



EQUITY EUROPE CLIMATE CARE PROTECTION 90% MONTHLY NEWSLETTER



MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY

THIS DOCUMENT HAS BEEN PREPARED FOR DISCUSSION PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER OR A SOLICITATION TO ENGAGE IN ANY TRADING STRATEGY OR THE PURCHASE OR SALES OF ANY FINANCIAL INSTRUMENT.

INVESTMENT OBJECTIVE

The THEAM Quant – Equity Europe Climate Care Protection 90% fund seeks to provide capital growth over the medium term, linked to the performance of European equities with strong Environmental, Social and Governance (ESG) standards, which are selected on the basis of their carbon footprint and energy transition strategy.

It implements a quantitative investment strategy via partial and variable exposure to the BNP Paribas Equity Europe Climate Care Paris-Aligned NTR Index, while securing, during a given calendar year, 90% of the highest NAV reached since the last business day of the previous year. The Fund also intends to distribute an annual coupon of 1% of the NAV recorded on the second-last business day of said year.

STRATEGY

A low-enough carbon footprint alone is not enough to combat climate change over the long term; we don't select companies solely on the basis of their current carbon emissions but also on the robustness of their Energy transition strategy. Our allocation algorithm rebalances the portfolio quarterly by assigning optimal weights to each share from a universe of European Equities.

The final selection aims to:

- Reduce its carbon intensity (normalised by EVIC) by at least 50% compared to the Reference Portfolio\*;
Maximise the aggregate MSCI Low Carbon Transition Score;
Control risk versus the STOXX Europe 600 with a maximum tracking error of 5%.

The strategy evolved in December 2021, to now follow the Paris-aligned benchmark (PAB) objectives. In line with the Paris-agreement, PAB is the most ambitious of the climate benchmarks proposed by the European Commission – adhering to these standards implies a more selective portfolio, hereby preventing "greenwashing" whilst aiding investors in their pursuit to mitigate climate risk.

\*Market cap weighted investment universe.

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

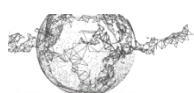
PERFORMANCE

As of May 29th, 2026

Table with 3 columns: Jul 21 - May 26, THEAM Quant – Equity Europe Climate Care Protection 90%, and STOXX Europe 600 NR. Rows include Performance 1 month, Performance Year To Date, Annualised Performance Since Start Date, Annualised Volatility Since Start Date, and Max Drawdown Since Start Date.

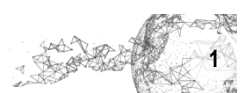
Source: Bloomberg. Past performance is not an indicator of future performance.

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



Learn more ABOUT GLOBAL MARKETS

https://aboutglobalmarkets.bnpparibas.com/



MONTHLY COMMENTARY

MACRO BACKGROUND

Our fund posted a positive return in May: 1.75%.

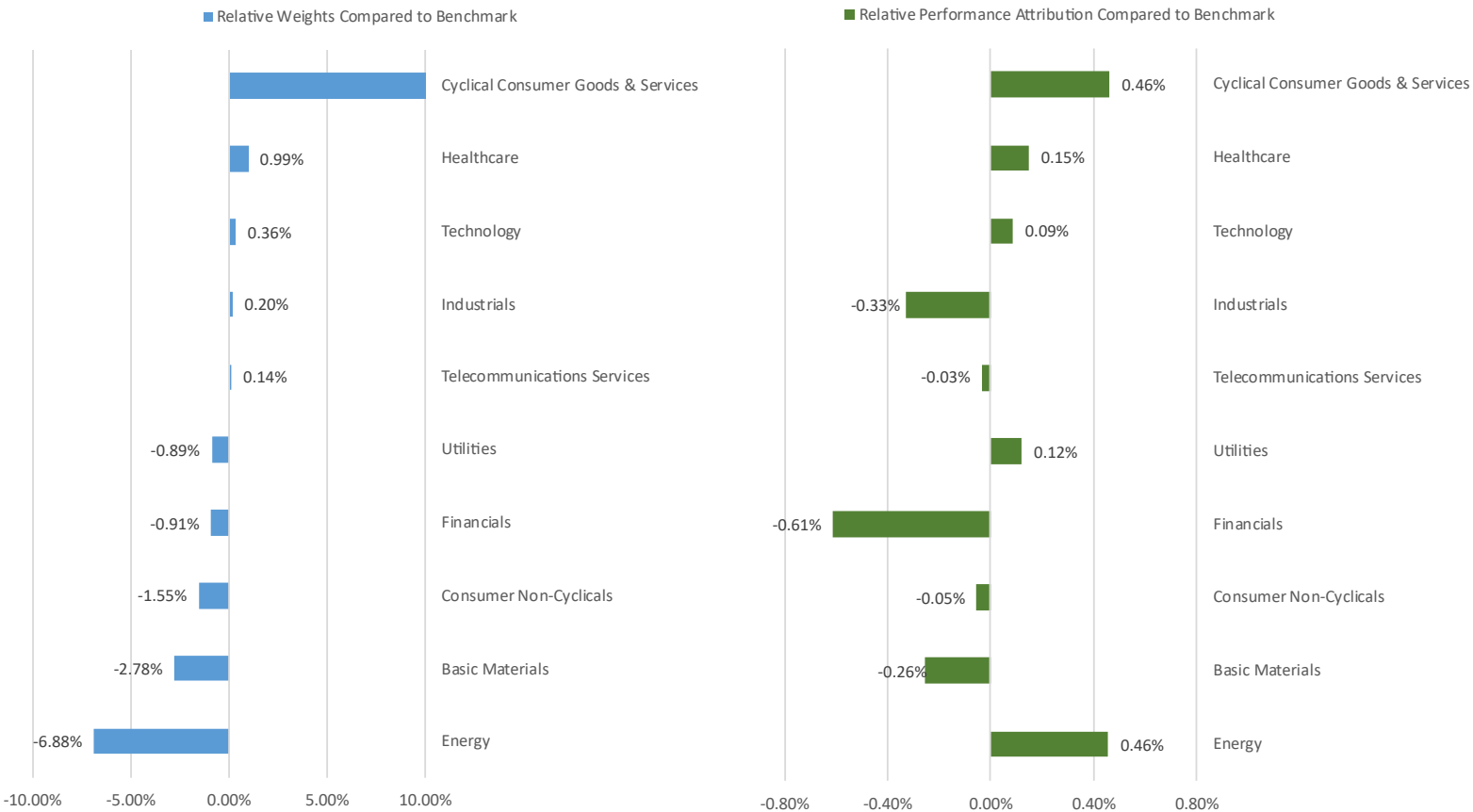
PERFORMANCE BREAKDOWN

The performance of the fund’s underlying equity strategy can be explained as follows:

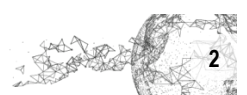
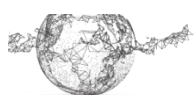
*Note: The fund’s exposure to the Equity Europe Climate Care PAB Strategy is variable and keeps changing periodically.*

- Within the **Financials**, the **Industrials** and the **Basic Materials** sectors, stock picking underperformed those of the Stoxx Europe 600 NR (+0.8 % versus +3.2 %, +1.8 % versus +3.8 % and +1.1 % versus +4.8 % respectively).
- Within the **Netherlands**, our choice underperformed by -6.7 %.
- Our strategy was not exposed to the **Energy** sector (versus 6.9 %), which underperformed than the Stoxx Europe 600 NR (by -9.7 %).
- Our strategy over weighted the **Cyclical Consumer Goods & Services** sector (18.8 % versus 7.4 %) which was up with respect to the benchmark (by +2.8 %).
- A sector analysis shows a rise of 0.9 % and 0.3 % for the **Technology** and the **Cyclical Consumer Goods & Services** sectors (weighted at 10.8 % and 19.1 % respectively). On the contrary, **Financials** and **Utilities** fell by 0.5 % and 0.2 % (weighted at 24.0 % and 3.7 % respectively).

SECTOR RELATIVE WEIGHTS AND PERFORMANCE ATTRIBUTION



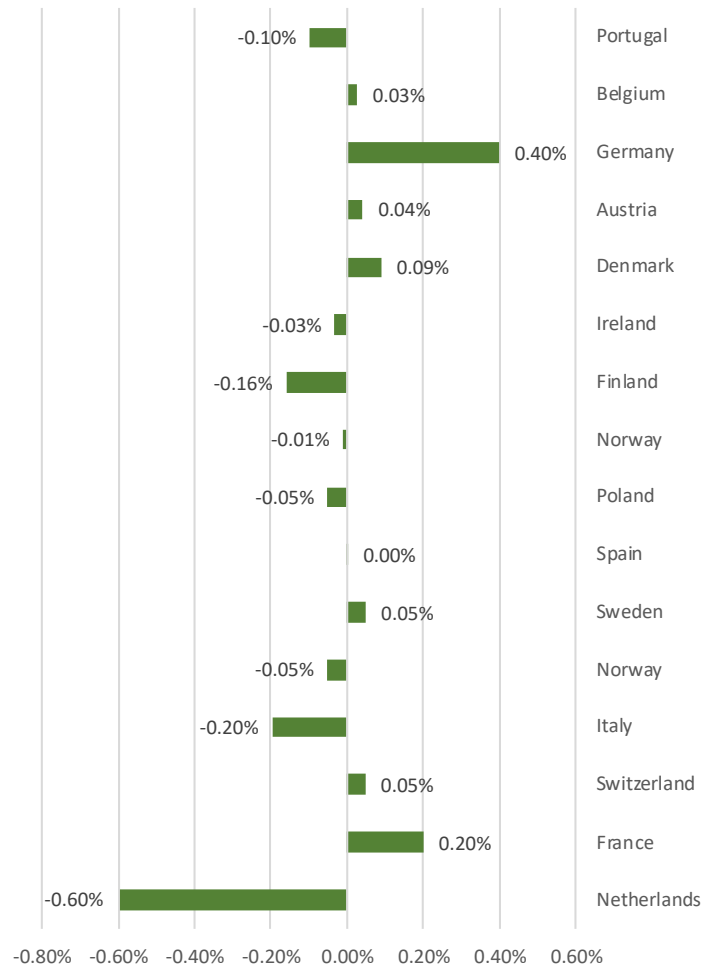
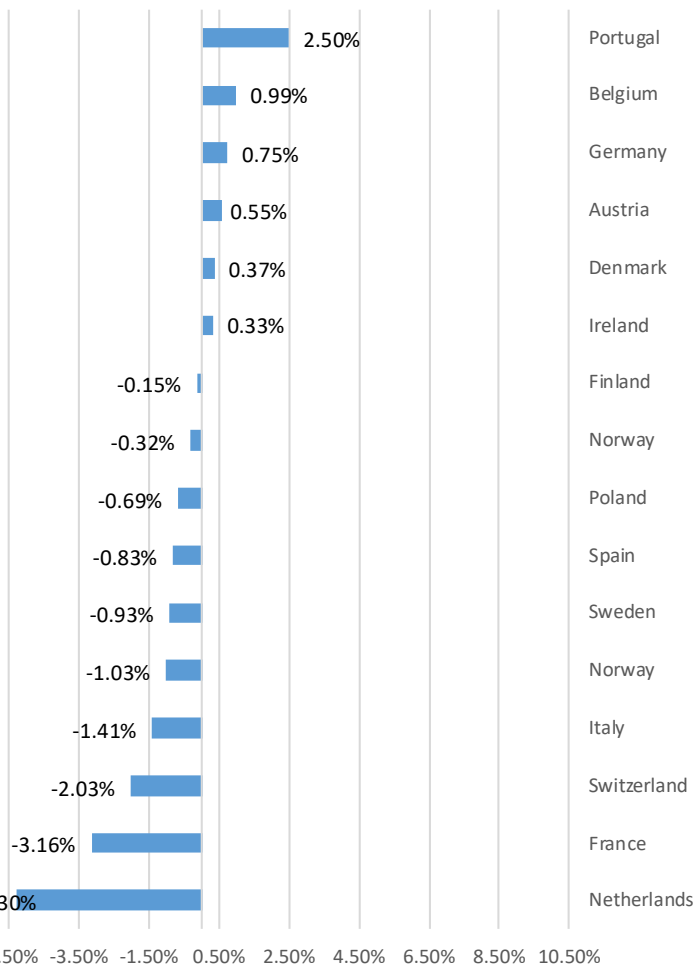
Source: BNP Paribas, Past performance is not an indicator of future performance



## COUNTRY RELATIVE WEIGHTS AND PERFORMANCE ATTRIBUTION

Relative Weights Compared to Benchmark

Relative Performance Attribution Compared to Benchmark



Source: BNP Paribas, Past performance is not an indicator of future performance

## EXTRA-FINANCIAL REPORTING

### MSCI LOW CARBON TRANSITION SCORE

A three-step based score designed to identify potential leaders and laggards by measuring companies' exposure to and management of carbon related risks and opportunities.

STRATEGY AVERAGE SCORE:

6.50

BENCHMARK PORTFOLIO AVERAGE SCORE:

5.75

SOLUTIONS

> 7.12

NEUTRAL

5.65 < to ≤ 7.12

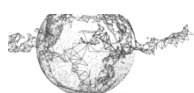
TRANSITION

2.09 < to ≤ 5.65

ASSET STRANDING

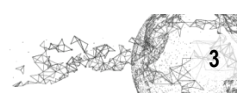
≤ 2.09

For illustrative purposes only. Source: MSCI ESG Research.



Learn more ABOUT GLOBAL MARKETS

<https://aboutglobalmarkets.bnpparibas.com/>



ESG REPORT

For the latest ESG Report on the THEAM Quant – Equity Europe Climate Care PAB, please click [here](#).



INVESTMENT PROCESS IN A NUTSHELL

EQUITY SELECTION STRATEGY

I  
ESG FILTERS

SCORING EXCLUSIONS

- A Bloomberg ESG Score in the bottom 25% of all entities in the relevant BNP Paribas Sector Level 1 Economic Sector
- A BNP Paribas Asset Management ESG Score of 9 or 10 (10 being the worst)
- ESG, women on boards, and high emitters scores that do not reach the minimum requirements set out in the BNP Paribas DNSH methodology

II  
FINANCIAL ROBUSTNESS

Selection of companies by a proven best-in-class financial approach based on their:

- Profitability
- Prospects
- Valuation



A diversified exposure in terms of regions and sectors (close to a comparative index<sup>2</sup>) and companies weighting.

III  
CLIMATE CARE

The final selection will be the portfolio that targets a GHG intensity (normalised by EVIC) reduction of at least 50% compared to the Reference Portfolio and maximises the aggregate MSCI Low Carbon Transition Score while adhering to constraints such as sectorial allocation and GHG intensity (constraints may be widened if no solution is found)

Figure 1: The Equity Global Goals Strategy

Source: BNP Paribas, for illustration purposes only. For further information, in particular, the risks of the product, please refer to the Prospectus and KIDs of the fund.

EU-PAB STANDARDS

Climate Scenario

Global Warming of 1.5°C scenario (with no or limited overshoot)

Allocation Constraint

= or > Exposure to sectors highly exposed to climate change and its mitigation\*

Self Decarbonisation

-7% Minimum yearly reduction\*\* in GHG emissions intensity until 2050

Relative Decarbonisation

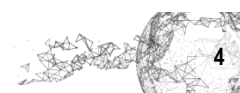
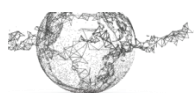
-50% Minimum reduction in GHG emissions intensity compared to the reference universe\*\*\*

WHY THE BNP PARIBAS CLIMATE CARE PAB?

“Smart” PAB: while our strategy embraces the PAB standards, it goes beyond by recognising that the companies with the strongest energy transition strategies should be better equipped to address the evolving economic and regulatory landscape, and therefore display potential higher risk-adjusted returns in the future. We therefore maximise this forward-looking indicator for our portfolio, while controlling several dimensions of risk.

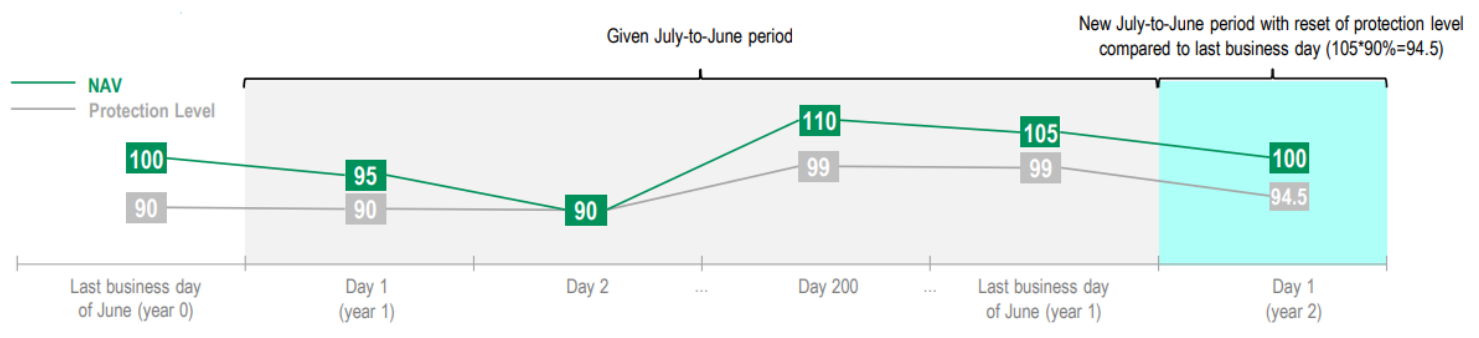
Figure 2: Paris-Aligned Benchmark Standards & BNP Paribas “Smart” PAB: Explained

Source: BNP Paribas, for illustration purposes only. For further information, in particular, the risks of the product, please refer to the Prospectus and KIDs of the fund.



**PROTECTION MECHANISM**

<b>90% Protection</b>	<b>Locking in 90% of the highest level reached daily during the 12-month period:</b>	<b>Resetting the protection level:</b>
<p>The protection secures 90% of each investment for a calendar year, during which, the value of the investment cannot fall below the secured protection level.</p>	<ul style="list-style-type: none"> <li>■ If the NAV reaches a new maximum the <b>protection level increases proportionately</b> to always secure 90% of the Reference NAV*.</li> <li>■ Each time a new maximum value is recorded, the new protection level becomes the floor for the concurrent calendar year.</li> <li>■ If the NAV decreases, there is a <b>formal BNP Paribas guarantee</b> that it will not fall below the recorded protection level for that calendar year.</li> </ul>	<p>Every year, on the first business day, the <b>protection level is reset</b> to 90% of the previous day's NAV (i.e. fund NAV on the last business day of the previous calendar year) which becomes the new starting Reference NAV or rather, the secured protection level for the new calendar year.</p>

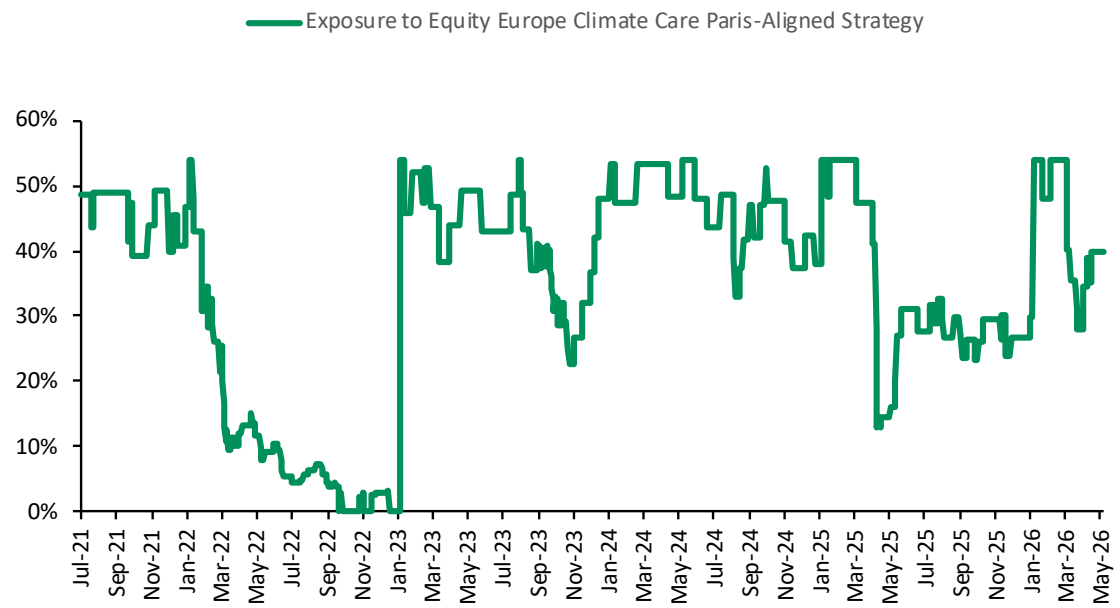


**Figure 3: The Protection Mechanism**

\*Reference NAV – Highest NAV reached since last business day of the previous calendar year.

Source: BNP Paribas; above scenarios for illustration purposes only. For further information regarding guarantee and protection, and in particular, the risks of the product, please refer to the Prospectus and KIDs of the fund.

**WEIGHT IN EQUITY STRATEGY**

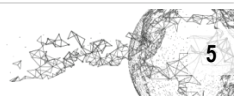


Source: BNP Paribas



Learn more ABOUT GLOBAL MARKETS

<https://aboutglobalmarkets.bnpparibas.com/>



## CONTACTS

EQUITIES STRATEGIES, GLOBAL MARKETS | Steve Mbarga Mbarga | [steve.mbargambarga@bnpparibas.com](mailto:steve.mbargambarga@bnpparibas.com)BNP PARIBAS ASSET MANAGEMENT | CIB Strategies Sales Support | [LIST.AMGPECIBSALESSUPPORT@bnpparibas.com](mailto:LIST.AMGPECIBSALESSUPPORT@bnpparibas.com)[dl.theam\\_gm\\_coordination@uk.bnpparibas.com](mailto:dl.theam_gm_coordination@uk.bnpparibas.com)

## FUND CHARACTERISTICS AND RISKS

	THEAM Quant – Equity Europe Climate Care Protection 90%	
Management company	BNP Paribas Asset Management France	
Type of fund	Sub-fund of the Luxembourg SICAV THEAM QUANT, UCITS Compliant	
Recommended investment horizon	4 years	
Capital protected	No	
SFDR Category <sup>4</sup>	Article 8 – Promotion of Environmental or Social Characteristics	
SRI Risk Classification (scale of 1-7) <sup>5</sup>	2	2
Share <sup>6</sup>	Protected Share I (EUR) ACC	Protected Share C (EUR) ACC
Launch date	01 July 2021	01 July 2021
Bloomberg Code	THCP9IE LX Equity	THCP9CE LX Equity
ISIN Code	LU2051101355	LU2051101272
Subscription / Exit fees	0.00% max / 0.00% max	3.00% max / 0.00% max
On-going charges	0.76%	1.70%
International registration	Italy	

4 - Following the new Sustainable Finance Disclosure Regulation (SFDR), financial entities such as BNP Paribas Asset Management, which sell products in EU are required to classify the products they manufacture/advise into one of three categories: products with sustainable investment objectives (Article 9); products promoting environmental/social characteristics (Article 8); products which neither correspond to Article 8 nor to Article 9 (Article 6).

5 - 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.

6 - For all shares available, please refer to the prospectus [here](#).

## 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.

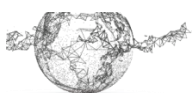
**Liquidity Risk:** This risk arises from the difficulty of selling an asset at a fair market price and at a desired time due to lack of buyers.

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

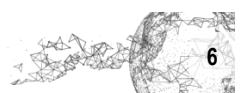
**Risk related to the protection mechanism:** The protection mechanism implemented linked to the Guarantee involves that if the Net Asset Value (NAV) per Share of each Class falls, the levels of protection will also be reduced accordingly. There is thus, a risk that investors may lose almost all of their capital if they hold their Shares for a long period.

**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.

Learn more  
ABOUT

GLOBAL MARKETS

<https://aboutglobalmarkets.bnpparibas.com/>

## 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

Legal Notice: This document is CONFIDENTIAL AND FOR DISCUSSION PURPOSES ONLY; it constitutes a marketing communication and has been prepared by a Sales and Marketing function within BNP Paribas and/or its subsidiaries or affiliates (collectively “we” or “BNP Paribas”). As a confidential document it is submitted to selected recipients only and it may not be made available (in whole or in part) to any other person without BNP Paribas’ written consent.

This document is not a recommendation to engage in any action, does not constitute or form any part of any offer to sell or issue and is not a solicitation of any offer to purchase any financial instrument, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. To the extent that any transaction is subsequently entered into between the recipient and BNP Paribas, such transaction will be entered into upon such terms as may be agreed by the parties in the relevant documentation.

The information contained in this document has been obtained from sources believed to be reliable, but there is no guarantee of the accuracy, completeness or suitability for any particular purpose of such information or that such information has been independently verified by BNP Paribas or by any person. None of BNP Paribas, its members, directors, officers, agents or employees accepts any responsibility or liability whatsoever or makes any representation or warranty, express or implied, as to the accuracy or completeness of the information, or any opinions based thereon, contained in this document and it should not be used in place of professional advice. Additional information may be provided on request, at our discretion. Any scenarios, assumptions, historical or simulated performances, indicative prices or examples of potential transactions or returns are included for illustrative purposes only. Past performance is not indicative of future results. Investors may get back less than they invested. BNP Paribas gives no assurance that any favourable scenarios described are likely to happen, that it is possible to trade on the terms described herein or that any potential returns illustrated can be achieved. This document is current as at the date of its production and BNP Paribas is under no obligation to update or keep current the information herein. In providing this document, BNP Paribas offers no investment, financial, legal, tax or any other type of advice to, and has no fiduciary duty towards, recipients. Certain strategies and/or potential transactions discussed in this document may involve the use of derivatives which may be complex in nature and may give rise to substantial risks, including the risk of total or partial loss of any investment or losses without limitation and which should only be undertaken by those with the requisite knowledge and experience. BNP Paribas makes no representation and gives no warranty as to the results to be obtained from any investment, strategy or transaction, or as to whether any strategy, security or transaction described herein may be suitable for recipients’ financial needs, circumstances or requirements. Recipients must make their own assessment of strategies, securities and/or potential transactions detailed herein, using such professional advisors as they deem appropriate. BNP Paribas accepts no liability for any direct or consequential losses arising from any action taken in connection with or reliance on the information contained in this document even where advised of the possibility of such losses.

As an investment bank with a wide range of activities BNP Paribas may face conflicts of interest and you should be aware that BNP Paribas and/or any of its affiliates may be long or short, for their own account or as agent, in investments, transactions or strategies referred to in this document or related products before the material is published to clients and that it may engage in transactions in a manner inconsistent with the views expressed in this document, either for their own account or for the account of their clients. Additionally, BNP Paribas may have acted as an investment banker or may have provided significant advice or investment services to companies or in relation to investments mentioned in this document. The information in this document is not intended for distribution to, or use by, any person or entity in any jurisdiction where (a) the distribution or use of such information would be contrary to law or regulations, or (b) BNP Paribas or a BNP Paribas affiliate would become subject to new or additional legal or regulatory requirements. Persons in possession of this document should inform themselves about possible legal restrictions and observe them accordingly.

This document is intended for, and is directed at, (a) Professional Clients and Eligible Counterparties as defined by the European Union Markets in Financial Instruments Directive (“MiFID”), and (b) where relevant, persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, and at other persons to whom it may lawfully be communicated (together “Relevant Persons”). Any investment or investment activity to which this document relates is available only to and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or its content.

This document is being communicated by BNP Paribas, a Limited Liability company incorporated in France. Registered Office: 16 boulevard des Italiens, 75009 Paris, France. 662 042 449 RCS Paris. BNP Paribas is lead supervised by the European Central Bank (ECB) and the French Autorité de Contrôle Prudentiel et de Résolution (ACPR).. © BNP Paribas. All rights reserved.

For funds authorized for marketing in Switzerland or from Switzerland, prospectuses, key investor information documents, articles of association, annual or semi-annual reports can be obtained free of charge from the representative agent in Switzerland, BNP Paribas (Suisse) SA, 2, place de Hollande, CH-1204 Genève; Payment Agency services are provided by BNP Paribas Securities Services, Paris, Zurich branch, 16, Selnaustrasse, 8002 Zurich, Switzerland.

All information referred to in the present document is available at [www.bnpparibas-am.com](http://www.bnpparibas-am.com)

