



PRODUCT KEY FACTS

BNP Paribas Funds Global Convertible

March 2024

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document and should be read in conjunction with the Prospectus, Hong Kong Covering Document and Information for Hong Kong Investors.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

| | | | |
|---|--|---------------------------|---|
| Management Company: | BNP PARIBAS ASSET MANAGEMENT Luxembourg | | |
| Fund Manager: | Internal and/or external delegation to one or more portfolio managers as described in the "General Information" section of the Prospectus and the "Management and Sub-Delegation" section of the Hong Kong Covering Document and Information for Hong Kong Investors | | |
| Custodian: | BNP Paribas, Luxembourg Branch | | |
| Ongoing charges over a year#: | Classic | | 1.64% |
| Base currency: | USD | Dealing frequency: | Daily |
| Financial year end of this sub-fund: | 31 December | Dividend policy: | Capitalisation shares – No dividend distribution (income, if any, will be reinvested) Distribution shares - Dividend, if declared, will be paid Distributions may be paid out of capital which may result in an immediate reduction of the sub-fund's net asset value |
| | | Min. investment: | None |

The ongoing charges figure is calculated based on expenses for the year ended at 31 December 2023. This figure may vary from year to year. The ongoing charge is calculated by adding all direct fees, indirect fees and external fees of the sub-fund and then divided by the average net assets. Direct fees refer to charges and payment directly borne by the sub-fund such as operating costs, remuneration and payment to key operators and service providers. Indirect fees refer to the ongoing charges of the underlying funds which the sub-fund invests. External fees refer to any remuneration of the management company or other party that derives from fee-sharing arrangement.

What is this product?

This sub-fund is a fund constituted in the form of a mutual fund. It is incorporated under Luxembourg law and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

Objective and Investment Strategy

Objective

To increase in the value of its assets over the medium term by investing in convertible bonds from any countries.

Strategy

This sub-fund invests at least 2/3 of its assets in convertible or similar bonds whose underlying shares are issued by companies from any countries.

The Investment Manager will seek to achieve a balance between the debt character of convertible bonds and their dependence on their respective underlying shares. In this respect, the sub-fund will take advantage of bond yields and will also be sensitive to the performance of the underlying shares.

The Investment Manager will focus on convertible bonds strategies, investing in convertible bonds securities or achieving exposure to such securities by investing in fixed income securities and financial derivative instruments (such as options, swaps (including credit default swaps, equity basket swaps, variance and volatility swaps), contract for difference and warrants).

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other securities, money market instruments or cash, and up to 10% of its assets may be invested in collective investment schemes.

After hedging, the sub-fund's exposure to currencies other than the US Dollar may not exceed 25% of its net asset value.

To further elaborate, the Investment Manager will select investments for the sub-fund based on the fundamental value of the share of the underlying company when a bond is more sensitive to equities; and will focus more on the credit metrics of a company when the bond is more sensitive to spread.

The sub-fund's overall exposure (via both direct and indirect investments) to Mainland China securities will not exceed 30% of its assets.

The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT's Sustainable Investment Policy, which takes into account Environmental, Social and Governance criteria in the investment process of the sub-fund.

The sub-fund may invest in non-investment grade and/or unrated debt securities. The sub-fund does not normally invest in sovereign debt securities. Even if it invests in sovereign debt securities, it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.

Use of Derivatives/Investment in Derivatives

The sub-fund's net derivative exposure may be up to 50% of the sub-fund's NAV.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

Interest Rate Risk

- The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced

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by several elements or events, such as monetary policy, the discount rate, inflation, etc. An increase in interest rates may result in a decrease in the value of investments in bonds and debt instruments and the value of investments of the sub-fund may go down.

Credit Risk

- The ability of bond issuer to honour its commitments depends on the financial condition of the issuer. An adverse change in the financial condition of the issuer could lower the quality of the bonds, leading to greater price volatility of the bonds. The sub-fund may be subject to the risk that the bond issuer not making payment on interest and principal of the bonds, causing the value of the investment to go down.
- In the event of the default of bond issuer, the sub-fund may experience both delays in liquidating the bonds and losses including a decline in value of the bonds during the period when the sub-fund seeks to enforce its rights.
- Downgrades of a rating of bond issue or issuer may lead to a drop in the value of bonds in which the sub-fund has invested. Such bonds may have less liquidity, making it more difficult to sell and their values may be more volatile.

Counterparty Risk

- This risk is associated with the ability of a counterparty in a financial transaction to fulfil its commitments like payment, delivery and reimbursement. The sub-fund may be exposed to significant losses in the event of a counterparty default.

Risk in connection with transactions entered for hedging purpose

- The sub-fund will enter into transactions to hedge its non-USD exposure. However, there is a possibility that hedging may not be successful or does not work and the sub-fund's value may be adversely affected.

Risk in connection with Investments in Non-Investment Grade and/or Unrated Debt Securities

- The sub-fund may invest in non-investment grade and/or unrated debt securities. Investing in non-investment grade and/or unrated debt securities may subject the sub-fund to higher credit risk/risk of default than investment grade debt securities. The sub-fund may be exposed to significant losses if the issuers of securities of the sub-fund default payments. The market of non-investment grade and/or unrated debt securities may be less active, making it more difficult to sell the securities. Valuation of such securities is more difficult and thus the sub-fund's price may be more volatile.

Risk related to Investments in Some Countries

- Investments in some countries (China, India, Indonesia, Japan, Saudi Arabia and Thailand) involve risks linked to the restrictions imposed on foreign investors and counterparties, higher market volatility and the risk of lack of liquidity.

Emerging Market Risk

- The sub-fund may invest in emerging markets (examples of emerging countries include China, India, Indonesia, Korea, Chile, Hungary, Mexico and Poland etc.). Investing in emerging markets is likely to be subject to a higher than average volatility, less liquidity and greater sensitivity than investing in more developed markets due to, among other factors, greater uncertainty, greater political, tax, economic, social, foreign exchange, liquidity and regulatory risks. The price fluctuations of the investments are often amplified in the short term and the value of investments of the sub-fund may go down.

Risk linked to Equity Market

- Investments in equity include significant fluctuations in prices, negative information about the issuer or market. Moreover, these fluctuations are often amplified in the short term and may have a negative impact on the performance of the overall portfolio at a given time. There is no guarantee that investors will see an appreciation in value. The value of investments of the sub-fund may go down and it is possible that investors will not recover their initial investment.

Risk related to Investments in China

- Part of the sub-fund's investments is concentrated in China, which may result in a greater risk of loss than investing in more developed markets due to greater political, tax, economic, foreign exchange, liquidity,

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regulatory, accounting and reporting risk. Generally, there is greater market volatility, greater currency fluctuation, lower trading volume, greater political and economic instability, greater settlement risk, greater risk of market shut down, more governmental limitations on foreign investment and more governmental control of currency conversion and future movements in exchange rate than those typically found in developed markets. The value of the sub-fund may be more volatile and may be adversely affected.

Access products risk

- The sub-fund may invest in access products. Access products may not be listed and are subject to the terms and conditions imposed by their issuer. Investment in access products can be illiquid as there is no active market in access products and may be exposed to the credit risk of the issuer of the access products. Investment through access products may incur costs which may in turn lead to a dilution of performance of the sub-fund. Fluctuation in the exchange rate between the denomination currency of the underlying shares and the access products will also affect the value of the access products. The sub-fund's value may be adversely affected.

Risk associated with investments in financial derivative instruments

- Risk associated with financial derivative instruments include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instruments by the sub-fund. Exposure to financial derivative instruments may lead to a high risk of significant loss by the sub-fund.

Liquidity Risk

- Investments made by the sub-fund may become illiquid. It may not be possible to sell or buy these investments quickly enough to prevent or minimize a loss in the sub-fund.

Currency Exchange Risk

- The sub-fund may hold assets denominated in currencies that differ from the base currency, and may be affected by exchange rate fluctuations between the base currency and the other currencies and by changes in exchange rate controls. A depreciation of the denomination currency will lead to a depreciation in the exchange value of the security. When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective and the sub-fund's value may be adversely affected.

Operational & Custody Risk

- Some markets are less regulated than most of the international markets; hence, the services related to custody and liquidation for the sub-fund on such markets could be more risky. In the event of a custodian default, the sub-fund may suffer a delay in recovering its assets, pending the resolution of the relevant default or bankruptcy proceedings.

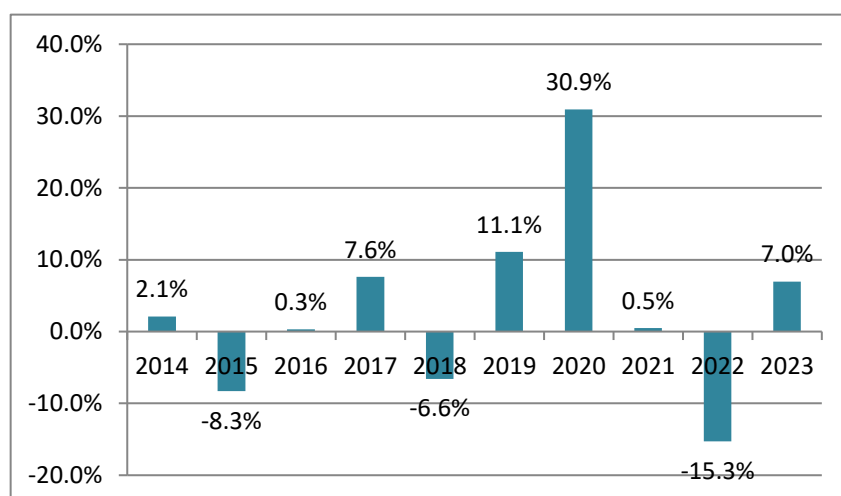
Risk in connection with Dividend Payment

- The Management Company may at its discretion pay dividends out of the capital of the sub-fund. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the sub-fund's capital may result in an immediate reduction of the net asset value per share. The Management Company may amend the dividend policy subject to the SFC's prior approval and by giving not less than one month's notice to investors.

Investment Risk

- When investing in a fund, there is a risk that the final outcome may deviate from the initial expectations. The sub-fund's investment portfolio may fall in value and therefore may suffer losses. In addition, there is no guarantee of principal repayment.

How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- Classic Capitalisation, being a share class with the same reference currency as the sub-fund with the longest track record among all share classes and not restricted to certain types of clients, is selected as the representative share class.
- These figures show by how much the Classic Capitalisation share class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- BNP Paribas Funds Global Convertible launch date: 21 May 2013
- Classic Capitalisation share class launch date: 21 May 2013
- On 16 March 2018, BNP Paribas Funds Global Convertible absorbed a Luxembourg fund which is not authorized by the SFC.
- On 11 October 2019, BNP Paribas Funds Global Convertible absorbed a Luxembourg fund which is not authorized by the SFC.
- On 18 October 2019, BNP Paribas Funds Global Convertible absorbed a Luxembourg fund which is not authorized by the SFC.

Is there any guarantee?

This sub-fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the sub-fund.

| Fee | What you pay |
|---|---|
| Subscription fee (Entry cost) | Up to 3% of the net asset value of the relevant share class subscribed |
| Switching fee (Conversion fee) | Up to 1.5% of the net asset value of the relevant share class converted |
| Redemption fee (Exit cost) | Nil |

Ongoing fees payable by the sub-fund

The following expenses will be paid out of the sub-fund. They affect you because they reduce the return you get on your investments.

| | Annual rate (as a % of the net asset value of the relevant share category) |
|---|--|
| Management fee | "Classic" categories – Up to 1.20% |
| Custodian fee | Included in Other costs |
| Performance fee | Not applicable |
| Administration fee | Included in Other costs |
| Other costs (Other costs cover the general asset custody expenses payable to the custodian and the daily administration expenses) | Up to 0.35% for all share categories |

Other fees

You may have to pay other fees when dealing in the shares of the sub-fund.

Additional Information

- You generally buy and redeem shares at the sub-fund's next determined subscription price and redemption price through your authorised distributor after the transaction servicing agent receives your request via your authorised distributors in good order on or before 6 pm (Hong Kong time) on a Hong Kong business day. Investors should note that different distributors may have different dealing cut-off which may be earlier than the time specified in this document. Investors should check with the relevant authorised distributors accordingly.
- The net asset value of this sub-fund is calculated and the price of shares published daily on the website at <https://www.bnpparibas-am.com/en-hk>.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the website at <https://www.bnpparibas-am.com/en-hk>.
- The compositions of the dividends for the last 12 months are available from the Hong Kong representative on request and also on the website at <https://www.bnpparibas-am.com/en-hk>.
- Investors may obtain information on the intermediaries from our hotline (852) 2533 0088.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.