



THEAM QUANT DYNAMIC VOLATILITY CARRY



LIQUID ALTERNATIVES

MARKETING COMMUNICATION | FOR PROFESSIONAL INVESTORS ONLY | MAY 2026

OBJECTIVE

THEAM Quant Dynamic Volatility Carry seeks to provide the benefits of long volatility exposure during pronounced market stress scenarios, while exhibiting positive carry on average. The two pillars of the dynamic systematic strategy are:

- Synthetic optimised long volatility exposure through dynamic allocation to short-term VIX Index futures (Long Volatility leg);
Synthetic short exposure to short-term maturity out of the money put options on the S&P 500 Index (Income leg).

NB! The fund may not offer a defensive profile in all types of bear markets and may not offer a positive carry at all times either. For the list of the risk associated with the fund, please, refer to the prospectus.

WHAT MAKES THE DIFFERENCE? ...Sophisticated solution in a liquid UCITS-format

VIX reflects the market's expectations of the U.S. equity volatility. It tends to increase as equity markets fall. Hence, a long volatility exposure via derivatives may offer a reactive and convex implicit protection, once market downturn aggravates. However, this protection, like an insurance premium, entails costs.



High convexity + Positive carry

- Implicit protection in market turmoil
Offsets cost + adds Income in quiet markets



Know-how on execution

- Several intraday fixing for VIX Leg
Daily execution and shorter maturities



Methodology credentials

- Strategies for the Long Volatility and Income legs live since 2018 and 2016 respectively\*

FUND MECHANISM - EXAMPLE OF DYNAMIC DELTA EXPOSURE - DEFENSIVE PROFILE

1 VIX LEG: long calls on VIX

Delta-replication of long calls on 1-month constant maturity VIX futures, using customised parameters:

- Optimised dynamic long exposure to VIX
Lower carry costs vs. other volatility-based hedging solutions
Responsive to market movements (option underlying 1-month VIX rolling future index)

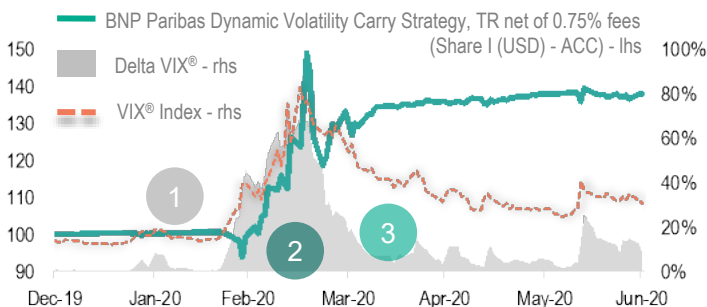
2 INCOME LEG: short puts on S&P 500

Daily sale of 1-month 95% put option on the S&P 500 for 200% of notional:

- Offsetting carry costs and generating income over time
Mitigating the negative impact of a quick/sharp mean-reversion of the market (and of the VIX)

STABILISATION: Fixed notional on both legs => Stabilise reactivity and carry costs

DYNAMIC DELTA EXPOSURE TO VIX FUTURES: H1 2020 simulated performance



- 1 Under normal market conditions, when VIX is low, the strategy keeps a low exposure to VIX Futures (Delta VIX) and maintains a low cost of carry.
2 At the very beginning the strategy incurs losses because of put exercises. However, as VIX spikes, the exposure to VIX quickly increases, and the strategy offers high reactivity.
3 As the market normalises, the strategy progressively locks-in the gains as the VIX futures exposure reduces.

Table with 7 columns: Period, Start, End, BNP Paribas Dynamic Volatility Carry Strategy, TR net of 0.76% fees, U.S. Equities, VIX Index (Start level, Max level). Rows include Financial Crisis, US Debt Downgrade, Eurozone Crisis, Q4 2018 crisis, Coronavirus Crisis, and Quiet Market - carry costs (return p.a.).

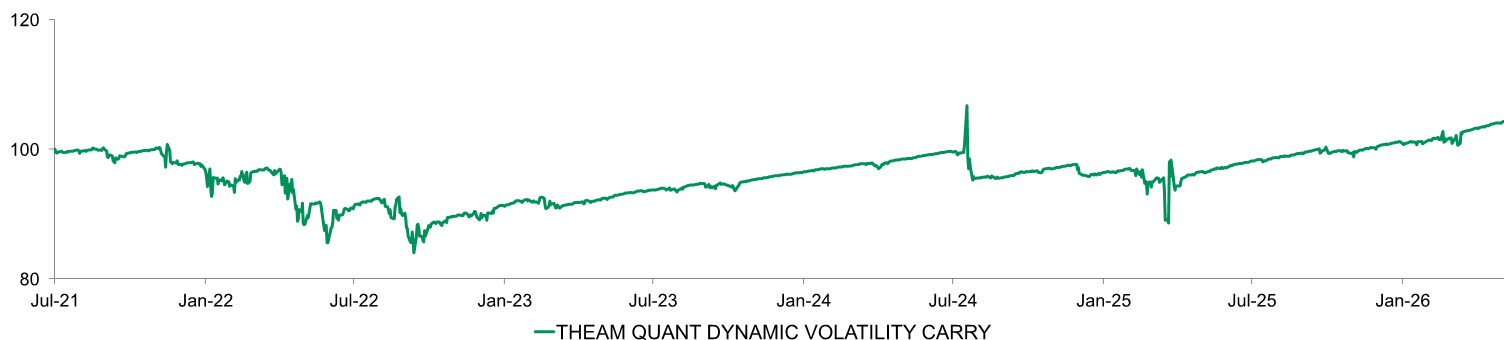
Source: Bloomberg, BNP Paribas, as of 31 August 2021. Past or simulated performance is not indicative of future results. For illustrative purpose only. Simulated performance for BNP Paribas Dynamic Volatility Carry Strategy, TR net of 0.75% fees in reference to THEAM Quant Dynamic Volatility Carry Share I (USD) - ACC, launch date 19 July 2021. Please read the Disclaimer carefully. U.S. Equities are represented by S&P 500 NTR Index, Bloomberg code: < SPTR500N Index >, Cboe Volatility Index (VIX Index), Bloomberg code: < VIX Index >. Comparative indices for illustrative purpose only. These indices do not represent the official benchmarks of the fund. Please read the Disclaimer carefully. \*Developed by BNP Paribas QIS Option Team (Quantitative Investment Strategies). rhs - right hand side; lhs - right hand side.

# THEAM Quant Dynamic Volatility Carry

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As of May 29<sup>th</sup>, 2026

## HISTORICAL PERFORMANCE (NET OF FEES, SHARE I ACC USD)



	1M	3M	1Y	3Y p.a.	5Y p.a.	Global p.a.	Volatility p. a.	Max. Drawdown
<b>THEAM QUANT DYNAMIC VOLATILITY CARRY</b>	0.90%	2.84%	8.00%	4.11%	-	0.91%	10.94%	-16.99%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2026</b>	0.37%	0.53%	0.90%	1.02%	0.90%								3.77%
<b>2025</b>	0.75%	0.49%	-1.67%	0.58%	0.93%	0.95%	0.69%	0.57%	0.84%	-0.01%	0.14%	0.83%	5.17%
<b>2024</b>	0.52%	0.59%	0.57%	-0.01%	0.97%	0.61%	0.19%	-3.66%	0.15%	0.45%	0.95%	-1.61%	-0.38%
<b>2023</b>	1.84%	-0.10%	-0.49%	0.90%	0.55%	1.00%	0.46%	0.46%	-0.40%	0.30%	1.29%	0.63%	6.61%
<b>2022</b>	-2.42%	-0.24%	1.57%	-4.63%	-0.82%	-2.73%	3.13%	-1.95%	-6.72%	5.68%	1.49%	0.09%	-7.89%
<b>2021</b>							-0.54%	0.39%	-1.98%	1.78%	-0.68%	-1.07%	-2.13%

Source: Bloomberg, BNP Paribas. Past or simulated performance is not indicative of future results. For illustrative purpose only. Simulated performance for BNP Paribas Dynamic Volatility Carry Strategy, TR net of 0.75% fees in reference to THEAM Quant Dynamic Volatility Carry Share I (USD) – ACC, launch date 19 July 2021. Please read the Disclaimer carefully. This is for general information only and should not be used as a basis for making any specific investment, business or commercial decisions. Any economic and market trend, prediction, projection or forecast is not necessarily indicative of the future or likely performance of the funds. This is a simulation of past performance, past performance or achievement is not indicative of current or future performance. There is no guarantee that the performance objective will be achieved. For further information, and in particular the risks of the product, please refer to the Prospectus and KIDs of the fund.

## BEFORE CONSIDERING ANY INVESTMENT IN THE STRATEGY INVESTORS SHOULD:

- Be familiar with VIX and VIX futures
- Be aware that the correlation between VIX® and S&P 500® Index is not -100%
- Be qualified to assess the issues related to the movements of the VIX, its forward prices and the correlation between VIX® forward prices and S&P 500® index movements, and accept the losses or the lack of gains due to them
- Have a good knowledge of options
- Be aware and feel qualified to understand the risk listed on the right

## KEY RISKS

- Investment in the Dynamic Volatility Carry are exposed to partial or total capital loss. Its success depends on multiple factors.
- In case of a very quick shock, volatility can be bought at very high levels and sold very low the day after.
- The strategy is prone to show negative returns during the first days of crisis.
- VIX might not react as expected when S&P 500® Index goes down. It may not provide the hedging benefits expected.

## FUND CHARACTERISTICS

Fund	<b>THEAM QUANT DYNAMIC VOLATILITY CARRY</b>			Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT Europe			Minimum Investment horizon	5
Comparative Index	No Benchmark			Legal form	Mutual Fund
Assets under Management	USD 112.47 million as of 29 May 2026			SRI Ranking (scale from 1 to 7)*	3
SFDR article	6 – Sustainability Risks : This products integrates the analysis of sustainability risks in its investment process pursuant to article 6 of the EU regulation 2019/2088.				
Share	I ACC	I EUR H ACC	M ACC	M - EUR H ACC	
Launch date	19 July 2021	24 September 2021	19 July 2021	24 September 2021	
ISIN code	FR0014003S23	FR0014005CJ0	FR0014003RZ9	FR0014005CH4	
Bloomberg code	DYVOCAI FP	THDVCIH FP	DYVOCAM FP	THDVCMH FP	
Ongoing charges	0.75%	0.75%	0.25%	0.25%	
Subscription / Exit fees	None / None	None / None	None / None	None / None	
Minimum subscription	100K\$	100K \$ equiv	50 M\$	50 M\$ equiv	
Passporting	Luxembourg, Germany, United Kingdom, France		Austria, France	Germany, France France, Germany	

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. \*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. The higher the risk, the longer the recommended investment horizon.

# Funds' main common risks

- The following list of risk factors associated with the funds is not exhaustive, please refer to the prospectus for a full list of the risks associated with THEAM Quant - Dynamic Volatility Carry. 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 or 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.

## Risk of capital loss:

- The attention of potential unitholders and investors is drawn to the fact that the Fund may not perform in line with its objectives and that the capital invested, after subscription fees have been deducted, may not be recovered in full.

## Volatility risk

- The Fund is exposed to equity volatility and may therefore be subject to upward or downward movements of its net asset value. Net asset value could be reduced due to the costs inherent in the nature of financial products dealt with.

## Equity risk

- The fundamental risk associated with an equity portfolio arises from the fact that fluctuations in the equity markets may lead to significant fluctuations in the Fund's net assets, and have a negative impact on the development of its net asset value. The value of shares may also fluctuate in response to the overall development of a business sector. Furthermore, the Fund's performance depends on the companies selected by the manager, and thus there is a risk that the manager may not select the best-performing companies. This equity risk also relates to investment in small or mid cap companies. On small- and mid-cap markets, the volume of securities listed is relatively low. In the event of liquidity problems, these markets may experience greater, more significant and more rapid downward trends compared to large-cap markets. If these markets suffer a downturn, the Fund's net asset value may fall faster or more significantly.

## Model risk

- The objective of the Strategy is to have a positive exposure to volatility combined with a strategy of seeking returns through short-term options positions. Under certain market conditions, there is a risk that the performance of the Strategy may not be directly correlated with the change in volatility of the relevant markets. In particular, the VIX may respond unexpectedly to the rise when the S&P 500 index falls and may not provide the expected hedging or performance benefits.

## Counterparty risk

- Counterparty risk refers to losses incurred by the Fund as a result of over-the-counter transactions concluded with a counterparty if that counterparty defaults. This risk exists primarily for futures contracts (including total return swaps), repurchase agreements etc. that the Fund may enter into with BNP Paribas or any other counterparty. However, counterparty risk is limited by the implementation of a guarantee granted to the Fund in accordance with the regulations in force.

## Risk of conflicts of interest

- The Fund is exposed to a conflict of interest risk, in particular in the conclusion of temporary purchases and sales of securities or financial contracts with counterparties affiliated to the group to which the Management Company belongs, as well as in the event that the Management Company is exposed, via forward financial instruments, to an index that is calculated, published and disseminated by an entity belonging to the same group as the Management Company. In this case, there is a potential conflict of interests between the interests of the clients and the interests of the group to which the Management Company belongs. The Management Company's use of an effective conflict-of-interest management policy ensures that its clients' interests remain paramount.

## Risks associated with collateral management

- Management of collateral received in connection with securities-financing transactions and over-the-counter forward financial instruments (including total return swaps) may involve certain specific risks such as operational risks or custody risk. As such, these transactions may have a negative effect on the Fund's net asset value.

## Legal risk

- The use of temporary purchases and sales of securities and/or forward financial instruments (including total return swaps [TRS]) may result in a legal risk related to the execution of contracts.

## Sustainability risk:

- Unmanaged or unmitigated sustainability risks can impact returns on financial products. For example, if an environmental, social or governance event or situation were to occur, it could have an actual or potential negative impact on the value of an investment. The occurrence of such an event or situation can also lead to a change in the Fund's investment strategy, which can involve the exclusion of securities of certain issuers. More specifically, the negative effects of sustainability risks can affect issuers by means of a series of mechanisms, including: 1) a decrease in revenues; 2) higher costs; 3) damages or depreciation of asset value; 4) higher cost of capital; and 5) regulatory fines or risks. Owing to the nature of sustainability risks and specific issues such as climate change, the likelihood that sustainability risks will have an impact on returns on financial products is likely to increase in the longer term.

*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.*

# Disclaimer

THEAM Quant™ is the generic name given to a broad range of systematic strategies designed by BNP Paribas Global Markets and mostly implemented in Funds managed by BNP Paribas Asset Management

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