

# Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## Sustainable Asian Cities Bond, a subfund of the SICAV BNP Paribas Funds, short named as BNP Paribas

Class "Classic Capitalisation" - ISIN code LU0823379622

This Fund is managed by BNP PARIBAS ASSET MANAGEMENT Luxembourg, part of the BNP Paribas Group.

## Objectives and investment policy

The Product is actively managed. The benchmark J.P. Morgan Asia Credit is used for performance comparison only. The Product is not benchmark constrained and its performance may deviate significantly from that of the benchmark.

The Product seeks to increase the value of its assets over the medium term by investing in debt securities issued by Asian entities supporting the development of Sustainable Asian Cities.

The concept of Sustainable Asian Cities is multi-sector and multi-aspect, where investments can be broadly about these five aspects:

Enhancing urban mobility within and across cities, with a preference for low-carbon options e.g. public transport

Improving cities' basic infrastructure to operate and thrive, as well as improving cities' resilience to extreme weather events

Promoting integrated development to balance a mix of social, economic, nature-based activities

Building health and education facilities to increase provision and improve access to healthcare and education

Supporting innovative and technological solutions to support sustainable development of cities.

The investment universe of this Product is made up of sustainable labelled bonds and non-labelled bonds from issuers domiciled in, or exercising the predominant part of their economic activity in, Asian countries (such as, but not limited to, China, Indonesia, Korea).

The Product follows the Sustainable Thematic approach in investing in companies that provide products and services providing concrete solutions to specific environmental and/or social challenges, seeking to benefit from future growth anticipated in these areas while contributing capital towards the transition towards a low-carbon, inclusive economy.

The selected issuers, according to the proprietary methodology, must have at least 20% of their revenues in the activities, which are directly contributing to the theme, and/or potentially enablers of the above concept.

The Product invests at least 90% of its assets (excluding investments in cash and cash equivalents) in securities issued by issuers that have an ESG score or assessment using the investment manager internal methodology.

The investment team applies also BNP PARIBAS ASSET MANAGEMENT's sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria such as but not limited to reduction of emissions of greenhouse gas, respect of human rights, respect of minority shareholders rights, at each step of the investment process of the Product.

An extra-financial strategy may comprise methodological limitations such as the ESG Investment Risk as defined by the asset manager.

The Product achieves this objective by investing in debt securities that are validated by the Sustainability Centre of BNPP AM.

The Product may be invested into debt securities traded on the China Interbank Bond market.

Incomes are systematically reinvested.

Investors are able to redeem on a daily basis (on Luxembourg bank business days) as described in the prospectus.

## Risk and reward profile

Lower risk Higher risk

Potentially lower rewards Potentially higher rewards

1	2	3	4	5	6	7
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- Historical data may not be reliable indication for the future.
- The risk category of a Fund is an indicator but not a target or a guarantee and may shift over time.
- The lowest category does not mean a risk-free investment.
- Why is the Fund in this specific category?  
The risk category is justified by the investment mainly in Interest Rate instruments. The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments and more generally fixed income instruments.
- The higher the risk, the longer the recommended investment horizon.

Other risks materially relevant to the Fund which are not adequately captured by the indicator are described below:

- **Credit Risk:** This risk relates to the ability of an issuer to honour its commitments: downgrades of an issue or issuer rating may lead to a drop in the value of associated bonds.
- **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.
- **Risk related to investments in Mainland China:** such investments are subject to additional risks that may be the result of political, economic, social, tax, market and operational factors specific to the Chinese Market.

For more information on risks, please see the risks section of the Fund's prospectus, which is available at <http://www.bnpparibas-am.com>.



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## Charges

The charges you pay are used to pay the Fund's running costs, including the costs of marketing and distribution. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	3.00%
Exit charges	None
This is the maximum that might be taken out of your money (before the proceeds of your investment are paid out).	
Charges taken from the Fund over each year	
Ongoing charges	1.28% (*)
Charges taken from the fund under specific conditions	
Performance fee	None

The **entry charges** shown are maximum figures. In some cases you might pay less. You can find this out from your financial adviser.

(\*) The **ongoing charges** figure is based on past expenses determined as of 31 December 2023.

This figure may vary from year to year. It excludes:

- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

In case of conversion, the investors may be charged a maximum fee of 1.5%.

For more information about charges, please see the "Fees and Costs" section of the Fund's prospectus, which is available at <http://www.bnpparibas-am.com>.

## Past performance



A: 2013-2021: Following a corporate action on 06/05/2022, during this period, the Fund had a different investment policy under the name "Asia ex-Japan Bond "

- Performance figures are shown for shares classes, for which NAV was continuously calculated during the period from 1st January to 31st December.
- Past performance is not an indicator of future results.
- The ongoing charges of the Fund are included in the calculation of past performance. The entry/exit and conversion fees are excluded from the calculation of the past performance.
- The share class came into existence in 2013.
- Past performance has been calculated in USD.
- Performance returns are based on the net asset value with distributable income reinvested.

## Practical information

- Custodian: BNP PARIBAS, Luxembourg Branch.
- Further information about the Fund including the latest Prospectus, latest published prices of share(s), annual report and half yearly report may be obtained free of charge, in English, from BNP PARIBAS ASSET MANAGEMENT Luxembourg or online at <http://www.bnpparibas-am.com>.
- Luxembourg tax legislation may have an impact on the personal tax position of the investor.
- Details of the updated remuneration policy (including a description of how the remuneration and benefits are calculated), the identity of the people responsible for granting the remuneration and benefits and the composition of the remuneration committee are available on the website <https://www.bnpparibas-am.com/en/footer/remuneration-policy/>. A hard copy of the remuneration policy will be available upon request.
- BNP PARIBAS ASSET MANAGEMENT Luxembourg may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.
- Investors may switch between Funds of BNP Paribas Funds. Please see the prospectus or contact your financial adviser for details.

This Fund is authorised in Grand Duchy of Luxembourg and regulated by the "Commission de Surveillance du Secteur Financier".  
This key investor information is accurate as at 19 February 2024.



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