

# PARVEST

Luxembourg SICAV – UCITS category  
Registered office: 10 rue Edward Steichen, L-2540 Luxembourg  
Luxembourg Trade and Companies Register n° B 33363

## Notice to shareholders

Luxembourg, June 28, 2019

Dear Shareholders,

We hereby inform you of the following changes which will be incorporated in the next version of the prospectus dated August 2019. These changes will be effective on 30 August 2019.

### CHANGES APPLICABLE TO THE COMPANY AND ALL SUB-FUNDS

#### I. DENOMINATION

##### “Name of the Company”

As decided by the Extraordinary General Meetings of Shareholders held on May 23 and June 18, 2019, the Company will be renamed **BNP Paribas Funds**.

##### “Name and classification of the Sub-funds”

The sub-funds will be renamed and classified as follows:

#### EQUITY SUB-FUNDS

Current Name	New Name	Current Name	New Name
Aqua	Aqua	Climate Impact	Climate Impact
Consumer Innovators	Consumer Innovators	Disruptive Technology	Disruptive Technology
Energy Innovators	Energy Transition	Equity Asia ex-Japan Small Cap	Asia ex-Japan Small Cap
Equity Best Selection Asia ex-Japan	Asia ex-Japan Equity	Equity Best Selection Euro	Euro Equity
Equity Best Selection Europe	Europe Equity	Equity Best Selection Europe ex-UK	Europe ex-UK Equity
Equity Best Selection World	Global Equity	Equity Brazil	Brazil Equity
Equity China	China Equity	Equity China A-Shares	China A-Shares
Equity Europe Emerging	Europe Emerging Equity	Equity Europe Growth	Europe Growth
Equity Europe Small Cap	Europe Small Cap	Equity Europe Value	Europe Value
Equity Germany	Germany Multi-Factor Equity	Equity High Dividend USA	Equity High Dividend USA
Equity India	India Equity	Equity Indonesia	Equity Indonesia
Equity Japan	Japan Equity	Equity Japan Small Cap	Japan Small Cap
Equity Latin America	Latin America Equity	Equity New Frontiers	Frontiers Equity
Equity Nordic Small Cap	Nordic Small Cap	Equity Russia	Russia Equity
Equity Russia Opportunities	Equity Russia Opportunities	Equity Turkey	Turkey Equity
Equity USA	Equity USA	Equity USA Growth	US Growth
Equity USA Mid Cap	US Mid Cap	Equity USA Small Cap	US Small Cap
Equity USA Value DEFI	US Value Multi-Factor Equity	Equity World Emerging	Emerging Equity



**BNP PARIBAS**  
**ASSET MANAGEMENT**

The asset manager  
for a changing  
world

Equity World Emerging Low Volatility	Equity World Emerging Low Volatility	Equity World Low Volatility	Global Low Vol Equity
Equity World Telecom	Telecom	Euro Mid Cap	Euro Mid Cap
Finance Innovators	Finance Innovators	Flexible Equity Europe	Euro Defensive Equity
Global Environment	Global Environment	Global Equity Absolute Return Strategy ("GEARS")	Global Absolute Return Equity
Green Tigers	Green Tigers	Health Care Innovators	Health Care Innovators
Human Development	Human Development	Real Estate Securities Europe	Europe Real Estate Securities
Real Estate Securities Pacific	Pacific Real Estate Securities	Real Estate Securities World	Global Real Estate Securities
SMaRT Food	SMaRT Food	Sustainable Equity Europe	Sustainable Equity Europe
Sustainable Equity High Dividend Europe	Europe Dividend		

**FIXED INCOME SUB-FUNDS**

Current Name	New Name	Current Name	New Name
Bond Absolute Return V350	Absolute Return Low Vol Bond	Bond Absolute Return V700	Absolute Return Medium Vol Bond
Bond Asia ex-Japan	Asia ex-Japan Bond	Bond Best Selection World Emerging	Emerging Bond Opportunities
Bond Euro	Euro Bond	Bond Euro Corporate	Euro Corporate Bond
Bond Euro Government	Euro Government Bond	Bond Euro High Yield	Euro High Yield Bond
Bond Euro Inflation-Linked	Euro Inflation-Linked Bond	Bond Euro Long Term	Bond Euro Long Term
Bond Euro Medium Term	Euro Medium Term Bond	Bond Euro Short Term	Euro Short Term Bond Opportunities
Bond Euro Short Term Corporate	Euro Short Term Corporate Bond	Bond RMB	RMB Bond
Bond USA High Yield	US High Yield Bond	Bond USD	Bond USD
Bond USD Short Duration	US Short Duration Bond	Bond World	Global Bond Opportunities
Bond World Emerging	Emerging Bond	Bond World Emerging Local	Local Emerging Bond
Bond World High Yield	Global High Yield Bond	Bond World High Yield Short Duration	Euro High Yield Short Duration Bond
Bond World Income	Flexible Global Credit	Bond World Inflation-Linked	Global Inflation-Linked Bond
Enhanced Cash 6 Months	Enhanced Bond 6M	Covered Bond Euro	Euro Covered Bond
Flexible Bond Europe Corporate	Euro Short Term Corporate Bond Opportunities	Green Bond	Green Bond
Sustainable Bond Euro	Sustainable Euro Bond	QIS Multi-Factor Credit Euro IG	Euro Multi-Factor Corporate Bond
Sustainable Bond World Corporate	Sustainable Global Corporate Bond	Sustainable Bond Euro Corporate	Sustainable Euro Corporate Bond
Flexible Bond Euro	Flexible Bond Euro		

**CONVERTIBLE BOND SUB-FUNDS**

Current Name	New Name	Current Name	New Name
Convertible Bond Europe	Europe Convertible	Convertible Bond Europe Small Cap	Europe Small Cap Convertible
Convertible Bond World	Global Convertible		

**MULTI-ASSET SUB-FUNDS**

Current Name	New Name	Current Name	New Name
Diversified Dynamic	Target Risk Balanced	Multi-Asset Income Emerging	Emerging Multi-Asset Income
Premia Opportunities	Premia Opportunities	Cross Asset Absolute Return	Absolute Return Multi-Strategy
Commodities	Commodities	Flexible Opportunities	Flexible Opportunities

**MONEY MARKET SUB-FUNDS**

Current Name	New Name	Current Name	New Name
Money Market Euro	Euro Money Market	Money Market USD	USD Money Market

### **“Abbreviated denomination”**

Alternatively, each sub-fund may use the abbreviated denomination “BNP Paribas” followed by the sub-fund’s name (e.g. “BNP Paribas Aqua” for “BNP Paribas Funds Aqua”).

### **“ISIN codes”**

The ISIN codes for each sub-fund remain unchanged.

## **II. SUSTAINABLE TRANSFORMATION**

### **“Sustainable investment policy”**

Please note that your Company will be fully ESG integrated and all sub-funds will comply with the sustainable investment policy as set in the Book 1 of the prospectus as described below:

*The Sustainable Investment Policy describes the integration of ESG Analysis and/or ESG Standards (as defined below) into the investment processes applied by the investment managers of each sub-fund. ESG stands for Environmental, Social and Governance; these are three groups of indicators commonly used to assess the level of sustainability of an investment. BNP PARIBAS ASSET MANAGEMENT is committed to have a sustainable approach to its investments. Nonetheless, the extent to which these Standards and Analysis can be applied varies according to the type of sub-fund, asset class, region and instrument used. Furthermore, some sub-funds may apply additional investment guidelines, as described in the Book 2. Consequently, the implementation of this policy will be applied individually across all portfolios.*

*ESG Standards are integrated in the investment process of each sub-fund. The Standards include respecting: 1) the 10 principles of the UN Nation Global Compact and 2) the BNP PARIBAS ASSET MANAGEMENT sector policies.*

*The United Nations Global Compact ([www.unglobalcompact.org](http://www.unglobalcompact.org)) is a shared framework, recognized worldwide and applicable to all industry sectors. It relies on international conventions in the areas of human rights, labour standards, environmental stewardship and anti-corruption. Those companies that violate one or more of the principles are excluded from the sub-funds’ investments, and those at risk of breaching them are closely monitored, and may also be excluded.*

*BNP PARIBAS ASSET MANAGEMENT has also defined a series of ESG guidelines relating to investments in sensitive sectors. Companies from these sensitive sectors that do not comply with the minimum principles specified in these guidelines are excluded from the sub-funds’ investments. The sectors concerned include, but are not limited to, palm oil, wood pulp, mining activities, oil sands, tar sands, nuclear, coal-fired power generation, tobacco, controversial weapons and asbestos.*

*These ESG Standards are communicated to Investment Managers by the Sustainability Centre of BNP PARIBAS ASSET MANAGEMENT.*

*The ESG Analysis involves the evaluation of the above three non-financial indicators:*

- *Environmental: such as energy efficiency, reduction of emissions of greenhouse gases, treatment of waste;*
- *Social: such as respect of human rights and workers’ rights, human resources management (workers’ health and safety, diversity);*
- *Governance: such as Board of Directors independence, managers’ remuneration, respect of minority shareholders rights.*

*The way in and the extent to which ESG Analysis, such as ESG scores, is integrated in each investment process is determined by the Investment Manager for each investment process.*

*Stewardship is an integral and crucial part of sustainable investment, which shall be used to influence companies and the world towards the right path. In this scope, BNP PARIBAS ASSET MANAGEMENT engages on three different dimensions:*

- *Company Engagement: the aim is to encourage companies to obtain the highest possible standards of environmental, social and governance responsibility, and to accompany them in this respect.*
- *Voting-Related Engagement: voting at General Meetings is a key component of the Group’s ongoing dialogue with companies and forms an integral part of its investment process.*
- *Public Policy Engagement: BNP PARIBAS ASSET MANAGEMENT believes that companies can benefit from the engagement with policy makers on the development of a regulatory framework that encourages them to achieve high environmental and social standards.*

*More information and documents on BNP PARIBAS ASSET MANAGEMENT global sustainability strategy may be found on the website at the following address: <https://www.bnpparibas-am.com/en/our-approach-to-responsibility/as-a-responsible-investor/>.*

### **“ESG integration”**

Each sub-fund will follow the standard ESG investment criteria as defined above.

Additional specific ESG requirements shall apply to the strategies below:

#### **1. Multi-Factor strategies**

These strategies will apply to the sub-funds **Germany Multi-Factor Equity** (ex “Equity Germany”), **Euro Multi-Factor Corporate Bond** (ex “QIS Multi-Factor Credit Euro IG”), **US Value Multi-Factor Equity** (ex “Equity USA Value DEFI”) and **US Multi-Factor Corporate Bond**.

Within these sub-funds, once the quantitative investment process is implemented, a scoring related to ESG and Low Carbon (with the exception of *Euro Multi-Factor Corporate Bond* and *US Multi-Factor Corporate Bond* for which there is no carbon footprint enhancement) is calculated for each individual stocks of the investment universe. The portfolio is then fully rebalanced with the objective to select the best equities available in order to maximize its final average score on these criteria

## 2. Thematic strategies

The sub-funds (**Aqua, Climate Impact, Energy Transition** (ex “Energy Innovators”), **Global Environment, Green Bond, Green Tigers, Human Development** and **SMaRT Food**) will aim at helping or accelerating the transition into a sustainable world by focusing on challenges related to their specific theme of investment.

## 3. “Best-in-Class” strategies

The sub-funds to be involved in these strategies (**Sustainable Euro Bond** (ex “Sustainable Bond Euro”), **Sustainable Euro Corporate Bond** (ex “Sustainable Bond Euro Corporate”) and **Sustainable Global Corporate Bond** (ex “Sustainable Bond World Corporate”)) are classified as “Best-in-Class” from an ESG standpoint. It means that they select issuers whose practices are considered as the Best in their Class on this topic. In addition, these sub-funds will select issuers whose products and services (i) contribute to resolving problems linked to environment and sustainable development, and (ii) will have positive and sustainable impacts on the environment and social climate.

The Investment universe of these sub funds will be provided by the Sustainability Centre of BNP PARIBAS ASSET MANAGEMENT. This universe will be based on the ESG scoring process. This process has three key steps:

- 1) a quantitative ESG score for each issuer /country is calculated based on ESG indicators,
- 2) then, qualitative elements linked to the key sustainable issues may be considered. This process may modify the initial score.
- 3) the new ESG score is converted into a ranking which leads the following recommendations:
  - Issuers having a good score : Positive recommendation
  - Issuers having a medium score : Neutral recommendation
  - issuers having a poor score : Negative recommendation

The Investment Manager may only invest in issuers having a Positive and or Neutral recommendation.

## OTHER CHANGES APPLICABLE TO THE SUB-FUNDS (BOOK II)

### EQUITY SUB-FUNDS

#### “Energy Transition” (ex “Energy Innovators”)

Please note that the investment policy of the sub-fund will be updated according to the change of name of the sub-fund from “Energy Innovators” to “Energy Transition”:

Current Investment Policy	New Investment Policy
<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by worldwide companies innovating to help meet the future energy requirements of a developing world.</p> <p>The Energy Innovation themes include, but are not limited to (i) reduction in the cost of traditional resource extraction, (ii) enhancement of the ultimate recoverability of traditional resources, (iii) competitiveness and adoption of renewable and alternative energy sources, and (iv) reduction in the structural demand for energy.</p>	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by worldwide companies that engage in energy transition.</p> <p>Energy transition themes include, but are not limited to, renewable &amp; transitional energy, energy efficiency, sustainable transport, green building and infrastructure.</p>

This change will trigger an investment universe extension. The investment manager will consider extensively the energy connected sectors such as transitional energy, energy efficiency sustainable transport, green building and infrastructure in addition to the renewable and alternative energy sources.

#### “Euro Defensive Equity” (ex “Flexible Equity Europe”)

Please note that the investment policy of the sub-fund will be updated according to the change of name of the sub-fund from “Flexible Equity Europe” to “Euro Defensive Equity”:

- a) Eurozone will replace EEA as geographical horizon of the sub-fund;
- b) The sub-fund’s exposure to currencies other than the EUR will not exceed 10%.

**“Germany Multi-Factor Equity” (ex “Equity Germany”)**

Please note that the investment policy of the sub-fund will be updated according to the change of name of the sub-fund from “Equity Germany” to **“Germany Multi-Factor Equity”**:

Current Investment Policy	New Investment Policy
<p>This sub-fund invests at least 2/3 of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business in Germany.</p> <p>The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCIs.</p> <p>At all times, at least 75% of the assets are invested in equities issued by companies that have their registered offices in a member state of the EEA, other than non-cooperative countries in the fight against fraud and tax evasion.</p>	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices in Germany.</p> <p>The remaining portion, namely a maximum of 25% of its assets, may be invested in other equities, debt securities, money market instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCIs.</p> <p>The assets thus described will primarily be invested in EUR.</p> <p>The portfolio is built based on a systematic approach, combining several equity factor criteria such as value, quality, low-volatility and momentum.</p>

This update will have no significant impact on the current investment strategy, asset allocation, or composition of the portfolio.

**“Global Absolute Return Equity” (ex “Global Equity Absolute Return Strategy (GEARS)”)**

Please note that:

- ✓ The current **“1M Libor USD”** hurdle rate used for the calculation of the performance fee into all the shares of the sub-fund except the **“X-CAP”** shares will be increased in the best interest of the shareholders to **“1M Libor USD + 2.50%”**. At the date of this publication, no performance fee is provided in the NAV of the sub-fund. If it will be the case at the effective date of the change, the performance fee calculation will be effected until the last NAV (OTD August 29, 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers before application of the new performance fee.

**“Human Development”**

Please note that the definition of **“Human Development”** in the investment policy of the sub-fund will be updated:

Current definition	New definition
<p>Companies whose products and services provide solutions to human and social challenges, including, but not limited to, poverty and access to basic needs, and the new challenges presented by an ageing population or sustainable socio-economic development and related or connected sectors) and that respect the principles of social responsibility, environmental responsibility and corporate governance as set out in the United Nations Global Compact</p>	<p>Companies that conduct a significant part of their business in:</p> <ol style="list-style-type: none"> <li>1) Access to education, information and communication;</li> <li>2) Good health and wellness;</li> <li>3) Sustainable cities and communities;</li> <li>4) Access to sustainable resources;</li> <li>5) Sustainable and inclusive economic growth;</li> <li>6) The food challenge</li> </ol>

The sector allocation of the sub-fund will be adapted accordingly. The objective is to decrease the exposure of the sub-fund to health care sector and to increase its exposure to connected sectors such as access to information and communication or sustainable cities and sustainable resources.

**“Japan Equity” (ex “Equity Japan”)**

Please note that the investment management of the portfolio will be transferred from **BNP PARIBAS ASSET MANAGEMENT Japan** to the external Japanese investment manager **Mitsubishi UFJ Kokusai Asset Management Co. Ltd** in order to fully benefit from their high expertise in the Japanese equities.

**FIXED INCOME SUB-FUNDS**

**“Absolute Return Low Vol Bond” (ex “Bond Absolute Return V350”)**

Please note that the current **“Eonia”** hurdle rate used for the calculation of the performance fee into the **“I-CAP”** shares will be increased, in the best interest of the shareholders to **“Eonia + 2%”**.

At the date of this publication, no performance fee is provided in the NAV of the sub-fund. If it will be the case at the effective date of the change, the performance fee calculation will be effected until the last NAV (OTD August 29, 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers before application of the new performance fee.



**“Absolute Return Medium Vol Bond” (ex “Bond Absolute Return V700”)**

Please note that the current “Eonia” hurdle rate used for the calculation of the performance fee into the “I-CAP” shares will be increased in the best interest of the shareholders to “Eonia + 4%”.

At the date of this publication, no performance fee is provided in the NAV of the sub-fund. If it will be the case at the effective date of the change, the performance fee calculation will be effected until the last NAV (OTD August 29, 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers before application of the new performance fee.

**“Enhanced Bond 6M” (ex “Enhanced Cash 6 Months”)**

Please note that the investment objective and policy of the sub-fund will be updated according to the change of name of the sub-fund from “Enhanced Cash 6 Months” to “**Enhanced Bond 6M**”:

Current Investment Objective	New Investment Objective																														
<p>To achieve a performance that is higher than the rate of return of the euro money market over a minimum investment period of six months.</p>	<p>To achieve a performance that is higher than the composite index 80% Eonia* and 20% Barclays Agg 1-3Y** over a minimum investment period of six months. The “6M” in the name of the sub-fund corresponds to the minimum investment period of six months. The sub-fund is not a Money Market Fund as defined by the Money Market Regulation 2017/1131.</p> <p>* with “Fédération bancaire de l'Union européenne” as Benchmark Index administrator, not registered in the Benchmark Register at the date of this Prospectus</p> <p>** with “Bloomberg Index Services Limited” as Benchmark Index administrators, not registered in the Benchmark Register at the date of this Prospectus</p>																														
Current Investment Policy	New Investment Policy																														
<p>The sub-fund invests at least 2/3 of its assets in bonds and/or securities treated as equivalent to bonds, and/or money market instruments denominated in EUR.</p> <p>The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities except equity or equity equivalent securities, investment grade structured debt limited to 20% of the assets, money market instruments, or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs.</p> <p>Exposure to currencies other than the EUR will be less than 15%.</p>	<p>In order to achieve its investment objective, the sub-fund, which is an actively managed, enforces an Enhanced Bond strategy.</p> <p>An enhanced bond strategy aims at combining a very low sensitivity with a high level of liquidity, with the objective of delivering returns higher than ultra short-term bonds yields (lower than 2 years) through the use of Fixed income and Money Market instruments, and derivatives related to these instruments.</p> <p>This strategy is based on an active and fundamental approach on duration management, yield curve positioning, country allocation and issuer selection. This process is combined with internal sustainability extra-financial research capabilities, as well as macro and credit research and quantitative analysis forces.</p> <p>The sub-fund is invested in the following asset classes:</p> <table border="1" data-bbox="826 1265 1508 1803"> <thead> <tr> <th>Assets Classes</th> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>1. Fixed Income</td> <td>30%</td> <td>100%</td> </tr> <tr> <td>Government and/or Corporate issues from euro-zone countries</td> <td>10%</td> <td>100%</td> </tr> <tr> <td>Government and/or Corporate issues from OECD countries outside the euro-zone</td> <td>0%</td> <td>90%</td> </tr> <tr> <td>High Yield Debt instruments</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Investment Grade Structured Debts (including ABS/MBS and other structured product)</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Cumulated limit of Structured Debt, High Yield and non-rated debt instrument</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>2. Money Market Instruments</td> <td>0%</td> <td>50%</td> </tr> <tr> <td>3. Cash</td> <td>0%</td> <td>10%</td> </tr> <tr> <td>4. Convertible Bond</td> <td>0%</td> <td>10%</td> </tr> </tbody> </table> <p>The sub-fund may be invested through other UCITS and/or UCIs up to 10% of its assets.</p> <p>The sub-fund is not invested or exposed to equities.</p> <p>The sub-fund is managed within an interest rate sensitivity range of -1 to 2 years.</p> <p>After hedging the remaining exposure to currencies other than the EUR will be less than 5%.</p> <p>The Investment Manager applies also BNP PARIBAS ASSET MANAGEMENT’s Sustainable Investment Policy, which takes into</p>	Assets Classes	Minimum	Maximum	1. Fixed Income	30%	100%	Government and/or Corporate issues from euro-zone countries	10%	100%	Government and/or Corporate issues from OECD countries outside the euro-zone	0%	90%	High Yield Debt instruments	0%	20%	Investment Grade Structured Debts (including ABS/MBS and other structured product)	0%	20%	Cumulated limit of Structured Debt, High Yield and non-rated debt instrument	0%	20%	2. Money Market Instruments	0%	50%	3. Cash	0%	10%	4. Convertible Bond	0%	10%
Assets Classes	Minimum	Maximum																													
1. Fixed Income	30%	100%																													
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	account Environmental, Social and Governance (ESG) criteria in the investments of the sub-fund.
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This update will have no significant impact on the current investment strategy, asset allocation, or composition of the portfolio.

**“Euro High Yield Short Duration Bond” (ex “Bond World High Yield Short Duration”)**

Please note that the change of name of the sub-fund from “Bond World High Yield Short Duration” to **“Euro High Yield Short Duration Bond”** will involve the following changes:

- a) for the targeted assets, “throughout the world issued currencies” will be replaced by “European currencies”;
- b) EUR will replace USD as Accounting Currency of the sub-fund;
- c) the following active shares classes will be renamed as follows:

ISIN code	Current name	New name	ISIN code	Current name	New name
LU1022394156	Classic-CAP	Classic H USD-CAP	LU1022394826	Privilege-CAP	Privilege H USD-CAP
LU1022394313	Classic-DIS	Classic H USD-DIS	LU1022395120	Privilege-DIS	Privilege H USD-DIS
LU1022394404	Classic H EUR-CAP	Classic-CAP	LU1721428180	Privilege H EUR-CAP	Privilege-CAP
LU1695653250	Classic H EUR-DIS	Classic-DIS	LU1695653334	Privilege H EUR-DIS	Privilege-DIS
LU1022394743	N-CAP	NH USD-CAP	LU1022395476	I-CAP	IH USD-CAP
LU1458426118	NH EUR-DIS	N-DIS	LU1596575586	I-DIS	IH USD-DIS
			LU1022395633	IH EUR-CAP	I-CAP

- d) shares of the “X-CAP” (LU1022395716) classes issued in USD will remain registered in USD as additional currency of the classes.

**“Euro Short Term Bond Opportunities” (ex “Bond Euro Short Term”)**

Please note that:

- a) the current “Short Term” definition of the sub-fund (bonds that have an average maturity that does not exceed 3 years - the residual maturity of each investment does not exceed 5 years) will be replaced by: The sub-fund will run an average maturity that does not exceed 3 years.
- b) the sub-fund will use Total Return Swap (TRS) on ancillary bases in the following conditions:

Expected proportion	Maximum proportion	Type of TRS
50%	100%	unfunded

**“Euro Short Term Corporate Bond Opportunities” (ex “Flexible Bond Europe Corporate”)**

Please note that the investment policy of the sub-fund will be updated according to the change of name of the sub-fund from “Flexible Bond Europe Corporate” to **“Euro Short Term Corporate Bond Opportunities”**:

- a) The sub-fund will run an average duration below 2 years;
- b) After hedging, the sub-fund’s exposure to currencies other than the EUR will not exceed 5%.
- c) On ancillary basis, the sub-fund may use CDS (Credit Default Swap) additionally to core derivate for an efficient management of the portfolio.

This update will have no significant impact on the current investment strategy, asset allocation, or composition of the portfolio.

**MULTI-ASSET SUB-FUNDS**

**“Absolute Return Multi-Strategy” (ex “Cross Asset Absolute Return”)**

Please note that:

- ✓ the current performance fee of 15% with the “Eonia” as hurdle rate will be replaced by a performance fee of 20% with “Eonia + 4%” as hurdle rate.

At the date of this publication, no performance fee is provided in the NAV of the sub-fund. If it will be the case at the effective date of the change, the performance fee calculation will be effected until the last NAV (OTD August 29, 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers before application of the new performance fee.

**ADDITIONAL INFORMATION**

Additional clerical changes have been made to update and enhance the general wording of the Prospectus or to comply with new laws and regulations.

Terms or expression not defined in the present notice have the same meaning as in the Prospectus of the Company.

—If your shares are held by a clearing house, we advise you to enquire about the specific terms applying to subscriptions, redemptions and conversions made via this type of intermediary.

*Please note that except for the newspaper publications required by Law, the official media going forward to obtain any notice to shareholders will be our website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).*

#### **YOUR OPTIONS**

1. **If you are comfortable with these changes**, you do not need to take any action.
2. **Should you not approve these changes**, you have the possibility to request the redemption of your shares free of charge until the effective date of the changes.
3. In case of any **question**, please contact our **Client Service** (+ 352 26 46 31 21 /[AMLU.ClientService@bnpparibas.com](mailto:AMLU.ClientService@bnpparibas.com)).

**Please note that this notice provides the exhaustive list of the sub-fund and classes concerned by this merger. It may refer to sub-fund and classes not authorised in your country. It does not constitute an invitation to subscribe in the non-authorised Receiving sub-fund and classes. To identify the sub-fund and classes authorised in your country, please check your local BNP Paribas Asset Management website.**

Best regards,

**The Board of Directors**