLASSES	ISIN CODES	ALLOCATION OF INCOME	BASE CURRENCY	TARGET INVESTORS	FRACTIONING OF UNITS	MINIMUM SUBSCRIPTION AMOUNT
Classic "C" unit	FR0010156216	Net income: accumulation Net realised capital gains: accumulation	EUR	All investors, mainly intended for private individuals	Thousandths	Initial subscription: One thousandth of a unit
Classic "D" unit	FR0010144550	Net income: distribution Net realised capital gains: accumulation				Subsequent subscriptions: One thousandth of a unit
"I" unit	FR0011927268	Net income: accumulation Net realised capital gains: accumulation	EUR	All investors, mainly intended for legal entities and institutional investors	Thousandths	Initial subscription: EUR 500,000 Subsequent subscriptions: One thousandth of a unit

<p>“R” unit</p>	<p>FR0012182889</p>	<p>Net income: accumulation Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>All investors, mainly intended for investments from the following funds: BNP PARIBAS CONVICTIONS, BNP PARIBAS PROTECTION MONDE, BNP PARIBAS SELECTION DYNAMIQUE MONDE, BNP PARIBAS SELECTION DYNAMIQUE PEA, BNP PARIBAS SOCIAL BUSINESS FRANCE, BNP PARIBAS GREEN BUSINESS.</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>
<p>Privilege “C” unit</p>	<p>FR0013302130</p>	<p>Net income: accumulation Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>Reserved for investors advised by independent advisers as defined by MiFiD II (2) and for management under mandate</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>
<p>Privilege “D” unit</p>	<p>FR0013373735</p>	<p>Net income: distribution Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>Reserved for subscribers advised by independent advisers as defined by MiFiD II (1) and for management under mandate</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>

“R Plus” unit	FR0013336187	Net income; accumulation and/or distribution Net realised capital gains: accumulation	EUR	Unit reserved for GENERALI	Thousandths	Initial subscription: One thousandth of a unit Subsequent subscriptions: One thousandth of a unit
“B” unit	FR0013386893	Net income: accumulation Net realised capital gains: accumulation	EUR	Unit reserved for subscriptions by the Belgian SICAV BNP PARIBAS B STRATEGY	Thousandths	Initial subscription: One thousandth of a unit Subsequent subscriptions: One thousandth of a unit

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

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

The latest annual and interim reports will be sent within eight business days of receipt of a written request to:

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

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

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  
 Registered office: 1, boulevard Haussmann, 75009 Paris  
 CEDEX 09, France  
 Postal address: TSA 90007, 92729 Nanterre CEDEX, France  
 Portfolio management company authorised by the *Autorité des marchés financiers* on 19 April 1996 under number GP 96002  
 ADEME no.: FR200182\_03KLJL

**DEPOSITARY AND CUSTODIAN:****BNP PARIBAS**

A limited company (*société anonyme*)  
 Registered office: 16, boulevard des Italiens,  
 75009 Paris, France  
 Office address: Grands Moulins de Pantin  
 9, rue du Débarcadère, 93500 Pantin, France  
 Credit institution authorised by the French Prudential Supervision and Resolution Authority (*Autorité de Contrôle Prudential et de Résolution*)

The duties of the depositary are: holding custody of the assets, checking that the management company's decisions are lawful, and monitoring the Fund's liquidity flows. 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 delegations. 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>

Up-to-date information concerning the points above will be sent to unitholders on written request from the management company.

**CLEARING HOUSE FOR****SUBSCRIPTION AND REDEMPTION ORDERS:****BNP PARIBAS ASSET MANAGEMENT France****DELEGATED CLEARING HOUSE FOR****SUBSCRIPTION AND REDEMPTION****ORDERS:****BNP PARIBAS****DELEGATED INSTITUTION RESPONSIBLE****FOR ACTING AS REGISTRAR OF****THE UNITS:****BNP PARIBAS****STATUTORY AUDITOR:****DELOITTE & ASSOCIES**

185, avenue Charles de Gaulle  
 92524 Neuilly sur Seine Cedex, France  
 Represented by Stéphane Collas

**PROMOTER:****BNP PARIBAS**

A French limited company (*société anonyme*)  
 16, boulevard des Italiens,  
 75009 Paris, France

and BNP Paribas Group companies

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

**DELEGATED FINANCIAL MANAGER:**

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

This delegated financial management covers the hedging of the portfolio's currency risk and/or the hedging of net cash positions denominated in currencies other than the reference currency, through foreign exchange transactions in the Fund's reference currency.

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

**DELEGATED ACCOUNTING MANAGER:**

**BNP PARIBAS**  
 A limited company (*société anonyme*)  
 Registered office: 16, boulevard des Italiens,  
 75009 Paris, France  
 Office address: Grands Moulins de Pantin  
 9, rue du Débarcadère, 93500 Pantin, France

The delegated accounting manager performs administrative functions for funds, such as accounting and calculation of the net asset value.

**ADVISOR:**

None

**II. OPERATING AND MANAGEMENT PROCEDURES**

**II.1 – GENERAL CHARACTERISTICS**

**CHARACTERISTICS OF THE UNITS:**

**RIGHTS ATTACHED TO THE UNIT CLASS:**

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

**INFORMATION RELATING TO THE MANAGEMENT OF LIABILITIES:**

As part of its management of the Fund's liabilities, the custodian is responsible for centralising subscription and redemption orders, and for managing the unit issuance account in collaboration with Euroclear France, on which the Fund is listed.

**TYPE OF UNIT:**

Administered registered, pure registered or bearer shares. The Fund is listed on Euroclear France.

**VOTING RIGHTS:**

No voting rights are attached to the units as all decisions are taken by the Fund's management company.

However, unitholders shall be notified of changes to the operation of the Fund either individually, in the press or by any other means in accordance with AMF instruction no. 2011-19.

**FRACTIONING:**

Fund units are issued in thousandths of a unit.

**FINANCIAL YEAR-END:**

Last stock exchange trading day in September.

First financial year: last stock exchange trading day in September 2005.

**TAX SYSTEM:**

Treatment of gains from the sale of transferable securities and rights of ownership applicable to individuals who are French tax residents, namely:

- By default: a French flat-rate tax, or Prélèvement Forfaitaire Unique (PFU), of 30% (12.8% income tax and 17.2% social security contributions);
- On options exercised during tax returns: taxation subject to progressive income tax rates with the possibility, where eligible, to benefit from an allowance for holding periods specified in Article 150-0 D of the French General Tax Code (i.e. 50% for shares held for at least two years and less than eight years, and 65% for shares held for at least eight years), where securities were acquired or subscribed before 1 January 2018. The progressive income tax rate is an overarching option, covering all income, net gains, profits and receivables within the scope of the PFU. Added to this are social security contributions at an overall rate of 17.2%, of which, however, a proportion of CSG (French generalised social contribution) is deductible from total taxable income during the year in which it is paid.

The Fund invests at least 25% of its assets in shares pursuant to the German Investment Tax Act (GITA 2018) (German Taxation).

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 any aspect 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 "C" unit class: FR0010156216

Classic "D" unit class: FR0010144550

"I" unit class: FR0011927268

"R" unit class: FR0012182889

Privilege "C" unit class: FR0013302130

Privilege "D" unit class: FR0013373735

"R Plus" unit class: FR0013336187

"B" unit class: FR0013386893

**CLASSIFICATION:** International Equities

The Fund's minimum exposure to equity markets is 90% of its net assets.

**MANAGEMENT OBJECTIVE:**

The management objective, over an investment horizon of a minimum of five years, is to outperform (net of fees) the FTSE EPRA/NAREIT DEVELOPED EUROPE 8/32 NET RETURN INDEX, an index representative of equity markets for European real estate, by investing in securities from issuers that incorporate good governance and sustainable development criteria. The Fund is managed in accordance with a socially responsible investment (SRI) approach.

**BENCHMARK INDEX:**

The "FTSE EPRA/NAREIT DEVELOPED EUROPE 8/32 NET RETURN INDEX (calculated with net dividends reinvested)" benchmark index is an index that has been created for this Fund. It takes into account the constraints of the 8/32 principle, i.e. that no security in the index may have a position greater than 8% of the index at the time of the quarterly review of securities. This index is made up of European equities from the real estate sector. It is denominated in euros, weighted by the market capitalisation of the stocks comprising it, and calculated on the basis of closing prices for these stocks with net dividends reinvested.

For further information about the benchmark index, investors are invited to consult the following website:

<https://www.ftse.com/products/indices>

FTSE International Limited, the administrator of the “FTSE EPRA/NAREIT DEVELOPED EUROPE NET RETURN INDEX” benchmark index is not listed in the register of administrators and benchmark indices kept by the European Securities and Markets Authority (ESMA).

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

## **INVESTMENT STRATEGY:**

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

The investment strategy is based on active management encompassing a disciplined approach to selecting stocks in the real estate sector that takes account of financial and non-financial analyses from within a wider investment universe than that of the benchmark index.

The financial and non-financial analysis is based in particular on visits to companies and meetings with managers to obtain pertinent information about their business activities, strategy and the companies’ growth prospects.

The Fund follows a socially responsible investment (SRI) strategy. It carries the SRI label.

The non-financial analysis is taken into account at every stage of the investment process. It involves incorporating an SRI approach into the selection of securities.

The non-financial analysis is extended to the Fund’s thematic approach; in this instance, sustainable real estate. The management team incorporates environmental, social and governance (ESG) criteria into the investment process of the Fund.

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

- Compliance with sector-specific policies on controversial activities (application of the Responsible Business Conduct (RBC) Policy of BNP PARIBAS ASSET MANAGEMENT France, available on its website);
- The exclusion of companies that breach at least one of the Ten Principles of the United Nations Global Compact (human rights, labour law, environment and anti-corruption) and/or the OECD Guidelines for Multinational Enterprises;

The Fund invests at least 90% of its net assets in securities and UCIs that have been analysed for their environmental (E), social (S) and governance (G) (ESG) criteria by a dedicated team of ESG analysts from the management company. Following this analysis, the Fund applies the improved rating approach according to which the portfolio’s average ESG rating is higher than that of the FTSE EPRA/NAREIT DEVELOPED EUROPE 8/32 NET RETURN INDEX, after eliminating at least 20% of the lowest rated securities from this index. The management team may select stocks outside its benchmark index. However, it will ensure that the benchmark index is a relevant comparison index of the Fund’s ESG rating. The calculation of the aforementioned percentage is made excluding the cash held by the Fund.

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

- Environmental: global warming and combating greenhouse gas emissions, energy efficiency, preservation of natural resources, level of CO2 emissions and energy intensity;



- Social: management of employment and restructuring, workplace accidents, training policy, remuneration, staff turnover rate and PISA (Programme for International Student Assessment) result;
- Corporate governance: independence of the Board of Directors with respect to general management, rights of minority shareholders, separation of management and supervisory functions, anti-corruption policy and respect for the freedom of the press.

Finally, the ESG analysis is backed up by an active and strategic policy of engaging in responsible practices with companies (individual and collective engagement with companies, general meeting voting policy).

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

Some companies appearing in the portfolio may have ESG practices that can be improved and/or may be exposed to certain sectors in which environmental, social or governance issues remain significant.

In its investment decisions, the management company incorporates the risks associated with sustainability. However, the scope and manner in which the problems and risks associated with sustainability are incorporated into its strategy varies according to a number of factors including the asset class, the geographical area, and the financial instruments used.

#### **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**

The Fund shall invest a minimum of 50% of its net assets in securities (including warrants and bonds convertible into shares) of real estate companies which are issued, or whose operations are predominately based in, one or more countries of the European Union and the United Kingdom.

The Fund shall invest a minimum of 90% of its net assets in the securities of companies of all market capitalisations.

The exposure to equity markets is between 90% and 100% of net assets.

### **Money market instruments and debt securities**

For cash management purposes, the Fund may invest a maximum of 10% of its net assets in low-sensitivity money market instruments issued in any currency and in any geographical area by governments or private companies (negotiable debt securities and/or through money market and/or short-term money market UCIs).

The manager has internal methods for evaluating credit risk when selecting securities for the Fund and does not exclusively or always use the ratings issued by rating agencies. The ratings cited below are one of the

factors used to assess the overall credit quality of an issue or issuer on which the manager bases their own convictions when selecting securities.

Whether at the time of purchase or during their lifetime, the debt securities may carry an “issue” or “investment grade” rating of A3 (Moody’s), P3 (Standard & Poor’s) and F3 (Fitch).

**- Units or shares of UCIs**

The Fund may invest up to 10% of its net assets in units or shares of French or European UCITS of any classification that meet socially responsible investment (SRI) criteria.

Within this limit, the Fund may also invest in units or shares of French AIFs or AIFs established in other Member States of the European Union and in investment funds established under foreign law that meet the four criteria specified under Article R. 214-13 of the French Monetary and Financial Code.

These AIFs shall be of any classification and must meet socially responsible investment (SRI) criteria.

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

**3. DERIVATIVES:**

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

The Fund may invest in the following instruments in these markets:

- futures on equity indices, equities and currencies;
- options on equity indices, equities and currencies;
- purchases/sales of currency futures.

The manager may take positions to hedge the portfolio against equity and/or currency risks and/or to seek further exposure to the market in order to achieve the management objective.

The potential overall exposure from the use of derivatives, as calculated in accordance with this method, may account for up to 100% of the Fund’s net assets.

The Fund will not use total return swaps.

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

The eligible counterparty(ies) has(ve) no influence over the composition or management of the Fund’s portfolio.

**4. INSTRUMENTS WITH EMBEDDED DERIVATIVES:**

On an ancillary basis, warrants and/or subscription rights received by the Fund following securities transactions are authorised, as are convertible bonds.

**5. DEPOSITS: None**

**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 (reverse repurchase agreements within a limit of 10% of its net assets in accordance with the French Monetary and Financial Code).

In order to optimise income, the Fund may use temporary sales of securities (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%	0%	10%	0%
Expected proportion of net assets	12%	0%	10%	0%

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 that are referred to in R. 214-19 of the French Monetary and Financial Code. They may be conducted with companies affiliated to the BNP Paribas Group. The counterparties must have a good credit rating (equivalent to Investment Grade).

Moreover, to guard against counterparty default, these transactions may involve the pledging of securities and/or cash as collateral in accordance with the terms and conditions outlined in the paragraph below.

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

#### 8. INFORMATION RELATING TO THE UCI'S COLLATERAL:

To guard against counterparty default, transactions on temporary purchases and sales of securities and over-the-counter derivative instruments may involve the pledging of collateral in the form of securities and/or cash, which the custodian will hold 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. The 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, for which this limit may be increased to 100%, provided that this 100% is distributed among 6 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
<b>Cash (EUR, USD and GBP)</b>
<b>Interest rate instruments</b>
State securities issued or guaranteed by an eligible member country of the OECD. The Fund may receive securities issued or guaranteed by an eligible member country of the OECD as collateral, for more than 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
State securities issued or guaranteed by a government of another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible member country of the OECD
Convertible bonds issued by a company whose registered office is located in an eligible member country of the OECD
Units or shares of money market UCITS(1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible member country of the OECD or in another eligible country.
<i>(1) UCITS managed by companies belonging to the BNP PARIBAS ASSET MANAGEMENT Holding Group only.</i>
<b>Eligible indices &amp; related shares</b>
<b>Securitisations(2)</b>
<i>(2) subject to the approval of the BNP PARIBAS ASSET MANAGEMENT France Risk Department</i>

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

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

#### **COLLATERAL:**

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

#### **RISK PROFILE:**

The Fund, classified as an "International Equities" fund, mainly carries risks associated with its investments in the real estate sector in European countries and, to a much lesser extent, with its investments in money markets. Investments are made in compliance with the following maximum exposure limits for market risks:

- 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, after deduction of subscription fees, may not be recovered in full, since the Fund does not provide any guarantees.
- Equity market risk: the exposure to equity markets is between 90% and 100% of net assets. Equity markets may experience severe and sudden price variations that have a direct impact on the growth of the net asset value. Equity risk is also linked to the risk of small and mid-cap companies. The volume of securities listed on small and mid-cap markets is relatively low. In the event of liquidity issues, these markets may experience greater, more significant and more rapid downturns than large-cap markets. Therefore, particularly in periods of high volatility on the equity markets, the net asset value of the Fund can fluctuate significantly, both upwards and downwards.
- A currency risk of up to 100% of its net assets: this risk may be fully or partially hedged through the use of derivatives as a result of exposure to securities denominated in currencies other than the euro (specifically in pounds sterling). It is linked to the weakening of the listing currencies of the financial instruments used for the Fund, which may result in a drop in its net asset value.
- Counterparty risk: this risk is associated with the conclusion of contracts involving forward financial instruments traded over the counter (see the section on "Derivatives" above) or temporary purchases and sales of securities (see the section on "Temporary purchases and sales of securities" above) in the event that a counterparty with whom a contract has been concluded fails to honour its commitments (for example: payment or repayment), which may lead to a drop in the Fund's net asset value.
- Risk of potential conflicts of interest: this risk is associated with the conclusion of temporary purchases or 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 (linked to 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.
- Sector and concentration risk: this risk is associated with the portfolio's concentration on the real estate sector. A decline in this sector may lead to a drop in the net asset value of the Fund.
- Sustainability risk: Unmanaged or unmitigated sustainability risks can impact returns on financial products. For example, if an environmental-, social- or governance-related event or situation were to occur, it could have a real or potential negative impact on the value of the 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.

In addition, investors may be exposed to other types of risks:

- Ancillary 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 associated debt securities in which the Fund is invested.

- Ancillary interest rate risk:

Interest rate markets move in the opposite direction to interest rates. The Fund uses "sensitivity" criteria to measure the impact of a change in rates. Sensitivity measures the potential impact of a 1% change in interest rates on the Fund's net asset value.

- Ancillary risk associated with convertible bonds:

These instruments are directly linked to equity markets and interest rate markets (term and credit) and, as such, the Fund's net asset value may fall during periods of decline in the equity and interest rate markets.

Provision is made for these ancillary risks up to a maximum of 10% of the Fund's net assets.

#### **TARGET INVESTORS AND TYPICAL INVESTOR PROFILE:**

Classic "C" and "D" unit classes: All investors. Fund mainly intended for private individuals.

"I" unit class: All investors. Fund mainly intended for legal entities and institutional investors.

"R" unit class: All investors. Fund mainly intended for investments from the following funds:

- BNP PARIBAS CONVICTIONS,
- BNP PARIBAS PROTECTION MONDE,
- BNP PARIBAS SELECTION DYNAMIQUE MONDE,
- BNP PARIBAS SELECTION DYNAMIQUE PEA,
- BNP PARIBAS SOCIAL BUSINESS FRANCE,
- BNP PARIBAS GREEN BUSINESS.

"Privilege" unit classes: Reserved for subscribers advised by independent advisers as defined by MiFiD II (1) and for management under mandate.

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

"R Plus" unit class: Unit reserved for GENERALI.

"B" unit class: Unit reserved for subscriptions by the Belgian SICAV BNP PARIBAS B STRATEGY.

In view of the instruments used and the strategies implemented, this Fund is aimed at investors who are seeking exposure to the risks of equity markets associated with the real estate sector.

The amount that is reasonable to invest in this Fund depends on the personal circumstances of each investor. To determine this, investors should take into account not only their personal assets and financial needs now and over the next five years, but also their willingness to take risks or their preference for a more prudent investment. Investors are also strongly advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this Fund.

**INFORMATION RELATING TO US INVESTORS:**

The management company is not registered as an investment adviser in the United States.

The Fund is not registered as an investment vehicle in the United States and its units are not and will not be registered pursuant to the Securities Act of 1933; consequently, they may not be offered or sold to the "Restricted Persons" defined below, 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 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 as of 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 payment of the 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 such investors to the French tax authorities, which shall forward the information to the US Internal Revenue Service.

The Fund, as a foreign financial institution, 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 its shareholders 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:** Five years

**METHODS FOR DETERMINING AND ALLOCATING INCOME:**

For Classic "C", "I", "R" and Privilege "C" 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 Privilege "D" unit classes:

Allocation of net income: distribution (for share income only). 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.

For the "R Plus" unit class:

Allocation of net income: accumulation and/or distribution. The management company reserves the right to accumulate and/or distribute the net income in full or in part, or to carry it forward.

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 “R Plus” unit class:

Allocation of net income: accumulation and/or distribution. The management company reserves the right to accumulate and/or distribute the net income in full or in part, or to carry it forward.

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

Interest is recorded using the interest received method.

**DISTRIBUTION FREQUENCY:**

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

**CHARACTERISTICS OF UNITS:**

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

UNIT CLASSES	ISIN CODES	ALLOCATION OF INCOME	BASE CURRENCY	TARGET INVESTORS	FRACTIONING OF UNITS	MINIMUM SUBSCRIPTION AMOUNT
Classic “C” unit	FR0010156216	Net income: accumulation Net realised capital gains: accumulation	EUR	All investors, mainly intended for private individuals	Thousandths	Initial subscription: One thousandth of a unit
Classic “D” unit	FR0010144550	Net income: distribution Net realised capital gains: accumulation				Subsequent subscriptions: One thousandth of a unit
“I” unit	FR0011927268	Net income: accumulation Net realised capital gains: accumulation	EUR	All investors, mainly intended for legal entities and institutional investors	Thousandths	Initial subscription: EUR 500,000 Subsequent subscriptions: One thousandth of a unit

<p>“R” unit</p>	<p>FR0012182889</p>	<p>Net income: accumulation Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>All investors, mainly intended for investments from the following funds: BNP PARIBAS CONVICTIONS, BNP PARIBAS PROTECTION MONDE, BNP PARIBAS SELECTION DYNAMIQUE MONDE, BNP PARIBAS SELECTION DYNAMIQUE PEA, BNP PARIBAS SOCIAL BUSINESS FRANCE, BNP PARIBAS GREEN BUSINESS.</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>
<p>Privilege “C” unit</p>	<p>FR0013302130</p>	<p>Net income: accumulation Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>Reserved for investors advised by independent advisers as defined by MiFiD II (2) and for management under mandate</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>
<p>Privilege “D” unit</p>	<p>FR0013373735</p>	<p>Net income: distribution Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>Reserved for subscribers advised by independent advisers as defined by MiFiD II (1) and for management under mandate</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>
<p>“R Plus” unit</p>	<p>FR0013336187</p>	<p>Net income; accumulation and/or distribution Net realised capital gains: accumulation</p>	<p>EUR</p>	<p>Unit reserved for GENERALI</p>	<p>Thousandths</p>	<p>Initial subscription: One thousandth of a unit  Subsequent subscriptions: One thousandth of a unit</p>



"B" unit	FR0013386893	Net income: accumulation Net realised capital gains: accumulation	EUR	Unit reserved for subscriptions by the Belgian SICAV BNP PARIBAS B STRATEGY	Thousandths	Initial subscription: One thousandth of a unit Subsequent subscriptions: One thousandth of a unit
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(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFiD 2004/39.

**SUBSCRIPTION AND REDEMPTION CONDITIONS:**

Orders are executed in accordance with the table below:

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

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

Subscription requests may relate to an amount, a whole number of units or a fraction of a unit, as each unit is divided into thousandths.

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

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

Switching from one unit class to another is treated as a redemption followed by a subscription and is subject to the tax regime for capital gains.

**MINIMUM SUBSCRIPTION AMOUNT:**

Classic "C", "D", "R" and "R Plus" unit classes:

- . Initial subscriptions: one thousandth of a unit.
- . Subsequent subscriptions: one thousandth of a unit.

I unit class:

- . Initial subscriptions: EUR 500,000
- . Subsequent subscriptions: one thousandth of a unit.

Privilege "C" and "D" unit classes:

- . Initial subscriptions: one thousandth of a unit
- . Subsequent subscriptions: one thousandth of a unit.

**DELEGATED AGENCY RESPONSIBLE FOR RECEIVING SUBSCRIPTION AND REDEMPTION ORDERS: BNP PARIBAS**

**INITIAL NET ASSET VALUE:**

Classic "C" and "D" unit classes: EUR 234.94.

"I" unit class: EUR 10,000

"R" unit class: EUR 100

"R Plus" unit class: EUR 100

Privilege "C" unit class: the net asset value will be the same as that of the Classic "C" unit class on its launch date.

Privilege “D” unit class: EUR 100.

“B” unit class: EUR 15,000

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

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 CAP MECHANISM ("GATES"):**

In accordance with the Fund regulations, 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.

(i) Description of the method

The Management Company 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 Management Company may decide to execute redemptions up to a maximum of 5% of the Fund's net assets (or a greater percentage at the Management Company'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](http://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 Management Company 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 Management Company 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 Management Company will automatically terminate the redemption timing 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

fees incurred by the Fund when investing and divesting investors' monies. The remaining fees are paid to the management company, the promoter, etc.

FEES PAYABLE BY THE INVESTOR, DEDUCTED AT THE TIME OF SUBSCRIPTION AND REDEMPTION	BASIS	RATE/SCALE
<p align="center"><b>SUBSCRIPTION FEE NOT PAYABLE TO THE FUND</b></p>	<p align="center">Net asset value x number of units</p>	<p align="center">Classic "C" and "D" and "I" unit classes:</p> <ul style="list-style-type: none"> <li>. maximum 2% for subscriptions of less than EUR 30,000</li> <li>. maximum 1% for subscriptions of EUR 30,000 or more and below EUR 150,000</li> <li>. maximum 0.75% for subscriptions of EUR 150,000 or more and below EUR 800,000</li> <li>maximum 0.50% for subscriptions of EUR 800,000 or more</li> </ul> <p><u>Exception:</u> switches between Classic unit classes</p> <p align="center">"R" unit: None</p> <p align="center">Privilege "C" and "D" unit classes: maximum 2%</p> <p><u>Exception:</u> switches between Privilege unit classes</p> <p align="center">"R Plus" unit class: None</p> <p align="center">"B" unit: maximum 2%</p>
<p align="center"><b>SUBSCRIPTION FEE PAYABLE TO THE FUND</b></p>	<p align="center">/</p>	<p align="center">None</p>
<p align="center"><b>REDEMPTION FEE NOT PAYABLE TO THE FUND</b></p>	<p align="center">/</p>	<p align="center">None</p>
<p align="center"><b>REDEMPTION FEE PAYABLE TO THE FUND</b></p>	<p align="center">/</p>	<p align="center">None</p>

**Fees charged to the Fund:**

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

A portion of the fees 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 fees charged may also include:

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

FEES CHARGED TO THE FUND	BASIS	UCITS
<b>FINANCIAL MANAGEMENT FEES AND ADMINISTRATIVE FEES EXTERNAL TO THE MANAGEMENT COMPANY</b>	Net assets, less UCIs	Classic “C” and “D” unit classes: maximum 1.50% incl. tax “I” unit class: maximum 1% incl. tax “R” unit class: maximum 0.40% incl. tax Privilege “C” and “D” unit classes: maximum 0.75% incl. tax “R Plus” unit class: 0.05% “B” unit class: 0.05%
<b>TRANSACTION FEES</b> SERVICE PROVIDER RECEIVING TRANSACTION FEES: MANAGEMENT COMPANY	Amount of each transaction	French UCI securities: none Foreign UCI securities: none French equities: maximum 0.48% (minimum: EUR 240) Foreign equities from within the OECD: maximum 0.48% (minimum: EUR 240) Foreign equities from outside the OECD: maximum 0.36% (minimum: EUR 240)
	Per block	Futures: EUR 12
	On premiums	Options: 0.72% maximum
	Flat fee	Negotiable debt securities: EUR 60 Repurchase agreements: EUR 60
<b>OUTPERFORMANCE FEE</b>	/	None

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

When applicable, this type of securities lending and/or borrowing transaction is carried out under market conditions through BNP Paribas (the Agent), which also serves as the depository of the Fund and is an entity associated with the management company.

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

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

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

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

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

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

The criteria used as part of this counterparty selection procedure are as follows: the ability to offer competitive intermediation costs, the quality of order execution, the pertinence of research services provided to users, their availability to discuss and argue the case for their assessments, their ability to offer a range of products and

services (whether wide or specialised) corresponding to the needs of BNP PARIBAS ASSET MANAGEMENT France, and their ability to optimise the administrative processing of transactions.

### III. COMMERCIAL INFORMATION

#### III.1 – UNIT SUBSCRIPTION AND REDEMPTION PROCEDURES

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

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

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

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

The "Voting Policy" document and the report detailing the conditions under which voting rights have been exercised are also available from: Service & Marketing & Communication, TSA 90007, 92729 Nanterre CEDEX, France, or online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

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

Additional information 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](http://www.bnpparibas-am.com).

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

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

##### NOTIFICATION OF CHANGES TO THE FUND'S OPERATING PROCEDURES:

Unitholders will be notified of changes to the operation of the Fund either individually, in the press or by any other means in accordance with AMF instruction no. 2011-19. Where appropriate, this notification may be issued by Euroclear France or by financial intermediaries affiliated to Euroclear France.

##### 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;

- transfers all sums received by the management company as part of a class action, net of external costs to be paid, to the funds involved in the class action concerned.

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

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

**INFORMATION AVAILABLE FROM THE AUTORITÉ DES MARCHÉS FINANCIERS:**

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

## IV. INVESTMENT RULES

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

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

## V. TOTAL RISK

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

## VI. ASSET VALUATION AND ACCOUNTING RULES

### V.1 – ASSET VALUATION RULES

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

The accounting currency is the euro.

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

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

The portfolio's value is appraised whenever the net asset value is calculated and at the end of the accounting period, using the following methods:

**TRANSFERABLE SECURITIES**

- Listed securities: at stock market value – including accrued coupons (at the day's closing price)

However, transferable securities for which the price has not been established on the valuation day or for which the price has been adjusted, and securities that are not traded on a regulated market, are valued under the responsibility of the management company at their likely trading value.

- UCIs: at their last known net asset value, or if unavailable, at their last estimated value.

- Negotiable debt securities and equivalent securities that are not traded in high volumes are valued using an 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 most recent 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:**

- . Securities lending: the debt representing the securities lent is valued at the securities' market value.
- . Securities borrowing: the securities borrowed and the corresponding debt are valued at the securities' market value.
- . Collateral: for securities accepted as collateral in connection with securities lending transactions, the UCITS has chosen to include in the appendix a list of the securities received and the debt corresponding to the obligation to return these securities.

**FUTURES AND OPTIONS**

Futures: at the day's settlement price.

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

Options: at the day's closing price or, failing this, the last known price.

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

Currency futures: revaluation of currencies committed at the daily rate, taking into account the forwardation/backwardation calculated on the basis of the maturity date for the contract.

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

**ADJUSTED NET ASSET VALUE OR SWING PRICING MECHANISM**

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 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 individuals responsible for awarding remuneration and benefits and a description of how they are calculated, are available online at <http://www.bnpparibas-am.com/en/remuneration-disclosure/>. Paper copies are available free of charge from the management company, on written request.

**Prospectus publication date: 13 November 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 IMMOBILIER ISR**

Legal Entity Identifier : 969500I8TQPWXICL7I54

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%	<input checked="" type="checkbox"/> 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 51% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promotes E/S characteristics, but <b>will not</b> make any sustainable investments



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

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social and Governance (ESG) criteria using an internal ESG proprietary methodology, and by investing in issuers that demonstrate good environmental, social and governance practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: global warming and combating greenhouse gas (GHG) emissions, energy efficiency, preserving natural resources, CO2 emission levels and energy intensity
- Social: management of employment and restructuring, workplace accidents, training policy, remuneration, staff turnover rate and the PISA (Programme for International Student Assessment) result
- Corporate governance: independence of the Board of Directors with regard to Executive Management, respect for minority shareholder rights, the separation of management and oversight functions, the fight against corruption, respect for freedom of the press.

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

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 the ESG analysis based on the ESG internal proprietary methodology
- The financial product shall have the weighted average ESG score of its portfolio higher than the average weighted ESG score of its investment universe after eliminating at least 20% of securities with the lowest ESG Score, 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>

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 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).

**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. Issuers failing to meet their fundamental obligations in the areas of human and labour rights, environment and corruption are excluded from the investment universe. The in-house sector policies relating to companies operating in sensitive areas (controversial weapons, asbestos, mining, palm oil, etc.) are implemented in order to identify and exclude companies with the worst practices.

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 a significantly improved ESG profile compared to its investment universe.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.

An extra-financial strategy may comprise methodological limitations such as the ESG Investment Risk as defined by the investment manager.

- **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 at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the proprietary ESG methodology

- The financial product shall have the weighted average ESG score of its portfolio higher than the average weighted ESG score of its investment universe after eliminating at least 20% of securities with the lowest ESG Score, as defined in the Prospectus

- The financial product shall invest at least 51% 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.

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.

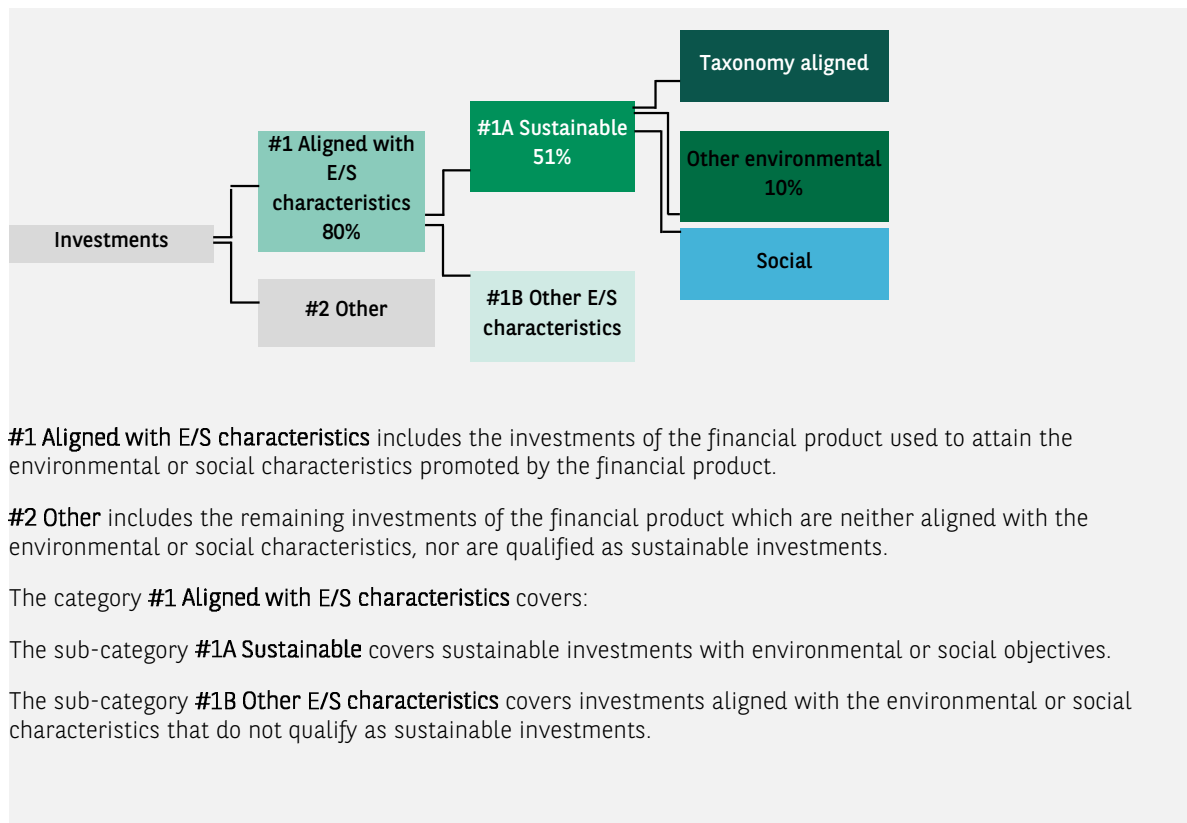
The minimum proportion of sustainable investments (#1A Sustainable) is 51% of the net assets.

The remaining share of investments is mainly used as described below




Taxonomy-aligned activities are expressed as a share of:

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



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

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

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

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 ?<sup>1</sup>**

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.

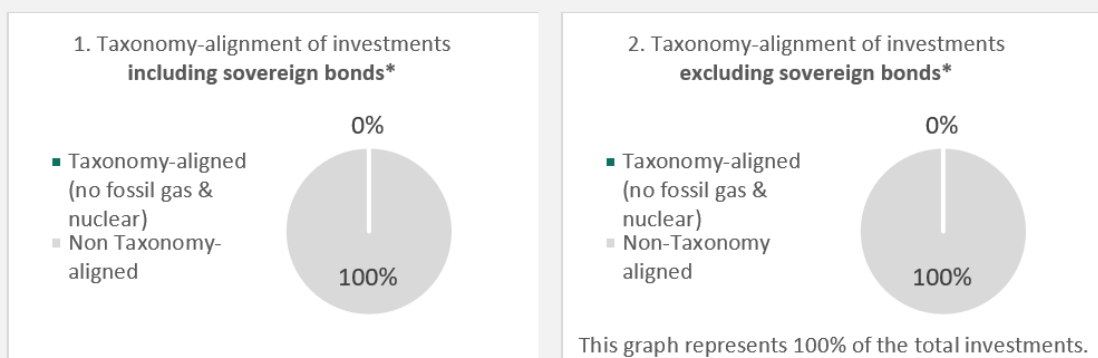
At the date on which this pre-contractual information document was drafted, the Management Company did not have the necessary data to disclose whether the financial product intended to invest or not in activities related to fossil gas and/or nuclear energy which comply with EU Taxonomy; the No box has 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 10%.

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 "Social" sustainable investments is 0%.

### ● 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.

## DISCLAIMER

Every ad hoc pre-contractual document, shall be read in conjunction with the prospectus in force. In case of discrepancy between an ad hoc pre-contractual document and a pre-contractual document included in the version of the prospectus in force, the version in the prospectus shall prevail.





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**MUTUAL FUND REGULATIONS**

**BNP PARIBAS IMMOBILIER ISR**

**PART I**

**ASSETS AND UNITS**

**ARTICLE 1 - Co-ownership units**

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

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

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

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

The different unit classes may:

- have different income distribution methods;
- be denominated in different currencies;
- incur different management fees;
- be charged 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 may decide to divide, group together or split the units into tenths, hundredths, thousandths or ten-thousandths, referred to as fractions of units.

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

The management company's governing body may unilaterally decide to divide the units by creating new units which are allocated to unitholders in exchange for their old units.

## **ARTICLE 2 – Minimum assets**

Units cannot be redeemed if the assets of the Fund or, where applicable, a sub-fund, fall below the threshold established by the regulations. If the assets remain below this amount for 30 days, the management company shall take the necessary steps to liquidate the UCI in question, or to proceed with one of the operations described 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 shall 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, to this end, has seven days from the date of their deposit to inform the holder of its decision. If accepted, the securities are valued in accordance with the rules set out in Article 4, and the subscription is based on the first net asset value following acceptance of the securities in question.

Redemptions may be made in cash.

Redemptions may also be made in kind. If the redemption in kind corresponds to a representative share of 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 representative share of 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 custodian within five days of the units being valued.

However, if, in exceptional circumstances, the redemption 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 the 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/en/](http://www.bnpparibas-am.com/en/)

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 gates 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 set by the regulations, no redemptions may be carried out (in the sub-fund in question, if applicable).

Pursuant to paragraph three of Article L. 214-8-7 of the French Monetary and Financial Code, the Fund may cease to issue units either temporarily or permanently, partially or totally, in situations that objectively require the closure of subscriptions, such as reaching the maximum number of units issued, or the maximum amount of assets, or the expiry of a specified subscription period. Existing unitholders will be informed by any means of the triggering of this tool, as well as the threshold and the objective situation that led to the decision on partial or total closure. In the event of a partial closure, this 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 Fund's 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. The notification by any means specifies the exact reasons for these changes.

#### **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 objectives.

The management company shall act at all times in the exclusive interest of unitholders and has sole authority to exercise the voting rights attached to the securities held in the Fund.

#### **ARTICLE 5(a) – Operating rules**

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

#### **ARTICLE 6 – The custodian**

The custodian undertakes the duties 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 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 custodian shall inform the *Autorité des marchés financiers*.

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

**ARTICLE 7 – The statutory auditor**

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

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

Their 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 which may have a significant impact on the Fund's financial position, income or assets;
2. Have an adverse effect on operations or on the Fund's ability to continue as a going concern;
3. Lead to the expression of reservations or the refusal to certify the financial statements.

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

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

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

The statutory auditor's fees are determined by mutual agreement between the statutory auditor and the management company's governing body on the basis of a schedule of work indicating all of the 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 UCI:

- the statutory auditor will have entered into an agreement to exchange information with the statutory auditor of the master UCI.
- when it is also the statutory auditor of the master UCI, an appropriate schedule of work must be drawn up.

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

**ARTICLE 8 – The financial statements and 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 portfolio management company issues the inventory of the UCI's assets at least every six months, under the supervision of the custodian.

The management company will make these documents available to unitholders within four months of the end of the financial year and will inform unitholders of the amount of income to which they are entitled: these documents are either sent by post at the specific request of unitholders, or are made available at the management company's offices.



**PART III****INCOME ALLOCATION POLICY****ARTICLE 9 – Income allocation policy**

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

Income is equal to:

- 1) the net income for the financial year plus retained earnings, plus or minus the balance of accrued income relating to the previous financial year, and, from financial years beginning on or after 1 January 2013,
- 2) the capital gains, net of fees, minus the capital losses, net of fees, 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 can be distributed in part or in full, independently of each other.

The management company is responsible for the allocation of 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 allocation of income is described in the prospectus.

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

The management company may either assign all or part of the assets included in the Fund to another UCI, or split the Fund into two or more other UCIs.

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 shall 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 thirty 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 onwards, requests for subscription or redemption will no longer be accepted.

The management company shall also dissolve the Fund or, if applicable, the sub-fund, if there is a request to redeem all of the units, if the custodian's appointment is terminated and no other custodian has been appointed, or on expiry of the Fund's term, if it has not been extended.

The management company shall advise the Autorité des marchés financiers 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, in agreement with the custodian, may decide to extend a fund. This decision must be taken at least three (3) months prior to the expiry of the intended lifetime 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 act as liquidator; failing that, a liquidator shall be appointed by a court of law at the request of any interested party. To this end, they shall be granted the broadest powers to sell the assets, pay off any creditors and distribute the available balance among the unitholders in the form of cash or securities.

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

The assets of the sub-funds shall be allocated to the respective holders of units of these sub-funds.

## **PART V**

### **DISPUTES**

## **ARTICLE 13 - Jurisdiction - Address for service**

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