BNP PARIBAS
ASSET MANAGEMENT

BNP PARIBAS INSTICASH

short-named BNPP INSTICASH

An open-ended investment company
incorporated under Luxembourg Law

Prospectus

FEBRUARY 2024

INFORMATION REQUESTS

BNP Paribas InstiCash
10, rue Edward Steichen,
L-2540 Luxembourg
Grand Duchy of Luxembourg

NOTICE

This Prospectus may not be used for the purpose of an offer or solicitation to sell in any country or any circumstance in which such an offer or entreaty is not authorised.

The Company is approved as an Undertaking for Collective Investment in Transferable Securities (UCITS) in Luxembourg. It is specifically authorised to market its shares in Luxembourg, Austria, Belgium, Chile, Cyprus, Denmark Finland, France, Germany, Greece, Hungary, Ireland, Italy, Jersey, the Netherlands, Norway, Peru, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. Not all the sub-funds, categories, or classes of shares are necessarily registered in these countries. It is vital that before subscribing, potential investors ensure that they are informed about the sub-funds, categories, or classes of shares that are authorised to be marketed in their country of residence and the constraints applicable in each of these countries.

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

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

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

The Prospectus is only valid if accompanied by the latest audited annual report as well as the latest interim report if the latter is more recent than the annual report.

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

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[1] To be renamed BNP Paribas InstiCash EUR 1D LVNAV on 01 March 2024.

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

BOOK I

REGISTERED OFFICE

BNP Paribas InstiCash
10, rue Edward Steichen,
L-2540 Luxembourg
Grand Duchy of Luxembourg

THE COMPANY'S BOARD OF DIRECTORS

Chair

Mr. Pierre GRANIE, Head of Business Development Europe - Institutional Clients - BNP PARIBAS ASSET MANAGEMENT, Cross Selling with BNP PARIBAS group, BNP PARIBAS ASSET MANAGEMENT France, Paris

Members

Mrs Agnes BAGNE, Deputy Director Private Banking, BNP Paribas Paris, Paris
Mrs Ariane DEHN, Country Head Switzerland Asset Management, BNP Paribas (Suisse) SA, Switzerland
Mr. Marc FLEURY, Head of Liquidity Solutions, BNP PARIBAS ASSET MANAGEMENT UK Ltd., London

MANAGEMENT COMPANY

BNP PARIBAS ASSET MANAGEMENT Luxembourg
10, rue Edward Steichen,
L-2540 Luxembourg
Grand Duchy of Luxembourg

BNP PARIBAS ASSET MANAGEMENT Luxembourg is a Management Company as defined by Chapter 15 of the Luxembourg Law of 17 December 2010 concerning undertakings for collective investment.

The Management Company performs the administration, portfolio management and marketing duties.

THE MANAGEMENT COMPANY'S BOARD OF DIRECTORS

Chair

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

Members

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

NAV CALCULATION

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

TRANSFER AND REGISTRAR AGENT

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1885 Luxembourg
Grand Duchy of Luxembourg

DEPOSITORY

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1885 Luxembourg
Grand Duchy of Luxembourg

INVESTMENT MANAGER

BNP PARIBAS ASSET MANAGEMENT France
1, boulevard Haussmann, F-75009 Paris, France
A French company, incorporated on 28 July 1980.

AUDITOR

PricewaterhouseCoopers Société Coopérative

2 rue Gerhard Mercator
B.P. 1443
L-2182 Luxembourg
Grand Duchy of Luxembourg

ARTICLES OF ASSOCIATION

The Company was incorporated on 30 June 1998 and a notice was published in the *Mémorial, Recueil Spécial des Sociétés et Associations* (the *Mémorial*).

The Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 19 December 2018, and are currently effective as at 11 January 2019. They have been published in the RESA on 29 January 2019.

The latest version of the Articles of Association has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website www.lbr.lu).

TERMINOLOGY

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

AAAm: Highest rating awarded by Standard &Poor's Global Ratings (hereafter "**S&P Global Ratings**") on its "Principal Stability Fund Rating", also known as "money market fund rating" (scale ranging from AAAm to BBBm). This rating is based on an analysis focusing primarily on the creditworthiness of the fund's investments and counterparties, and also its investments maturity structure and management's ability and policies to maintain the fund's stable principal.

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

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

Authorised Investors: Investors specially approved by the board of directors of the Company.

Business Day: Every day with the exception of Saturdays, Sundays, any day considered as a TARGET closing day by the European Central Bank (as published on the European Central Bank website) and any additional day determined by the Management Company. Further restrictions may be provided in Book II for certain sub-funds.

Certificate of Deposit (CD): Negotiable debt security generally issued by a bank or financial institution with maturities ranging from 1 day to 1 year. CD may be of different types such as London Certificates of Deposit (ECD).

Circular 11/512: Circular issued by the CSSF on 30 May 2011 concerning: a) The presentation of the main regulatory changes in risk management following the publication of the CSSF Regulation 10-4 and ESMA clarifications; b) Further clarification from the CSSF on risk management rules; c) Definition of the content and format of the risk management process to be communicated to the CSSF. This document is available on the CSSF website (www.cssf.lu).

Circular 14/592: Circular issued by the CSSF on 30 September 2014 concerning ESMA guidelines on ETF and other UCITS issues. This document is available on the CSSF website (www.cssf.lu).

Commercial paper (CP): Negotiable debt security with maturities ranging from 1 day to 1 year. CP may be of different types among which Euro Commercial Papers (ECP), Belgium Commercial Papers (BCP), US Commercial Papers (USCP) or French Commercial Papers (NeuCP)

Company Name: BNP Paribas InstiCash.

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

Currencies:

- **EUR:** Euro
- **GBP:** British Pound
- **USD:** United States Dollar

Directive 78/660: European Council Directive 78/660/EEC of 25 July 1978 concerning the annual accounts of certain forms of companies, as amended.

Directive 83/349: European Council Directive 83/349/EEC of 13 June 1983 concerning consolidated accounts, as amended.

Directive 2014/65: **MiFID:** European Council Directive 2014/65/EC of 15 May 2014 on markets in financial instruments, repealing the Directive/2004/39/EC of 21 April 2004.

Directive 2006/48: European Council Directive 2006/48/EC of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions.

Directive 2009/65: European Council Directive 2009/65/EC of 13 July 2009 regarding the coordination of legislative, regulatory and administrative provisions concerning undertakings for

collective investment in transferable securities (UCITS IV) as amended by the Directive 2014/91.

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

Directive 2013/34: European Council Directive 2013/34 of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings,

Directive 2014/91: European Parliament and of the Council Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions (UCITS V) amending the Directive 2009/65.

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

EEA: European Economic Area.

Eligible Supra & Public Debt Collateral: Issuer belonging to the following category of national and/or supranational entities for reverse repurchase agreements by way of derogation to article 15.6 of Regulation 2017/1131, provided that a favourable internal credit quality assessment has been received:

- the Union,
- a central authority or central bank of a Member State (for example: Republic of France or the "Caisse d'amortissement de la dette sociale - CADES" in France),
- the European Central Bank,
- the European Investment Bank,
- the European Stability Mechanism,
- the European Financial Stability Facility,
- a central authority or central bank of a Third Country, (such as the Federal Reserve System of the United Stated of America - FED).

EMTN: **Euro Medium Term Notes:** Medium-term debt securities characterised by their high level of flexibility for both the issuer (corporate issuers and public bodies) and the investor. EMTN are issued according to an EMTN programme, which means that use of debt funding can be staggered and the amounts involved varied. The arranger of the issue will not necessarily underwrite it, which means that the issuer cannot be certain of raising the full amount envisaged (it is therefore in the issuer's interest to have a good credit rating).

ESG: Environmental, Social and Governance.

ESMA: European Securities and Markets Authority.

ESMA/2011/112: Guidelines to competent authorities and UCITS management companies on risk measurement and the calculation of global exposure for certain types of structured UCITS issued by the ESMA on April 14, 2011. This document is available on the ESMA website (www.esma.europa.eu).

Euro Commercial Paper (ECP): Specific commercial paper negotiated on the London market (fixed rates only). It can be issued by both financial and non-financial institutions.

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

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

IRS: **Interest Rate Swap:** OTC agreement between two parties to exchange one stream of interest payments for another, over a set period of time without exchange of notionals. IRS allows portfolio managers to adjust interest rate exposure. For each sub-fund of the

Company, IRS are only negotiated for hedging purpose (i.e. IRS with a fixed rate paying leg and a variable rate receiving leg (e.g. €str, Sonia, Fed Funds Effective Rate).

KID: Key Information Document within the meaning of Regulation 1286/2014.

Law: Luxembourg law of 17 December 2010 concerning undertakings for collective investment. This law implements Directive 2009/65/EC (UCITS IV) of 13 July 2009 into Luxembourg law.

Law of 10 August 1915: Luxembourg law of 10 August 1915 on commercial companies, as amended.

LVNAV: Low Volatility Net Asset Value as defined by Regulation 2017/1131.

Managers: Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates.

Market Timing: Arbitrage technique whereby an investor systematically subscribes and redeems or converts units or shares in a single UCITS within a short space of time by taking advantage of time differences and/or imperfections or deficiencies in the system of determining the NAV of the UCITS. This technique is not authorised by the Company.

Member State: Member state of the European Union. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this Agreement and related acts are considered as equivalent to Member states of the European Union.

Money Market Funds (hereinafter "MMF"): Money market funds compliant with Regulation 2017/1131 that:

- Require authorization as UCITS or are authorized as UCITS under Directive 2009/65/EC or are Alternative Investment Funds under Directive 2011/61/EU
- Invest in short-term assets; and
- Have distinct or cumulative objectives returns in line with money market rates or preserving the value of the investment.

Short-Term Money Market Funds are a sub-part of this category with stricter guidelines (in terms of maximum maturities or minimum liquidity threshold) defined in the Regulation 2017/1131 and can only invest in other Short-Term Money Market Funds.

Standard Money Market Funds are a sub-part of this category with less strict guidelines (in terms of maximum maturities or minimum liquidity threshold) defined in the same Regulation and can invest in both Short-Term Money Market Funds and other Standard Money Market Funds.

NAV: Net Asset Value.

Net Investment Income: Capital gain and loss realised, including coupons.

OECD: Organisation for Economic Co-operation and Development.

One-off Expenses: Expenses other than management, performance, distribution and other fees described below borne by each sub-fund. These expenses include but are not limited to legal fees, taxes, assessments or miscellaneous fees levied on sub-funds and not considered as ordinary expenses.

OTC: Over The Counter.

Prospectus: The present document.

Public Debt CNAV: Public Debt Constant Net Asset Value as defined by Regulation 2017/1131.

RBC Policy: the Responsible Business Conduct Policy defining 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies. More information are available on the following link: Responsible Business Conduct policy.

Reference Currency: Main currency when several valuation currencies are available for a same share category.

Regulation 1060/2009: Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

Regulation 1286/2014: Regulation (EU) 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPS).

Regulation 2015/2365: Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (SFTR).

Regulation 2016/679: Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation – "GDPR").

Regulation 2017/1131: Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

Regulation 2019/2088: Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, also known as the Sustainable Finance Disclosure Regulation (**SFDR**) and that lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products.

Regulation 2020/852: Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, and amending Regulation (EU) 2019/2088 (**Taxonomy Regulation**), and that implements the criteria for determining whether an economic activity qualifies as environmentally sustainable.

Repurchase agreement/
Reverse Repurchase agreement: An agreement by which a counterparty transfers securities, or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities and a reverse repurchase agreement for the counterparty buying them.

RESA: Recueil Electronique des Sociétés et Associations.

SFT: Securities Financing Transactions which means:

- a repurchase or reverse repurchase agreement;
- securities lending and securities borrowing;
- a buy-sell back transaction or sell-buy back transaction;
- a margin lending transaction.

Sovereign Eligible Issuer: Issuer belonging to the following category of national and/or supranational entities eligible for diversification by way of derogation to article 17.7 of Regulation 2017/1131:

- the Union,
- the national administrations (countries or state agencies - for example: Republic of Singapore or the "*Caisse d'amortissement de la dette sociale - CADES*" in France),
- regional (for example: 18 regions or 101 French departments) and local (for example: Société du Grand Paris, Rennes Métropole but also City of Stockholm or City of Turin) of the Member States or their central banks administrations,
- the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility,
- a central authority or the central bank of a Third Country (such as the *Federal Reserve System of the United Stated of America - FED*),
- the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements.

Sustainable Investment: According to SFDR an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency

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

Third Country: A country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore, South Africa and any other country member of the G20 organisation.

Time Deposit (TD): Interest-bearing bank deposit that has a specified date of maturity.

Treasury Bill (T-bill): Government debt security issued for maturities ranging from 1 month to 1 year. They are traded on a discount basis (fixed rates) and redeemed at par.

UCI: Undertaking for Collective Investment.

UCITS: Undertaking for Collective Investment in Transferable Securities.

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

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

It corresponds also to:

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

VNAV: Variable Net Asset Value as defined in the Regulation 2017/1131.

WAL: **Weighted Average Life** which means the average length of time to legal maturity of all of the underlying assets in the sub-fund reflecting the relative holdings in each asset.

WAM: **Weighted Average Maturity** which means the average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in the sub-fund reflecting the relative holdings in each asset.

GENERAL PROVISIONS

The SICAV is an open-ended investment company (*société d'investissement à capital variable – abbreviated to SICAV)*, incorporated under Luxembourg law on 30 June 1998 for an indefinite period.

The Company is currently governed by the provisions of Part I of the Law, the provisions of Regulation 2017/1131 unless otherwise stated in Book II, as well as by Directive 2009/65.

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

The Company is registered in the Luxembourg Trade Register under the number B 65 026.

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

The Company is a single legal entity.

In accordance with Article 181 of the Law:

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

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

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

Conflict of Interest

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

Board of Directors

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

Management Company

BNP PARIBAS ASSET MANAGEMENT Luxembourg was incorporated as a limited company (*société anonyme*) in Luxembourg on 19 February 1988. Its Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 17 May 2017 with effect on 1st June 2017, published in the RESA on 2 June 2017. Its share capital is EUR 3 million, fully paid up.

The Management Company performs administration, portfolio management and marketing tasks on behalf of the Company.

Under its own responsibility and at its own expense, the Management Company is authorised to delegate some or all of these tasks to third parties of its choice.

It has used this authority to delegate:

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

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

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

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

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

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

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

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, (notably the right to participate in general shareholders' meetings) if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may

not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

Remuneration policy:

Remuneration policy of the Management Company

The Management Company applies a sound, effective and sustainable Remuneration Policy in line with the strategy, risk tolerance, goals and values of the Investment Institutions and the Company under management.

The Remuneration Policy is in line with and contributes to sound and effective risk management and doesn't encourage taking more risk than appropriate within the investment policy and terms and conditions of the Company.

The key principles of the remuneration policy are:

- Deliver a market-competitive remuneration policy and practice to attract, motivate and retain best performing employees;
- Avoid conflicts of interest;
- Achieve sound and effective remuneration policy & practice, avoiding excessive risk-taking;
- Ensure long-term risk alignment, and reward of long-term goals;
- Design and implement a sustainable and responsible remuneration strategy, with pay levels and structure which make economic sense for the business.

The details of the up-to-date Remuneration Policy can be found on the Website under http://www.bnpparibas-am.com/en/remuneration-disclosure and will also be made available free of charge by the Management Company upon request.

Depositary

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

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the Law), (ii) the monitoring of the cash flows of the Company (as set out in Art 34(2) of the Law) and (iii) the safekeeping of the Company's assets (as set out in Art 34(3) of the Law).

Under its oversight duties, the Depositary is required to:

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

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

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

Such other business relationships may cover services in relation to:

- Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset

value calculation, transfer agency, fund dealing services) where BNP Paribas or its affiliates act as agent of the Company or the Management Company, or

- Selection of BNP Paribas or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

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

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

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

In the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the shareholders are fairly treated.
The Depositary may delegate to third parties the safekeeping of the Company's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

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

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

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

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

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

Further information on BNP Paribas, Luxembourg Branch international operating model linked to the Company may be provided upon request by BNP Paribas, Luxembourg Branch, the Company and the Management Company.

Independence requirement

The selection of the Depositary by the Management Company is based on robust, objective and pre-defined criteria and warrants the sole interest of the Company and its investors, Details about this selection process can be provided to investors upon request with the Management Company.

Auditor

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

INVESTMENT POLICY, OBJECTIVES, RESTRICTIONS AND TECHNIQUES

The Company's general objective is to provide its investors with the highest possible appreciation of capital invested while offering them a broad distribution of risks. To this end, the Company will principally invest its assets in a range of high quality short-term liquid assets as defined in the Regulation 2017/1131, units or shares of MMFs, credit institution deposits, and financial derivative instruments (such as interest rate swaps ("IRS"), forwards and futures) for hedging purposes only, denominated in various currencies and issued in different countries.

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

The investment policy will be conducted with strict adherence to the principle of diversification and spread of risks. To this end, without prejudice to anything that may be specified for one or more individual sub-funds, the Company will be subject to a series of investment restrictions as stipulated in Appendix 1. In this respect, the attention of investors is drawn to the investment risks described in Appendix 3.

The Board of Directors has adopted a corporate governance policy that includes voting at shareholders' meetings of companies in which sub-funds invest. The main principles governing the Board's voting policy relate to a company's ability to provide shareholders with transparency and accountability with respect to the shareholders' investments and that a company should be managed to assure growth and return of the shares over the long term. The Board of Directors shall execute the voting policy in good faith taking into account the best interest of the shareholders of the investment funds. For further reference please consult also the website www.bnpparibas-am.com.

Unless otherwise specified in each sub-fund's investment policy on Book II, no guarantee can be given on the realisation of the investment objectives of the sub-funds, and past performance is not an indicator of future performance.The Company is not a guaranteed investment. An investment in a sub-fund is different from an investment in deposits, with the risk that the principal invested in a sub-fund is capable of fluctuation. The Company does not rely on external support for guaranteeing the liquidity of the sub-funds or stabilising the NAV per share. The risk of loss of the principal is to be borne by the shareholders.

SUSTAINABLE INVESTMENT POLICY[1]

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

ESG stands for Environmental, Social and Governance; these are three groups of indicators commonly used to assess the level of sustainability of an investment.

BNP PARIBAS ASSET MANAGEMENT (BNPP AM) is committed to applying a sustainability approach to its investments. Nonetheless, the implementation of these Standards and Analysis may differ depending on the type of sub-fund and financial instruments involved. Consequently, the implementation of this approach applies individually across all portfolios. The sub-fund's extra-financial score is compared to the one of the investment universe, being the main securities and geographical areas targeted by each sub-fund, except if otherwise provided in Book II.

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

- 90%* of its assets for equities issued by large capitalisation companies whose registered office is located in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries ; or
- 75%* of its assets for equities issued by large capitalisations whose registered office is located in "emerging" countries, equities issued by small and medium capitalisations, debt securities and money market, instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

* These ratio are understood excluding ancillary liquid assets.

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

- **Responsible Business Conduct Standards:** As defined in the BNP PARIBAS ASSET MANAGEMENT's Responsible Business Conduct policy ("RBC"), they include respecting: 1) norms-based screens, such as the UN Nations Global Compact principles and OECD Guidelines for Multinational Enterprises, and 2) BNP Paribas Asset Management sector policies.
  1) Norms-based screens: The United Nations Global Compact (www.unglobalcompact.org) defines 10 principles for businesses to uphold in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Similarly, the OECD Guidelines for Multinational Enterprises sets out principles for the responsible business conduct of businesses. These two shared frameworks are recognized worldwide and applicable to all industry sectors. Companies that violate one or more of the principles are excluded from the sub-funds' investments, and those at risk of breaching them are closely monitored, and may also be excluded.
  2) BNP PARIBAS ASSET MANAGEMENT has also defined a series of guidelines relating to investments in sensitive sectors, listed in the RBC. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the sub-funds' investments. The sectors concerned include, *but are not limited to*, palm oil, wood pulp, mining activities, nuclear, coal-fired power generation, tobacco, controversial weapons, unconventional oil and gas and asbestos.
- **ESG integration**: The ESG Analysis involves the evaluation of the three non-financial indicators mentioned previously:
  - Environmental: including energy efficiency, greenhouse gas emissions, treatment of waste;
  - Social: including the respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
  - Governance: including Board of Director independence, managers' remuneration, respect of minority shareholders rights.
- **Stewardship**: Stewardship is an integral and crucial part of sustainable investment, and is used to influence companies and the world to become more sustainable. BNPP AM engages on three different dimensions:
  - Company Engagement: the aim is to encourage companies to attain the highest possible standards of environmental, social and governance responsibility, and to accompany them in this respect. Engagement is carried from corporate perspective therefore all the financial instruments, including money market securities, from the same issuer stand to benefit from the outcomes.

[1] in the meaning of global sustainability approach

- Voting-Related Engagement: voting at General Meetings is a key component of the Group's ongoing dialogue with companies and forms an integral part of its investment process. Similar to company engagement, although voting only concerns equities, the outcomes from the voting process would benefit the other securities of an issuer.
- Public Policy Engagement: BNPP AM believes that companies can benefit from the engagement with policy makers on the development of a regulatory framework that encourages them to achieve high environmental and social standards.

BNPP AM is convinced that better investment decisions will be made if ESG factors are systematically and explicitly integrated into all of its investment analysis and decision-making, including the money market universe. While integrating ESG considerations in its money market funds, BNPP AM will also ensure that the specific constraints linked to this asset class are taken into account (e.g. money market funds' benchmarks being interest rates and not baskets of securities; money markets being mainly driven by available offers and predominantly made up of financials securities where the weight of governance considerations are paramount).

Beyond the implementation of the RBC, BNPP AM is committed to implementing a specific sustainability approach across its money market funds range, leveraging on its independent ESG research team. ESG considerations within all of BNPP AM's money market funds include:

- Ensuring investments are only made in private companies for which an ESG due diligence has been conducted;
- Investing in public issuers as long as they have an internal ESG score
- Favouring issuers with better than average ESG scores in BNPP AM's investment process
- Setting minimum average ESG scores at a money market fund level while taking into account the characteristics and objectives of each fund
- Starting by engaging with, rather than excluding, lower-rated companies to help improve behaviours and the way companies operate.

Within BNPP AM's ESG money market funds, lower-rated companies continue to be investable provided there is engagement. Nevertheless, issuers with higher ESG scores will tend to be favoured while taking into account the specific constraints linked to this asset class. BNPP AM is convinced that by integrating ESG factors into its investment analysis and decision-making processes, and combining the capabilities of its skilled ESG research team, portfolio managers and credit analysts, better-informed investment decisions will be made, based on a richer understanding of risks and opportunities. Money market funds incorporating ESG factors will also better meet the needs of long-term investors willing to invest their residual cash positions in a sustainable way.

ESG Scoring Framework

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

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

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

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

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

2- ESG assessment vs. peers

This assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable between sectors and regions. For instance, health & safety is less important for an insurance company than a mining company.

Each issuer starts with a baseline 'neutral' score of 50. Each score is then summed for each of the three ESG pillars – Environmental, Social and Governance. An issuer receives a positive score for a pillar if it performs better than the average of its peer group. If it performs below than the average, it receives a negative score.

However, two universal issues that impact all companies are not scored relative to peers, introducing a deliberate 'tilt' for the most exposed sectors. These are:

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

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

3- Qualitative review

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

4- Final ESG score

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

SFDR's Sustainable Investments

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

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

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

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

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;
2. A company with an economic activity contributing to one or more United Nations Sustainable Development Goals (UN SDGs) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development;
3. A company operating in high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable

investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

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

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

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

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

Taxonomy-aligned Investments

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

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

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

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

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

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

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

Methodological limitations

Applying an extra-financial strategy may comprise methodological limitations such as the "Environmental, Social and Governance (ESG) Investment Risks" as defined in the appendix 3 of this Prospectus.
In the event the extra-financial criteria as specified above or in Book II for any sub-fund are no longer met from time to time, the Investment Manager will promptly adjust the porftfolio in the best interest of the shareholders. In particular, it

should be noted that the proprietary methodologies used to take into account ESG non-financial criteria may be subject to reviews in the event of regulatory developments or uptades that may lead, in accordance with the applicable regulations, to the increase or decrease of the classification of products, of the indicators used or of the minimum investment commitment levels set.

Transparency of adverse sustainability impacts

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

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

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

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

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions

2. Carbon footprint

3. GHG intensity of investee companies

4. Exposure to companies active in the fossil fuel sector

5. Share of non-renewable energy consumption and production

6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water

9. Hazardous waste ratio

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

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

12. Unadjusted gender pay gap

13. Board gender diversity

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

Corporate voluntary indicators:

Environment

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct

9. Lack of a human rights policy

Sovereign mandatory indicators

15. GHG intensity

16. Investee countries subject to social violations

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

Categorization as per SFDR

According to SFDR, sub-funds shall be classified into 3 categories:

- ⇨ Sub-funds having a sustainable investment as their objectives (referred to as "**Article 9**"): Sustainable investment is defined as an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and

land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

- ⇨ Sub-funds promoting environmental or social characteristics (referred to as "**Article 8**"): These sub-funds promote among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.
  All the sub-funds of the Company are categorized as Article 8.
- ⇨ Sub-funds categorized as neither Article 8 nor Article 9.

LIQUIDITY RISK POLICY

The Management Company has established, implemented and consistently applies a liquidity management policy compliant with the requirements of Regulation 2017/1131 and has put in place a prudent and rigorous liquidity management procedure which enable it to monitor the liquidity risks of the sub-funds and to ensure that the sub-funds can normally meet at all times their obligation to redeem their Shares at the request of Shareholders. Qualitative and quantitative measures are used to ensure investment portfolios are appropriately liquid and that sub-funds are able to honour Shareholders' redemption requests. In addition, Shareholders' concentrations are regularly reviewed to assess their potential impact on liquidity of the sub-funds.

Sub-funds are reviewed individually with respect to liquidity risks. The Management Company's liquidity management policy takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and shareholder base. The Board of Directors, or the Management Company, where deemed necessary and appropriate to protect Shareholders, may also make use, among others, of certain tools to manage liquidity risk as described in the following sections of the Prospectus:

- ✓ Section "Suspension of the calculation of Net Asset Value and the issue, conversion and redemption of shares":

  The Board of Directors may temporarily suspend the calculation of the net asset value and the right of any Shareholder to request redemption of any share in any sub-fund or Share Class of any sub-fund and the issue of Shares in any sub-fund or Share Class of any sub-fund.

- ✓ Section "Subscription. Conversion and redemption of shares":

  The Board of Directors may decide to satisfy payment of the redemption price to any Shareholder who agrees, in whole or in part, by an in-kind allocation of securities in compliance with the conditions set forth by Luxembourg law. If the Company receives requests on one valuation day for net redemptions (and switches into another sub-fund) of more than 10% of the net asset value of the relevant sub-fund, the Board of Directors, in its sole discretion, may elect to limit each redemption (and switch) request pro rata such that the aggregate amount redeemed in that valuation day will not exceed 10% of the net asset Value of the relevant sub-fund.

- ✓ Section “The Shares” / “Liquidity Management Procedure”:

  Liquidity requirements specific to short-term MMF and standard VNAV sub-funds respectively are further detailed in this Section.

Shareholders that wish to assess the underlying assets’ liquidity risk for themselves should note that the sub-funds complete portfolio holdings are indicated in the latest annual report or the latest semi-annual report where this is more recent.

SHARE CATEGORIES, SUB-CATEGORIES AND CLASSES

A. CATEGORIES

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

Category	***Investors***	***Initial subscription price per share*** *(1)(2)*	***Minimum initial subscription (in EUR or its equivalent in any other Valuation Currency)*** *(2)*
Classic	All	100,- in the Reference Currencies	None
Classic Distribution*(3)*		1,- in the Reference Currencies	
Classic Plus		100,- in the Reference Currencies	100.000,-
Privilege	Distributors *(5)* Managers All	100,- in the Reference Currencies	Distributors*(5)*: none Managers: none Others: 3 million
Privilege Distribution *(3)*		1,- in the Reference Currencies	
Privilege M Distribution *(4)*		10.000,- in the Reference Currencies	
I	Institutional Investors and UCIs	100,- in the Reference Currencies	Institutional Investors: 10 million UCIs: None
I Distribution*(3)*		1,- in the Reference Currencies	
I M Distribution *(4)*		10.000,- in the Reference Currencies	
I Plus		100.000,- in the Reference Currencies	250 million
I Plus Distribution *(3)*		1,- in the Reference Currencies	
S	Authorized investors	100,- in the Reference Currencies	None
S Distribution*(3)*		1,- in the Reference Currencies	
U		100,- in the Reference Currencies	
X		100,- in the Reference Currencies	
X Distribution*(3)*		1,- in the Reference Currencies	

(1) Entry costs excluded, if any

(2) At the discretion of the Board of Directors. However, the equal treatment of shareholders shall be preserved at all time.

(3) Stable NAV

(4) Monthly dividend

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

B. Sub-Categories

Series of shares

Classic, Privilege, I, U and X categories may be duplicated as many times there are specific authorised distributors (for example “Classic 2”, “Classic 3” …).

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

Unusual settlement cycle

T+”x” shares are sub-categories of shares having a settlement time different than “On the Valuation Day”, the standard settlement time applicable to all other share categories.

“x” refers to the number of bank business day between the Valuation Day and the settlement date.

T+”x” shares can be duplicated within all share categories (“Classic T1”, “Privilege T2”, “IT3”…).

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

C. CAPITALISATION / DISTRIBUTION CLASSES

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

CAP

CAP shares retain their net investment income (if any) to reinvest it.

DIS

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

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

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

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

Declared dividends and interim dividends not collected by shareholders within a period of five years from the payment date will lapse and revert to the sub-fund concerned.

Interest will not be paid on declared and unclaimed dividends or interim dividends, which will be held by the Fund on behalf of the shareholders of the sub-fund for the duration of the legal limitation period.

Specific provisions for “stable NAV” share classes in LVNAV sub-funds only:

Until January 2019, the reverse distribution mechanism* (ie. share cancellation) helped LVNAV sub-funds to mitigate negative interest rates while allowing their NAV to remain stable. As a consequence of Regulation 2017/1131 on money market funds, such mechanism has now been banned by ESMA since January 2019. Therefore, to keep the Net Asset Value of the class stable, a significant portion or even all of the positive net investment income available for allotment to the shares of the class will be declared daily as dividends in order to keep the Net Asset Value of the distribution shares at the initial subscription price and will be distributed on a monthly basis. The distributed dividends will be reinvested automatically in new shares or, at the shareholder’s request, will be credited to separate account. The objective is to preserve the capital, to keep investments liquid and to maintain a consistent performance by means of the investment policy.

However, in case of negative yields, especially if some central banks apply negative rates in their monetary policy, the NAV of LVNAV funds will not be able to remain stable at GBP 1 or USD 1 anymore.

Should this happen, the negative investment income would be accrued in the NAV of each Share Class which would therefore, under these circumstances, behave as an accumulating Share Class. To better reflect the daily changes in the

NAV that has 4 decimal figures, the Board of Directors may decide to multiply the nominal of each concerned NAV by 1 000. In that case, each current share of GBP 1 or USD 1 would be respectively transformed into 0.001 share of GBP 1 000 or USD 1 000.

**Reverse distribution mechanism: a mechanism used by money market funds to maintain a stable-NAV and deal with the distribution of negative income due to negative yields, meaning the reduction of the amount of an investor's shares corresponding to the amount of negative yield.*

D. SHARE LEGAL FORMS

All shares are issued in registered form.

The shares are all listed in specific registers of unitholders kept in Luxembourg by the registrar indicated in the section "General Information". Unless otherwise specified, shareholders whose shares are held in registered form will not receive a certificate representing their shares. Instead, they will be sent confirmation of their entry in the register.

E. GENERAL PROVISION AVAILABLE FOR ALL CATEGORIES

The Board of Directors has the option, with the previous approval of the CSSF, of adding new sub-categories and classes to existing sub-funds with the same specification as those described above on points A, B and C.

Such a decision of adding sub-categories and/or classes will not be published but the website www.bnpparibas-am.com and the next version of the Prospectus will be updated accordingly.

The Board of Directors may depart from the initial subscription price per share. However, equal treatment of shareholders shall be preserved at all time.

The Board of Directors may decide at any time to split or consolidate the shares issued within one same sub-fund, category, or class into a number of shares determined by the Board itself. The total net asset value of such shares must be equal to the net asset value of the subdivided/consolidated shares existing at the time of the splitting/consolidation event.

If the assets of a category/class fall below EUR 1.000.000 or equivalent, the Board of Directors reserves the right to liquidate or merge it with another category/class if it decides it is in the best interest of shareholders.

If it transpires that shares are held by persons other than those authorised, they will be converted to the appropriate category, class or currency.

The shares must be fully paid-up and are issued without a par value. Unless otherwise indicated, there is no limitation on their number. The rights attached to the shares are those described in the law of 10 August 1915, unless exempted by the Law.

Fractions of shares may be issued up to one-millionth of a share.

All the Company's whole shares, whatever their value, have equal voting rights. The shares of each sub-fund, category, or class have an equal right to the liquidation proceeds of the sub-fund, category, or class.

Orders received will be processed only in the reference currency of the category.

SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES

The shares of the Company may be locally offered for subscription via regular savings plans, redemption and conversion programs, specific to this local supply, and may be subject to additional charges.
In the event that a regular savings plan is terminated prior to the agreed final date, the sum of entry fees payable by the shareholders concerned may be greater than would have been the case for standard subscriptions.
Investors may be required to appoint a paying agent as nominee (the "Nominee") for all actions connected with their shareholding in the Company.

On the basis of this mandate, the Nominee is specifically required to:

- send requests for subscription, redemption and conversion, grouped by share category, share class, sub-fund and distributor to the Company;
- be listed on the Company's register in its name "on behalf of a third party"; and
- exercise the investor's voting right (if any), according to the investor's instructions.

The Nominee must make every effort to keep an up-to-date electronic list of investors' names and addresses and the number of shares held; the status of shareholder can be verified via the confirmation letter sent to the investor by the Nominee.

Investors are informed that they may be required to pay additional fees for the activity of the above Nominee.

Preliminary Information

Subscriptions, conversions and redemptions of shares are made with reference to their unknown net asset value (NAV). Subscriptions must only concern a set amount, except subscriptions requests for "T1", "T2" and "T3" shares which can be submitted either for a set number of shares or for a set amount.

The Board of Directors reserves the right to:

(a) refuse a subscription, or conversion request for any reason whatsoever in whole or in part;

(b) redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares;

(c) reject subscription, conversion or redemption requests from any investor who it suspects of using practices associated with Market Timing and Active Trading, and, where applicable, take necessary measures to protect the other investors in the Company, notably by charging an additional exit fees up to 2% of the order amount, to be retained by the sub-fund.

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

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

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

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

The Board of Directors may decide, in the interest of the shareholders, to close a sub-fund, category and/or class for subscription or conversion in, under certain conditions and for the time it defines. Such a decision will not be published but the website www.bnpparibas-am.com will be updated accordingly.

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

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

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

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

Processing of Personal Information

In accordance with GDPR, when submitting a subscription request, personal data of the investor ("Personal Data") may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company and the Management Company (as data controllers) with a view to managing its account and business relationship (such as to maintain the register of shareholder, process requests, provide shareholder services, guard against unauthorised account access, conduct statistical analyses, provide information on other products and services and/or comply with various laws and regulations). To the extent that this usage so requires, the investor further authorises the sharing of this information with different service providers of the Company, including some of which that may be established outside of the European Union, who may need to process these Personal Data for carrying out their services and complying with their own legal obligations, but which may not have data protection requirements deemed equivalent to those prevailing in the European Union. The Personal Data may notably be processed for purposes of filing, order processing,

responding to shareholder's requests, and providing them with information on other products and services. Neither the Company nor its Management Company will disclose such Personal Data on shareholder unless required to do so by specific regulations or where necessary for legitimate business interests.

Further detailed information in relation to the processing of Personal Data can be found in the Management Company's "Data Protection Notice" as well as on the "Personal Data Privacy Charter", which are accessible via the following link *https://www.bnpparibas-am.com/en/footer/data-protection/*

Each shareholder whose Personal Data has been processed has a right of access to his/her/its Personal Data and may ask for a rectification thereof in case where such data is inaccurate or incomplete.

SUBSCRIPTIONS

All subscription requests have to be submitted for a set amount, except "T1", "T2" and "T3" share classes which can be submitted either for a set number of shares or for a set amount.

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

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

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

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

Any outstanding balance remaining after subscription will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be retained by the relevant sub-fund.

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

CONVERSIONS

Without prejudice to the specific provisions of a sub-fund, category, or class, shareholders may request the conversion of some or all of their shares into shares of another category, or class in the same sub-fund. The number of newly issued shares and the costs arising from the transaction are calculated in accordance with the formula described below.

Shareholders may not convert part or all of their shares in one sub-fund into shares of another sub-fund.

Conversions are permitted only between the following categories within the same sub-fund:

From \ To	**Classic**	**Classic Plus**	**Privilege**	**I**	**I Plus**	**S**	**S Distribution**	**U**	**X**
Classic	Yes	No	No	No	No	No	No	No	No
Classic Plus	Yes	Yes	No	No	No	No	No	No	No
Privilege	Yes	Yes	Yes	No	No	No	No	No	No
I	Yes	Yes	Yes	Yes	No	No	No	No	No
I Plus	Yes	Yes	Yes	Yes	Yes	No	No	No	No
S	No	No	No	No	No	Yes	No	No	No
S Distribution	No	No	No	No	No	No	Yes	No	No
U	Yes	Yes	Yes	Yes	No	No	No	Yes	No
X	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes

Conversion principles of the sub-categories, Distribution and M Distribution categories are the same as those of their mother-category.

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

Conversion Formula

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

$$Sn = \frac{(So \times Po) - C}{Pn}$$

Sn the number of shares to be issued in the new category/class;
So the number of shares to be redeemed in the original category/class;
Po the redemption price of the shares of the original dated category/class (including exit costs if any);
Pn the share subscription price of the new category/class (including entry costs if any), and
C conversion costs (if applicable).

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after conversion will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

REDEMPTIONS

I. General Rules

Redemptions can be submitted either for a set number of shares or for a set amount.

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

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

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

Unless otherwise specified for a particular sub-fund, the redemption amount for each share will be reimbursed in the subscription currency, less, where necessary, the applicable exit fees.

The redemption proceeds will only be paid when the Depositary has received the bearer securities representing the redeemed shares, with unexpired coupons attached, or a guarantee from an independent depositary of the forthcoming delivery of the securities.

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

Redemptions in kind are possible upon specific approval of the Board of Directors, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by the Investment Manager, taking into account the investment policy and restrictions of the sub-fund in question. The costs of such transfers may be borne by the applicant.

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after redemption will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

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

II. Multi-batch for LVNAV sub-funds

Requests for redemptions in relation to LVNAV sub-funds may be dealt with by the Management Company at the times during the Valuation Day as specified on the website www.bnpparibas-am.lu and redemption payments made thereafter. Regardless of the different times at which redemptions are dealt with during the same Valuation Day, shareholders who redeem during the Valuation Day will not be holding shares in the relevant sub-fund at the end of the day and thus will not be entitled to accrued income distributed on that day. There is no guarantee or assurance that redemptions will be dealt with at a particular time before the end of the Valuation Day. The Management Company may, at its absolute discretion and without prior notice, modify the times at which redemptions are dealt with, delay redemptions at a later time during the Valuation Day or suspend at any time during the day redemptions in the circumstances referred to under section "*SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES*" described below.

LIQUIDITY MANAGEMENT PROCEDURE

The liquidity of the sub-funds is carefully monitored by the Investment Manager who is responsible for ensuring the sub-fund's ability to meet any necessary inflows and outflows and avoid any significant mismatches between the structure and liquidity profile of a sub-fund and its shareholders concentration. Minimum daily and weekly liquidity regulatory thresholds can be adjusted upwards if needed, taking into account:

(i) the size of the sub-fund

(ii) expected flows - shareholders' concentration

(iii) market conditions

Liquidity risk is being addressed at all times by maintaining liquidity pockets above daily and weekly regulatory requirements by:

- the use of reverse repurchase agreements and repurchase agreements negotiated only with a 24-hour call option;
- the possibility to negotiate very liquid papers such as T-bills, CDs, NeuCPs and CPs;
- ensuring that the value of shares held by a single shareholder does not materially impact the liquidity profile of the sub-fund where it accounts for a substantial part of the total NAV of the sub-fund.

As regards public debt CNAV sub-funds and LVNAV sub-funds, the liquidity management procedures are described below.

Specific requirements applicable to public debt CNAV sub-funds and LVNAV sub-funds

In accordance with Regulation 2017/1131 and its applicable delegated regulations, the Management Company of a public debt CNAV sub-fund and/or a LVNAV sub-fund shall establish, implement and consistenly apply prudent and

rigourous liquidity management procedures for ensuring compliance with the weekly liquity thresholds applicable to such sub-funds.

1.1 In ensuring compliance with the weekly liquidity thresholds, the following shall apply:

(a) whenever the proportion of weekly maturing assets as defined in Regulation 2017/1131 falls below 30 % of the total assets of the public debt CNAV sub-fund or of a LVNAV sub-fund and the net daily redemptions on a single working day exceed 10 % of total assets, the Investment Manager shall immediately inform the Board of Directors thereof and the Board of Directors shall undertake a documented assessment of the situation to determine the appropriate course of action having regard to the interests of the shareholders.

Should this situation arise, the Board of Directors is empowered to apply one or more of the following measures:

(i) liquidity fees on redemptions that adequately reflect the cost to the sub-fund of achieving liquidity and ensure that shareholders who remain in the fund are not unfairly disadvantaged when other shareholders redeem their shares during the period;

(ii) redemption gates that limit the amount of shares to be redeemed on any one working day to a maximum of 10 % of the shares in a sub-fund for any period up to 15 working days;

(iii) suspension of redemptions for any period up to 15 working days; or

(iv) take no immediate action other than fulfilling the obligation laid down in Article 24(2) of the Regulation.

(b) whenever the proportion of weekly maturing assets as set out in the Regulation 2017/1131 falls below 10 % of its total assets, the Board of Directors is empowered to apply one or more of the following measures only:

(i) liquidity fees on redemptions that adequately reflect the cost to the sub-fund of achieving liquidity and ensure that shareholders who remain in the fund are not unfairly disadvantaged when other shareholders redeem their shares during the period;

(ii) suspension of redemptions for a period of up to 15 working days.

1.2 When, within a period of 90 days, the total duration of the suspensions exceeds 15 days, a public debt CNAV sub-fund or a LVNAV sub-fund shall automatically cease to be a public debt CNAV sub-fund or a LVNAV sub-fund. The Board of Directors of one of these sub-funds will immediately inform each shareholder thereof in writing in a clear and comprehensible way.

1.3 After the Board of Directors of the public debt CNAV sub-fund or of the LVNAV sub-fund has determined its course of action with regard to both points (a) and (b) of paragraph 1.1 above, it shall promptly provide details of its decision to the CSSF.

STOCK EXCHANGE LISTING

By decision of the Board of Directors, may be admitted to official listing on the Luxembourg Stock Exchange and/or as applicable on another securities exchange.
At the date of this Prospectus, there are no shares listed on any stock exchange.

Costs payable by the Investors

Maximum charges paid directly by the investors which may be paid solely at the occurrence of a specific operation (entry, conversion, exit):

shares	Entry	Conversion	Exit
Classic	None		
Classic Distribution			
Classic Plus			
Privilege			
Privilege Distribution			
Privilege M Distribution			
I			
I Distribution			
I M Distribution			
I Plus			
I Plus Distribution			
S			
S Distribution			
U			
X			
X Distribution			

Fees and Expenses payable by the Sub-funds

Each sub-fund is charged fees or generate expenses specifically attributable thereto. Fees and expenses not attributable to any particular sub-fund are allocated among all the sub-funds on a pro rata basis in relation to their respective net asset values.

These fees and expenses are calculated daily and paid monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company. The amount charged varies depending on the value of the NAV.

Please refer to Book II of this Prospectus for detailed information on the annual fees and charges applicable to the sub-fund(s) you are invested in.

Distribution Fee

Fee serving to cover remuneration of the distributors, supplemental to the portion of the management fee that they receive for their services.

Extraordinary Expenses

Expenses other than management, performance, distribution and other fees borne by each sub-fund. These expenses include but are not limited to:

- Interest and full amount of any duty, levy and tax or similar charge imposed on a sub-fund
- litigation or tax reclaim expenses

Indirect Fee

Ongoing charges incurred in underlying UCITS and/or UCIs the Company is invested in and included in the Ongoing Charges mentioned in the KID.

Management Fee

Fee serving to cover remuneration of the investment managers and, unless otherwise provided in Book II, also distributors in connection with the marketing of the Company's stock

Other Fee

Fee serving to cover notably the following services:

- administration, domiciliary and fund accounting

- audit
- custody, depositary and safekeeping
- documentation, such as preparing, printing, translating and distributing the Prospectus, KID, financial reports
- ESG certification and service fees
- financial index licensing (if applicable)
- legal expenses
- listing of shares on a stock exchange (if applicable)
- management company expenses (including among other AML/CFT, KYC, Risk and oversight of delegated activities)
- marketing operations
- publishing fund performance data
- registration expenses including translation
- services associated with the required collection, tax and regulatory reporting, and publication of data about the Company, its investments and shareholders
- transfer, registrar and payment agency

These fee do not include fees paid to independent Directors and reasonable out-of-pocket expenses paid to all Directors, expenses for operating hedged shares, duties, taxes and transaction costs associated with buying and selling assets, brokerage and other transactions fees, rating agencies fees, interest and bank fees.

Regulatory and Tax Fees

These fees include:

- the Luxembourg taxe d'abonnement (subscription tax)
- foreign UCI's tax and/or other regulatory levy in the country where the sub-fund is registered for distribution

INTERNAL CREDIT QUALITY ASSESSMENT PROCEDURE

In accordance with the Regulation and applicable delegated regulations, supplementing the Regulation, the Management Company has established, implemented and consistently applies a tailored internal credit quality assessment procedure ("ICAP"), for determining the credit quality of money market instruments, taking into account the issuer of the instrument and the characteristics of the instrument itself.

The Management Company ensures that the information used in applying the internal credit quality assessment procedure is of sufficient quality, up-to-date and from reliable sources.
The internal assessment procedure is based on prudent, systematic and continuous assessment methodologies. The methodologies are subject to validation by the Management Company based on historical experience and empirical evidence, including back testing.
The Management Company ensures that the internal credit quality assessment procedure complies with all of the following general principles:

(a) an effective process is established to obtain and update relevant information on the issuer and the instrument's characteristics;
(b) adequate measures are adopted and implemented to ensure that the ICAP is based on a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instrument;
(c) the ICAP is monitored on an ongoing basis and all credit quality assessments are reviewed at least annually;
(d) while there is to be no mechanistic over-reliance on external ratings in accordance with Article 5a of Regulation 1060/2009, the Management Company shall undertake a new credit quality assessment for a money market instrument when there is a material change that could have an impact on the existing assessment of the instrument; (e) the credit quality assessment methodologies are reviewed at least annually by the Management Company to determine whether they remain appropriate for the current portfolio and external conditions and the review is transmitted to the CSSF. Where the Management Company becomes aware of errors in the credit quality assessment methodology or in its application, it shall immediately correct those errors;
(f) when methodologies, models or key assumptions used in the ICAP are changed, the Management Company will review all affected internal credit quality assessments as soon as possible.

Internal credit quality assessment

The Management Company applies the internal credit quality assessment procedure above to determine whether the credit quality of a money market instrument receives a favourable assessment. Where a credit rating agency registered and certified in accordance with Regulation 1060/2009 has provided a rating of that money market instrument, the Management Company may have regard to such rating and supplementary information and analysis in its internal credit quality assessment, while not solely or mechanistically relying on such rating in accordance with Article 5a of Regulation 1060/2009.
The Credit Research Department of the BNP Paribas Asset Management group provides opinions on issuers, covering the fundamental trend of the companies, expectations for event risk, expected and floor ratings benchmarked against the rating agencies and a relative value view based on market trading levels.

The credit quality assessment takes into account at least the following factors and general principles:

1. Quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument

The internal credit quality assessment procedure starts with a top down view of the economic dynamics of each industry, in the light of the macroeconomic trends. Analysts look at industry drivers to formulate opinion on improvement or deterioration of industries. Factors taken into consideration include the stage of the cycle, structure of the industry, demographics, regulation, legal risks and consolidation trends. The industry recommendation is used to assist with in-depth issuer analysis.

The criteria for quantifying the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument are the following:

(i) bond pricing information, including credit spreads and the pricing of comparable fixed income instruments and related securities;
(ii) pricing of money market instruments relating to the issuer, the instrument or the industry sector;
(iii) default statistics relating to the issuer, the instrument or the industry sector as provided by external credit ratings; (iv) financial indicators relating to the geographic location, the industry sector or the asset class of the issuer or instrument;

(v) financial information relating to the issuer, including profitability ratios, interest coverage ratio, leverage metrics and the pricing of new issues, including the existence of more junior securities.

Additional indicators such as revenue, earnings, cash flow, growth, leverage, interest are used in the context of the issuer's review. Historic trends are examined and serve as a basis to anticipate that future operating results and financial position are reasonable, thus allowing to assess the impact on credit quality over the short, medium and long term.

Individual issuers are selected using well-established analytical measurements (including revenue, earnings and cash flow (EBITDA) growth, free cash flow, leverage, interest and fixed charge coverage). For an issuer review, historic trends are examined relative to the current financial position and operating performance. These trends serve as the basis for judging the degree to which forecasts for future operating results and financial position are reasonable and allows our analysts to anticipate credit quality migration, changes in the issuer's financial strategies, and its ultimate impact on credit quality over the short, medium and long term. Qualitative factors are important as well, including industry position, corporate strategy, quality of management and corporate risks.

2. Qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation

The criteria for establishing qualitative indicators in relation to the issuer of the instrument are the following:

(i) an analysis of any underlying assets;
(ii) an analysis of any structural aspects of the relevant instruments issued;
(iii) an analysis of the relevant markets, including the degree of volume and liquidity of those markets;
(iv) a sovereign analysis, to the extent it could impact the issuer credit quality;
(v) an analysis of the governance risk relating to the issuer, including frauds, conduct fines, litigation, financial restatements, exceptional items, management turnover, borrower concentration;
(vi) securities-related external research on the issuer or market sector;
(vii) where relevant, an analysis of the credit ratings or rating outlook given to the issuer of an instrument by a credit rating agency registered with the ESMA and selected by the Management Company if suited to the specific investment portfolio of one of the Company's sub-fund.

In addition, the Management Company assesses the following qualitative credit risk criteria for the issuer:

(i) the financial situation of the issuer; or where applicable, of the guarantor;
(ii) the sources of liquidity of the issuer, or where applicable, of the guarantor;
(iii) the ability of the issuer to react to future market-wide or issuer-specific events, including the ability to repay debt in a highly adverse situation;
(iv) the strength of the issuer's industry within the economy relative to economic trends and the issuer's competitive positon in its industry.

3. Short-term nature and asset class of money market instruments

The universe of eligible money market instruments covers instruments which are normally dealt in on the money market:

(i) short-term negotiable instruments such as, but not limited to, NEU Commercial Paper, Certificates of Deposit, Euro Commercial Papers;
(ii) senior unsecured bonds (excluding subordinated debts);
(iii) treasury-bills.

Specific constraints associated to those instruments and their definitions are detailed in the Prospectus, in the limit and as permitted by the Regulation.

The universe of eligible instruments has to comply with the WAL and WAM requirements as defined by the Regulation.

4. Type of issuer

Issuers are distinguished at least as follows:

(i) national, regional or local administrations;
(ii) financial corporations and non-financial corporations.

5. Liquidity profile of the instrument

All money market instruments selected are issued by Financial Institutions (such as Banks and insurance company), Corporates and Sovereign (such as Government, Local administration and Supranational, Agency).

The instruments are categorized depending on their ability to be sold in due time and under favorable conditions to ensure that the liquidity of the sub-fund is met at all times. The Management Company may, in addition to the factors and general principles referred to in this section, take into account warnings and indicators when determining the credit quality of a money market instrument referred to in point 2 of Diversification Rules of Appendix 1.

A global policy of the Management Company's internal ratings which sets the principles and the methodology to qualify and quantify the credit quality inherent of the issuers held within the portfolios monitored by investment credit limits has been defined.
An internal rating reflecting the default risk is allocated for each issuer. As a result of the group internal credit assessment of credit analysts' review, investment limits will be provided on issuers considered to be of high credit quality.
The internal ratings provided are considered more relevant than ratings provided by external rating agencies or other sources of information.

Governance of the credit quality assessment
The ICAP is approved by the senior management of the Management Company and by the Board of Directors of the Company ("Senior Management"). Those parties have a good understanding of the ICAP and the methodologies applied by the Management Company, as well as a detailed comprehension of the associated reports.

The Management Company reports to the parties referred to in paragraph 1 on the Company's credit risk profile, based on an analysis of the Company's internal credit quality assessments. Reporting frequencies depend on the significance and type of information and are at least annual.

Senior Management ensures that the ICAP is operating properly on an ongoing basis. Senior Management is regularly informed about the performance of the internal credit quality assessment procedures, the areas where deficiencies were identified, and the status of efforts and actions taken to improve previously identified deficiencies.

Internal credit quality assessments and their periodic reviews by the Management Company are not performed by the persons performing or responsible for the portfolio management of the sub-funds of the Company.
The credit risk committee is the body responsible for:
(i) validating the authorizations in place or suggested;
(ii) and disseminating information on any critical file, based on the agenda established by the risk department of the Management Company.
This Committee is held on a regular basis and possibly on an extraordinary basis.

Should the internal credit rating quality of an issuer and/or an instrument decrease and/or change, appropriate measures will be taken by the credit risk committee to remedy the situation as soon as possible.

CALCULATION OF THE NET ASSET VALUE PER SHARE

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

1. The NAV will be calculated as specified in Book II for each sub-fund.
2. The NAV per share will be calculated and published with reference to the total net assets of the corresponding sub-fund, category, or class in accordance with mark-to-market or mark-to-model valuation methods, or both, divided by the number of outstanding shares of the sub-fund at least on a daily basis. The total net assets of each sub-fund, category, or class will be calculated by adding all the asset items held by each (including the entitlements or percentages held in certain internal sub-portfolios as more fully described in point 5, below) from which any related liabilities and commitments will be subtracted, all in accordance with the description in point 5, paragraph 4, below.
3. The NAV per share of each sub-fund, category, or class will be calculated by dividing its respective total net assets by the number of shares in issue up to six decimal places.
4. The NAV per share of a VNAV sub-fund shall be rounded to the nearest basis point or its equivalent when the NAV is published in a currency unit.
   The constant NAV per share of a public debt CNAV sub-fund or a LVNAV sub-fund shall be rounded to the nearest percentage point or its equivalent when the constant NAV is published in a currency unit. The difference between the constant NAV per share and the NAV per share of such sub-fund is monitored and published daily.
5. Internally, in order to ensure the overall financial and administrative management of the set of assets belonging to one or more sub-funds, categories, or classes, the Board of Directors may create as many internal sub-portfolios as there are sets of assets to be managed (the “internal sub-portfolios”).

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

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

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

COMPOSITION OF ASSETS

The Company’s assets, from an accounting perspective in line with international accounting standards, primarily include:

(1) cash in hand and cash deposit including interest accrued but not yet received and interest accrued on these deposits until the payment date;

(2) all notes and bills payable on demand and accounts receivable (including the results of sales of securities before the proceeds have been received);

(3) all securities, units, shares, bonds, swaps and other investments and securities which are the property of the Company;

(4) all dividends and distributions to be received by the Company in cash or securities that the Company is aware of;

(5) all interest accrued but not yet received and all interest generated up to the payment date by securities which are the property of the Company, unless such interest is included in the principal of these securities;

(6) the Company's formation expenses, insofar as these have not been written down;

(7) all other assets, whatever their nature, including prepaid expenses.

VALUATION RULES

The assets of each sub-fund shall be valued using mark-to-market whenever possible as follows:

(1) the value of cash in hand and cash deposit, accounts receivable, prepaid expenses, and dividends and interest due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Company deems adequate to reflect the actual value of these assets;

(2) the value of shares or units in MMFs shall be determined on the basis of the last net asset value available on the Valuation Day;

(3) the valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and accessible to the public, is based on the last known closing price on the valuation day, and, if the securities concerned are traded on several markets, on the basis of last known closing price on the major market on which they are traded; if the last known closing price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner;

(4) only good quality market data shall be used and such data shall be assessed on the basis of all of the following factors:

(i) the number and quality of counterparties

(ii) the volume and turnover in the market of the asset of the sub-fund

(iii) the issue size and the portion of the issue that the sub-fund plans to buy or sell

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

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

(7) where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of a sub-fund, liquid assets, money market instruments and all other instruments may be valued at their mark-to-model value. The Board of Directors will put in place appropriate checks and controls concerning the valuation of the instruments

(8) the shares of a sub-fund shall be issued or redeemed at a price that is equal to the sub-fund's NAV per unit or share, notwithstanding permitted fees or charges as described in the Prospectus of the sub-fund.

(9) by way of derogation of paragraph (8):

(i) the shares of a public debt CNAV sub-fund may be issued or redeemed at a price that is equal to that sub-fund's constant NAV per share;

(ii) the shares of a LVNAV sub-fund may be issued or redeemed at a price equal to that sub-fund's constant NAV per share, but only where the constant NAV per share, which is calculated in accordance with Article 32(1), (2) and (3) of Regulation 2017/1131, does not deviate from the NAV per share calculated in accordance with Article 30 of Regulation 2017/1131 by more than 20 basis points.

In relation to point (ii), when the constant NAV per share calculated in accordance with Article 32(1), (2) and (3) of Regulation 2017/1131 deviates from the NAV per share calculated in accordance with Article 30 of Regulation 2017/1131 by more than 20 basis points, the following redemption or subscription shall be undertaken at a price that is equal to the NAV per share calculated in accordance with Article 30 of Regulation 2017/1131.

(10) the Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation rates and in the limits permitted by the Regulation 2017/1131. Decisions taken in this respect shall be included in the Book II;

(11) financial derivative instruments (such as IRS, forwards and futures) shall be valued on the basis of the difference between the value of all future interest payable by the Company to its counterparty on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments and the value of all future interest payable by the counterparty to the Company on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments.

COMPOSITION OF LIABILITIES

The Company's liabilities, from an accounting perspective in line with international accounting standards, primarily include:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TAXATION OF THE COMPANY

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

The Company is liable to an annual taxe d'abonnement in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

a) sub-funds with the exclusive objective of collective investments in money market instruments and deposits with credit institutions;
b) sub-funds with the exclusive objective of collective investments with credit institutions;
c) sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this *taxe d'abonnement*:

a) the value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the *taxe d'abonnement*;
b) sub-funds, categories, and/or classes:
   (i) whose securities are reserved to Institutional Investors, Managers, or UCIs and
   (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and
   (iii) whose weighted residual portfolio maturity does not exceed 90 days, and
   (iv) that have obtained the highest possible rating from a recognised rating agency;
c) sub-funds, share categories and/or classes reserved to:
   (i) institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
   (ii) companies having one or more employers investing funds to provide pension benefits to their employees;
d) sub-funds whose main objective is investment in microfinance institutions;
e) sub-funds, shares categories and/or classes:
   (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
   (ii) whose exclusive object is to replicate the performance of one or several indices.

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

In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

TAXATION OF THE COMPANY'S INVESTMENTS

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

TAXATION OF SHAREHOLDERS

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

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

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

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

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

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

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

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

EXCHANGE OF INFORMATION

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

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

In most countries covered by Directive 2011/16 and 2014/107, the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refunding or redemption of shares in the Company will be reported to the tax authorities in the state of residence of the beneficial owner of the income. Austria and Switzerland, will apply the exchange of information as of 1st January 2018 on the basis of the date collected in 2017.

b) Residents of third countries or territories

No withholding tax is levied on interest paid to residents of third countries or territories.

Nevertheless, in the framework of Automatic Exchange of Information package (AEOI) covering fiscal matters elaborated by OECD, the Company may need to collect and disclose information about its shareholders to third parties, including the tax authorities of the participating country in which the beneficiary is tax resident, for the purpose of onward transmission to the relevant jurisdictions. The data of financial and personal information as defined by this regulation which will be disclosed may include (but is not limited to) the identity of the shareholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A shareholder will therefore be required to comply with any reasonable request from the Company for such information, to allow the Company to comply with its reporting requirements. The list of AEOI participating countries is available on the website: http://www.oecd.org/tax/automatic-exchange/

c) US Tax

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

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

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

GENERAL SHAREHOLDERS' MEETINGS

The Annual General Shareholders' Meeting is held at 3 pm on the last Friday of September at the Company's registered office or any other location in the Grand Duchy of Luxembourg specified in the notice to attend the meeting. If that day is not a bank business day in Luxembourg, the Annual General Meeting will be held on the following bank business day. Other General Meetings may be convened in accordance with the prescriptions of Luxembourg law and the Company's Articles of Association.

Notices inviting shareholders to attend General Meetings will be published according to the forms and times prescribed in Luxembourg law and the Company's Articles of Association, and at least with a 14 days prior notice.

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

Where shares do not have an equal value or where there is no indication of value, each share shall, by effect of the Law of 10 August 1915, carry the right to a number of votes proportionate to the capital amount represented by it with one vote being allocated to the share which represents the lowest proportion; fractional shares having no voting right. When decisions concern the specific rights of shareholders of one sub-fund, category, or class, only the holders of shares of that sub-fund, category, or class may vote.

INFORMATION FOR SHAREHOLDERS

Net Asset Values and Dividends

The Company publishes the legally required information in the Grand Duchy of Luxembourg and in all other countries where the shares are publicly offered.
This information is also available on the website: www.bnpparibas-am.com

Financial Year

The Company's financial year starts on 1st June and ends on 31st May.

Financial Reports

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors, as well as a non-certified, semi-annual interim report closed on the last day of the sixth month of the financial year. The Company is authorised to publish a simplified version of the financial report when required.

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

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP*.

The annual report is made public within four months of the end of the financial year and the interim report within two months of the end of the half-year.

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

Documents for Consultation

The Articles of Association, the Prospectus, the KID, and periodic reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual and interim reports are available upon request.
Except for the newspaper publications required by Law, the official media to obtain any notice to shareholders will be the website: www.bnpparibas-am.com.
Documents and information are also available on the website: www.bnpparibas-am.com

Weekly information available to the shareholders:
In accordance with the Regulation 2017/1131, the Management Company will make all of the following information available to investors at least on a weekly basis:
- the maturity breakdown of the portfolio of the sub-fund;
- the credit profile of the sub-fund;
- the WAM and WAL of the sub-fund;
- details of the 10 largest holdings in the sub-fund, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements;
- the total value of the assets of the sub-fund;
- the net yield of the sub-fund.

These information are made available on the website https://www.bnpparibas-am.lu. After having selected the sub-fund and the share class of their choice, investors can access the weekly reporting on the '*Documents*' section of the website.

APPENDIX 1 – INVESTMENT RESTRICTIONS

ELIGIBLE ASSETS

1. Money Market Instruments

Money market instruments including financial instruments issued or guaranteed separately or jointly by a Sovereign Eligible Issuer.

A money market instrument shall be eligible for investment by a sub-fund provided that it fulfils all of the following requirements:

1.1 It falls within one of the categories below as in compliance with the provisions of Directive 2009/65 :

a) it is listed or traded on an official stock exchange, or on a regulated market (a market that operated regularly, is recognised and is open to the public) in an eligible state (i.e. a Member State or a Third Country) ;

b) it does not meet the requirements of point (a) but it is subject (at the securities or issuer level) to regulation aimed at protecting investors and savings, provided that they are:

i. issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a Third Country or a member of a federation; or

ii. issued by an undertaking any securities of which are dealt in on regulated markets referred to in point (a);or

iii. issued or guaranteed by an establishment subject to, and which complies with European Unionprudential supervision rules or others rules at least considered to be stringent; or

iv. issued by other bodies belonging to the categories approved by the CSSF provided that the investments in such instruments are subject to investor protection equivalent to that laid down in points (i), (ii) or (iii) above, and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 000 000 and which presents and publishes its annual accounts in accordance with the Directive 78/660, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

1.2 It displays one of the following alternative characteristics:

1. it has a legal maturity at issuance of 397 days or less;
2. it has a residual maturity of 397 days or less.

1.3 The issuer of the money market instrument and the quality of the money market instrument has received a favourable assessment pursuant to the section “Internal Credit Quality Assessment procedure” of Book 1.

1.4 Notwithstanding point 1.2, a standard MMF shall also be allowed to invest in money market instruments with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is 397 days or less. For that purpose, floating-rate money-market instruments and fixed-rate money-market instruments hedged by a swap arrangement shall be reset to a money market rate or index.

2. Deposits with credit institutions

A deposit with a credit institution is eligible for investment by a sub-fund provided that all of the following conditions are fulfilled:

a) the deposit is repayable on demand or is able to be withdrawn at any time;

b) the deposit matures in no more than 12 months;

c) the credit institution has its registered office in a Member State or, where the credit institution has its registered office in a Third Country, it is subject to prudential rules considered by the CSSF as equivalent to those laid down in European legislation.

3. Financial derivative instruments

A financial derivative instrument (such as IRS, forwards and futures) is eligible for investment by a sub-fund provided it is dealt in on a regulated market as referred to in point 1.1 (a) above, or OTC derivatives and provided that all of the following conditions are fulfilled:

a) the underlying of the derivative instrument consists of interest rates

b) the derivative instrument serves only the purpose of hedging the interest rate of the sub-fund;

c) the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the CSSF;

d) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company’s initiative.

The acceptable collateral received by a sub-fund for financial derivative transactions will only be cash (typically from 100% to 105% after haircut).

At the date of the Prospectus, cash collateral received in the context of financial derivative instruments are not subject to reuse.

The Company does not use TRS for any of its sub-funds.

4. Repurchase agreements

A repurchase agreement shall be eligible to be entered into by a sub-fund provided that all of the following conditions are fulfilled:

a) it is used on a temporary basis, for no more than seven working days, only for liquidity management purposes and not for investment purposes other than as referred to in point c) below;

b) the counterparty receiving assets transferred by the sub-fund as collateral under the repurchase agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the sub-fund's prior consent;

c) the cash received by the sub-fund as part of the repurchase agreement is able to be

(i) placed on deposits in accordance with point 2)

(ii) invested in assets referred to point 5.5, but shall not otherwise be invested in eligible assets as referred in point 1), 2), 3)and 6), transferred or otherwise reused; and

d) The cash received by a sub-fund as part of the repurchase agreement shall not exceed 10% of its assets;

e) the sub-fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days.

Any sub-fund other than a public debt CNAV sub-fund may use repurchase agreements under these conditions within the limits of 5% (expected) and 10% (maximum) of the assets.

5. Reverse repurchase agreements

5.1 A reverse repurchase agreement shall be eligible to be entered into by a sub-fund provided that all of the following conditions are fulfilled:

a) the sub-fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days;

b) the market value of the assets received as part of the reverse repurchase agreement is at all times at least equal to the value of the cash paid out.

5.2 The assets received by a sub-fund as part of a reverse repurchase agreement shall be money market instruments that fulfil the requirements set out in point 1. and shall not be sold, reinvested, pledged or otherwise transferred.

5.3 The assets received by a sub-fund as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15% of the NAV of the sub-fund, except where those assets take the form of money market instruments that fulfil the requirements of point 2 (ii) of Diversification Rules below. The assets received in this context shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

5.4 A sub-fund that enters into a reverse repurchase agreement shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the NAV of the sub-fund.

5.5 By way of derogation from point 5.2 above, a sub-fund may receive as part of a reverse repurchase agreement liquid transferable securities or money market instruments other than those that fulfil the requirements set out in point 1. provided that those assets comply with one of the following conditions:

a) they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received regarding the credit quality assessment. The assets received as part of a reverse repurchase agreement in this respect shall be disclosed to the shareholders and shall fulfil the requirements of point 2 (ii) of Diversification Rules below.

b) they are issued or guaranteed by a central authority or central bank of a Third Country, provided that a favourable assessment has been received regarding the credit quality assessment.

5.6 The maximum proportion of assets that can be subject to reverse repurchase agreements and the expected proportion of assets that are subject to them are mentioned in Book 2 for each sub-fund.

6. Units or Shares of other MMF

6.1 A sub-fund may acquire the units or shares of any other MMF ('targeted MMF") provided that all of the following conditions are fulfilled:

a) the targeted MMF is authorised under Regulation 2017/1131;

b) the targeted MMF does not hold units or shares in the acquiring sub-fund;

c) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF.

d) no more than 10 % of the assets of the targeted sub-fund are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other sub-funds.

6.2 Short-term sub-funds may only invest in units or shares of other short-term MMFs

6.3 Standard VNAV sub-funds may invest in units or shares of short-term MMFs and standard MMFs

7. Ancillary liquid Assets

Any sub-fund may hold ancillary liquid assets limited to bank deposits at sight (other than those mentioned hereinabove in point 2) such as cash held in current accounts with a bank accessible at any time. The holding of such ancillary liquid assets could be justified, inter alia, in order to cover current or exceptional payments, in the case of sales, for the time necessary to reinvest in other Eligible Assets above.

PROHIBITED ACTIVITIES

A sub-fund shall not undertake any of the following activities:

a) investing in assets other than Eligible Assets as defined above;

b) short sale of any of the following instruments: money market instruments, securitisations, ABCPs and units or shares of other MMFs;

c) taking direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

d) entering into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the sub-fund;

e) borrowing and lending cash.

DIVERSIFICATION RULES

To ensure diversification, a sub-fund cannot invest more than a certain percentage of its assets in one issuer or single body. In this respect:

1. A sub-fund may invest no more than:
   a) 5 % of its assets in money market instruments issued by the same body
   b) 10 % of its assets in deposits (including ancillary liquid assets) made with the same credit institution;

2. **By way of derogation from point 1.a):**

   (i) a VNAV sub-fund may invest up to 10 % of its assets in money market instruments, issued by the same body provided that the total value of such money market instruments, held by the VNAV sub-fund in each issuing body in which it invests more than 5 % of its assets does not exceed 40 % of the value of its assets;

   (ii) the CSSF may authorise a sub-fund to invest, in accordance with the principle of risk-spreading, up to 100 % of its assets in different money market instruments issued or guaranteed separately or jointly by a Sovereign Eligible Issuer provided that all of the following requirements are met :

   - **the sub-fund holds money market instruments from at least six different issues by the issuer;**
   - **the sub-fund limits the investment in money market instruments from the same issue to a maximum of 30 % of its assets;**

3. The aggregate risk exposure to the same counterparty of a sub-fund stemming from eligible OTC derivative transactions shall not exceed 5 % of the assets of the sub-fund;

4. The aggregate amount of cash provided to the same counterparty of a sub-fund in reverse repurchase agreements shall not exceed 15 % of the assets of the sub-fund;

5. Notwithstanding the individual limits laid down in points 1.a) and 3 a sub-fund shall not combine, where to do so would result in an investment of more than 15 % of its assets in a single body, any of the following:
   a) investments in money market instruments, issued by that body;

b) deposits made with that body;
c) OTC financial derivative instruments giving counterparty risk exposure to that body;

6. A sub-fund may:
   a) acquire units or shares of other MMFs, provided that no more than 5 % of its assets are invested in units or shares of a single MMF;
   b) in aggregate, invest no more than 10 % of its assets in units or shares of other MMFs;
7. Notwithstanding the individual limits laid down in point 1.), a sub-fund may invest no more than 10 % of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders; in particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds,

   are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

   Where a sub-fund invests more than 5 % of its assets in the bonds referred to in the paragraph above issued by a single issuer, the total value of those investments shall not exceed 40 % of the value of the assets of the sub-fund.
8. Notwithstanding the individual limits laid down in point 1., a sub-fund may invest no more than 20 % of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in point 8. above.

   Where a sub-fund invests more than 5 % of its assets in the bonds referred to in the paragraph above issued by a single issuer, the total value of those investments shall not exceed 60 % of the value of the assets of the sub-fund, including any possible investment in assets referred to in point 8., respecting the limits set out therein.
10. Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in points 1. to 6.
11. The maximum holding of ancillary liquid assets by a Money Market sub-fund is limited to 20% of its net assets.

    The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors, for instance in highly serious circumstances.

PORTFOLIO RULES

1. Short-term sub-funds

General rules

The maximum WAM (interest rate risk) of a short term sub-fund will be 60 days.

The maximum WAL (credit risk) will be 120 days. This will be calculated on the basis of the legal maturity unless the sub-fund holds a put option. if the limits referred to in this section are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription or redemption rights, the Company shall adopt as a priority objective the correction of that situation, taking due account of the interests of the shareholders.

A short term sub-fund will only hold money market instruments with a residual maturity until the legal redemption date of less than or equal to 397 days, taking into account the related financial instruments or the applicable terms and conditions.

Specific provisions for Public debt CNAV and LVNAV sub-funds

(i) At least 10% of the assets of a public debt CNAV or LVNAV sub-fund are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day. Such a sub-fund is not to acquire any asset other than a daily maturing asset when such acquisition would result in that sub-fund investing less than 10 % of its portfolio in daily maturing assets.

(ii) At least 30 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Such a sub-fund is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that sub-fund investing less than 30 % of its portfolio in weekly maturing assets.

Money market instruments issued or guaranteed by an Eligible Issuer may be included within the weekly maturing assets up to a limit of 17,5 % of the sub-fund's assets provided they have a residual maturity of up to 190 days and that they are highly liquid and can be redeemed and settled within one working day.

Specific provisions for Short term VNAV sub-funds

(i) At least 7,5% of the assets of a short term VNAV sub-fund are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day. Such a sub-fund is not to acquire any asset other than

a daily maturing asset when such acquisition would result in that sub-fund investing less than 7,5% of its portfolio in daily maturing assets.

(ii) At least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Such a sub-fund is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that sub-fund investing less than 15 % of its portfolio in weekly maturing assets.

(iii) Money market instruments issued or guaranteed by an Eligible Issuer may be included within the weekly maturing assets up to a limit of 7,5 % of the sub-fund's assets provided they have a residual maturity of up to 190 days and that they are highly liquid and can be redeemed and settled within one working day.

2. Standard VNAV sub-funds

The maximum WAM (interest rate risk) of a standard sub-fund will be 6 months.

The maximum WAL (credit risk) will be 12 months. This will be calculated on the basis of the legal maturity unless the sub-fund holds a put option.

A standard sub-fund will only hold securities that, at the time of acquisition by the sub-fund, have an initial or residual maturity of up to 2 years, taking into account the related financial instruments or the applicable terms and conditions. The time to next reset of these securities will not exceed 397 days.

At least 7.5 % of the assets of the sub-fund are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day.

At least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. Longer dated money market instruments or units or shares of other MMFs may be included within the weekly maturing assets up to a limit of 7,5 % of the sub-fund assets provided they are able to be redeemed and settled within five working days.

LIMIT TO PREVENT CONCENTRATION OF OWNERSHIP

1. A sub-fund shall not hold more than 10% of the money market instruments issued by a single body.

2. This limit does not apply in respect of holdings of money market instruments issued or guaranteed by a Sovereign Eligible Issuer.

GLOBAL EXPOSURE

1. Determination of global exposure

According to the Circular 11/512, the management company must calculate the sub-fund's global exposure at least **once a day**. The limits on global exposure must be complied with on an ongoing basis.

It is the responsibility of the Management Company to select an appropriate methodology to calculate the global exposure. More specifically, the selection should be based on the self-assessment by the Management Company of the sub-fund's risk profile resulting from its investment policy (including its use of financial derivative instruments).

2. Risk measurement methodology according to the sub-fund's risk profile

The sub-funds are classified after a self-assessment of their risk profile resulting from their investments policy including their inherent derivative investment strategy that determines two risk measurements methodologies:

- The advanced risk measurement methodology such as the Value-at-Risk (VaR) approach to calculate global exposure where:

a) The sub-fund engages in complex investment strategies which represent more than a negligible part of the sub-funds' investment policy;

b) The sub-fund has more than a negligible exposure to exotic financial derivative instruments; or

c) The commitment approach doesn't adequately capture the market risk of the portfolio.

There is currently no sub-fund under VAR

- The commitment approach methodology to calculate the global exposure should be used in every other case.

3. Commitment approach methodology

The commitment conversion methodology for **standard derivatives** is always the market value of the equivalent position in the underlying asset. This may be replaced by the notional value or the price of the futures contract where this is more conservative.

Currently, all the sub-funds use the commitment approach method.

ADDITIONAL INFORMATION REGARDING THE MANAGEMENT OF COLLATERAL IN RESPECT OF REVERSE REPURCHASE AGREEMENTS

Assets received from counterparties in respect of reverse repurchase agreements constitute collateral. In addition to the provisions set out in point 5 of Appendix 1, all collateral used to reduce counterparty risk exposure will comply with the following criteria at all times.

Liquidity

Any collateral received other than cash will be highly liquid and dealt in on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of the Appendix 1 and in accordance with the investment policy of the sub-fund.

Valuation

Collateral received will be valued on at least a daily basis, according to mark-to-market, and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place, dependant on the issuer's credit quality and the maturity of the received securities.

Risks

Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.

Safe-keeping

Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Enforcement

Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty. The Company must ensure that it is able to claim its right on the collateral in case of the occurrence of any event requiring the execution thereof. Therefore the collateral must be available at all time either directly or through the intermediary of the counterparty, in such a manner that the Company is able to appropriate or realise the securities given as collateral without delay if the counterparty fails to comply with its obligation to return the securities.

Acceptable Collateral for Reverse Repurchase Agreements - Public regulatory grid

Acceptable collateral is under the form of:
- eligible money market instruments and liquid transferable securities or other money market instruments as described in Appendix 1 point 1 (Eligible assets) and point 5.5 (Reverse Repurchase agreements),
- eligible Government Bonds, as described in Article 17.7 of the Regulation 2017/1131;

and has received a favourable assessment pursuant to the Internal Credit Quality process, if applicable.

Asset Class	Minimum Rating accepted	Haircut required	Cap by asset class / NAV	Cap by Issuer / NAV
Cash (EUR, USD, GBP and other Valuation Currency)		[0 - 10%]	100%	
Eligible OECD Government Bonds	BBB	[0 - 15%]	100%	100%
Eligible Supra & Public Debt collateral	AA-	[0 - 10%]	100%	100%
Other Eligible Countries Government Bonds	BBB	[0 - 15%]	100%	100%
Eligible OECD Corporate Bonds	A	[0 - 17%]	100%	10%
CD's (eligible OECD and other eligible countries)	A	[0 - 7%]	[10% - 30%]	10%

STRESS TESTING

Each sub-fund shall have in place sound stress testing processes that are able to identify possible events or future changes in economic conditions which could have unfavourable effects on the sub-fund.

The Investment Manager shall:

- assess possible impacts on the sub-fund generated by those events or changes
- conduct regular stress testings for different possible scenarios
- conduct stress test with a frequency determined by the Board of Directors but at least on a bi-annual basis.

Stress tests shall be:

- based on objective criteria
- consider the effects of severe plausible scenarios

Stress tests shall take into consideration reference parameters that include the following factors:

- hypothetical changes in the level of liquidity of the assets held in the portfolio of the sub-fund;
- hypothetical changes in the level of credit risk of the assets held in the portfolio of the sub-fund, including credit events and rating events;
- hypothetical movements of the interest rates and exchange rates;
- hypothetical levels of redemption;
- hypothetical widening or narrowing of spreads among indices to which interest rates of portfolio securities are tied;
- hypothetical macro systemic shocks affecting the economy as a whole.

In case of vulnerability revealed by those tests, the Investment Manager shall draw up an extensive report and a proposed action plan. Where necessary, the Investment Manager shall immediately take action by:

- strengthening the robustness of the sub-fund
- reinforcing the liquidity of the sub-fund and/or the quality of the assets of the sub-fund

Specific cases of public debt CNAV and LVNAV sub-funds

In the case of public debt CNAV and LVNAV sub-funds, the stress tests shall estimate for different scenarios the difference between the constant NAV per share and the NAV per share.

COUNTERPARTIES

The Company will enter into transactions with counterparties which the Management Company believes to be creditworthy. They may be related companies at BNP Paribas Group.Counterparties will be selected by the Management Company with respect for the following criteria:

- leading financial institutions;
- sound financial situation;
- ability to offer a range of products and services corresponding to the requirements of the Management Company;
- ability to offer reactivity for operational and legal points;
- ability to offer competitive price and the quality of the execution. Approved counterparties are required to have a minimum rating of investment grade for Reverse Repurchase agreements counterparties provided however that credit quality assessment of counterparties does not rely only on external credit ratings. Alternative quality parameters are considered such as internal credit analysis assessment and liquidity and maturity of collateral selected. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. Furthermore counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The selected counterparties do not assume any discretion over the composition or management of the sub-funds' investment portfolios or over the underlying of the financial derivative instruments, and their approval is not being required in relation to any sub-fund investment portfolio transaction.

SECURITIES FINANCING TRANSACTIONS ("SFT")

In accordance with the Regulation 2015/2365 and Circulars 08/356 and 14/592, the Company may enter in securities financing transaction (**reverse repurchase agreements only**) for the purpose of managing the liquidity of each sub-fund.

List of sub-funds using SFT

The sub-funds that will use SFT and the expected and maximum proportion of assets that can be subject to them, provided that the proportions are indicative only and may vary over time depending on factors including, but not limited to, market conditions*, are listed in the table below.

**: Market conditions may be either classified as being "normal market conditions" or "stressed market conditions". Under normal market conditions, where no adverse event affects the markets, the "expected" levels of SFT described in the below table will be used. Under stressed market conditions (such as, but not limited to, liquidity constraints, market turmoil…), up to the maximum level indicated in the below table may be used.*

Sub-funds	Reverse Repurchase Transactions / NAV		Conditions	Purposes
	Expected	Maximum		
InstiCash EUR 1D (to be renamed InstiCash EUR 1D LVNAV on 01 March 2024)	30% (1)	90% (2)	Permanent	Efficient Portfolio Management
InstiCash EUR 3M	5%(1)	90% (2)	Permanent	Efficient Portfolio Management
InstiCash GBP 1D LVNAV	30% (1)	90% (2)	Permanent	Efficient Portfolio Management
InstiCash USD 1D LVNAV	30% (1)	90% (2)	Permanent	Efficient Portfolio Management

(1) such proportion of assets may be used in normal market conditions

(2) such proportion of assets may be used only in exceptional market conditions such as, but not limited to, a global liquidity crisis

Sub-funds	Repurchase Transactions / NAV	
	Expected	Maximum
InstiCash EUR 1D (to be renamed InstiCash EUR 1D LVNAV on 01 March 2024)	0%	10%(1)
InstiCash EUR 3M	0%	10%(1)
InstiCash GBP 1D LVNAV	0%	10%(1)
InstiCash USD 1D LVNAV	0%	10%(1)

(1) *In accordance with the threshold imposed by Regulation 2017/1131*

Policy on sharing of return generated by SFT

Unless otherwise provided below, the return of SFT, being the difference of market values between the two legs of the transactions, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to SFT charged to the sub-fund that would constitute an income for the Management Company or another party.

Conflict of Interest

When appointed SFT counterparties are members of the BNP Paribas group, the Management Company, shall take care to avoid any resulting conflicts of interest (especially additional remuneration for the group) in order to ensure that the agreements are entered into at arm's length in the best interest of the concerned sub-funds.

APPENDIX 3 – INVESTMENT RISKS

Investors must read the Prospectus carefully before investing in any of the Sub-Funds.

The value of the Shares will increase as the value of the securities owned by any Sub-Fund increases and will decrease as the value of the Sub-Fund's investments decreases. In this way, investors participate in any change in the value of the securities owned by the relevant Sub-Fund(s). In addition to the factors that affect the value of any particular security that a Sub-Fund owns, the value of the Sub-Fund's Shares may also change with movements in the stock and bond markets as a whole. Investors are also warned that sub-fund performance may not be in line with the stated "Investment objective" and that the capital they invest (after subscription commissions have been deducted) may not be returned to them in full.

A Sub-Fund may own securities of different types, or from different asset classes (e.g. equities, bonds, money market instruments, financial derivative instruments) depending on the Sub-Fund's investment objective. Different investments have different types of investment risk. The Funds also have different kinds of risks, depending on the securities they hold. This "Investment Risks" section contains explanations of the various types of investment risks that may be applicable to the Funds. Please refer to the Book II of this Prospectus for details as to the principal risks applicable to each Sub-Fund. Investors should be aware that other risks may also be relevant to the Sub-Funds from time to time.

I. GENERAL RISKS

This section explains some of the risks that apply to all the Sub-Funds. It does not aim to be a complete explanation and other risks may also be relevant from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements. No guarantee or representation is made that the investment program will be successful and there can be no assurance that the Sub-Fund(s)' investment objective(s) will be achieved. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a Fund's investments to diminish or increase.

The Company or any of its Sub-Funds may be exposed to risks that are outside of their control – for example legal and regulatory risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress or as a result of the registration of the Sub-Funds in non-EU jurisdictions, the Sub-Funds may be subject, without any notice to the shareholders in the Sub-Funds concerned, to more restrictive regulatory regimes potentially preventing the Sub-Funds from making the fullest possible use of the investment limits. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse. The Sub-Funds may be exposed to the risk of terrorist actions, to the risk that economic and diplomatic sanctions may be in place or imposed on certain States and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity. Investors are reminded that in certain circumstances their right to redeem Shares may be suspended as further described in the Book I.

The Company or any of its Funds may be exposed to operational risks, being the risk that operational processes, including those related to the safekeeping of assets, valuation and transaction processing may fail, resulting in losses. Potential causes of failure may arise from human errors, physical and electronic system failures and other business execution risks as well as external events.

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

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

II. SPECIFIC RISKS

Cash Collateral Reinvestment Risk

Cash received as collateral may be reinvested, in compliance with the diversification rules specified in the Art. 43 (e) of CSSF Circular 14/592 exclusively in eligible risk free assets. There is a risk that the value on return of the reinvested cash collateral may not be sufficient to cover the amount required to be repaid to the counterparty. In this circumstance, the sub-fund would be required to cover the shortfall.

Collateral Management Risk

Collateral may be used to mitigate counterparty risk. There is a risk that the collateral taken, especially where it is in the form of securities, when realized does not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate collateral pricing, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to "Liquidity Risk" below in respect of liquidity risk which may be particularly relevant when collateral takes the form of securities. Where a Sub-Fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral placed is higher than the cash or investments received by the Sub-Fund. In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the Sub-Funds may face difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

Concentration Risk

Some Sub-Funds may have an Investment Policy that invests a large portion of the assets in a limited number of issuers, industries, sectors or a limited geographical area. Being less diversified, such Sub-Funds may be more volatile than broadly diversified Sub-Funds and carry a greater risk of loss.

Counterparty Risk

Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause. When over-the-counter (OTC) or other bilateral contracts are entered into (inter alia OTC derivatives, repurchase agreements, security lending, etc.), the Company may find itself exposed to risks arising from the solvency of its counterparties and from their inability to respect the conditions of these contracts. If counterparty does not live up to its contractual obligations, it may affect investor returns.

Credit Risk

Credit risk, a fundamental risk relating to all fixed income securities as well as Money Market Instruments, is the risk that an issuer will fail to make principal and interest payments when due. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, have the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer (particularly a sovereign or supranational issuer), are all factors that may have an adverse impact on an issuer's credit quality and security values. Related to credit risk is the risk of downgrade by a rating agency. Rating agencies such as Standard & Poor's, Moody's and Fitch, among others, provide ratings for a wide array of fixed income securities (corporate, sovereign, or supranational) which are based on their creditworthiness. The agencies may change their ratings from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the value of the affected securities.

Currency Exchange Risk

This risk is present in each Sub-Fund having positions denominated in currencies that differ from its Accounting Currency. If the currency in which a security is denominated appreciates in relation to the Accounting Currency of the Sub-Fund, the exchange value of the security in the Accounting Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security. When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

Custody Risk

Assets of the Company are safe kept by the Custodian and Investors are exposed to the risk of the custodian not being able to fully meet its obligation to restitute in a short timeframe all of the assets of the Company in the case of bankruptcy of the Custodian. The assets of the Company will be identified in the Custodian's books as belonging to the Company. Securities and debt obligations held by the Custodian will be segregated from other assets of the Custodian which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Custodian does not keep all the assets of the Company itself but uses a network of Sub-Custodians which are not part of the same group of companies as the Custodian. Investors are also exposed to the risk of bankruptcy of the Sub-Custodians. A Sub-Fund may invest in markets where custodial and/or settlement systems are not fully developed.

Derivatives Risk

The Company may use various derivative instruments to reduce risks or costs or to generate additional capital or income in order to meet the investment objectives of a sub-fund. Certain sub-funds may also use derivatives extensively and/or for more complex strategies as further described in their respective investment objectives. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments. The use of derivatives may give rise to a form of leverage, which may cause the Net Asset Value of these sub-funds to be more volatile and/or change by greater amounts than if they had not been leveraged, since leverage tends to exaggerate the effect of any increase or decrease in the value of the respective sub-funds' portfolio securities. Before investing in Shares, investors must ensure to understand that their investments may be subject to the following risk factors relating to the use of derivative instruments:

- Market risk: Where the value of the underlying asset of a derivative instrument changes, the value of the instrument will become positive or negative, depending on the performance of the underlying asset. For non-option derivatives the absolute size of the fluctuation in value of a derivative will be very similar to the fluctuation in value of the underlying security or reference index. In the case of options, the absolute change in value of an option will not necessarily be similar to the change in value of the underlying because, as explained further below, changes in options values are dependent on a number of other variables.
- Liquidity risk: If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price.
- Counterparty risk: When OTC derivative contracts are entered into, the sub-funds may be exposed to risks arising from the solvency and liquidity of its counterparts and from their ability to respect the conditions of these contracts. The sub-funds may enter into forwards, options and swap contracts, or use other derivative techniques, each of which involves the risk that the counterpart will fail to respect its commitments under the terms of each contract. In order to mitigate the risk, the Company will ensure that the trading of bilateral OTC derivative instruments is conducted on the basis of strict selection and review criteria.
- Settlement risk: Settlement risk exists when a derivative instrument is not settled in a timely manner, thereby increasing counterparty risk prior to settlement and potentially incurring funding costs that would otherwise not be experienced. Should the settlement never occur the loss incurred by the sub-fund will correspond to the difference in value between the original and the replacement contracts. If the original transaction is not replaced, the loss incurred by the sub-fund will be equal to the value of the contract at the time it becomes void.

- Other risks: Other risks in using derivative instruments include the risk of mispricing or improper valuation. Some derivative instruments, in particular OTC derivative instruments, do not have prices observable on an exchange and so involve the use of formulae, with prices of underlying securities or reference indices obtained from other sources of market price data. OTC options involve the use of models, with assumptions, which increases the risk of pricing errors. Improper valuations could result in increased cash payment requirements to counterparties or a loss of value to the sub-funds. Derivative instruments do not always perfectly or even highly correlate or track the value of the assets, rates or Indices they are designed to track. Consequently, the sub-funds' use of derivative instruments may not always be an effective means of, and sometimes could be counterproductive to, furthering the sub-funds' investment objective. In adverse situations, the sub-funds' use of derivative instruments may become ineffective and the sub-funds may suffer significant losses.

Extra-financial criteria Investment Risk

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

SFT Risks

Efficient portfolio management techniques, such as repurchase and reverse repurchase transactions, involve certain risks. Investors must notably be aware that:

- In the event of the failure of the counterparty with which cash of a Sub-Fund has been placed, there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded.
- Locking cash in transactions of excessive size or duration, delays in recovering cash placed out, or difficulty in realizing collateral may restrict the ability of the Sub-Fund to meet sale requests, security purchases or, more generally, reinvestment.
- Repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with financial derivative instruments, which risks are described above.
- In a reverse repurchase transaction, a Sub-Fund could incur a loss if the value of the purchased securities has decreased in value relative to the value of the cash or margin held by the relevant Sub-Fund.

Market Risk

Market risk is a general risk that affects all investments. Price for financial instruments are mainly determined by the financial markets and by the economic development of the issuers, who are themselves affected by the overall situation of the global economy and by the economic and political conditions prevailing in each relevant country.

Legal Risk

There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, illegality, change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject to a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions. The use of derivatives may also expose a Sub-Fund to the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

Liquidity Risk

Liquidity risk takes two forms: asset side liquidity risk and liability side liquidity risk. Asset side liquidity risk refers to the inability of a Sub-Fund to sell a security or position at its quoted price or market value due to such factors as a sudden change in the perceived value or credit worthiness of the position, or due to adverse market conditions generally. Liability side liquidity risk refers to the inability of a Sub-Fund to meet a redemption request, due to the inability of the Fund to sell securities or positions in order to raise sufficient cash to meet the redemption request. Markets where the Sub-Fund's securities are traded could also experience such adverse conditions as to cause exchanges to suspend trading activities. Reduced liquidity due to these factors may have an adverse impact on the Net Asset Value of the Sub-Fund and on the ability of the Sub-Fund to meet redemption requests in a timely manner.

Risks Related to Investments in Some Countries

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

APPENDIX 4 – LIQUIDATION, MERGER, TRANSFER AND SPLITTING PROCEDURES

Liquidation, Merger, Transfer and Splitting of Sub-funds

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

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

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

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

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

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

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

Dissolution and Liquidation of the Company

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

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

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

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

The net proceeds of the liquidation of each sub-fund, category, or class will be distributed by the liquidators to the shareholders of each sub-fund, category, or class in proportion to the number of shares they hold in the sub-fund, category, or class.
In the case of straightforward liquidation of the Company, the net assets will be distributed to the eligible parties in proportion to the shares held in the Company. Net assets not distributed at the time of closure of the liquidation and at the latest within a maximum period of nine months effective from the date of the liquidation will be deposited at the Public Trust Office (Caisse de Consignation) until the end of the legally specified limitation period.

The calculation of the net asset value, and all subscriptions, conversions and redemptions of shares in these sub-funds, categories, or classes will also be suspended throughout the liquidation period. The General Meeting must be held within forty days of the date on which it is ascertained that the Company's net assets have fallen below the minimum legal threshold of two-thirds or one-quarter, as applicable.

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

Name of the sub-fund	SFDR Category	Minimum proportion of sustainable investments in the meaning of SFDR	To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?		Does this financial product consider principal adverse impacts on sustainability factors?
			Minimum percentage of investments aligned with the EU Taxonomy[1] Including sovereign bonds	Minimum Share of investments in transitional and enabling activities	
BNP PARIBAS INSTICASH EUR 1D (to be renamed InstiCash EUR 1D LVNAV on 01 March 2024)	Article 8	10%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS INSTICASH EUR 3M	Article 8	10%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS INSTICASH GBP 1D LVNAV	Article 8	10%	0%	0%	Yes, through the General PAI Approach
BNP PARIBAS INSTICASH USD 1D LVNAV	Article 8	10%	0%	0%	Yes, through the General PAI Approach

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

BOOK II

BNP Paribas InstiCash EUR 1D
(to be renamed BNP Paribas InstiCash EUR 1D LVNAV on 01 March 2024)

Investment objective

To achieve the best possible return in EUR in line with prevailing money market rates, over a 1-day period while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity and diversification; the 1-day period corresponds to the recommended investment horizon of the sub-fund.

Investment policy – until 29 February 2024

The sub-fund is a short term variable net asset value money market fund as defined in the Regulation 2017/1131. The sub-fund is rated AAAm by S&P Global Ratings. This rating was solicited and financed by the Management Company. It is subject to a periodic review conducted by Standard & Poor's.

The sub-fund invests within the limits set out in Appendix 1 of Book 1 in a diversified portfolio of EUR denominated money market instruments, deposits with credit institutions, repurchase agreements and reverse repurchase agreements and units or shares of other short term MMFs denominated in EUR. Financial derivative instruments (e.g. IRS) are used only for the purpose of hedging the interest rate of the sub-fund. The impact of these financial derivative instruments will be taken into account for the calculation of the WAM.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 and Book I, Appendix 1 – Diversification Rules, point 11.

These investments must fulfill the Portfolio rules and credit quality assessment as set out in Book 1.
In accordance with Regulation 2017/1131 and Regulation 2015/2365, reverse repurchase agreements will be used on a continuous basis, for liquidity management purpose. As of the date of this Prospectus, these instruments will be used according to the proportions and in the cases described in Book I (Appendix II).

Investment policy – as from 01 March 2024

The sub-fund is a short-term low volatility net asset value money market fund as defined in the Regulation 2017/1131. The sub-fund is rated AAAm by S&P Global Ratings. This rating was solicited and financed by the Management Company. It is subject to a periodic review conducted by Standard & Poor's.

The sub-fund invests within the limits set out in Appendix 1 of Book 1 in a diversified portfolio of EUR denominated money market instruments, deposits with credit institutions, repurchase agreements and reverse repurchase agreements and units or shares of other short term MMFs denominated in EUR. Financial derivative instruments (e.g. IRS) are used only for the purpose of hedging the interest rate of the sub-fund. The impact of these financial derivative instruments will be taken into account for the calculation of the WAM.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 and Book I, Appendix 1 – Diversification Rules, point 11.

These investments must fulfill the Portfolio rules and credit quality assessment as set out in Book 1.

In accordance with Regulation 2017/1131 and Regulation 2015/2365, reverse repurchase agreements will be used on a continuous basis, for liquidity management purpose. As of the date of this Prospectus, these instruments will be used according to the proportions and in the cases described in Book I (Appendix II).

Sustainable Investment policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund.
The sub-fund respects the Minimum Extra-Financial Analysis coverage rate, as set out in Book I.
The average portfolio ESG score of the sub-fund is higher than the one of its investment universe, being all the short-term debt and money market issuers.

BNP Paribas InstiCash EUR 1D
(to be renamed BNP Paribas InstiCash EUR 1D LVNAV on 01 March 2024)

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

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

Risk profile

Specific sub-fund risks:

- Counterparty risk
- Derivative risk
- Extra-Financial Criteria Investment Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

Investor type profile

This sub-fund is suitable for investors who:

- Are looking for a very low price volatility and high marketability;
- Prioritise maintenance of the real value of invested capital;
- Want to take minimal market risks.

Accounting currency

EUR

Fees and Costs

<table>
<tr><th rowspan="2">Category</th><th colspan="5">Fees payable by the sub-fund</th></tr>
<tr><th>Management (maximum)</th><th>Performance</th><th>Distribution (maximum)</th><th>Other (maximum)</th><th>Taxe d'abonnement (1)</th></tr>
<tr><td>Classic</td><td>0.35%</td><td rowspan="8">None</td><td rowspan="5">None</td><td>0.35%</td><td rowspan="3">0.01%</td></tr>
<tr><td>Classic Plus</td><td>0.25%</td><td>0.10%</td></tr>
<tr><td>Privilege</td><td>0.20%</td><td>0.10%</td></tr>
<tr><td>I</td><td>0.15%</td><td rowspan="5">0.10%</td><td rowspan="5">None</td></tr>
<tr><td>I Plus</td><td>0.10%</td></tr>
<tr><td>S</td><td>0.15%</td><td>0.05%</td></tr>
<tr><td>S Distribution</td><td>0.15%</td><td>0.05%</td></tr>
<tr><td>X</td><td>None</td><td>None</td></tr>
</table>

(1) In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active class, a KID is available on the website www.bnpparibas-am.com

BNP Paribas InstiCash EUR 1D
(to be renamed BNP Paribas InstiCash EUR 1D LVNAV on 01 March 2024)

Additional information

Valuation Day

For each Business Day, there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com

Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (1)
14:30 CET on the NAV Valuation Day 10:30 CET on the NAV Valuation Day(2)	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (one bank business day after the Valuation Day), except for the T2 (two bank business days after the Valuation Day) and except for the T3 (three bank business days after the Valuation Day)

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

(2) Only applicable to the Valuation Day preceding 25 December and 1st January of the corresponding year.

Historical information:

Sub-fund launched on 26 May 2006 with the name "BNP Paribas InstiCash EUR".
Renamed "BNP Paribas InstiCash EUR 1D" on 20 March 2019.

Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

Weekly reporting:

The weekly reporting is made available on the website https://www.bnpparibas-am.lu. After having selected the sub-fund and the share class of their choice, shareholders can access to such weekly reporting on the '*Documents*' section of the website.

BNP Paribas InstiCash EUR 3M

Investment objective

To achieve the best possible return in EUR in line with prevailing money market rates, over a 3-month period while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity and diversification; the 3-month period corresponds to the recommended investment horizon of the sub-fund.

Investment policy

The sub-fund is a standard variable net asset value money market fund as defined by Regulation 2017/1131.

The sub-fund invests within the limits set out in Appendix 1 of Book 1 in a diversified portfolio of EUR denominated money market instruments, deposits with credit institutions, repurchase agreements and reverse repurchase agreements and units or shares of short term MMFs or other Standard MMFs denominated in EUR.

Financial derivative instruments (e.g. IRS) are used only for the purpose of hedging the interest rate of the sub-fund. The impact of these financial derivative instruments will be taken into account for the calculation of the WAM.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 and Book I, Appendix 1 – Diversification Rules, point 11.

These investments must fulfill the Portfolio rules and credit quality assessment as set out in Book 1.

In accordance with Regulation 2017/1131 and Regulation 2015/2365, reverse repurchase agreements will be used on a continuous basis, for liquidity management purpose. As of the date of this Prospectus, these instruments will be used according to the proportions and in the cases described in Book I (Appendix II).

Sustainable Investment policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund.
The sub-fund respects the Minimum Extra-Financial Analysis coverage rate, as set out in Book I.
The average portfolio ESG score of the sub-fund is higher than the one of its investment universe being all the short-term debt and money market issuers.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

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

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

Risk profile

Specific sub-fund risks:

- Counterparty risk
- Derivative risk
- Extra-Financial Criteria Investment Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

Investor type profile

This sub-fund is suitable for investors who:
- Are looking for a very low price volatility and high marketability;
- Prioritise maintenance of the real value of invested capital;
- Want to take minimal market risks

BNP Paribas InstiCash EUR 3M

Accounting currency

EUR

Fees and Costs

Category	Fees payable by the sub-fund			
	Management (maximum)	Performance	Other (maximum)	Taxe d'abonnement (1)
Classic	0.35%	None	0.35%	0.01%
Classic Plus	0.25%		0.10%	
Privilege	0.20%		0.10%	
I	0.15%		0.10%	None
U	0.15%			
I Plus	0.10%			
X	None			

(1) In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active class, a KID is available on the website www.bnpparibas-am.com

Additional information

Valuation Day

For each Business Day, there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com

Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (1)
14:30 CET on the NAV Valuation Day 10:30 CET on the NAV Valuation Day(2)	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (one bank business day after the Valuation Day) and except for the T3 (three bank business days after the Valuation Day)

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

(2) Only applicable to the Valuation Day preceding 25 December and 1st January of the corresponding year.

Historical information:

Sub-fund launched on 12 May 2009 with the name "BNP Paribas InstiCash EUR Government".

Renamed "BNP Paribas InstiCash Money 3M EUR" on 2nd November 2012.

Current name as from 14 January 2019.

Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

Weekly reporting:

The weekly reporting is made available on the website https://www.bnpparibas-am.lu. After having selected the sub-fund and the share class of their choice, shareholders can access to such weekly reporting on the '*Documents*' section of the website.

BNP Paribas InstiCash GBP 1D LVNAV

Investment objective

To achieve the best possible return in GBP in line with prevailing money market rates, over a 1-day period while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity and diversification; the 1-day period corresponds to the recommended investment horizon of the sub-fund.

Investment policy

The sub-fund is a short-term low volatility net asset value money market fund as defined in the Regulation 2017/1131. The sub-fund is rated AAAm by S&P Global Ratings. This rating was solicited and financed by the Management Company. It is subject to a periodic review conducted by Standard & Poor's.

The sub-fund invests within the limits set out in Appendix 1 of Book 1 in a diversified portfolio of GBP denominated money market instruments, deposits with credit institutions, repurchase agreements and reverse repurchase agreements and units or shares of other short term MMFs denominated in GBP.

Financial derivative instruments (e.g. IRS) are used only for the purpose of hedging the interest rate of the sub-fund. The impact of these financial derivative instruments will be taken into account for the calculation of the WAM.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 and Book I, Appendix 1 – Diversification Rules, point 11.

These investments must fulfill the Portfolio rules and credit quality assessment as set out in Book 1.

In accordance with Regulation 2017/1131 and Regulation 2015/2365, reverse repurchase agreements will be used on a continuous basis, for liquidity management purpose. As of the date of this Prospectus, these instruments will be used according to the proportions and in the cases described in Book I (Appendix II).

Sustainable Investment policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund.
The sub-fund respects the Minimum Extra-Financial Analysis coverage rate, as set out in Book I.
The average portfolio ESG score of the sub-fund is higher than the one of its investment universe, being all the short-term debt and money market issuers.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

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

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

Risk profile

Specific sub-fund risks:

- Counterparty risk
- Derivative risk
- Extra-Financial Criteria Investment Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

BNP Paribas InstiCash GBP 1D LVNAV

Investor type profile

This sub-fund is suitable for investors who:

- Are looking for a very low price volatility and high marketability;
- Prioritise maintenance of the real value of invested capital;
- Want to take minimal market risks.

Accounting currency

GBP

Fees and Costs

<table>
<tr><th rowspan="2">Category</th><th colspan="5">Fees payable by the sub-fund</th></tr>
<tr><th>Management (maximum)</th><th>Performance</th><th>Distribution (maximum)</th><th>Other (maximum)</th><th>Taxe d'abonnement (1)</th></tr>
<tr><td>Classic</td><td>0.35%</td><td rowspan="6">None</td><td rowspan="4">None</td><td>0.35%</td><td rowspan="3">0.01%</td></tr>
<tr><td>Classic Plus</td><td>0.25%</td><td>0.10%</td></tr>
<tr><td>Privilege</td><td>0.20%</td><td>0.10%</td></tr>
<tr><td>I</td><td>0.15%</td><td rowspan="4">0.10%</td><td rowspan="4">None</td></tr>
<tr><td>I Plus</td><td>0.10%</td></tr>
<tr><td>S Distribution</td><td>0.15%</td><td>0.05%</td></tr>
<tr><td>X</td><td>None</td><td>None</td></tr>
</table>

(1) *In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active class, a KID is available on the website www.bnpparibas-am.com

Additional information

Valuation Day:

For each Business Day with the exception of bank holidays observed by the UK Government (as published on the UK Government website), there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the website www.bnpparibas-am.com

Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (1)
14:00 CET on the NAV Valuation Day 10:30 CET on the NAV Valuation Day(2)	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (one bank business day after the Valuation Day)

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

(2) Only applicable to the Valuation Day preceding 25 December and 1st January of the corresponding year.

Historical information:

Sub-fund launched on 19 April 2010 with the name "BNP Paribas InstiCash GBP".

Current name as from 14 January 2019.

BNP Paribas InstiCash GBP 1D LVNAV

Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

Weekly reporting:

The weekly reporting is made available on the website https://www.bnpparibas-am.lu. After having selected the sub-fund and the share class of their choice, shareholders can access to such weekly reporting on the '*Documents*' section of the website.

BNP Paribas InstiCash USD 1D LVNAV

Investment objective

To achieve the best possible return in USD in line with prevailing money market rates, over a 1-day period while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity and diversification; the 1-day period corresponds to the recommended investment horizon of the sub-fund.

Investment policy

The sub-fund is a short-term low volatility net asset value money market fund as defined in the Regulation 2017/1131. The sub-fund is rated AAAm by S&P Global Ratings and Fitch. This rating was solicited and financed by the Management Company. It is subject to a periodic review conducted by Standard & Poor's and Fitch.

The sub-fund invests within the limits set out in Appendix 1 of Book 1 in a diversified portfolio of USD denominated money market instruments, deposits with credit institutions, repurchase agreements and reverse repurchase agreements, as defined in this Prospectus and units or shares of other short term MMFs denominated in USD.

Financial derivative instruments (e.g. IRS) are used only for the purpose of hedging the interest rate of the sub-fund. The impact of these financial derivative instruments will be taken into account for the calculation of the weighted average maturity (interest rate risk) of the sub-fund.

The sub-fund may hold ancillary liquid assets within the limits and conditions described in Book I, Appendix 1 – Eligible Assets, point 7 and Book I, Appendix 1 – Diversification Rules, point 11.

These investments must fulfill the Portfolio rules and credit quality assessment as set out in Book 1.

In accordance with Regulation 2017/1131 and Regulation 2015/2365, reverse repurchase agreements will be used on a continuous basis, for liquidity management purpose. As of the date of this Prospectus, these instruments will be used according to the proportions and in the cases described in Book I (Appendix II).

Sustainable Investment policy

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investment process of the sub-fund.
The sub-fund respects the Minimum Extra-Financial Analysis coverage rate, as set out in Book I.
The average portfolio ESG score of the sub-fund is higher than the one of its investment universe, being all the short-term debt and money market issuers.

Information relating to SFDR and Taxonomy Regulation

The sub-fund promotes environmental and / or social characteristics, provided that the companies in which the investments are made follow good governance practices, in accordance with article 8 of SFDR, and it will have a minimum proportion of its assets considered as sustainable investments within the meaning of SFDR.

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

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

Risk profile

Specific sub-fund risks:

- Counterparty risk
- Derivative risk
- Extra-Financial Criteria Investment Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

BNP Paribas InstiCash USD 1D LVNAV

Investor type profile

This sub-fund is suitable for investors who:

- Are looking for a very low price volatility and high marketability;
- Prioritise maintenance of the real value of invested capital;
- Want to take minimal market risks

Accounting currency

USD

Fees and Costs

Category		Fees payable by the sub-fund			
	Management (maximum)	Performance	Distribution (maximum)	Other (maximum)	Taxe d'abonnement (1)
Classic	0.35%	None	None	0.35%	0.01%
Classic Plus	0.25%			0.10%	
Privilege	0.20%			0.10%	
I	0.15%			0.10%	None
I Plus	0.10%				
S Distribution	0.15%		0.05%		
X	None		None		
U	0.35%			0.35%	0.01%

(1) In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

The complete list of shares offered is available on the website www.bnpparibas-am.com.

For each active class, a KID is available on the website www.bnpparibas-am.com

Additional information

Valuation Day

For each Business Day with the exception of bank holidays observed by the Federal Reserve (as published on the Federal Reserve website), there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site www.bnpparibas-am.com.

Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date (1)
16:00 CET on the NAV Valuation Day 10:30 CET on the NAV Valuation Day(2)	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (one bank business day after the Valuation Day)

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

(2) Only applicable to the Valuation Day preceding 25 December and 1st January of the corresponding year.

BNP Paribas InstiCash USD 1D LVNAV

Historical information:

Sub-fund launched on 16 July 2008 with the name “BNP Paribas InstiCash USD”.

Current name as from 14 January 2019.

Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

Weekly reporting:

The weekly reporting is made available on the website https://www.bnpparibas-am.lu. After having selected the sub-fund and the share class of their choice, shareholders can access to such weekly reporting on the ‘*Documents*’ section of the website.

BOOK III

PRE-CONTRACTUAL DISCLOSURES

for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of SFDR and Article 6, first paragraph, of the Taxonomy Regulation.

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

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

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 INSTICASH EUR 1D** **Legal Entity Identifier : 2138001R1QDBM3JGK082**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- [ ] Yes
- [x] No

- [ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: ____%
- [x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are

not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

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

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

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

Sovereign issuers

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

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

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

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

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

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

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

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

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

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

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

  - The percentage of the portfolio compliant with the RBC Policy

  - The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology

  - The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation

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

such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer

and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

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

More information on the internal methodology can be found on the website of the investment manager: https://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?

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

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

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

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

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

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

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

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

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement:
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

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

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?

x Yes

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

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

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

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

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

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

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

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

exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

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

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

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

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

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

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

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

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

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

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

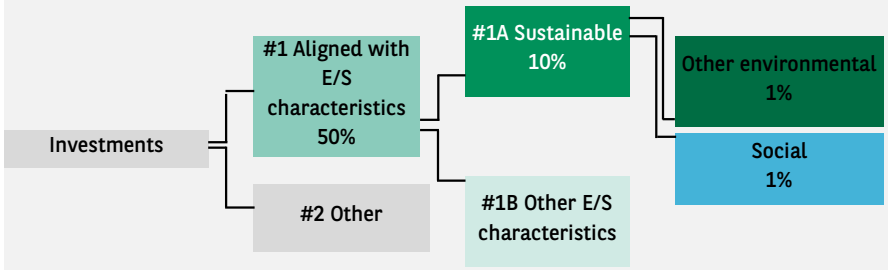
At least 50% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

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

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

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

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



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

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

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

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

  Financial derivatives instruments may be used for hedging of interest rate or exchange rate risks inherent in other investments of the product. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable

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

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

☐ Yes

☐ In fossil gas ☐ In Nuclear Energy

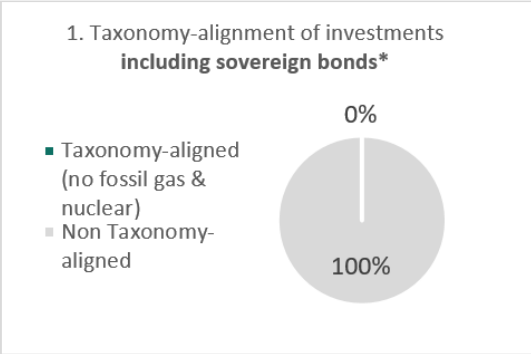
☒ No

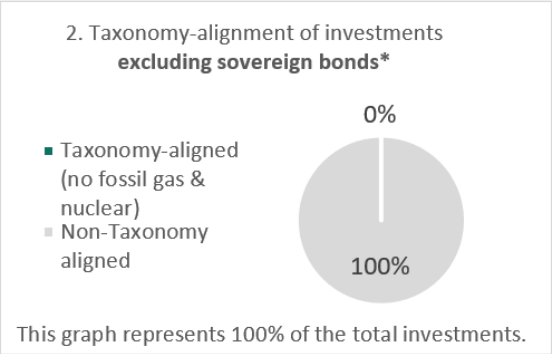
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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?

Not applicable

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

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

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

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

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

What is the minimum share of socially sustainable investments?

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

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

The remaining proportion of the investments may include :

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

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

In any case, the investment manager will ensure that those investments are made while maintaining the

improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

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

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

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

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

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

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

  Not applicable

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

  Not applicable

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

  Not applicable

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

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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 INSTICASH EUR 1D LVNAV** **Legal Entity Identifier : 2138001R1QDBM3JGK082**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- [ ] Yes
- [x] No

- [ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: ____%
- [x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are

not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

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

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

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

Sovereign issuers

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

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

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

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

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

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

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

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

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

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

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

  - The percentage of the portfolio compliant with the RBC Policy

  - The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology

  - The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation

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

such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer

and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

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

More information on the internal methodology can be found on the website of the investment manager: https://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?

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

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

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

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

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

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

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

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

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement:
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

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

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?

x Yes

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
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14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
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Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

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

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

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

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

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

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

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

exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

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

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

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

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

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

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

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

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

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

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

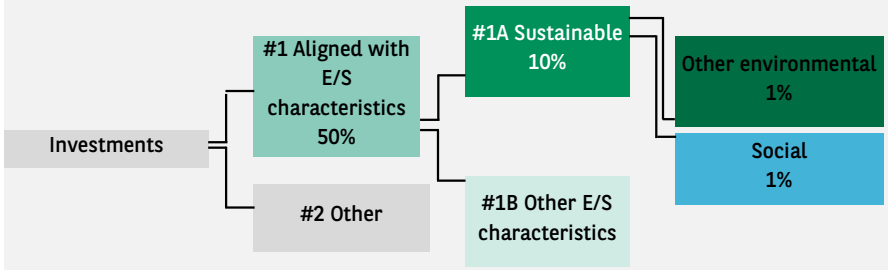
At least 50% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

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

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

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

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



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

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

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

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

  Financial derivatives instruments may be used for hedging of interest rate or exchange rate risks inherent in other investments of the product. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable

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

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

☐ Yes

☐ In fossil gas ☐ In Nuclear Energy

☒ No

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.

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.

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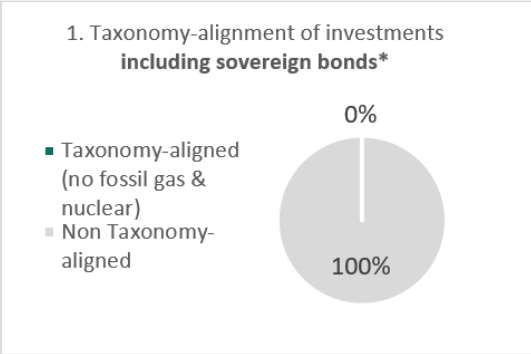

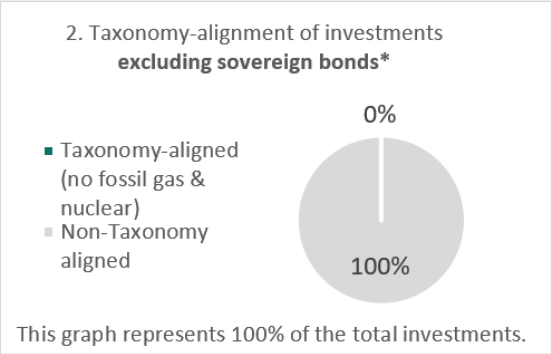

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The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

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What is the minimum share of socially sustainable investments?

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

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

The remaining proportion of the investments may include :

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

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

In any case, the investment manager will ensure that those investments are made while maintaining the

improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

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

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

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

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

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

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

  Not applicable

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

  Not applicable

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

  Not applicable

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

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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 INSTICASH EUR 3M** **Legal Entity Identifier : 213800M1VBLOS4LZDA08**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- [ ] Yes
- [x] No

- [ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: ____%
- [x] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are

not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

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

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

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

Sovereign issuers

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

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

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

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

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

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

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

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

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

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

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

  - The percentage of the portfolio compliant with the RBC Policy

  - The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology

  - The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation

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

such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer

and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

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

More information on the internal methodology can be found on the website of the investment manager: https://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?

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

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

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

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

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

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

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

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

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement:
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

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

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?

x Yes

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

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

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

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

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

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

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

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

exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

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

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

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

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

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

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

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

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

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

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

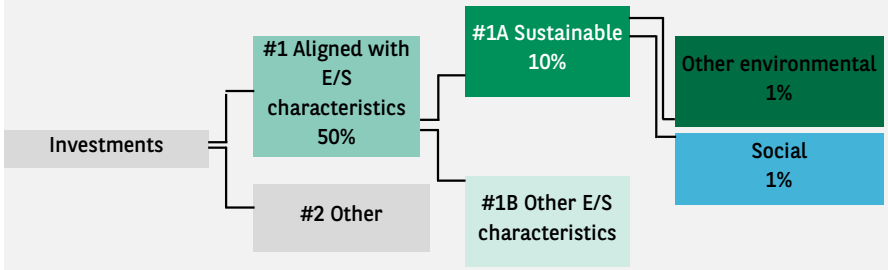
At least 50% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

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

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

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

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



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

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

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

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

  Financial derivatives instruments may be used for hedging of interest rate or exchange rate risks inherent in other investments of the product. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable

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

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

☐ Yes

☐ In fossil gas ☐ In Nuclear Energy

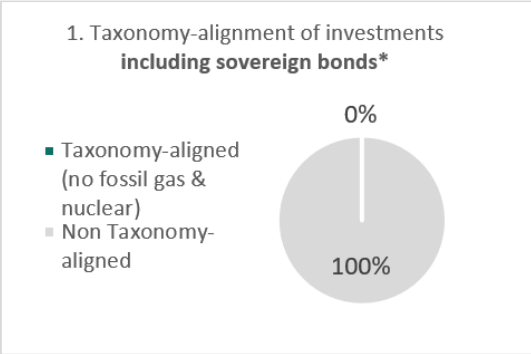
☒ No

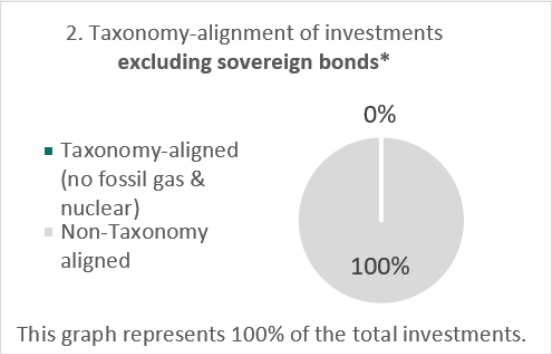
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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?

Not applicable

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

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

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

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

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

What is the minimum share of socially sustainable investments?

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

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

The remaining proportion of the investments may include :

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

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

In any case, the investment manager will ensure that those investments are made while maintaining the

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- 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

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

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- **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

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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 INSTICASH GBP 1D LVNAV** **Legal Entity Identifier : 213800OLGEY58FEVXL03**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- [ ] Yes
- [x] No

- [ ] It will make a minimum of sustainable investments with an environmental objective: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of sustainable investments with a social objective: ____%
- [x] It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but will not make any sustainable investments

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

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

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are

not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

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

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

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

Sovereign issuers

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

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

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

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

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

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

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

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

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

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

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

  - The percentage of the portfolio compliant with the RBC Policy

  - The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology

  - The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation

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

such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer

and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

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

More information on the internal methodology can be found on the website of the investment manager: https://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?

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

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

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

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

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

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

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

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

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement:
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

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

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?

x Yes

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

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

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

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

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

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

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

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

exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

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

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

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

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

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

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

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

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

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

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

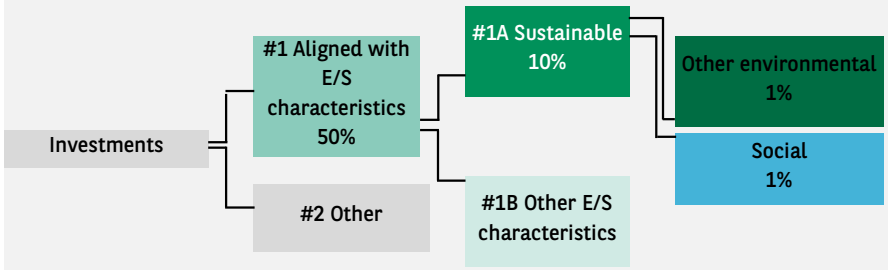
At least 50% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

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

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

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

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



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

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

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

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

  Financial derivatives instruments may be used for hedging of interest rate or exchange rate risks inherent in other investments of the product. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable

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

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

☐ Yes

☐ In fossil gas ☐ In Nuclear Energy

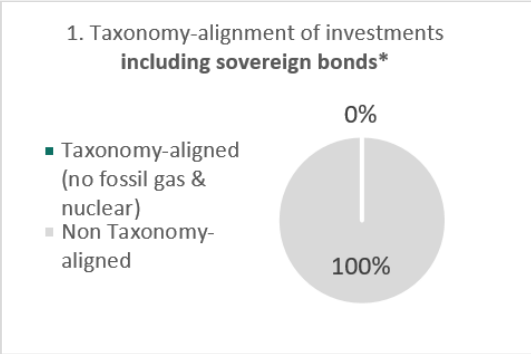
☒ No

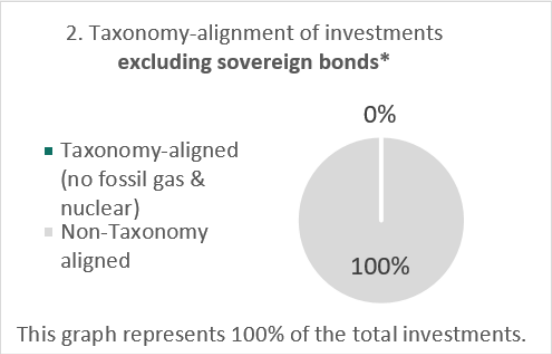
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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?

Not applicable

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

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

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

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

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

What is the minimum share of socially sustainable investments?

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

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

The remaining proportion of the investments may include :

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

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

In any case, the investment manager will ensure that those investments are made while maintaining the

improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

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

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

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

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

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

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

  Not applicable

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

  Not applicable

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

  Not applicable

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

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.

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Product name : **BNP PARIBAS INSTICASH USD 1D LVNAV** **Legal Entity Identifier : 5493004L3MM7ZZNI1H71**

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- [ ] Yes
- [x] No

- [ ] It will make a minimum of **sustainable investments with an environmental objective**: ____%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: ____%
- [x] It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [x] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are

not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

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

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

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

Sovereign issuers

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

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

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

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

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

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

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

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

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

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

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

  - The percentage of the portfolio compliant with the RBC Policy

  - The percentage of the portfolio covered by ESG analysis based on the ESG internal proprietary methodology

  - The weighted average ESG score of the portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus

  - The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation

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

such objectives?

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

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

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

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

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

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

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

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

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer

and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

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

More information on the internal methodology can be found on the website of the investment manager: https://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?

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

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

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

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

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

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

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

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

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement:
https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

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

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?

x Yes

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF
In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No

What investment strategy does this financial product follow?

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

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

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

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

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

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

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

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

exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product shall have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

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

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

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

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

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

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

The ESG scoring framework assesses corporate governance through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

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

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

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

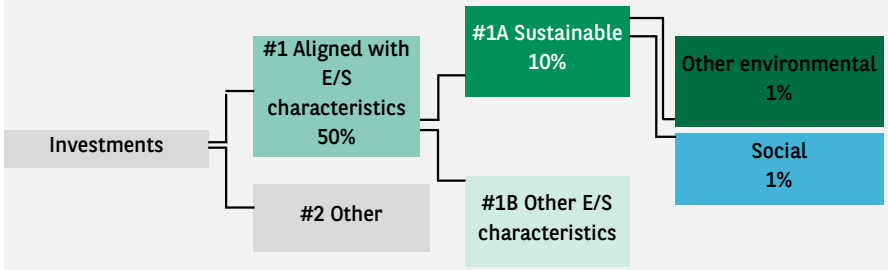
At least 50% of the investments of the financial product will be used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product.

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

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

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

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



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

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

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

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

  Financial derivatives instruments may be used for hedging of interest rate or exchange rate risks inherent in other investments of the product. These instruments are not used to attain the environmental or social characteristics promoted by the product.

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

Not applicable

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

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

☐ Yes

☐ In fossil gas ☐ In Nuclear Energy

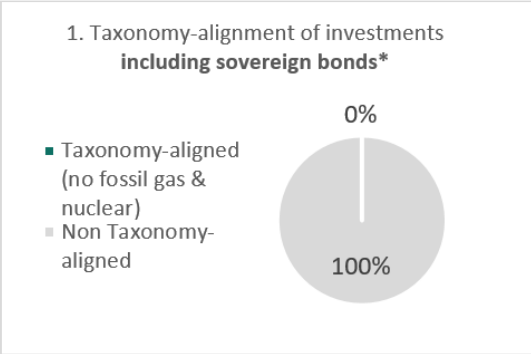
☒ No

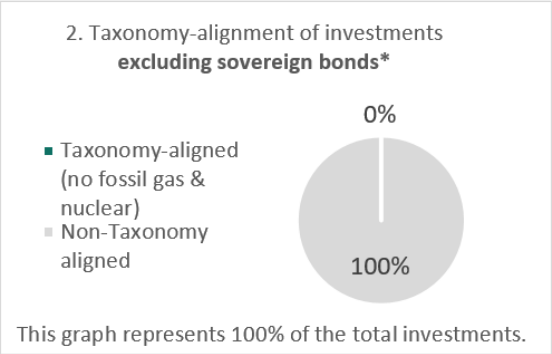
1 - Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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?

Not applicable

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

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

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

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

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

What is the minimum share of socially sustainable investments?

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

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

The remaining proportion of the investments may include :

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

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

In any case, the investment manager will ensure that those investments are made while maintaining the

improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

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

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

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

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

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

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

  Not applicable

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

  Not applicable

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

  Not applicable

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

  Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.bnpparibas-am.com/ after choosing the relevant country and directly in the section 'Sustainability-related disclosures' dedicated to the product.