

THEAM QUANT EUROPE CLIMATE
CARBON OFFSET PLANtheam QUANT
FUNDS

SRI

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | MARCH 2024

OBJECTIVE

The Fund aims to provide capital growth over the medium term and to offset its carbon footprint (Scope 1 and 2)¹. The FCP is exposed to the performance of listed European equities with high Environmental, Social and Governance (ESG) standards and a positive financial outlook, selected on the basis of their carbon footprint and energy transition strategy. In order to achieve its objective, the Fund implements a quantitative investment strategy through the BNP Paribas Equity Europe Climate Care NTR Index, with an expected tracking error of 5% with the STOXX Europe 600 NTR index.

The carbon footprint of the portfolio is offset¹ every quarter through the purchase of verified emission reduction certificates (VERs) from the Kasigau Corridor REDD+ project in Kenya, chosen by BNP Paribas for its environmental and social impact.

LIQUID INVESTMENT STRATEGY WITH HIGH ESG STANDARDS

ESG FILTERS

The FCP provides exposure to listed European companies with high ESG standards:

- excluding the ones with significant involvement in controversial activities such as nuclear, alcohol, tobacco, gambling, coal, weapons, unconventional oil & gas or in UN Global compact violations (human rights, labour, environment and anti-corruption), critical controversies concerning the environment, International Labour Organisation (ILO) conventions and the International Bill of Human Rights;
- excluding the ones with a BNP Paribas Asset Management ESG score of 9 or 10 (10 being the worst score);
- selecting the ones with a Moody's ESG Solutions ESG score among the top 75% in their sector or at or above 30/100.

CARBON FOOTPRINT REDUCTION

Energy transition strategy filter

Companies are also screened based on their **carbon emissions and energy transition strategy**, following a scoring method provided by Moody's ESG Solutions:

- Among the intense carbon emitters², those with the best energy transition strategy in their sector are selected;
- Overall portfolio carbon footprint reduction of at least 50% compared to the benchmark portfolio, while maximising the portfolio energy transition score.

PORTFOLIO CONSTRAINTS

The selection of companies is made to ensure a positive financial outlook, liquidity and risk reduction:

- Selection of the top 67% companies based on profitability, prospects and valuation criteria (return on equity, earnings, free cash flow, etc.)
- Liquidity: 10M EUR average daily volume (over 1 and 6 months)
- Risk reduction through diversification:
 - Portfolio comprised of around 100 stocks, each with a max weight of the max between 1% and the market cap weight of the company
 - Both geographical zone and sector weighting: <30% difference vs weight in the Benchmark.

Carbon offsetting

The residual carbon footprint of the index is then offset every quarter:

- The management company will assess the carbon footprint of the portfolio and determine the amount of VERs necessary for offsetting;
- VERs from the **Kasigau Corridor REDD+ project** will be purchased and immediately cancelled so as to materialise the offsetting and be properly recognised.

SOCIAL AND ENVIRONMENTAL IMPACT: THE KASIGAU CORRIDOR REDD + PROJECT

The project became the first REDD+ project in the world to issue REDD+ carbon credits under the Verified Carbon Standard (VCS) and the Climate Community and Biodiversity Standard (CCB). The benefits of the project are:

- Protection of more than 500,000 acres of forest
- Contribution to the reduction of more than 1 million tonnes of CO2 per year (project lifespan of 30 years);
- Creation of more than 300 jobs (30% of the workforce being female);
- Development of eco-tourism, agroforestry and jobs linked to parkland conservation;
- 1/3 Income paid back to 4,500 landowners involved in the project. After project expenditures and salaries for local employees the remaining is split between Wildlife Works and local community projects, such as education scholarships and access to water initiatives.

FOCUS ON



Founded in 1997, Wildlife Works is the world's first REDD+ program development and management company, using market-based solutions to promote biodiversity conservation objectives.

The first project set up in 1998 was Rukinga, protecting wildlife in southern Kenya. It was extended in 2010 to protect 500,000 acres of the Kasigau corridor.

In 2008, in response to the evolution of the United Nations' REDD+ initiative, Wildlife Works created Wildlife Works Carbon (WWC) in order to be able to sell REDD+ carbon credits and thus support the swift expansion of the conservation model of Wildlife Works.

The Kasigau corridor REDD + project contributes to 15 out of the 17



Focus on VCS

The world's first and most widely used voluntary greenhouse gas (GHG) emissions program, which has certified more than 1500 projects, accounting for a reduction of over 200 million of CO2 emissions from the atmosphere.

Focus on CCB standard

Intended to verify the quality of GHG reduction projects with an additional aspects: social benefits.

¹Social Responsible Investing.¹Scope 1 concerns the direct emissions of companies (such as fuel consumption for example). Scope 2 concerns indirect emissions due to the business's activity (for example the electricity supplier's fuel consumption). Scope 3 concerns indirect emissions due to the use of products sold (such as, for example, fuel consumption by the client's electricity supplier due to use of the product). With the current status of available data, the CO2 emissions relating to Scope 3 are difficult to access and incomplete, and can only be estimated. Scope 3 will therefore not be taken into account in the context of offsetting the group's carbon footprint. ²Thomson Reuters Business Classification. ³Companies are graded into four categories in line with their carbon level (Scope 1 + Scope 2). "Intense" emitters are those whose emissions are greater than 10MtCO₂ equivalent.

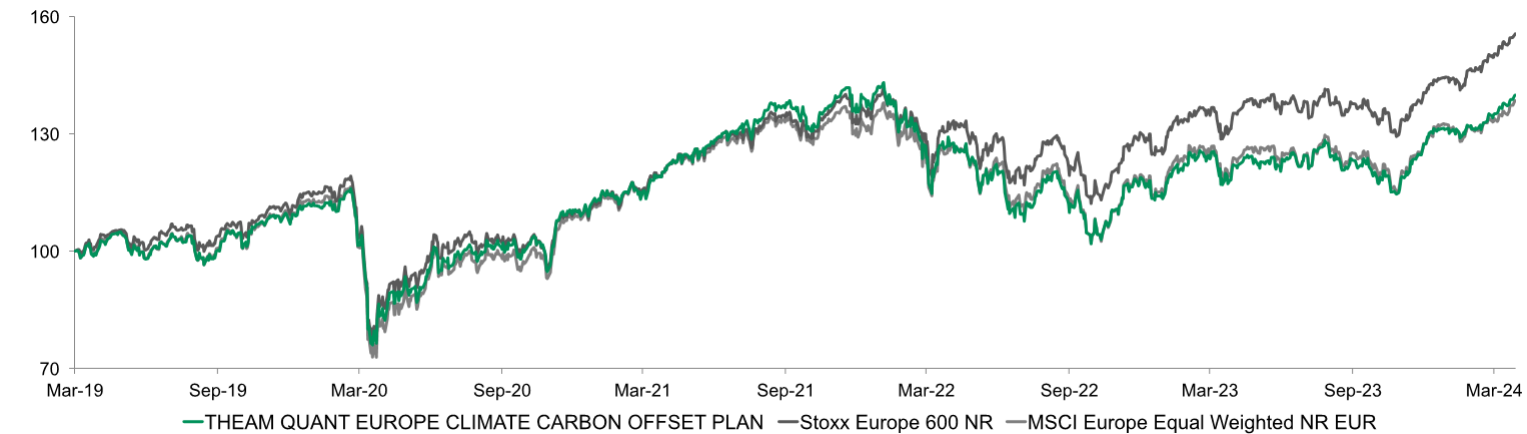
THEAM Quant Europe Climate Carbon Offset Plan

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PERFORMANCE ANALYSIS

As of March 28th, 2024

Historical Performance (net of fees, Share I - EUR)



Performance and Risk Statistics (net of fees, Share I - EUR)

THEAM QUANT EUROPE CLIMATE CARBON OFFSET PLAN			Return						Risk		Volatility p. a.		Max. Drawdown	
			1M	3M	1Y	3Y p.a.	5Y p.a.	Global p.a.			17.77%	17.61%	18.72%	-34.49%
SXXR Index			4.04%	7.65%	15.01%	8.76%	8.88%	9.09%			17.61%	17.61%	18.72%	-35.36%
M7EUEWE Index			4.00%	4.55%	11.76%	4.69%	6.73%	6.62%			18.72%	17.61%	18.72%	-37.44%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
		2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
2024	Fund	0.72%	2.04%	3.79%										6.68%
	SXXR	1.46%	1.98%	4.04%										7.65%
	M7EUEWE	-0.38%	0.91%	4.00%										4.55%
2023	Fund	7.52%	2.01%	-1.83%	1.18%	-2.53%	3.44%	2.43%	-3.33%	-2.53%	-3.72%	9.06%	3.91%	15.67%
	SXXR	6.74%	1.88%	-0.32%	2.45%	-2.52%	2.41%	2.14%	-2.54%	-1.66%	-3.62%	6.62%	3.83%	15.80%
	M7EUEWE	7.79%	2.04%	-1.69%	2.21%	-3.61%	2.06%	3.68%	-3.10%	-2.28%	-4.49%	8.10%	4.90%	15.60%
2022	Fund	-5.42%	-5.34%	-0.04%	-2.24%	-2.54%	-9.46%	8.11%	-5.26%	-7.38%	6.63%	5.74%	-3.15%	-20.03%
	SXXR	-3.83%	-3.25%	1.00%	-0.72%	-0.92%	-8.02%	7.74%	-5.05%	-6.47%	6.35%	6.89%	-3.38%	-10.64%
	M7EUEWE	-4.04%	-3.54%	-0.03%	-1.57%	-0.86%	-9.27%	8.28%	-6.03%	-8.34%	6.39%	6.89%	-2.95%	-15.68%
2021	Fund	-0.59%	1.11%	6.63%	2.52%	3.00%	1.95%	2.59%	2.45%	-3.48%	3.92%	-1.15%	4.70%	25.88%
	SXXR	-0.75%	2.44%	6.42%	2.21%	2.59%	1.50%	2.06%	2.18%	-3.29%	4.67%	-2.53%	5.42%	24.91%
	M7EUEWE	-0.67%	2.84%	6.25%	2.04%	2.45%	1.10%	2.46%	1.74%	-3.22%	3.55%	-2.76%	4.86%	22.19%
2020	Fund	-1.26%	-7.87%	-15.86%	7.85%	2.57%	2.55%	0.53%	3.65%	-0.83%	-5.31%	15.52%	2.91%	1.00%
	SXXR	-1.18%	-8.34%	-14.51%	6.50%	3.40%	3.06%	-0.95%	3.05%	-1.41%	-5.27%	14.04%	2.58%	-1.99%
	M7EUEWE	-1.40%	-8.55%	-18.22%	7.79%	4.17%	2.48%	-0.70%	4.36%	-1.72%	-4.11%	16.33%	2.85%	-0.84%
2019	Fund			-0.35%	4.84%	-6.23%	4.18%	-0.10%	-1.88%	4.74%	1.79%	2.22%	2.28%	11.51%
	SXXR			55.57%	3.76%	-4.94%	4.47%	0.31%	-1.35%	3.70%	1.04%	2.83%	2.13%	14.08%
	M7EUEWE			38.46%	4.65%	-6.14%	4.29%	-0.14%	-1.57%	4.04%	1.68%	2.95%	2.28%	12.13%

*Social Responsible Investing. Source: Bloomberg, BNP Paribas. Fund performance of the Share I (EUR) Acc since 1 March 2019. Fund's performance is expressed net of management fees and in EUR. Past and present performance is not a reliable indicator of future results. For more details please refer to the prospectus. Comparative index: STOXX Europe 600 NTR Index, Bloomberg code: <SXXR Index>. Comparative index for illustrative purposes only. This index does not represent an official benchmark of the fund.

FUND CHARACTERISTICS

Fund	THEAM QUANT EUROPE CLIMATE CARBON OFFSET PLAN				Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT Europe				Minimum Investment horizon	5
Comparative Index	STOXX Europe 600 (EUR) NR				Legal form	Mutual Fund
Assets under Management	EUR 175.43 million as of 28 March 2024				SRI Ranking (scale from 1 to 7)*	4
SFDR article	This products promotes environmental or social characteristics pursuant to article 8 of the EU regulation 2019/2088.					
Share	I ACC EUR	C ACC EUR	J ACC EUR	S ACC EUR	Privilege ACC EUR	
Launch date	01 March 2019	01 March 2019	01 March 2019	01 March 2019	28 June 2019	
ISIN code	FR0013397734	FR0013397726	FR0013397742	FR0013403409	FR0013425931	
Bloomberg code	TQECCCI FP	TQECCCC FP	TQECCCI FP	TQECCCS FP	TQECCPV FP	
Ongoing charges	0.82%	1.72%	0.60%	0.41%	0.97%	
Subscription / Exit fees	None / None	3.00% / None	None / None	3.00% / None	3.00% / None	
Minimum subscription	100 K€	No minimum	10M €	10 M €	1,000,000.00	
Passporting	Austria, Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg, Sweden	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg, Sweden	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg, Sweden	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg, Sweden	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg, Sweden	

The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the fund described being in risk of capital loss. Following the new Sustainable Finance Disclosure Regulation (SFDR) that came into force on the 10th of March 2021, financial entities such as BNP Paribas Asset Management who sell products into the EU are required to classify the products they manufacture or advise into three categories: products with sustainable investment objective (Article 9); products promoting environmental or social characteristics (Article 8); products neither Article 8 or Article 9 (Article 6). *The summary risk indicator is determined on a scale from 1 to 7 (7 being the highest risk level). It is subject to a periodical computation and can consequently change over time. We invite you to consult regularly the KID.

Funds' main common risks

- The following list of risk factors associated with the funds is not exhaustive. The risk factors that should be considered in connection with any investment include (but are not limited to) the following:
- An investment in the funds may involve a significant degree of risk. Investment in the funds is only suitable for those persons who are able to bear the economic risk of the investment, understand the degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have specific needs for liquidity of investment. There can be no assurance that the funds' objectives will be achieved or that there will be any return of capital.

Economic conditions

- The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the equity markets. Unexpected volatility or illiquidity in the markets in which the funds hold positions could impair the funds' ability to carry out their business or cause them to incur losses. None of these conditions is within the control of the funds or its management company and/or investment manager and no assurances can be given that the funds or its management company and/or investment manager will anticipate these developments.

The funds will possess inherent risks

- These include, among other things, credit, liquidity, volatility, currency and interest rate risk, the financial condition of the underlying obligors, general economic conditions, market price volatility, the condition of certain financial markets, political events and developments or trends in any particular industry.

Currency exchange risk

- The value of an investment may be affected by fluctuations in the currency of the country in which the investment was made, or exchange control regulations.

Interest rate risk

- The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

Derivatives risk

- The use of derivatives by the funds includes various risks. Those risks are (without limitation), the lack of secondary market liquidity under circumstances, valuations risks, the lack of standardization and regulation, the risk of leverage, the risk of counterparty.

Liquidity risk

- There is a risk that investments made in funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), or if their "rating" declines or their economic situation deteriorates.

Credit risk

- This is the risk that may derive from the rating downgrade of a bond issuer to which the funds are exposed, which may therefore cause the value of the investments to go down. Funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

Risk linked to equity markets

- The risks associated with investments in equities (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's equities to its bonds. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay.

Counterparty risk

- This risk relates to the quality of the counterparty with whom the funds do business or enter into various transactions. This risk reflects the counterparty's ability to honor its commitments (payment, delivery, repayment, etc.)

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay. Investors are warned that the capital invested may not be fully recovered, mutual funds described in this document being in risk of capital loss and risk of counterparty. Past performance is not indicative of future performance.

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