

A high conviction portfolio of 30-50 holdings invested in companies that enable or benefit from innovative technologies in healthcare

DASHBOARD AS AT 29.01.2021

| Asset Class                                                                                             | Benchmark                         | No. of Holdings                     | Fund Size (EUR millions) |
|---------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------|--------------------------|
| Equity                                                                                                  | MSCI World Health Care 10/40 (NR) | 46                                  | 756                      |
| Risk Indicator                                                                                          | YTD Performance (1)               | 3-year Annualised Perf. (2)         |                          |
| <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> | <b>2.13 %</b><br>Benchmark 1.78 % | <b>13.24 %</b><br>Benchmark 11.90 % |                          |

(1) All figures net of fees (in EUR).

(2) Based on 360 days

**OPPORTUNITY:** Investing in secular growth and strong innovation in healthcare

In the long term, we believe the "health innovations" segment will prove increasingly significant, as the companies behind them are developing product and service solutions in support of several of the key themes of secular growth: Ageing populations, global population growth, lifestyle changes and wealth effects within emerging markets. Healthcare demand growth is outpacing economic growth. The technological acceleration we are seeing in healthcare is enabling rapid innovation and opening new markets while disrupting others. Examples include the treatment of degenerative diseases via genomics, biopharmaceutical/medical technology innovation, data management, miniaturisation, innovative materials, robotics and artificial intelligence

#### PERFORMANCE (CUMULATIVE OVER 5 YEARS) (EUR) (NET)



Cumulated Performance at 29.01.2021 (%)

|             | YTD  | 1 Month | 3 Months | 6 Months | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years |
|-------------|------|---------|----------|----------|--------|---------|---------|---------|---------|
| ● FUND      | 2.13 | 2.13    | 9.97     | 7.71     | 11.38  | 31.51   | 45.92   | 45.54   | 52.57   |
| ● BENCHMARK | 1.78 | 1.78    | 8.83     | 5.78     | 6.16   | 27.01   | 40.74   | 51.16   | 56.45   |

Calendar Performance at 29.01.2021 (%)

|             | 2020 | 2019  | 2018 | 2017  | 2016  |
|-------------|------|-------|------|-------|-------|
| ● FUND      | 9.48 | 25.54 | 5.24 | -1.22 | -8.75 |
| ● BENCHMARK | 4.14 | 25.51 | 7.68 | 5.23  | -4.03 |

(1) All figures net of fees (in EUR). The value of your investments may fluctuate. Past performance is no guarantee for future results.

A - 04/1997-05/2013: Following a corporate action on 17/05/2013, the performances listed are the simulated past performance and fees of the BNP PARIBAS L1 EQUITY WORLD HEALTH CARE.

Source: BNP Paribas Asset Management



## HOLDINGS: % OF PORTFOLIO

| Main Holdings (%)                        |           | by Country (%)  |               | Against Benchmark |
|------------------------------------------|-----------|-----------------|---------------|-------------------|
| UNITEDHEALTH GROUP INC                   | 7.36      | United States   | 71.67         | + 1.62            |
| ELI LILLY                                | 5.65      | Switzerland     | 13.38         | + 5.08            |
| BRISTOL MYERS SQUIBB                     | 5.47      | United Kingdom  | 5.18          | + 1.51            |
| ROCHE HOLDING PAR AG                     | 5.36      | Japan           | 2.23          | - 4.24            |
| ASTRAZENECA PLC                          | 5.18      | Denmark         | 2.22          | - 0.57            |
| NOVARTIS AG N                            | 5.04      | Canada          | 0.75          | + 0.62            |
| ABBOTT LABORATORIES                      | 4.59      | France          | 0.66          | - 1.35            |
| JAZZ PHARMACEUTICALS PLC                 | 3.69      | Australia       | -             | - 1.87            |
| HOLOGIC INC                              | 3.54      | Netherlands     | -             | - 0.94            |
| CHARLES RIVER LABORATORIES INTERNATIONAL | 2.77      | Germany         | -             | - 2.33            |
| <b>No. of Holdings in Portfolio</b>      | <b>46</b> | Forex contracts | -             | - 0.00            |
|                                          |           | Other           | -             | - 1.45            |
|                                          |           | Cash            | 3.92          | + 3.92            |
|                                          |           | <b>Total</b>    | <b>100.00</b> |                   |

| by Sector (%)   |               | Against Benchmark |
|-----------------|---------------|-------------------|
| Health care     | 96.08         | - 3.92            |
| Forex contracts | -             | - 0.00            |
| Cash            | 3.92          | + 3.92            |
| <b>Total</b>    | <b>100.00</b> |                   |

Source of data: BNP Paribas Asset Management, as at 29.01.2021.

The above mentioned securities are for illustrative purpose only and do not constitute any investment recommendation.



## RISK

## Risk Indicator

The risk and reward indicator for this fund is:



Lower risk typically=lower reward

Higher risk typically=higher reward

1: lowest risk ; 7: highest risk ; SRRI: Synthetic Risk and Reward Indicator. The higher the risk, the longer the investment horizon is recommended

## Risk Analysis (3 years, monthly)

## Fund

|                        |       |
|------------------------|-------|
| Volatility             | 15.23 |
| Ex-post Tracking Error | 5.94  |
| Information Ratio      | 0.23  |
| Sharpe Ratio           | 0.91  |
| Alpha                  | 1.08  |
| Beta                   | 1.03  |
| R <sup>2</sup>         | 0.85  |

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. 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 at risk of capital loss.

Why is the Fund in this specific category?

The risk category is justified by the investment mainly in Stocks and Shares, the value of which can fluctuate considerably. These fluctuations are often amplified in the short term.

This fund may be exposed to other risks, listed below :

- **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.
- **Operational and Custody Risk:** Some markets are less regulated than most of the international markets; hence, the services related to custody and liquidation for the subfund on such markets could be more risky.

## DETAILS

| Fees                            |       | Key Figures (EUR)              |          | Codes          |              |
|---------------------------------|-------|--------------------------------|----------|----------------|--------------|
| Maximum Subscription Fee        | 3.00% | NAV                            | 1,302.32 | ISIN Code      | LU0823416762 |
| Maximum Redemption Fee          | 0.00% | 12M NAV max. (25.01.21)        | 1,365.26 | Bloomberg Code | GEQ4308 LX   |
| Maximum conversion Fees         | 1.50% | 12M NAV min. (16.03.20)        | 941.83   |                |              |
| Real Ongoing Charges (31.10.20) | 1.98% | Fund Size (EUR millions)       | 755.99   |                |              |
| Maximum Management Fees         | 1.50% | Initial NAV                    | 599.98   |                |              |
|                                 |       | Periodicity of NAV Calculation | Daily    |                |              |

## Characteristics

|                                |                                                         |
|--------------------------------|---------------------------------------------------------|
| Legal form                     | Sub-fund of SICAV BNP PARIBAS FUNDS Luxembourg domicile |
| Dealing Deadline               | 16:00 CET STP (12:00 CET NON STP)                       |
| Recommended Investment Horizon | 5 years                                                 |
| Benchmark                      | MSCI World Health Care 10/40 (NR)                       |
| Domicile                       | Luxembourg                                              |
| First NAV date                 | 17.05.2013                                              |
| Fund Manager                   | Jon STEPHENSON                                          |
| Management Company             | BNP PARIBAS ASSET MANAGEMENT Luxembourg                 |
| Delegated Manager              | BNP PARIBAS ASSET MANAGEMENT USA, Inc.                  |
| Delegated Manager              | BNP PARIBAS ASSET MANAGEMENT UK Limited                 |
| Custodian                      | BNP PARIBAS SECURITIES SERVICES-LUXEMBOURG BRANCH       |
| Base Currency                  | EUR                                                     |
| Available Currencies           | SEK                                                     |
| Subscription/execution type    | NAV + 1                                                 |



## GLOSSARY

**Alpha**

Alpha is an indicator used to measure the value added by an active portfolio manager relative to a passive exposure to a benchmark. A positive alpha expresses an outperformance whereas a negative alpha indicates an underperformance. A simple way to calculate alpha is to subtract a portfolio's expected return (based on the benchmark's performance adjusted with the beta of the portfolio, see Beta definition for further details). For instance, an alpha of 0.50 means that the portfolio outperformed the market-based return (benchmark's performance adjusted from the Beta exposure of the portfolio) by 0.50%.

**Beta**

Beta is a measure of portfolio market risk, the market being represented by financial indices (such as MSCI World) that are consistent with the portfolio's guidelines. It measures the sensitivity of portfolio performance to the performance of the market. For example a beta of 1.5 means the portfolio will move by 1.5% for a market performance of 1%. Mathematically, it is the correlation between the portfolio and the market multiplied by their ratio of volatilities.

**Information Ratio**

The information ratio is a risk-adjusted return that measures the relationship between the portfolio's tracking error and its relative return compared with the benchmark index (called active return).

**R<sup>2</sup>**

The Correlation Coefficient indicates the strength and direction of a linear relationship between fund performance and benchmark. The coefficient is an element of [-1,1], where 1 equals a perfectly correlated increasing linear relationship, -1 equals a perfectly correlated decreasing linear relationship, and 0 means that there is no linear correlation.

**Sharpe Ratio**

A measure for calculating risk-adjusted return. It indicates the return earned in excess of the risk-free rate per unit of risk. It is calculated by dividing the difference between the return and the risk-free rate by the standard deviation of the return on the investment. The Sharpe ratio indicates whether the excess return was obtained thanks to good investment management or by taking additional risk. The higher the ratio, the better the risk-adjusted return.

**Tracking Error**

The tracking error measures the volatility of a portfolio's relative return in relation to its benchmark index.

**Volatility**

An asset's volatility is the standard deviation of its return. As a measure of dispersion, it evaluates the uncertainty of asset prices, which is often equated to their risk. Volatility can be calculated ex post (retrospectively) or estimated ex ante (anticipatively).

A glossary of financial terms appearing on this document can be found at <http://www.bnpparibas-am.com>

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