Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

Environmental Absolute Return Thematic Equity (EARTH), a subfund of the SICAV BNP Paribas Funds, short named as BNP Paribas

Class "Privilege Capitalisation" - ISIN code LU2066067898
This Fund is managed by BNP PARIBAS ASSET MANAGEMENT Luxembourg, part of the BNP Paribas Group.

Objectives and investment policy

The Fund is actively managed without reference to an index.
The Fund is an absolute return fund that aims at generating absolute, positive returns through cycle.
The Fund seeks to increase the value of its assets by going long environmental solutions companies whilst simultaneously using shorts for the purposes of hedging as well as shorting companies with stranded assets, transition risk assets and/or inferior technologies in addressing climate change, with volatility and style exposure tied to the environmental theme.
The investment strategy includes a range of directional positions (long and short) from a global sector universe across a range of developed and emerging markets for equities and equity linked securities, equity indices and financial derivative instruments combining fundamental investing with quantitative processes and tactical trading opportunities.
Following a Thematic approach, the Fund invests in, but not limited to, socially responsible companies that through their products, services or processes provide solutions to aquatic, terrestrial, and urban ecosystems, as well as renewable energy production, energy efficiency, energy infrastructure and transportation.
-The Aquatic Ecosystem covers ocean and water systems including, but not limited to, water pollution control, water treatment and infrastructure, aquaculture, hydropower, ocean & tidal power and biodegradable packaging.
-The Terrestrial Ecosystem covers land, food and forestry including, but not limited to, agricultural technology, sustainable farming, sustainable forestry and plantations as well as alternative meat and dairy products.
-The Urban Ecosystem covers our sustainable cities & buildings including, but not limited to, environmental services, green buildings, green building equipment and materials, recycling, waste management and alternative transportation.
-The Renewable Energy Production refers to decarbonizing the energy system through production of renewable and transitional energy.
-The Energy Efficiency, Technology & Materials refers to digitalizing the energy system through electrification, efficiency and technology.
-The Energy Infrastructure & Transportation refers to decentralizing the energy system through new infrastructure, distributed energy and battery storage.
The Fund aims to have a strong, positive environmental impact aiming to capture 'through cycle returns'by investing through three complementary portfolio sleeves: (i) Thematic: capturing the thematic exposure of environmental companies whilst using optimised market and factor short hedges; (ii) Relative Value: capturing dispersion within the environmental theme by going long environmental companies and short a peer or related companies; (iii) Catalyst: capturing specific industry, regulatory, policy and/or corporate events related to the environmental theme.
The Investment Manager will adapt the long and short exposure to reflect his degree of confidence about market trends but will stay within a maximum net exposure of +/- 20%.
The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria such as but not limited to reduction of emissions of greenhouse gas, respect of human rights, respect of minority shareholders rights, at each step of the investment process.
An extra-financial strategy may comprise methodological limitations such as the ESG Investments risk as defined by the Investment Manager.
Incomes are systematically reinvested.
Investors are able to redeem on a daily basis (on Luxembourg bank business days) as described in the prospectus.

Risk and reward profile

Lower risk — Higher risk

Potentially lower rewards — Potentially higher rewards

1	2	3	4	**5**	6	7

- Historical data may not be reliable indication for the future.
- The risk category of a Fund is an indicator but not a target or a guarantee and may shift over time.
- The lowest category does not mean a risk-free investment.
- Why is the Fund in this specific category?
  The risk category is justified by the investment in an equity neutral strategy in order to reduce the risk induced by equities and maintain the volatility below a maximum target.
- The higher the risk, the longer the recommended investment horizon.

Other risks materially relevant to the Fund which are not adequately captured by the indicator are described below:

- Counterparty Risk: This risk is associated with the ability of a counterparty in an Over The Counter financial transaction to fulfil its commitments like payment, delivery and reimbursement.
- Operational and Custody Risk: Some markets are less regulated than most of the international markets; hence, the services related to custody and liquidation for the subfund on such markets could be more risky.
- Derivatives Risk: When investing in over the counter or listed derivatives, the Fund aims to hedge and/or to leverage the yield of its position. The attention of the investor is drawn to the fact that leverage increases the volatility of the subfund.
- Risk related to investments in Mainland China: such investments are subject to additional risks that may be the result of political, economic, social, tax, market and operational factors specific to the Chinese Market.

For more information on risks, please see the risks section of the Fund's prospectus, which is available at http://www.bnpparibas-am.com.

Charges

The charges you pay are used to pay the Fund's running costs, including the costs of marketing and distribution. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	3.00%
Exit charges	None
This is the maximum that might be taken out of your money (before the proceeds of your investment are paid out).	
Charges taken from the Fund over each year	
Ongoing charges	1.03% (*)
Charges taken from the fund under specific conditions	
Performance fee	20% a year of positive achieved returns.

The **entry charges** shown are maximum figures. In some cases you might pay less. You can find this out from your financial adviser.

(*) The **ongoing charges** figure is based on past expenses determined as of 31 October 2021.

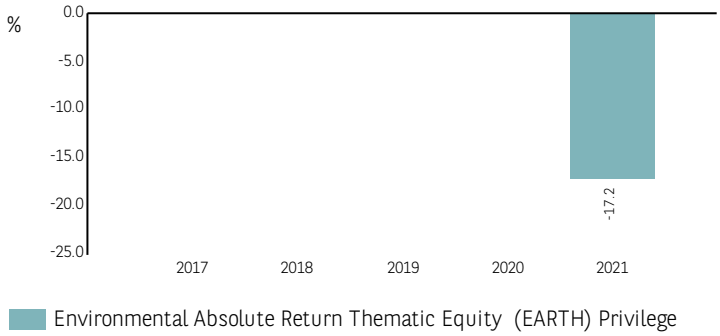
This figure may vary from year to year. It excludes:

- Performance fees.
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

Conversions not allowed with other funds. In case of conversion within the Fund, the investors may be charged a maximum fee of 1.5%.

For more information about charges, please see the "Fees and Costs" section of the Fund's prospectus, which is available at http://www.bnpparibas-am.com.

Past performance



- Performance figures are shown for shares classes, for which NAV was continuously calculated during the period from 1st January to 31st December.
- Past performance is not an indicator of future results.
- The ongoing charges of the Fund are included in the calculation of past performance. The entry/exit and conversion fees are excluded from the calculation of the past performance.
- The share class came into existence in 2020.
- Past performance has been calculated in USD.
- Performance returns are based on the net asset value with distribuable income reinvested.

Practical information

- Custodian: BNP PARIBAS SECURITIES SERVICES-LUXEMBOURG BRANCH.
- Further information about the Fund including the latest Prospectus, latest published prices of share(s), annual report and half yearly report may be obtained free of charge, in English, from BNP PARIBAS ASSET MANAGEMENT Luxembourg or online at http://www.bnpparibas-am.com.
- Luxembourg tax legislation may have an impact on the personal tax position of the investor.
- Details of the updated remuneration policy (including a description of how the remuneration and benefits are calculated), the identity of the people responsible for granting the remuneration and benefits and the composition of the remuneration committee are available on the website https://www.bnpparibas-am.com/en/footer/remuneration-policy/. A hard copy of the remuneration policy will be available upon request.
- BNP PARIBAS ASSET MANAGEMENT Luxembourg may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.
- Investors may switch between Funds of BNP Paribas Funds. Please see the prospectus or contact your financial adviser for details.

This Fund is authorised in Grand Duchy of Luxembourg and regulated by the "Commission de Surveillance du Secteur Financier".
This key investor information is accurate as at 25 March 2022.