

For professional investors

BNPP ENVIRONMENTAL ABSOLUTE RETURN THEMATIC, EARTH

BE PART OF THE JOURNEY

MONTHLY PERFORMANCE REPORT As of 30.11.2020



This marketing communication has been provided upon your specific request on a reverse solicitation basis. Further distribution of this material is strictly prohibited.



BNP PARIBAS
ASSET MANAGEMENT

L'asset manager d'un monde qui change

FUND DESCRIPTION

The Fund invests in companies globally whose products, processes or services provide environmental solutions that directly contribute to the energy transition through decarbonising energy related activities as well as restoring ecosystems across oceans, land and air, whilst taking short positions in companies - and other equity linked instruments - to hedge portfolio factor risk as well as capture alpha in companies with transition risk assets, stranded assets and/or inferior technologies with the aim of achieving the goals of the Paris Agreement.

FUND OBJECTIVE*

The Fund targets annual average absolute performance of 6-9% net returns in the medium term with below market average volatility across thematic, relative value and catalyst investment strategies with a +/- 20% net exposure and gross exposure of 150-200%. The portfolio typically holds 25-45 strategies with each strategy alpha leg being 2-7% of NAV. The fund invests across market capitalisations and have a capacity of \$1bn with a soft close at \$750mln.

CUMULATIVE PERFORMANCE

(as of 30/11/2020)



Source : BNP Paribas Asset Management, Past performance is not an indication of future performance

MONTHLY PERFORMANCE

as of 30/11/2020

	Jan	Feb	Mar	Apr	May	Jun	Jul*	Aug	Sep	Okt	Nov	Dec
2020							0.35%	5.22%	3.66%	2.18%	16.45%	

* Inception 15/07/2020

Total return calculated Net of Fees in USD

Source : BNP Paribas Asset Management, Past performance is not an indication of future performance

CALENDAR PERFORMANCE

as of 30/11/2020

	YTD*	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	4 Years	5 Years
	30.24%	16.45%	23.35%	-	-	-	-	-	-

* Inception 15/07/2020

Total return calculated Net of Fees in USD

Source : BNP Paribas Asset Management, Past performance is not an indication of future performance

FUND DETAILS AS OF 30.11.2020

Fund Details

Fund Name	BNP Paribas Funds Environmental Absolute Return Thematic Equity
ISIN code	LU2066070926
Share class category	I Plus
Share class type	Capitalisation
Share class base currency	USD
Fund inception date	15/07/2020
Liquidity	Daily, 5 days notice
Management fees & others	0.96%
Performance fee	20%
Entry/Exit fee	None
Currencies	USD, EUR, SGD
Fund AUM	116537502.6
Minimum investment	\$100,000

Portfolio manager	Edward Lees & Ulrik Fugmann
Investment specialist	Ramon Esteruelas Berlinguer
Contact Information	ramon.esteruelas@bnpparibas.com, +33 15 897 1380
Management company	BNP Paribas Asset Management Luxembourg
Custodian Administrator	BNP Paribas Securities
External auditor	PricewaterhouseCoopers Société Coopérative
Domicile	Luxembourg
Legal form	Sub-fund of the BNP Paribas Funds UCITS V SICAV registered under Luxembourg Law
Share class 1st NAV date	15/07/2020
Share class initial NAV	100.00
NAV date	30/11/2020
NAV per share	130.24
SRRI Category	Total Return



Ulrik Fugmann



Edward Lees

Source : BNP Paribas Asset Management



PORTFOLIO STATISTICS

as of 30/11/2020

Annualized Volatility (%)	19.81%
Sharpe Ratio	10.29
Sortino Ratio	97.38
Treynor Ratio	5.75
Correlation (R) (Simple)	0.27
Worst Drawdown Peak-to-Trough	-4.08%

Source: BNP Paribas Asset Management

FUND EXPOSURE

as of 30/11/2020

	Long	Short	Net	Gross
End of Month	99.4%	-100.3%	-1.0%	199.7%
Monthly Average	99.1%	-92.4%	6.7%	182.8%

Source: BNP Paribas Asset Management

TOP 5 CONTRIBUTERS

as of 30/11/2020

GREENPOWER MOTOR INC	4.12%
SUNNOVA ENERGY INTERNATIONAL INC	3.11%
BALLARD POWER SYSTEMS INC	1.76%
WOOD GROUP (JOHN) PLC	1.71%
AMG ADVANCED METALLURGICAL GROUP N	1.49%

Source: BNP Paribas Asset Management

TOP 5 DETRACTORS

as of 30/11/2020

NASDAQ 100 E-MINI DEC 20	-2.74%
RUSSELL 2000 EMINI CME DEC 20	-1.67%
FTSE 100 INDEX DEC 20	-1.05%
S&P500 EMINI DEC 20	-0.89%
ACUITY BRANDS INC	-0.64%

Source: BNP Paribas Asset Management

PORTFOLIO CONTRIBUTION AS OF 30.11.2020

On the positive contribution side, Green Power, a company that develops electric powered vehicles for commercial markets, was one of the main contributors for the portfolio in November with the stock up 145% as shorts got squeezed following misguided short selling reports. In addition, the company reported results showing significant progress on the longer-term operating plan with manufacturing ramping and strong traction on the school bus segment. Sunnova, US residential solar company, also fared well with an impressive 70% rally on the back of a great earnings report, strong attach rates and 2021 guidance that should pave the way for further gains in 2021. Ballard Power, a leading US hydrogen fuel cell company, also reported earnings showing a strong sales pipeline and benefitting from China's new fuel cell subsidy program through its JV with Weichai. Company retains a very health balance sheet with net cash and no debt. The detractors mainly came from factor hedges where we have used Nasdaq hedges for hedging out growth risk in the portfolio and Russell 2000 futures to hedge out small cap risk for some of the positions that are on the lower cap scale in the portfolio. We will continue to run growth hedges as we see this as one of the main risk factors in the market today.

MARKET OUTLOOK & OBSERVATIONS AS OF 30.11.2020

There was no lack of positive catalysts as earnings reports came through across most of the portfolio and many of our companies showed strong results amidst a difficult environment and with strong guidance for 2021 that gives us comfort in the longevity of the portfolio and opportunity for our companies to continue to execute. We also saw a sharp rally in carbon credits (ICE ECX Emissions Dec 21) that we expect to continue in 2021. We see environmental solutions companies continue to execute very strongly with low penetration rates still making room for significant growth in markets and profits. One standout we follow closely is the electrical vehicle segment that are starting to pivot very significantly from a cost and technology point of view as battery materials and packs are getting significantly cheaper. We expect cost parity in the very near future with ICE's which is why we are seeing substantial capital markets activity in the area globally. In the absence of another Covid-19 like exogenous check we are broadly constructive equity markets as we believe the main risk factor being a violent style rotation from growth and momentum to value which is at all time underweight across institutional portfolios. The Fund has a substantial tilt towards value and we believe this will be a healthy source of returns in 2021.

REGIONAL CONTRIBUTION

as of 30/11/2020

	Long	Short	Net
Others	0.06%	0.00%	0.06%
Emerging Markets	2.15%	-0.22%	1.93%
North America	20.53%	-8.81%	11.72%
Europe	11.70%	-6.78%	4.92%
Asia	0.00%	-0.37%	-0.37%
Total	34.45%	-16.19%	18.26%

MARKET CAPITALISATION EXPOSURE

as of 30/11/2020

	Long	Short	Net	Gross
Futures	0.0%	-74.1%	-74.1%	74.1%
Bond	3.0%	0.0%	3.0%	3.0%
>= 10,000,000,000	39.0%	-12.8%	26.1%	51.8%
2,000,000,000 - 10,000,000,000	30.9%	-8.8%	22.1%	39.7%
< 2,000,000,000	26.5%	-4.6%	21.8%	31.1%
Total	99.4%	-100.3%	-1.0%	199.7%

SECTOR CONTRIBUTION

as of 30/11/2020

	Long	Short	Net
Others	2.53%	-12.81%	-10.28%
Communication Services	0.00%	0.00%	0.00%
Consumer Discretionary	1.91%	-0.48%	1.43%
Consumer Staples	0.47%	0.00%	0.47%
Energy	1.71%	-0.16%	1.55%
Financials	1.78%	0.00%	1.78%
Health Care	0.00%	0.00%	0.00%
Industrials	15.09%	-1.20%	13.89%
Information Technology	2.07%	-0.10%	1.96%
Materials	2.52%	0.00%	2.52%
Real Estate	0.00%	0.00%	0.00%
Utilities	6.37%	-1.42%	4.94%
Total	34.45%	-16.19%	18.26%

Source: BNP Paribas Asset Management



COUNTRY EXPOSURE

as of 30/11/2020	Long	Short	Net	Gross
Canada	11.3%	-1.1%	10.2%	12.4%
China	5.5%	0.0%	5.5%	5.5%
Faroe Islands	2.8%	0.0%	2.8%	2.8%
France	3.5%	0.0%	3.5%	3.5%
Germany	2.8%	-5.1%	-2.3%	7.9%
Italy	2.9%	-2.7%	0.2%	5.6%
Korea (South), Republic of	3.1%	-2.9%	0.2%	6.0%
Netherlands	2.6%	0.0%	2.6%	2.6%
Norway	3.2%	-1.1%	2.1%	4.4%
Portugal	1.9%	0.0%	1.9%	1.9%
Spain	4.9%	-4.1%	0.8%	9.0%
Sweden	1.6%	-2.4%	-0.8%	3.9%
United Kingdom	12.2%	-8.0%	4.2%	20.2%
United States	41.0%	-61.2%	-20.2%	102.3%
Denmark	0.0%	-3.7%	-3.7%	3.7%
European Union	0.0%	-0.8%	-0.8%	0.8%
Finland	0.0%	-2.2%	-2.2%	2.2%
Hong Kong	0.0%	-5.0%	-5.0%	5.0%
Total	99.4%	-100.3%	-1.0%	199.7%

Source: BNP Paribas Asset Management

SECTOR EXPOSURE

as of 30/11/2020	Long	Short	Net	Gross
Others	0.0%	-74.9%	-74.9%	74.9%
Communication Services	0.0%	0.0%	0.0%	0.0%
Consumer Discretionary	9.1%	-4.2%	4.9%	13.4%
Consumer Staples	8.4%	0.0%	8.4%	8.4%
Energy	2.9%	-1.1%	1.8%	4.1%
Financials	8.7%	0.0%	8.7%	8.7%
Health Care	0.0%	0.0%	0.0%	0.0%
Industrials	38.8%	-3.6%	35.2%	42.3%
Information Technology	4.8%	-3.1%	1.7%	7.8%
Materials	5.8%	0.0%	5.8%	5.8%
Real Estate	0.0%	0.0%	0.0%	0.0%
Utilities	20.8%	-13.5%	7.4%	34.3%
Total	99.4%	-100.3%	-1.0%	199.7%

Source: BNP Paribas Asset Management

TOP 10 HOLDINGS LONG

as of 30/11/2020	
BALLARD POWER SYSTEMS INC	5.25%
CENTRICA PLC	3.88%
GENERAL MOTORS	3.78%
ENGIE SA	3.53%
APTIV PLC	3.45%
ORION ENERGY SYSTEMS INC	3.22%
GENERAC HOLDINGS INC	3.22%
SSE PLC	3.15%
LG CHEM LTD	3.13%
WOOD GROUP (JOHN) PLC	2.95%
Total	35.56%

Source: BNP Paribas Asset Management

The above-mentioned companies are for illustrative purpose only, are not intended as solicitation of the purchase of such securities, and does not constitute any investment advice or recommendation

RISK AWARENESS & REGULATORY INFORMATION

The risks associated with investments in shares (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's shares to its bonds. Capital risk: the value of investments and the income they generate go down as well as up and it is possible that investors will not recover their initial outlay. The value of an investment be affected by fluctuations of the currency of the country in which the investment was made, or exchange control regulations. Sub-funds investing in small caps are likely to be subject to a higher-than-average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions.

For more information on risks, please see the "Investment Risks" section of the fund's prospectus or KIID. All relevant documents (prospectus, annual report, KIID) can be downloaded free of charge from our website: www.bnpparibas-am.com

DISCLAIMER

BNP PARIBAS ASSET MANAGEMENT UK Limited, "the investment company", is authorised and regulated by the Financial Conduct Authority. Registered in England No: 02474627, registered office: 5 Aldermanbury Square, London, England, EC2V 7BP, United Kingdom. This material is produced for information purposes only and does not constitute: an offer to buy nor a solicitation to sell, nor shall it form the basis of or be relied upon in connection with any contract or commitment whatsoever or investment advice. This material makes reference to certain financial instruments authorised and regulated in their jurisdiction(s) of incorporation. No action has been taken which would permit the public offering of the financial instrument(s) in any other jurisdiction, except as indicated in the most recent prospectus and the Key Investor Information Document (KIID) of the relevant financial instrument(s) where such action would be required, in particular, in the United States, to US persons (as such term is defined in Regulation S of the United States Securities Act of 1933). Prior to any subscription in a country in which such financial instrument(s) is/are registered, investors should verify any legal constraints or restrictions there may be in connection with the subscription, purchase, possession or sale of the financial instrument(s). Investors considering subscribing to the financial instrument(s) should read carefully the most recent prospectus and Key Investor Information Document (KIID) and consult the financial instrument(s)' most recent financial reports. These documents are available on the website. Opinions included in this material constitute the judgement of the investment company at the time specified and may be subject to change without notice. The investment company is not obliged to update or alter the information or opinions contained within this material. Investors should consult their own legal and tax advisors in respect of legal, accounting, domicile and tax advice prior to investing in the financial instrument(s) in order to make an independent determination of the suitability and consequences of an investment therein, if permitted. Please note that different types of investments, if contained within this material, involve varying degrees of risk and there can be no assurance that any specific investment may either be suitable, appropriate or profitable for an investor's investment portfolio. Given the economic and market risks, there can be no assurance that the financial instrument(s) will achieve its/their investment objectives. Returns may be affected by, amongst other things, investment strategies or objectives of the financial instrument(s) and material market and economic conditions, including interest rates, market terms and general market conditions. The different strategies applied to financial instruments may have a significant effect on the results presented in this material. Past performance is not a guide to future performance and the value of the investments in financial instrument(s) may go down as well as up. Investors may not get back the amount they originally invested. Gross of fees performance included in this material do not reflect the deduction of commission, fees and other expenses incurred. Returns will be reduced after the deduction of such fees. This document is directed only at person(s) who have professional experience in matters relating to investments ("relevant persons"). Any investment or investment activity to which this document relates is available only to and will be engaged in only with Professional Clients as defined in the rules of the Financial Conduct Authority. Any person who is not a relevant person should not act or rely on this document or any of its contents. All information referred to in the present document is available on www.bnpparibas-am.com.

As at January 2020.





BNP PARIBAS
ASSET MANAGEMENT

L'asset manager d'un monde qui change