

# MAKING THE MOST OF OPPORTUNITIES IN SUSTAINABLE FOOD

## The SMaRT FOOD strategy

The strategy respects the sustainable investment policy of BNP Paribas Asset Management, which takes account of environment, social and governance (ESG) criteria in the investment process

### CHALLENGES TO ADDRESS



Climate deregulation  
& pollution



Increasing demand for  
good-quality food



## INVESTMENT UNIVERSE<sup>1</sup> 6 MAIN ENVIRONMENTAL BUSINESS AREAS



Recycling



Improving  
food safety



Reducing  
greenhouse gas  
emissions



Promoting  
organic and  
natural foods



Better use  
of production  
factors



Reducing  
food waste

**1/3**

Of the food produced for  
human consumption is wasted  
or lost every year

**USD 1 000 BILLION<sup>2</sup>**

## WHY INVEST?

Growth  
potential

A responsible  
savings approach

Innovative  
equities strategy

1. These business areas are likely to change  
2. source : FAO, 2014

There is no guarantee in terms of achieving the performance objective



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### LIST OF THE RISKS:

**Risk of capital loss:** The value of investments and the income they generate may rise as well as fall, and investors may not fully recover their investments. Past performance and returns are no indicator of current or future performance.

**Risks related to equity markets:** the risks associated with investments in equities (and similar instruments) include significant fluctuations in prices, negative information relative to the issuer and the market and the subordinated character of equities related to bonds issued by the same company. The value of investments and revenue that they generate may also rise and fall and investors may not fully recover their investments. The sub-funds investing in growth stocks may be more volatile than the market as a whole and may react differently to economic, political, market and issuer-specific events.

**Liquidity risk:** this risk stems from the difficulty in selling an asset at a fair market price and at the desired moment due to a lack of buyers.

**Counterparty risk:** this risk is associated with the ability of a counterparty in a financial transaction to honour their commitments such as payment, settlement and redemption.

**Operating risk related to asset safe-keeping:** some markets are less regulated than the majority of international markets. Consequently, services related to safekeeping and the liquidation of the sub-fund on these markets could be riskier.

**Risk related to derivatives instruments:** by investing in listed or over-the-counter derivatives instruments, the fund aims to hedge and/or provide leverage to the return on its position. Investors are reminded that the leverage effect increases the sub-fund's volatility.

**Risk related to Stock Connect in Shanghai - Hong Kong:** this risk concerns the trading and settlement of securities via Stock Connect. Stock Connect is subject to a quota limit that could reduce the fund's ability to invest in Chinese A shares in good time. In addition, since Stock Connect is relatively new, the regulations pertaining to it have not been tested yet, and there is no certainty as to their application, which may affect the fund's ability to impose its rights and interests relative to Chinese A shares.

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