

A portfolio of global stocks designed to benefit from the growing imbalance between water supply and demand.

DASHBOARD AS AT 31.08.2020

Asset Class	Benchmark	No. of Holdings	Fund Size (EUR millions)
Equity	MSCI World (NR)	54	1,897
Risk Indicator	YTD Performance (1)	3-year Annualised Perf. (2)	
1 2 3 4 5 <b>6</b> 7	-5.92 % Benchmark -1.13 %	7.08 % Benchmark 9.60 %	

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

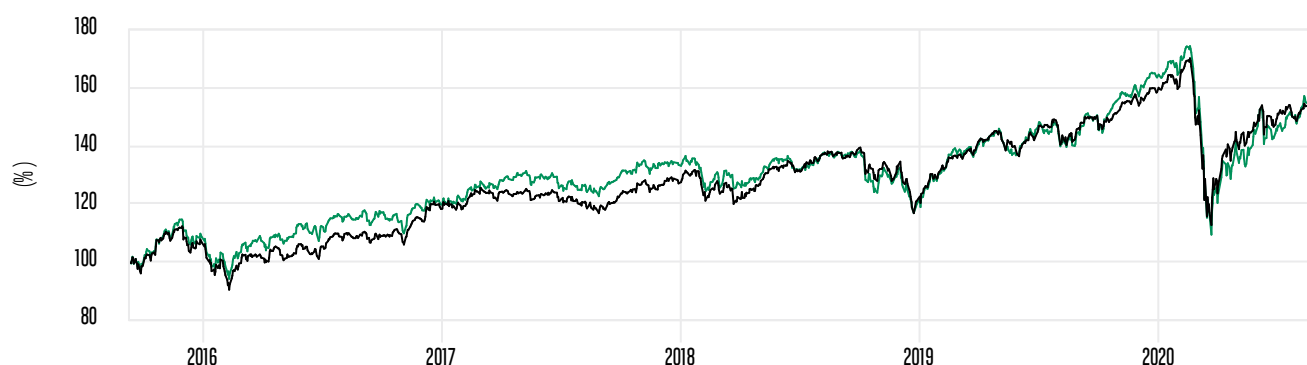
(2) Based on 365 days

#### OPPORTUNITY: DEMAND FOR WATER IS GROWING, SUPPLY IS NOT

Population growth, urbanisation and rising living standards are leading to increased water consumption. Demand is expected to grow between 8% and 10% over the next 20 years, yet water is a scarce resource\*. We believe increased demand will drive long-term growth. This fund invests in shares issued by international businesses whose activities are related to water.

\*Source: International Water Management Institute/IWRa.

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



Cumulated Performance at 31.08.2020 (%)

	YTD	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	4 Years	5 Years
● FUND	-5.92	4.16	6.76	1.72	6.50	11.64	22.78	32.89	53.10
● BENCHMARK	-1.13	5.48	6.72	6.33	7.54	13.91	31.65	43.29	53.80

Calendar Performance at 31.08.2020 (%)

	2019	2018	2017	2016	2015
● FUND	35.18	-9.33	11.38	11.80	11.57
● BENCHMARK	30.02	-4.11	7.51	10.73	10.42

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

12/2008-07/2015: During this period, performances were simulated based on those of the I, C share in the same fund, taking into account the fees for the share presented here.

Source: BNP Paribas Asset Management

## HOLDINGS: % OF PORTFOLIO

Main Holdings (%)		by Country (%)		Against Benchmark
SUEZ SA	4.01	United States	47.34	- 18.91
AGILENT TECHNOLOGIES INC	2.99	United Kingdom	11.58	+ 7.80
GEORG FISCHER AG N	2.96	France	6.47	+ 3.25
IDEX CORP	2.87	Switzerland	6.23	+ 3.03
REXNORD CORP	2.54	Japan	5.41	- 2.13
PENTAIR PLC	2.52	Netherlands	3.68	+ 2.16
PENNON GROUP PLC	2.52	China	3.05	+ 2.98
XYLEM INC	2.47	Austria	2.37	+ 2.32
VEOLIA ENVIRON. SA	2.46	Sweden	2.33	+ 1.38
TRIMBLE INC	2.44	Republic of Korea	1.96	+ 1.96
<b>No. of Holdings in Portfolio</b>	<b>54</b>	Forex contracts	-0.01	- 0.01
		Other	7.57	- 5.86
		Cash	2.03	+ 2.03
		<b>Total</b>	<b>100.00</b>	

by Sector (%)		Against Benchmark
Industrials	47.82	+ 37.75
Utilities	20.96	+ 17.80
Materials	10.80	+ 6.45
Health care	7.31	- 6.15
Information technology	5.86	- 16.46
Consumer discretionary	5.23	- 6.62
Communication services	-	- 9.01
Consumer staples	-	- 8.04
Financials	-	- 12.14
Real estate	-	- 2.80
Forex contracts	-0.01	- 0.01
Other	-	- 2.80
Cash	2.03	+ 2.03
<b>Total</b>	<b>100.00</b>	

Source of data: BNP Paribas Asset Management, as at 31.08.2020

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	17.13
Ex-post Tracking Error	4.97
Information Ratio	-0.51
Sharpe Ratio	0.43
Alpha	-2.67
Beta	1.06
R <sup>2</sup>	0.92

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 :

- **Derivative Risk:** When investing in over the counter or listed derivatives, the Fund aims to hedge and/or to leverage the yield of its position. The attention of the investor is drawn to the fact that leverage increases the volatility of the subfund.
- **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.
- **Risks related to Shanghai Hong Kong Stock Connect:** This risk relates to securities trading and clearing through the Stock Connect. Stock Connect is subject to quota limitation which may restrict the fund's ability to invest in China A-Shares on a timely basis. In addition, the Stock Connect is novel in nature, the regulations are untested and there is no certainty as to how they will be applied, which may affect the fund's ability to enforce its rights and interests in the China A-Shares.

## DETAILS

Fees	Key Figures (EUR)	Codes
Maximum Subscription Fee	3.00%	NAV
Maximum Redemption Fee	0.00%	141.05
Maximum conversion Fees	1.50%	12M NAV max. (19.02.20)
Real Ongoing Charges (31.10.19)	2.20%	159.91
Maximum Management Fees	1.75%	12M NAV min. (23.03.20)
		100.30
		Fund Size (EUR millions)
		1,897.06
		Initial NAV
		100.00
		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 (NR)
Domicile	Luxembourg
Launch Date	16.07.2015
Fund Manager	Hubert AARTS
Management Company	BNP PARIBAS ASSET MANAGEMENT Luxembourg
Delegated Manager	IMPAX ASSET MANAGEMENT LTD
Delegated Manager	BNP PARIBAS ASSET MANAGEMENT UK Limited
Custodian	BNP PARIBAS SECURITIES SERVICES-LUXEMBOURG BRANCH
Base Currency	EUR
Available Currencies	USD
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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