



EUROPE TARGET PREMIUM

MAY 2026 NEWSLETTER



MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY

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INVESTMENT OBJECTIVE

The objective of the THEAM Quant Europe Target Premium is to provide income and capital growth by implementing a dynamic systematic option strategy on EURO STOXX 50 ESG Index (Bloomberg Code: SX5EESG Index) which aims at generating income in bullish and moderately bearish markets while limiting the fund's potential drawdowns.

STRATEGY

The Fund seeks to provide income and capital growth by implementing a dynamic option strategy on EURO STOXX 50 ESG Index which aims at generating income in bullish and moderately bearish markets.

- Potential income of 7% per year*: Recurrent leveraged Income in bullish, moderately bearish and volatile markets
- Systematic Put-Write in UCITS wrapper: Daily sale of fixed strike and short maturities options
- Popular strategy that answers multiple client needs: Alternative to Income like products, Yield diversification, Equity-replacement
- Partial delta hedging was introduced to the strategy on 30/09/2022
- It is used to reduce directional exposure when risk of option exercising is high
- Options begin to be partially hedged when its delta decreases below 60%

These internal guidelines are for indicative purposes only; Prospectus and KID are prevailing.

*There is no guarantee that the performance objective will be achieved.

PERFORMANCE

| As of 29/05/2026 | THEAM Quant – Europe Target Premium ¹ | EURO STOXX 50 ESG Index ² |
|--|--|--------------------------------------|
| 1 month performance | 2.09% | 4.04% |
| YTD performance | 3.96% | 7.27% |
| Overall annualised return ³ | 0.04 | 13% |

¹ - Refers to LU2051090053, THEAM Quant – Equity Europe Target Premium – Share I EUR ACC <TQETIEA LX Equity>.

² - Refers to the SX5TESG Index, which is for comparative purposes only and does not represent any official benchmark for the Fund.

³ - Overall performance since launch: 05/11/2019.

Source: Bloomberg. Past performance is not an indicator of future performance.

Follow the icon to go to the fund page on the THEAM Quant website

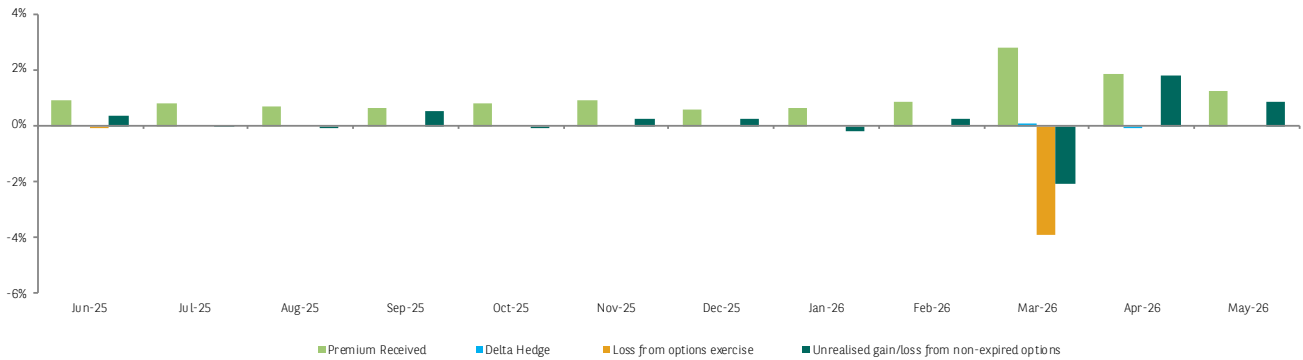


MONTHLY COMMENTARY

The fund posted a positive performance in May as it went up by +2.09%, while the EURO STOXX 50 gained +4.04%.

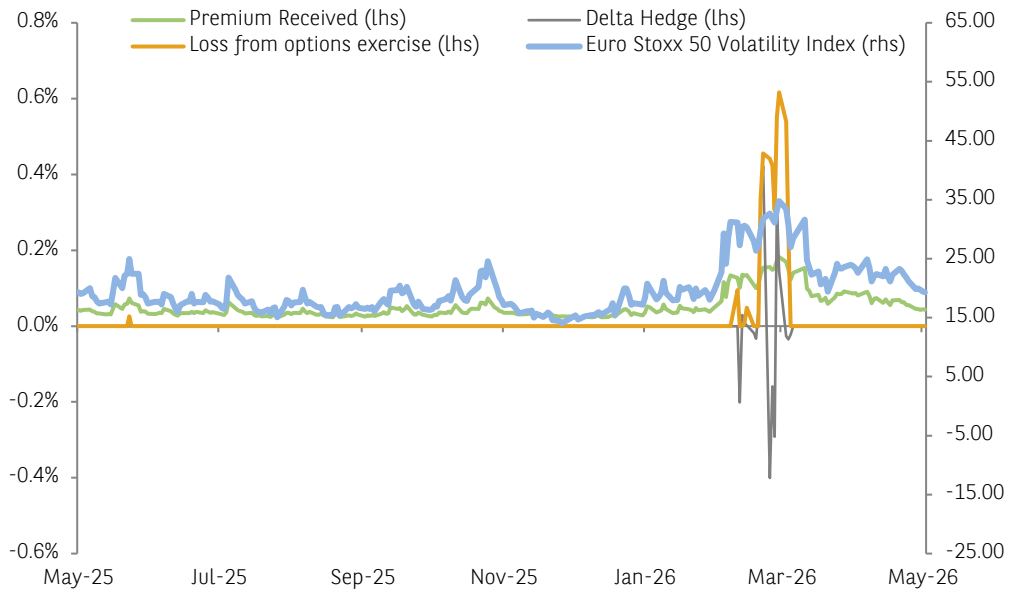
The income generated (+1.23%) and the mark-to-market contribution (+0.89%) were positive.

PERFORMANCE BREAKDOWN




Source: BNP Paribas, As of 29/05/2026. Past performance is not an indicator of future performance

PREMIUM AND EXERCISE EVOLUTION



Source: Bloomberg, BNP Paribas as of 29/05/2026. Past performance is not an indicator of future performance.

EUROPE TARGET PREMIUM STRATEGY: ENHANCED PUT-WRITING




Streamlined Put Option Parameters
Sell a 1-month | 5% Out Of The Money | 200% Leveraged Put on EURO STOXX 50® ESG

Short Maturity
▶ Collect a higher premium on an annual basis

Out-of-the-money (OTM) Strike
▶ Balance premium received and risk taken

200% Leverage
▶ Capture 2 times more income in bullish markets



Risk Reduction Approach²
Systematic approach to reduce human, timing and market risks

Systematic Daily Execution
▶ Avoid discretionary decisions, smooth entry and exit points

Risk Reduction Mechanism - Partial Delta Hedge (PDH)
▶ Reduce partially the directional exposure to the market when the risk of option exercise is high
▶ Mitigate the losses in gap market scenarios but keep the overall income-like profile



WHAT IS PARTIAL DELTA HEDGE?

The option starts to be partially hedged when its delta decreases below – 60%. The notional hedged is linearly increased from 0% up to 75% with the decrease of the delta.

These internal guidelines are mentioned for your information only and are subject to change. Prospectus guidelines and the KID are leading.

CONTACTS

OPTION-BASED STRATEGIES, GLOBAL MARKETS | Alexandre Alekhine | alexandre.alekhine@bnpparibas.com
BNP PARIBAS ASSET MANAGEMENT | CIB Strategies Sales Support | LIST.AMGPECIBSALESSUPPORT@bnpparibas.com
dl.theam_gm_coordination@uk.bnpparibas.com

FUND CHARACTERISTICS AND RISKS

| | THEAM Quant – Europe Target Premium | |
|---|--|---|
| Management company | BNP Paribas Asset Management Europe | |
| Type of fund | Sub-fund of the SICAV THEAM QUANT, UCITS Compliant | |
| Recommended investment horizon | 3 years | |
| Capital protected | No | |
| SFDR Article | 8 | |
| SRI Risk Classification (scale of 1-7) ⁴ | 4 | 4 |
| Share | Share I (EUR) ACC | Share C (EUR) ACC |
| Launch date | 5 May 2019 | 5 May 2019 |
| Bloomberg Code | TQETIEA LX Equity | TQETCEA LX Equity |
| ISIN Code | LU2051090053 | LU2051089121 |
| Subscription/ Exit fees | 0.00% max / 0.00% max | 3.00% max / 0.00% max |
| On-going charges | 0.76% | 1.55% |
| International registration | Austria, Ireland, UK, France, Germany, Italy, Switzerland, Spain | Belgium, UK, France, Germany, Italy, Switzerland, Spain |

⁴ - The Summary Risk Indicator is determined on a scale from 1 to 7 (7 being the highest risk level), the higher the risk, the longer the recommended investment horizon.

WHAT ARE THE RISKS?

The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

Liquidity Risk: This risk arises from the difficulty of selling an asset at a fair market price and at a desired time due to lack of buyers.

Counterparty Risk: linked to the default of a counterparty on over-the-counter markets.

Risk related to the use of forward financial instruments: In order to achieve its investment objective, the UCITS makes use of forward financial instruments traded over-the-counter that allow it to replicate the performance of the strategy. These instruments may involve a series of risks that could lead to adjustments or even the early termination of the instrument, which may affect the net asset value of the UCITS.

For the full list of risks, please refer to the prospectus.

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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