

THEAM QUANT – EUROPE
TARGET PREMIUMtheam QUANT
FUNDS

INCOME SOLUTIONS

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | MARCH 2024

OBJECTIVE

THEAM Quant – Europe Target Premium 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 with a risk reduction approach.

WHY THIS FUND?

REGULAR INCOME GENERATION
COMPATIBLE WITH ESG PRINCIPLES

Option-driven leveraged income linked to ESG-screened version of Europe's flagship benchmark

A put-writing strategy is prone to incur significant losses in gap markets, particularly in stressed environments.

ENHANCED RISK/RETURN
PROFILE

- Streamlined option parameters aimed for a more stable income generation
- Risk reduction mechanism designed to efficiently mitigate losses³

UCITS WRAPPER
SFDR ARTICLE 8¹

Simple methodology that answers multiple client needs in a liquid format:

- Alternative to income-like products, yield diversification, equity replacement

¹ 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).

HOW DOES IT WORK?



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)

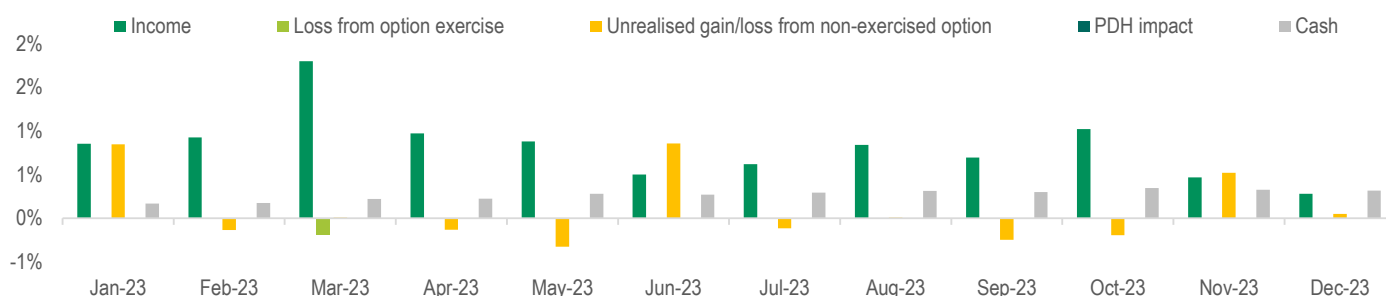
- Reduce partially the directional exposure to the market when the risk of option exercise is high
- Mitigate the losses in gap market scenarios but keep the overall income-like profile

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.

Put-writing contribution to the performance – trailing 12 months



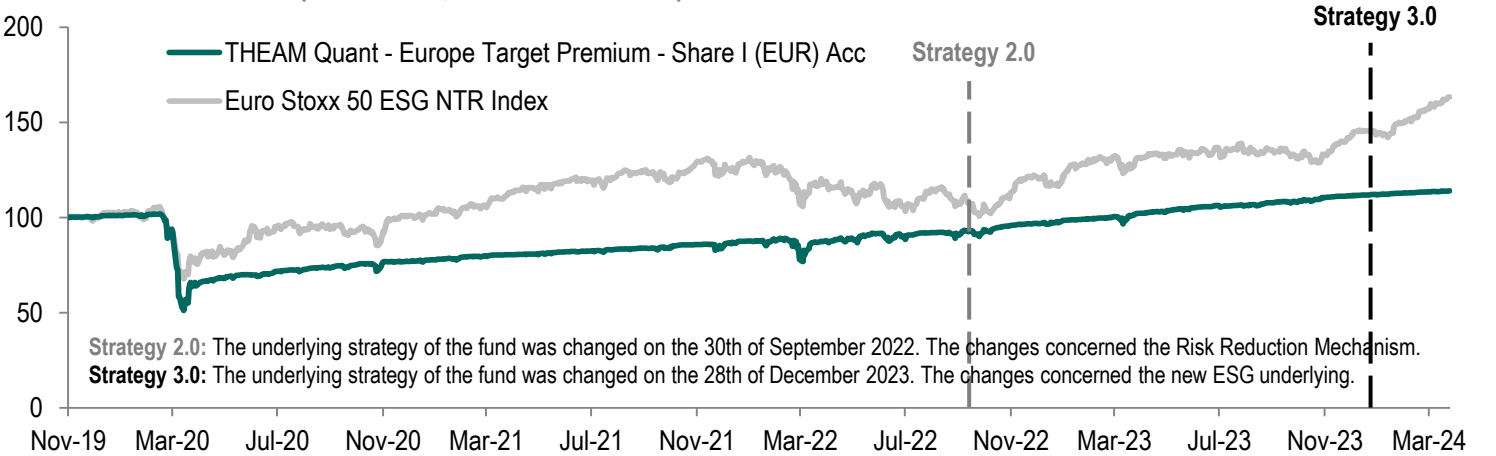
Source: Bloomberg, BNP Paribas as of 29 December 2023. Simulated performance for the underlying strategy of THEAM Quant – Europe Target Premium, gross of management fees. The underlying strategy of the fund was changed from the BNP Paribas Target Premium Europe Strategy to the BNP Paribas TIER PDH EU x2 Strategy on the 30th of September 2022 and, on the 28th December 2023, the underlying strategy of the fund was changed to the BNP Paribas TIER PDH EU ESG Strategy. BNP Paribas Asset Management doesn't provide any formal capital guarantee of the fund. No information given or any term used herein shall be interpreted to provide such a guarantee. 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. Simulated, past and present performance is not a reliable indicator of future results. For further information, and in particular the risks of the product, please refer to the Prospectus and KIDs of the fund.

THEAM Quant – Europe Target Premium

PERFORMANCE ANALYSIS

As of March 28th, 2024

Historical Performance (Net of fees, Share I-ACC EUR)



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

					1M	3M	1Y	3Y p.a.	5Y p.a.	Global p.a.	Volatility p. a.		Max. Drawdown				
THEAM QUANT- EUROPE TARGET PREMIUM					Return	0.63%	1.88%	13.35%	12.71%	-	2.97%	Risk	20.07%	-49.74%			
EURO STOXX 50® ESG						4.67%	12.31%	24.29%	13.22%	-	11.81%		20.99%	-35.84%			
					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	Fund	0.53%	0.63%	0.58%													1.76%
	SX5TESG	2.93%	4.25%	4.67%													12.31%
2023	Fund	1.87%	0.97%	2.07%	1.11%	0.80%	2.09%	0.28%	1.14%	0.72%	1.36%	1.16%	0.70%	15.24%			
	SX5T	9.88%	1.90%	1.95%	1.64%	-2.21%	4.34%	1.74%	-3.84%	-2.79%	-2.65%	8.04%	3.21%	22.23%			
2022	Fund	0.27%	-0.44%	-0.11%	2.06%	2.62%	-1.70%	2.30%	-1.28%	0.61%	4.52%	1.36%	0.53%	11.08%			
	SX5T	-2.78%	-5.92%	-0.46%	-2.08%	0.87%	-8.76%	7.44%	-5.10%	-5.57%	9.09%	9.70%	-4.27%	-9.49%			
2021	Fund	-0.15%	1.89%	1.64%	0.39%	1.31%	0.50%	1.07%	0.82%	0.48%	1.79%	-2.62%	4.96%	12.58%			
	SX5T	-1.88%	4.54%	7.88%	1.82%	2.30%	0.68%	0.72%	2.63%	-3.41%	5.15%	-4.33%	5.81%	23.34%			
2020	Fund	-0.42%	-11.42%	-26.10%	3.76%	2.30%	1.73%	0.80%	2.71%	1.71%	-3.34%	6.15%	1.28%	-22.97%			
	SX5T	-2.66%	-8.46%	-16.21%	5.32%	4.74%	6.40%	-1.61%	3.18%	-2.33%	-7.31%	18.09%	1.77%	-3.21%			
2019	Fund											0.35%	0.69%	1.04%			
	SX5T											34.67%	1.20%	1.96%			

Source: Bloomberg, BNP Paribas. Historical performance of the Share I (EUR) Acc since 05 November 2019. Fund's performance is expressed net of management fees and in EUR. Comparative index until December 2023: Euro Stoxx 50 Total Return Index, Bloomberg code: < SX5T Index >; Comparative Index from January 2024 onwards: Euro Stoxx 50 ESG Net Return Index < SX5TESG Index >. Comparative index for illustrative purposes only. This index does not represent an official benchmark of the fund. 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. Past and present performance is not a reliable indicator of future results. For further information, and in particular the risks of the product, please refer to the Prospectus and KIDs of the fund.

On the 30th of September 2022 the underlying strategy of the fund was changed from the BNP Paribas Target Premium Europe Strategy to the BNP Paribas TIER PDH EU x2 Strategy. The changes concerned the Risk Reduction Mechanism. The new strategy implements the Partial Delta Hedge.

On the 28th December 2023, the underlying strategy of the fund was changed to the BNP Paribas TIER PDH EU ESG Strategy and the Comparative Index was changed to Euro Stoxx 50 ESG Net Return Index < SX5TESG Index >

FUND CHARACTERISTICS

Fund	THEAM QUANT- EUROPE TARGET PREMIUM				Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT Europe				Minimum Investment horizon	6
Comparative Index	Eurostoxx 50 ESG TR				Legal form	SICAV
Assets under Management	EUR 230.69 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	I ACC USD H	I ACC CHF H	C DIS EUR	I DIS EUR
Launch date	05 November 2019	05 November 2019	10 February 2020	10 February 2020	20 March 2020	20 March 2020
ISIN code	LU2051090053	LU2051089121	LU2051090483	LU2051090640	LU2051089394	LU2051090137
Bloomberg code	TQETIEA LX	TQETCEA LX	THETIUH LX	THETICH LX	THETPCD LX	THETPID LX
Ongoing charges	0.80%	1.55%	0.80%	0.80%	1.55%	0.80%
Subscription / Exit fees	None / None	3.00% / None	None / None	None / None	3.00% / None	None / None
Minimum subscription	100K € equiv	No minimum	100k € equiv	100K € equiv	No minimum	100K € equiv
Passporting	Austria, Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Italy, Luxembourg	Switzerland, France, Luxembourg	Switzerland, Luxembourg	Belgium, Switzerland, Germany, Spain, France, United Kingdom, Italy, Luxembourg	Switzerland, Germany, Spain, France, United Kingdom, Ireland rep., Italy, Luxembourg

SPECIFIC RISKS FACTORS

The following list of risk factors associated with the funds is not exhaustive, please also see the common risk factors.

- Market volatility risk. Market volatility reflects the degree of instability and expected instability of the securities or other eligible assets in which a Sub-fund invests, the performance of the Shares, or the techniques used to link the net proceeds of any issue of Shares to OTC Derivatives underlying asset(s), where applicable.
- Model risk. The underlying strategies incorporated in the SICAV strategy rely on systematic and quantitative mechanisms. Therefore, there is a risk that the models are not efficient and lead to a decrease in the SICAV net asset value. These models do not constitute a guarantee of future results.
- Conflicts of interests. Investors should note that connected parties of the BNP Paribas group of companies (the BNP Paribas Group) may act, inter alia and not excluding, as Management Company, counterparty of the OTC Derivative, and Depositary. As a result not only will investors be exposed to the credit risk of the BNP Paribas Group but also operational risks arising from any potential lack of independence of the Management Company.

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.)

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