BNP PARIBAS FUND III N.V.

Annual report 2022
31 December 2022

BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world

Content page

Colophon

BNP Paribas Fund III N.V.
Investment company with variable capital

Management Board:
J.L Roebroek
M.P. Maagdenberg
K.M. Vandenbergh
The members of the Management Board elect domicile at the offices of the company.

Management Company:
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Herengracht 595
1017 CE Amsterdam

Independent auditor:
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Depositary:
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(Sub-)Asset Managers:
BNP PARIBAS ASSET MANAGEMENT Asia Ltd., Hong Kong (until 9 December 2022)
BNP PARIBAS ASSET MANAGEMENT UK Ltd., London
BNP PARIBAS ASSET MANAGEMENT France, Paris

Administrator:
BNP Paribas S.A., Belgium Branch

Fund Agent and Transfer Agent:
BNP Paribas, Luxembourg Branch

Paying agent, Listing Agent and Clearer:
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The original report has been prepared in the Dutch language. This document is a version thereof translated into the English language. In case of differences between the English and the Dutch version the latter prevails.

Profile

Fund characteristics

BNP Paribas Fund III N.V. is an open-end investment company with variable capital incorporated under Dutch law by deed dated 4 September 1987 and has its registered office in Amsterdam. The company has a so-called umbrella structure.

BNP Paribas Fund III N.V. has opted for the status of fiscal investment institution as referred to in Section 28 of the Dutch Corporate Income Tax Act 1969. On account of the fiscal investment institution status, no corporate income tax is due if, inter alia, (almost) total fiscal earnings are distributed in the form of a cash dividend.

BNP Paribas Fund III N.V. is entered in the trade register of the Chamber of Commerce in Amsterdam under number 33195640.

BNP Paribas Fund III N.V. is an Undertaking for Collective Investment in Transferable Securities (UCITS).

The ordinary share capital is divided into several series of ordinary shares, called sub-funds in which the registered share capital is divided into. The sub-funds as such have no legal character.

BNP Paribas Fund III N.V. operates as an open-end fund. This means that, except in exceptional circumstances as described in the prospectus, the sub-funds can issue and repurchase their own shares on a daily basis. Dutch legal provisions on segregation of assets apply to the sub-funds.

At the date of this report, BNP Paribas Fund III N.V. is divided into three sub-funds, known as:
- BNP Paribas ESG Netherlands Index Fund;
- BNP Paribas ESG Global Property Securities Index Fund; and
- BNP Paribas Global Income Multi-Factor Equity Fund.

The sub-funds have their own investment policy, risk profile and price formation. The administration is conducted separately for each sub-fund, so that all revenues and costs allocated to a sub-fund are accounted for and administered on an account held by each sub-fund for that purpose.

Share classes

The ordinary shares of the sub-funds are divided into Classic class and X class.
Classic class: For this class, a management fee is charged. Its amount is included in the supplementary prospectus of each sub-fund. The shares of this class can be traded via Euronext Amsterdam.
X class: For this class, no management fee will be charged. The shares of this class can only be purchased by professional investors (after approval by the Management Company). At the date of this report, no shares of X class were issued.
The priority shares are held by the French entity BNP PARIBAS ASSET MANAGEMENT Holding. A description of the provisions with regard to priority shares is included in the other information.

More information on the cost structure per share class can be found in the prospectus on the website of the Management Company www.bnpparibas-am.nl.

Management Board report

We hereby report on the 2022 reporting period of BNP Paribas Fund III N.V. which covers the period from 1 January 2022 up to and including 31 December 2022.

Economy and Markets

Economic context

In the face of higher-than-expected inflation, which is predicted to remain so longer than initially anticipated, particularly as a result of increased prices for energy and agricultural products, the main theme of 2022 was the normalisation of monetary policies. Key rate rises accelerated in the second half of the year despite concerns about global growth. Just after the invasion of Ukraine, the price of a barrel of Brent reached USD 128 in March, the highest since mid-2008. It then experienced sharp variations between USD 100 and USD 120 due to signs of stalemate in the conflict on the one hand and fears about the world economy on the other. In the end, the latter prevailed: the price of oil suffered from the deteriorated growth prospects and remained on a downward trend until early autumn. In the last quarter, it fluctuated sharply, reaching a low for the year in early December (at USD 76 per barrel) before ending at nearly USD 86, a 10.5% increase in 12 months. The WTI barrel price followed a similar path and ended 2022 at USD 80 (4.2%). The rise in key rates and the acceleration of inflation (from 7.2% in January to 10.7% in October for the OECD) led to strong tensions in government bond yields and a sharp reversal of interest rate curves in the United States. The change in the Chinese authorities' attitude to the health crisis is an important factor that was rightly welcomed by investors at the end of 2022, as the authorities seem to be more concerned about growth.

United States

In 2022, GDP contracted in the 1st and 2nd quarters (-1.6% and -0.6% respectively on an annualised basis) but domestic demand excluding inventories remained dynamic, as did the labour market, and growth in the 3rd quarter was 3.2%. The "real-time" estimate of growth in the 4th quarter varied between 3% and 4% in November and December (GDPNow calculated by the Federal Reserve Bank of Atlanta). Job creation, less spectacular than in 2021 when it amounted to 6.7 million, was very dynamic throughout the year (more than 4 million from January to November). The fall in the unemployment rate from 4.0% in January to 3.6% in November led to strong wage increases, but announcements of massive lay-offs in certain sectors multiplied at the end of the year. Activity surveys deteriorated at the end of the period. In December, the Purchasing Managers' Index (PMI) stood at 45, just above the level observed in August, which was then the lowest since the pandemic, and the manufacturing sector was particularly hard hit. The economists' consensus estimates that the US economy is 70% likely to have a recession in the next twelve months, and Jerome Powell said he "didn't think anyone knew whether or not there would be a recession". The end of 2022 was also marked by inflation inflexion: in November, consumer prices rose 7.1% year-on-year (after 7.7% in October) and core inflation (excluding food and energy) was 6.0% (after 6.3% in October and 6.6% in September, which should mark the high point of this cycle). However, the US Federal Reserve (Fed) has indicated that it still needs to be convinced that inflation is slowing down and has revised its inflation forecast upwards for 2023 and 2024.

Europe

At the beginning of 2022, developments were mixed: activity surveys initially recovered before being affected by the geopolitical situation. Against this backdrop, GDP growth of 0.6% in the 1st quarter of 2022 is not what it seems as it masks the decline in domestic demand. In the 2nd quarter, activity was supported by the recovery in tourism, which allowed GDP to grow by 0.8% (with a 1.0% increase in consumption). This favourable momentum has faded, but so far the eurozone economy has weathered the energy shock better than expected. Growth was 0.3% in the 3rd quarter, with many predicting stagnation. However, activity surveys deteriorated sharply from July onwards: the PMI indices fell below 50, reflecting a slowdown in services and a contraction in the manufacturing sector, especially in Germany where export orders collapsed. The business climate measured by the IFO-index deteriorated sharply, hitting its lowest level since May 2020 in September. Confidence in the services sector collapsed, particularly in the hotel and restaurant sector. Faced with the risk of an energy shortage this winter, the degree of uncertainty about the German economy is now close to the high point reached at the time of the first lockdown and exceeds the threshold reached at the time of the invasion of Ukraine.

Throughout the eurozone, and despite low unemployment (6.6%), consumer morale is at a historically low level. However, the very end of the year was characterised by a slowdown in the contraction of the eurozone economy. The average level of the PMI in the 4th quarter is still the largest quarterly drop in GDP since 2013 (excluding the pandemic). The inflexion of the price increase is very modest: in November, total inflation stood at 10.1% year-on-year (after 10.6% in October) while core inflation (excluding food and energy) stood at 5.0% compared to 2.3% in January.

Japan

In March 2022, while activity surveys had experienced a further change due to the deterioration of the health situation, the end of the Omicron wave and the lifting of restrictions allowed the PMI for services to bounce back, though the economy remains fragile. Industrial production suffered from supply chain disruptions due to lockdowns in China. Domestic demand at the end of the year was supported in the short term by the recovery of tourism as the government announced the ending of entry restrictions (effective as of 11 October) that had been in place for more than two years. Companies are concerned about rising costs and the prospect of a recession in the global economy. Against this backdrop, changes in the Japanese GDP have remained erratic since the beginning of the year; a 4.9% (annualised) rise in GDP in the 4th quarter of 2021 was followed by a 1.8 drop, a 4.5% rebound and a modest decline (-0.8% in the 3rd quarter). These variations have resulted in a growth rate of 1.0% for 2022, so that average growth in 2022 is expected to be more modest than in the United States and the eurozone (at 1.4% compared with the consensus of 1.9% and 3.2% respectively). The event of the year in Japan was the sharp acceleration of inflation, which in November returned to its highest level since the end of 1981 at 3.7% (index excluding fresh produce). At the same time, inflation excluding fresh produce and energy stands at 2.8%, which also corresponds to a high of almost 40 years but has not changed the analysis of the Bank of Japan (BoJ), which still considers this to be a temporary phenomenon (linked to energy and imported products), with service prices remaining moderate. However, price increases weigh heavily on household confidence, which, in November, returned to its lowest level since June 2020.

Equity markets

Since the beginning of the year, a geopolitical crisis has been added to the worsening health situation in Asia, which in turn has been affected by the Omicron wave. China reinstating lockdowns has been identified as a major risk to global growth. The nervousness of investors and economic agents and the soaring price of commodities that has fuelled inflationary pressures can therefore be explained by geopolitical tensions that existed even before the invasion of Ukraine on 24 February.
The decline in global equities linked to geopolitical risk was partly corrected at first, but concerns eventually prevailed over the renewed hardened tone of the central banks, led by the Fed. Since the beginning of 2022, this hardened tone has also driven financial market movements and has quickly become dominant. Pressures on long-term interest rates caused by inflationary fears following the less accommodative stance taken by monetary policies have indeed penalised equities, particularly growth stocks. After weighing on the stock markets from January (regarding inflationary concerns), these pressures were practically put aside when the invasion of Ukraine stunned investors. They quickly returned to the forefront as central banks became increasingly aggressive. Global equities declined in January and February, saw a limited increase in March, sharply declined again in April, stabilised in May thanks to a market upturn in the last week of the month, before losing more than 10% in the first half of June. They were then able to take advantage of the easing of long-term rates and, while some participants likely benefited from cheap purchases, they were not able to withstand the deterioration of economic indicators and ended June down by 8.6% compared to the end of May. The MSCI AC World dollar index lost 20.9% in six months. Since the beginning of the second half of the year, stocks have fluctuated considerably, both up and down, as investors have anticipated that the Fed's monetary policy may experience a less restrictive turn in the coming months. Yet central bankers' discourse remained very aggressive and accompanied by stronger-than-expected increases in key rates as early as the summer. The "Fed pivot" scenario then evolved to become synonymous with a slowdown in the pace of key rate recovery. This assumption clearly supported equities in October and November, but from mid-December, investors had to pay more attention to central banks' statements that inflation is still too high and that monetary policy must become restrictive and should remain so in 2023.
Moreover, while business results remained encouraging, the consensus for a recession in 2023 strengthened at the end of the year with the deterioration of activity surveys and objective data, particularly in the United States. On the other hand, starting in November, the change of strategy in China in the face of the Covid pandemic has maintained hopes. The re-opening of the Chinese economy

is synonymous with recovery in Asia and the normal functioning of global production chains. Faced with these contradictory factors, to which must be added the mini-financial storm of September caused by the announcement of the British mini-budget, equities ended the second half of the year practically at equilibrium (1.4%) at the end of a rough course that reflects the confusion of investors. After three consecutive quarterly declines followed by a rebound in the 4th quarter, global equities lost 19.8% in 2022, their steepest decline since 2008, a year marked by the Global Financial Crisis and a drop of more than 40%. The American markets suffered from their often predominantly growth-oriented composition, such as the Nasdaq Composite index, down 33.1%. The S&P 500 index fell by 19.4%, the Eurostoxx 50 dropped 11.7%, and the Nikkei 225 index ended down 9.4% (local currency indices, dividends not reinvested). Sectoral performance was very disparate: The only significant increase was recorded by energy; the cyclical sectors (consumption, technology) fell sharply and defensive stocks, although declining, outperformed, as did financial stocks.

Monetary policy
As early as January, the Fed began to communicate much more aggressively. It began to raise its key rates in March (by 25 bp) and quickly increased the pace (50 bp in May and then four consecutive 75 bp hikes). On 14 December, after a 50 bp increase, the target federal funds rate was raised to the 4.25%-4.50% range, a cumulative increase of 425 bp in 2022. Over the months, it has become clear that within its dual mandate, the Fed is focused on inflation and that the potential damage to growth and employment will not stop it. This message, though clear, does not seem to be well understood. The Fed, considering inflation to be "widespread and too high", is determined to bring it back to the 2% target and, to do so, will continue to raise its key rates in 2023 and keep them in restrictive territory for some time. For their part, investors believe that this brutal monetary tightening will provoke a recession and that the Fed will have to quickly resume cutting rates. This so-called "Fed pivot" assumption, reflected in futures markets, was sustained by the slowdown in the pace of rate rises in December and by the worsening of activity surveys. The difficulties in manufacturing have reinforced the belief of some observers that the Fed is likely to "do too much" in terms of rising key rates. The inflation inflexion (from 6.6% in September to 6.0% in November year-on-year for the consumer price index excluding food and energy) also played a role in these expectations. The Fed repeats that inflation will remain at an "uncomfortably high" level for some time and that its decline "will likely require a sustained period of growth below potential growth". The Fed expects the unemployment rate to rise to 4.6% in 2023.
The European Central Bank (ECB) did not change its key rates until June 2022, but expectations of a rise appeared in early 2022. Normalisation started with a rise of 50 bp in July, while the ECB committed in June to an increase of 25 bp. The statement noted that "the Council considered that a larger first step towards interest rate normalisation than indicated at its previous meeting was appropriate". The presentation of the anti-fragmentation tool (known as the TPI or Transmission Protection Instrument) also played a role in the decision. This new tool can be activated to "fight against an unjustified, disorderly market dynamic that would seriously threaten the transmission of monetary policy within the eurozone". As early as August, the tone of comments became much stronger in the face of accelerating inflation and in September, the ECB proceeded with a historic increase of 75 bp which, by raising the deposit rate to 0.75%, ended the period of zero or negative rates. The ECB then indicated that it intended to continue the tightening cycle and, indeed, raised its three key rates twice in the 4th quarter, by 75 bp in October and by 50 bp in December. Following the Governing Council on 15 December, the interest rates on the main refinancing operations, the marginal lending facility and the deposit facility were raised to 2.50%, 2.75% and 2.00% respectively. After a cumulative rise of 250 bp in the second half of the year, the ECB's tone did not soften—quite the contrary. While inflation in the eurozone showed only a limited inflexion at the end of the year (at 10.1% in November year-on-year compared to 10.6% in October and 5.0% at the end of 2021), Christine Lagarde did not hesitate to evoke "a 50 bp rate of increase for some time" and specified on several occasions that going from a 75 bp increase in October to 50 bp in December does not constitute "a pivot, we are not slowing down". In addition, the various measures announced by eurozone governments to limit the consequences of the energy crisis for the most vulnerable households and companies, in effect providing support for growth, are likely to encourage the ECB to tighten its monetary policy further. Despite the downside risks to growth, it is no longer a question of simply normalising monetary policy but of implementing restrictive measures, as the ECB believes that the moderate recession, which it anticipates for the next few months, will not be enough to bring inflation down and considers that it "has no choice".

Foreign exchange markets

The Fed's very aggressive statements and decisions, along with fears about the health of the global economy, led to a widespread and rapid appreciation of the US dollar until September. The DXY dollar index (measured against a basket of the euro, yen, pound sterling, Canadian dollar, Swedish krona and Swiss franc) rose by 19% between the end of 2021 and 27 September, when it reached its highest level since May 2002. Part of the subsequent decline likely reflects questions among market participants about the appropriateness of an unqualified bullish US dollar positioning against central banks that are likely to be upset by this additional source of volatility. In November, the US dollar's decline became more pronounced and widespread due to the prospect of the Fed tightening its monetary policy and the renewed appetite for risky assets triggered by this assumption. Compared to the end of 2021, the DXY index finished up by 7.9%. The EUR/USD exchange rate (1.1374 at the end of 2021) fell below 1.00 on 22 August due to uncertainty about Russian gas supplies to the eurozone this winter and associated recession fears. Faced with concerns about growth, the hardened tone of ECB officials and the rise in key rates from July were not enough to sustain the European currency. Moreover, some operators consider that too rapid a tightening of the ECB's monetary policy could destabilise peripheral bond markets and thus further weaken the euro. The EUR/USD exchange rate dropped to 0.95 on 26 September, its lowest in more than 20 years, before recovering in the 4th quarter in a US dollar movement that brought it above 1.07 in December, the highest since the beginning of June but down 5.9% in twelve months.
The USD/JPY exchange rate, which stood at 115.14 at the end of 2021, hovered around this level in January and February before rising sharply as the BoJ continued to analyse inflation as being driven by rising commodity prices. In the 3rd quarter, the upward trend was more pronounced and Governor Kuroda did not hesitate to declare at the end of August that the BoJ had "no choice but to maintain its accommodative monetary policy until wages and prices rise in a stable and sustainable way". In September, the yen experienced a further weakening that triggered direct intervention in the foreign exchange market on the 22nd. The effect was short-lived and the exchange rate stood at 152 on 21 October, the highest since July 1990. In November, like many financial assets, the yen experienced violent changes on the 10th following the publication of the consumer price index in the United States. Finally, in December, the US dollar fell when, following its monetary policy meeting on the 20th, the BoJ announced the widening of the yield curve control interval. This decision surprised observers and sharply sent the yield of the 10-year JGB above 0.40% (compared to 0.255% at closing the day before). The BoJ had tried to curb this type of reaction by stating that it was a technical adjustment and not a change in monetary policy, which did not prevent the sharp return of the USD/JPY exchange rate to its lowest level since early August. It ended at 131.12, a 12.2% annual decline in the yen against the US dollar.

Voting policy

In the interests of good fund governance the Management Company has a policy concerning voting behaviour. The principles applied by the Management Company with regard to voting behaviour are stated on the Website under 'Voting Policy'.
The voting policy of each sub-fund is set out in the 'Vote summary report', which can be downloaded from the relevant sub-fund page on the Website under 'Documenten', 'Samenvatting stemming'.

Remuneration policy of the Management Company

The objective of a remuneration policy is to ensure all employees are compensated in a way that complies with management guidelines, while offering transparency and consistency in the remuneration strategy, and ensuring compliance with applicable regulations.
In asset management, where human capital is crucial, a company's remuneration policy and practices have a significant impact on competitiveness, helping it recruit and retain talent. Fostering awareness of our compensation policy and practices among our managers and employees is particularly important to BNP PARIBAS ASSET MANAGEMENT (BNPP AM), the asset management business line of BNP Paribas Group.

<u>What are the key principles of BNPP AM's Reward Policy?</u>

First, our reward strategy is designed to achieve a sound, responsible and effective remuneration policy and practice. In particular, it is designed to:
- avoid conflicts of interest;

- protect the clients' interests; and
- ensure there is no encouraging of excessive risk-taking.

These three points are central to our policy and are emphasized to all our employees.
To meet these objectives, we use a best practice, which is to align the long-term interests of the employee, the employer and its clients.

Secondly, in concrete terms, BNPP AM's remuneration policy centres around four guiding business principles:
- Pay for Performance: our results-oriented reward policy helps us attract, motivate and retain the best and most effective talent;
- Share Wealth Creation: monitoring closely the pay-out ratio of variable remuneration relative to BNPP AM's operating profits (before variable remuneration), allows us to fully align the remuneration of BNPP AM's human capital with that of our shareholders;
- Aligning employee's and company's goals, particularly for investment teams and senior managers with deferred and indexed compensation plans, enables us to create a closer 'line of sight', further strengthening the link between performance and rewards;
- Promoting an element of employee risk-sharing (which we dub 'skin in the game'), ensures that investment teams and senior managers are fully committed to the long term performance of the company and its products.

Together, these guiding principles help shape the BNPP AM approach to reward, resulting in what we call 'Total Reward'.

Indeed, monetary remuneration is just one part of our total reward package. We also offer our employees competitive benefits, exciting career opportunities and a dynamic workplace offering challenges and a sense of achievement.

<u>What types of remuneration are awarded in practice?</u>
BNPP AM's compensation structure is made up of two main types of remuneration:
- Everyone benefits from Fixed Compensation or a base salary, reflecting the individual's role, qualifications and experience, as well as a satisfactory level of commitment;
- Variable Compensation is a supplement available to a wide range of employees and based on individual and collective performance. It is usually delivered in cash in March after the end of the performance measurement period, but can be subject to deferral, with payment over several years, settled after various risk adjustment factors have been applied.

<u>How is performance measured and linked to variable remuneration?</u>
- Remuneration depends not just on individual success, but also on the whole company's performance. For awards of variable remuneration, the global variable remuneration pool is a result of BNPP AM's overall performance, reflecting its success in meeting major business objectives. In a top-down approach, this collective performance is assessed and cascaded down to BNPP AM departments, based on specific key performance indicators.
  Finance and HR help BNPP AM's top Management determine the annual global variable remuneration pool, based on an estimate of BNPP AM's profit before variable remuneration. This estimate is made after adjustments from Risk, Compliance, Legal and Operational Risk Control have been factored in, as may be needed. This helps ensure that all existing and foreseeable risks[1] are duly taken into account.
- Individual performance is assessed all along the year, then at the end of it, thanks to a performance rating, based primarily on individual objectives set at the beginning of the year, for each BNPP AM employee. BNPP AM ensures that financial objectives are at all times supplemented with non-financial objectives, which contribute for at least 50% in assessing individual performance. Variable compensation will for at least 50% be based on non-financial objectives. Here as well, managers are required to pay specific attention to all existing and foreseeable risks (as defined above), when carrying out their employees' annual individual appraisal. This can be done using key performance indicators tailored to each employee, pre-defined during the semi-annual objectives' setting and re-assessment processes.
  Furthermore, specific methodologies have been developed to measure the performance of investment

[1] E.g. market, credit, operational, liquidity, compliance, litigation risks.

managers and sales teams.
Notably, for investment managers, excess performance over the benchmark are quantitatively measured, as a proportion of the target excess return of the portfolios, controlling that risks taken stayed within the pre-set risk budgets. This calculation is done on one and three years, or one, three and five years, with both the depth of performance and the relative weight of performance for each year, defined by asset classes. Further, the flagship portfolios of the team are given specific weights, under supervision from Risk, Compliance and HR.
- For control functions, such as Compliance, Risk, Legal and Operational Risk Control, fixed and variable compensation is set independently from the performance and the compensation pool of the business areas that they oversee or monitor. This is secured by BNP Paribas' organisation in integrated central control functions, with their heads directly reporting to BNP Paribas' CEO.
- Furthermore, for deferred and indexed awards, specific risk adjustments may be applied after their awards, generally at their vesting dates at the end of their deferral periods. The remuneration committee of BNP PARIBAS ASSET MANAGEMENT Holding (BNPP AM Holding), the parent entity of BNPP AM business line, reviews all these awards annually, before they are paid out, and oversees that where needed, a malus, i.e. a downward adjustment to account for significant risks or underperformance (e.g. severe financial stress of BNPP AM, cases of individual misconduct, etc.) is applied. Ultimately, such remuneration committee may also apply at its discretion a malus.
In case an event of misconduct is identified after a deferred and indexed award has been paid out, BNPP AM can resort to commercial terms of its awards (subject to applicable legislation), to recoup (or 'claw-back') all or part of such unduly perceived variable remuneration. For the avoidance of doubt, in case of misconduct, variable remuneration can be reduced to zero.

<u>How are the remuneration decisions calculated and taken and how is the remuneration policy governed?</u>
- Remuneration decisions are made by enforcing the BNP Paribas Group's Compensation Review Process ('CRP'). CRP is a global end-of-year review used to validate every type of compensation. Its collaborative software platform allows the collective and individual performance impacts to be efficiently managed.
It also helps ensure employees receive equal and fair treatment, delegation rules are respected and remuneration decisions are verified by both a manager and HR at every step.
As a significant input to the CRP, individual market benchmarks for fixed as well as variable remuneration are used from leading providers (mainly McLagan and Towers Watson).
- As a rule, BNPP AM has a discretionary approach to its variable remuneration decisions, and implements them systematically via the BNP Paribas Group's CRP. In practice, the bonus pool is determined during the fourth quarter, based on estimates of performance indicators calculated by Finance and HR, in liaison with the business, Risk and Compliance, in the frame of the budgetary cycle. In particular, with regards to variable remuneration award for certain functions within investment management (i.e. portfolio manager and their team heads) BNPP AM uses quantitative indicators to help align their interests with that of BNPP AM and its clients.
- Ultimately, the global remuneration policy is designed and overseen by BNPP AM's board of directors and a three-member remuneration committee, who are responsible for ensuring its relevance and effectiveness at all times. This remuneration committee is chaired by one of the two independent directors of the board.

<u>How is the list of 'Identified staff' determined?</u>
BNPP AM identifies its staff with a significant impact on the risk profile of their employer or on the portfolios that they manage in a consistent manner across all of its AIFM and/or UCITS licenced entities:
- At management company level, the heads of control functions (notably the heads of risk and compliance) are identified, as well as the board members, the CEO and the CIOs;
- At portfolio level, portfolio managers are included in the identified staff, subject to proportionality rules as described below.

Where non-AIFM or non-UCITS entities of BNPP AM are subject to other types of identification of staff requirements, BNPP AM ensures it respects rigorously those local requirements.

<u>What specific remuneration policy applies to them?</u>
Identified Staff have at least 40% of their variable remuneration deferred over three years (with pro-rata

annual vesting). This deferral is fully in 'remuneration instruments' i.e. in the form of cash indexed on relevant indices:
- For senior managers (excluding investments and control functions), the index is a weighted average, for 25% on the variation of the total return of a basket of portfolios common to all employees of BNPP AM and for 75%, the variation in BNPP AM's operational result[1] over the deferral periods (1, 2 and 3 years respectively for each third of the initial award);
- For portfolio managers, the index is a weighted average for 25%, on the variation of the total return of a basket of portfolios common to all employees of BNPP AM, and for 75%, on the total return of a basket of portfolios representative of the portfolio manager's team activity. All indices are measured over the deferral periods (1, 2 and 3 years respectively for each third of the initial award);
- For heads of control functions, there is no indexation, to preserve their independence.

Where the applicable regulations require more than 40% of variable remuneration paid in instruments (typically, 50%), part of the non-deferred remuneration may be paid in retained instruments (ie the same instruments as those deferred, but only held for a period of six months, without vesting conditions).

How does BNPP AM implement proportionality?
- In line with general market practice, Identified staff who earn less than EUR 200,000 of variable remuneration for their regulated activity will not be subject to the mandatory thresholds of 40% deferral and 50% in instruments on the entirety of their annual variable remuneration award. Nonetheless, they may still have part of their variable remuneration deferred in instruments (as described above), for strategic retention reasons. Indeed, a firm-wide progressive grid of deferral (100% in instruments as described above) is applied, function of the variable remuneration award's level (applicable above a defined threshold).
- Thus, for Identified Staff, the 40%[2] regulatory deferral percentage (on the entirety of their annual variable remuneration) replaces the firm-wide progressive deferral grid, when their variable remuneration award exceeds EUR 200,000.

What about investment management delegations?
- In order to best leverage on its wide array of investment capabilities, BNPP AM resorts to internal delegations of portfolio management activities. Overall, there is only little use of delegations to asset managers external to BNPP AM. Internal delegations are generally given to other entities of BNPP AM, which are subject to the same BNPP AM Global Remuneration Policy. When a delegation is made to an internal entity of BNPP AM which is not subject to AIFMD or UCITS V, BNPP AM ensures that the corresponding identified staff is subject to its BNPP AM Global Remuneration Policy for its AIFM and/or UCITS entities.

Aggregate quantitative information for members of staff of the Management Company

Business Area	**Number of staff**[1]	**Total Remuneration (fixed + variable) x €1,000**	**Of which total variable remuneration x €1,000**
Members of staff of the Management Company[2]	74	10,668	2,902

1 This concerns all employees employed by the Management Company as at 31 October 2021. Awards of variable remuneration during the financial year are based on performance over 2021. The amounts mentioned relate to the aforementioned employees and concern:
- Fixed remuneration including any raise awarded at the closing of the annual compensation review process (CRP) in May 2022; and
- Variable remuneration awarded during this CRP, based on performance during the preceding calendar year, whether this variable remuneration is deferred or not, and whether the employees ultimately remained in the Management Company or not. This concerns both the variable remuneration paid and the remuneration awarded and deferred in the financial year at the closing of the annual CRP in May 2022.
All amounts mentioned are annualized.

2 This concerns employees of the Management Company, including employees managing AIFs and/or UCITS of BNP Paribas Asset Management Group and/or European mandates portfolio managers of BNP Paribas Asset Management Group.

1 Moreover, an additional and conditional indexation (downward-adjusting only), linked to the total excess return of a basket of representative funds, is applied if the operational result has a positive evolution whilst this basket shows significant underperformance.

2 Respectively 60%, when variable remuneration award is above EUR 750,000.

Aggregate quantitative information for members of staff whose actions have a material impact on the risk profile of the Management Company and who are indeed 'Identified Staff'[3]

Business Area	Number of staff[1]	Total Remuneration (fixed + variable) x €1,000[1]	Of which total variable remuneration x €1,000[1]
Identified Staff of the Management Company[2]	10	1,933	560
of which AIFs/ UCITS and European mandates Portfolio managers	7	1,199	431

1 This concerns all employees employed by the Management Company as at 31 October 2021. Awards of variable remuneration during the financial year are based on performance over 2021. The amounts mentioned relate to the aforementioned employees and concern:
- Fixed remuneration including any raise awarded at the closing of the annual compensation review process (CRP) in May 2022; and
- Variable remuneration awarded during this CRP, based on performance during the preceding calendar year, whether this variable remuneration is deferred or not, and whether the employees ultimately remained in the Management Company or not. This concerns both the variable remuneration paid and the remuneration awarded and deferred in the financial year at the closing of the annual CRP in May 2022.
All amounts mentioned are annualized.

2 This concerns employees of the Management Company, including employees managing AIFs and/or UCITS of BNP Paribas Asset Management Group and/or European mandates portfolio managers of BNP Paribas Asset Management Group.

Other information
Number of AIFs and UCITS Funds under management:

	Number of (sub)funds 31/12/2022	Assets under Management at 31/12/2022 x €1 billion
UCITS (sub)funds	3	0.513
AIFs (sub)funds	1	0.530

- Under the supervision of the BNP PARIBAS ASSET MANAGEMENT Holding's remuneration committee and its board of directors, an independent and central audit of the Global BNP Paribas Asset Management remuneration policy and its implementation over the 2021 financial year was conducted between June and September 2022. The results of this audit, which covered BNP Paribas Asset Management entities with an AIFM and/or UCITS license, was rated 'Satisfactory' (the best rating out of four) highlighting the solidity of the measures in place, particularly during its key steps: identification of regulated employees, consistency of remuneration with performance, application of regulatory deferral rules, implementation of indexation and deferral mechanisms.
  A recommendation – not characteristic of an alert - was issued in 2022, signalling that the documentation and controls of the selection of indexation indicators for investment populations who do not manage portfolios needed to be improved.
- In 2022, no employees working under the responsibility of the Management Company received a total annual remuneration of EUR 1 million or more.
- There were no carried interest payments to any of the Management Company's staff.

This disclosure of BNPP AM's remuneration policy and practices was prepared by the HR, Compliance, Risk & Operational Risk Control and Legal departments of BNPP AM, and was approved by BNPP AM's management.

The last update of the BNPP AM Remuneration Policy was approved by BNPP AM Holding's Board of Directors on 15 December 2020.

Wherever local law so requires, the Policy was presented to works councils, regulators, and other stakeholders as may be appropriate.

3 The identified staff is determined based on end of year review.

Remuneration practices & sustainability risks integration

Sustainability at the heart of BNPP AM's strategy

Global sustainability strategy
In a changing world, we focus on achieving long-term sustainable returns for our clients, to make a positive difference in people's futures. BNPP AM's strong commitment towards sustainable investment is comprehensively described in its firm-wide Global Sustainability Strategy (GSS)[1].
BNPP AM's Global Remuneration Policy is fully aligned with the GSS, as it represents a core element of BNPP AM's overall strategy. Set out below are the key remuneration practices that allow to make sustainability risks integration, part and parcel of BNPP AM's remuneration policy.

Sustainability risks in BNPP AM's remuneration policy & practices

Integration of sustainability risks in relevant employees' individual objectives
As mentioned in Section 3 of BNPP AM's Remuneration Policy, 'all of our employees, whose remuneration is decided during CRP [Compensation Review Process], are appraised through continuous feedback and annual review against a set of objectives that are specific to the nature of their role'. First, BNPP AM's management recognises that each team within BNPP AM does contribute to the achievement of BNPP AM's overall strategy, hence plays a role in the reaching of its sustainability goals.
More concretely, sustainability-related roles and responsibilities were defined for a set of key internal functions more closely involved with Sustainability at BNPP AM, and specific objectives were assigned, which are cascaded down to teams and individuals where relevant. At the end of the year, the fulfilment of these objectives is assessed, among others, in the annual performance reviews, which are a key input in the determination of the annual variable remuneration awards. This determination remains a discretionary process, in line with BNPP AM Global Remuneration Policy's standard practice.

Teams with such assignment of specific sustainability objectives are the following:

Executive Committee
Where relevant, Executive Committee members have goals relating to the successful implementation of BNPP AM's Global Sustainability Strategy, and the integration of sustainability risks, across our organisation. The Global Sustainability Strategy encompasses a comprehensive suite of policies and procedures designed to integrate the evaluation of sustainability risks throughout our investment processes and stewardship activities.

The Sustainability Centre
This team plays a central role in the design and implementation of BNPP AM GSS. The Sustainability Centre:
- drives our approach to sustainable investment;
- is responsible for developing and implementing the firm's Global Sustainability Strategy, ESG Integration Guidelines and Policy, Stewardship Policy, Responsible Business Conduct Policy and product-based exclusions, as well as the firm's ambitious targets on issues such as the energy transition, the environment and equality;
- provides investment teams with research, analysis and data at company and sectoral levels, and also supporting teams in their efforts to fully integrate sustainability-related risks and opportunities into investment strategies;
- plays a crucial role in measuring, tracking and reporting on BNPP AM's impact and progress on sustainability;
- drives BNPP AM's ESG-related stewardship activities, which include proxy voting and engagement with companies and policy makers; and setting the strategic direction as well as playing an advisory and coordination role to the investment teams in their dialogues with companies on sustainability-related issues.

Thus, many objectives of Sustainability Centre members do relate to the integration of sustainability risks.

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[1] https://www.bnpparibas-am.com/en/sustainability-bnpp-am/

Investment teams
At the core of all our investment processes, analysts and portfolio managers integrate ESG factors into their company, asset and sovereign evaluation and investment decision-making processes. Investment teams are responsible for implementing our ESG Integration Guidelines for the assets they manage, which include a number of key objectives such as:
1. the integration of ESG information (and risks) in investment decision-making; and
2. the aim to 'beat the benchmark' (where an investible benchmark exists) on the ESG score and carbon footprint of their portfolios (noting that some non-standard cases exist).

Successfully implementing our ESG Integration Guidelines is reflected in the objectives of our Chief Investment Officers, and cascaded to their investment teams where relevant.

ESG Champions
ESG Champions have been appointed within Investments and the Global Client Group in order to help promote sustainable investment and integrate sustainability risks within each team, liaising with the Sustainability Centre. Champions typically participate in relevant training sessions, which are organised centrally both for the ESG Champions as well as across investment and commercial teams. Each investment team has at least one ESG Champion who is notably, responsible for communicating issues related to sustainability risks to team members. ESG Champions' objectives reflect this, including additional goals specific to their Champion role.

Quantitative Research Group (QRG)
- Co-develop ESG Scoring using, among other criteria, a materiality and risk-based approach.
- Develop new research methodologies and approaches.
- Research on and monitor the link between ESG integration and investment performance.

This is reflected in the objectives of this department, and cascaded to its members, where relevant.

RISK function
Sustainability risks are included in the RISK function's controls:
- Respect of ESG criteria objectives described in the fund prospectus's investment guidelines, and ensure successful implementation of our Responsible Business Conduct (RBC) Policy;
- Insertion of ESG criteria within the credit risk policy.

This is reflected in the objectives of the RISK function, and cascaded to its members, where relevant.

Inclusion of sustainability risks in our risk-adjusted reward framework
First, section 4.1 of BNPP AM's Remuneration Policy explicitly mentions that the Bonus Pool is determined annually taking into account 'current and future risks (including sustainability ones)'.
In addition, section 3 of BNPP AM's Remuneration Policy states that 'Regulated Staff and SMPs (holders of Senior Management Positions in a Group wide context) have mandatory Compliance and Risk objectives. If these two objectives are not met, the variable compensation of the concerned employees may be reduced under the supervision of the Remuneration Committee'.
Meeting of the mandatory Risk objective is decided by examining the employee's manager appraisal and the assessment by the RISK function, during a Risk and Compliance review committee at the end of the Compensation Review Process.
Thus, more generally and based on its controls, RISK function is able to raise sustainability risks-related breaches, together with Compliance and HR:
- during the Risk & Compliance review, leading to potential negative impacts on variable remuneration to be awarded at the end of the Compensation Review Process; and
- before the vesting of deferred bonus plans, leading to potential malus on the vesting amounts.

Risk policy and risk management

Risk policy and risk management
Risk management is an integral part of BNP Paribas Asset Management (BNPP AM). Within BNPP AM Netherlands, the investment risk management department is an independent entity and reports directly into the Management Company and to the Head of Risk of the BNPP AM European and US Entities. Risk

management is conducted at various levels of control. Following the first level of risk controls, which is conducted within the investment teams, the risk team (consisting of investment risk and investment compliance) is dedicated to a second layer of internal controls, working closely with the investment teams to ensure that portfolios are run at acceptable levels of risk.
To manage investment risks, the risk team uses BlackRock Aladdin for VaR calculation and the internal risk software CRGE for leverage and commitment. To manage investment compliance risks, the team also uses BlackRock Aladdin. After a risk profile assessment, the Management Company decides whether to use the commitment approach or the VaR approach (99%, 1 month) to determine the market risk exposure. For the sub-funds of BNP Paribas Fund III N.V. the commitment approach is used to measure and monitor the total exposure.
The Management Board reports per sub-fund provide a more detailed description of the management of each sub-fund's key risks during the reporting period and describe the main developments, considerations and decisions regarding the applied risk policy.

Liquidity risk management system

Within the liquidity risk management system, the Management Company uses specially developed methods to monitor liquidity and puts in place procedures that allow the liquidity risk of investments to be monitored. The Management Company ensures that the liquidity profile of investments corresponds to the underlying obligations and regularly carries out stress tests. The Management Company ensures that the investment strategy, liquidity profile and redemption policy laid down in the prospectus are well attuned to each other.
No new regulations were introduced during the reporting period regarding liquidity management and the liquidity profile of investments has remained unchanged.

Outsourcing risk

Whilst the Management Company is responsible for the day-to-day management, part of the day-to-day activities are outsourced to other BNP Paribas Asset Management entities and to external parties.
The Management Company has designed policies, procedures and structures and established reporting lines in order to monitor outsourced activities, control operational activities and identify risks. The internal control framework has been designed to achieve the Management Company's objectives by effectively mitigating, evaluating and monitoring risks. Within this framework, the Compliance department is responsible for ensuring overall compliance with applicable legislation and regulations. The Risk & Operational Risk Management department ensures that the internal control measures and administration descriptions are comprehensive and precise. As far as it is aware, the Management Company acted effectively during 2022 under its system of internal control.
As the activities of the Management Company form an integral part of the international asset management activities of BNP Paribas Group, many processes have an international dimension. As stated above, part of the day-to-day operations of the Management Company are delegated or outsourced.
In all instances of delegation or outsourcing to foreign entities of BNP Paribas Asset Management or third parties, the Management Company has endeavoured to ensure that, in addition to the locally applicable legislation and regulations, the legislation and regulations as these apply in the Netherlands are fully observed.

Operational risk

Operational risks are defined as the risks ensuing from inadequate or failing internal processes or from external events, whether deliberate, accidental or natural events. Examples include fraud, HR risks, legal risks, risks of non-compliance, tax risks, IT risks and reputational risks. There is an overlap within BNPP AM in relation to the risk management for both financial and non-financial risks, which incorporates operational risk. We apply our risk management system at three different levels, in accordance with the 'three lines of defence' model. This model assumes that the portfolio managers identify and assess the risks: the first line of defence. They then formalise and elucidate the risks so that measures can be taken to prevent and rectify any incidents. As the scope of the risks covered by the operational risk is so wide, the Management Company relies upon specialist teams to provide the 'second line of defence', which possess the relevant skills to assess and mitigate the risks. This applies in particular for Legal, Tax, IT Security, Finance and Compliance. The third level of control is the responsibility of the Internal Audit department, which makes a regular impartial assessment of the risks associated with all activities within the company and verifies whether the existing controls are adequate.
The IT Security team at BNPP AM is responsible for the prevention of cyber crimes (virus attacks,

phishing attacks, etc.), cyber risk control and management of IT security infrastructure. Among other things this includes the regular updating of antivirus software and, where necessary, isolating and cleaning infected computers.

Internal control and license

Management Company

BNP PARIBAS ASSET MANAGEMENT France S.A. ('BNPP AM France') is authorised to manage and market Investment Institutions and UCITS, as well as to conduct asset management activities (portfolio management, investment advice and receiving and transmitting client orders in relation to financial instruments). BNPP AM France is allowed to carry out these activities in France. BNPP AM France is regulated by L'Autorité des marchés financiers ('AMF'). The AMF and the AFM have authorized BNPP AM France to also perform these services in the Netherlands through its Dutch branch. In addition to acting as Management Company of investment institutions and UCITS, BNP PARIBAS ASSET MANAGEMENT France, Netherlands Branch ('Management Company') is also authorised to provide the following investment services:

- management of individual assets;
- advising on financial instruments in the performance of an occupation or business activity; and
- receiving and transmitting of orders in relation to financial instruments in the performance of an occupation or business activity.

The Management Company forms part of the worldwide asset management organisation BNP PARIBAS ASSET MANAGEMENT Holding, which operates under the trade name 'BNP Paribas Asset Management'. The shares in BNP PARIBAS ASSET MANAGEMENT Holding are held by BNP Paribas S.A., BNP Paribas Fortis SA/NV and BGL BNP Paribas S.A.
The Management Company is entered in the trade register of the chamber of commerce in Amsterdam under number 81007248.

<u>Execution management activities</u>

For the performance of the day-to-day activities in respect of the company, the Management Company will, when necessary, deploy employees of BNP Paribas Asset Management. These entities are affiliated parties. A number of activities outsourced to third parties by the Management Company – of which the fund administration (including the calculation of the net asset value), the acceptance of buy and sell orders – has been placed with various branches of BNP Paribas S.A.

- The management of assets of BNP Paribas ESG Netherlands Index Fund, BNP Paribas ESG Global Property Securities Index Fund and BNP Paribas Global Income Multi-Factor Equity Fund is performed by BNP PARIBAS ASSET MANAGEMENT France in Paris. BNP PARIBAS ASSET MANAGEMENT UK Ltd. acts as the sub-asset manager for FX-cash management of BNP Paribas Global Income Multi-Factor Equity Fund. The management of the assets of BNP Paribas Asia Pacific High Income Equity Fund was outsourced by the Management Company (until 9 December 2022) to BNP PARIBAS ASSET MANAGEMENT Asia Ltd.
- The Management Company has appointed BNP Paribas S.A., acting through its branch in Belgium as the company's administrator.
- The Management Company has appointed BNP Paribas S.A., acting through its branch in Luxembourg as fund agent and transfer agent of the company.
- The Management Company has appointed BNP Paribas S.A. acting through its branch in Poland for the daily publication of the net asset values and transaction prices on the website of the Management Company.

Depositary

The assets of the company are held in deposit by BNP Paribas S.A., Netherlands Branch, the branch office of BNP Paribas S.A. in the Netherlands.

<u>Depositary tasks</u>

The company, the Management Company and the Depositary have entered into a depositary agreement. Pursuant to this agreement, the Depositary performs the following main tasks in the interests of the shareholders:

- supervising the Management Company by verifying that the Management Company performs its tasks in conformity with the prospectus, articles of association and applicable laws and regulations;
- monitoring and checking of the company's cash flows;
- the safekeeping of the company's assets.

The Depositary uses the services of the Luxembourg branch of BNP Paribas for the safekeeping of the company's assets.

Outsourcing by the Depositary
The Depositary is responsible for the safe keeping of the assets of the Company.
In order to provide safekeeping services in a large number of countries allowing the subfunds of the company to meet their investment objectives, the Depositary has outsourced certain custody functions to (non) affiliated parties.
A list of entities to which the Depositary has outsourced certain custody functions is available on the website of BNP Paribas S.A.[1] and will also be made available free of charge by the Depositary upon request.
Such list may be updated from time to time. A complete list of all entities to which activities have been outsourced may be obtained, free of charge, from the Depositary.
In principle, the Depositary is liable towards the company for the loss of any financial instruments in its custody.

Compliance and corporate governance

As always, the Management Board and Management Company closely monitored compliance with applicable laws and regulations, such as the Financial Supervision Act (Wft). Particular attention was paid to the timely implementation of required amendments to prospectuses, other public information, internal procedures, the organisation and guidelines, in accordance with the requirements in the context of sound business operations (as stipulated in the Wft).
For 2023, the Management Company anticipates or closely follows the developments surrounding the application of the Key Information Document (KID), the SFDR Technical Regulatory Standards (SFDR Level II) and the consequences of the Financial Markets Amendment Act 2022.

Gender diversity

On 1 January 2022, the law for more balance between the number of men and women at the top of business (the "Diversity Law") entered into force. The Diversity Act introduces a statutory diversity quota for the Supervisory Board of listed companies (at least one third male and one third female). In addition, "large" companies must set ambitious and appropriate goals in the form of a target figure to promote gender diversity in, among other things, the Management Board, the Supervisory Board and senior management. The Management Board of BNP Paribas Fund III N.V. consists of two women and one man and thus meets the requirements of the Diversity Act, as mentioned before.

Management Company's statement about operational management

General

As Management Company of BNP Paribas Fund III N.V. we are obliged, by Article 121 of the BGfo, to state that a description is available for BNP Paribas Fund III N.V. of the structure of the operational management (also including the activities that are outsourced by the Management Company), in accordance with the Financial Supervision Act and the requirements associated with it, and that this operational management in the reporting period 2022 was effectively performed in accordance with that description. We will discuss below the operational management of the Management Company insofar as it pertains to the activities of BNP Paribas Fund III N.V. Operational management is attuned to the organisation's scope and is in line with the requirements set out or arising from the law. A structure of this kind cannot with complete confidence claim that irregularities will not occur; however, it has been drawn up to assure a reasonable degree of certainty about the effectiveness of the internal controls with regard to the risks in connection with the investment institution's activities. Assessing the effectiveness and functionality of operational management is the Management Company's responsibility.

[1] http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf

Activities during the reporting period
Assessing the effectiveness and functionality of operational management in daily practice is done in various ways. We are regularly informed via performance indicators, which are based on the process descriptions and the control mechanisms contained therein, as well as through the external auditors' reporting. Reports are discussed and assessed in the board meetings of the Management Company – or in delegated committees – and mitigating measures are taken where necessary. As the Management Board members of the Management Company frequently take part in operational management, we also put trust directly in our own experience. In addition, an incidents and complaints procedure is in place. Within the scope of this annual report's declaration, no relevant conclusions have been presented.

Report on operational management
During the reporting period 2022, we have reviewed the various aspects of the structure of our operational management. Our work did not find anything that would lead us to conclude that the description of the structure of the operational management, as stated in Article 121 of the BGfo does not satisfy the BGfo's and related regulations' requirements. Additionally, we did not find that the internal controls are ineffective and do not function according to their descriptions.
Based on the above, we state as Management Company of BNP Paribas Fund III N.V. that we are in possession of a description of the operational management as intended by Article 121 of the BGfo, which meets the requirements of the BGfo; we also state with a reasonable degree of certainty that operational management in the reporting period 2022 was effectively performed in accordance with that description.

Events during the reporting period

Russia and Ukraine
Since 24 February 2022, we have been very alert to the implications of the conflict between Russia and Ukraine. We closely monitor developments in market and financial risks in order to take all measures necessary in the interest of shareholders. The sub-funds have no direct exposure to Russia or Ukraine.

Cross-border merger BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022
On 9 December 2022, BNP Paribas Asia Pacific High Income Equity Fund was cross-border merged with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity, sub-fund of BNP Paribas Funds, a 'société d'investissement à capital variable' incorporated under the law of the Grand Duchy of Luxembourg. With this merger, a greater economy of scale has been realised, allowing for more efficient management and offering the shareholders an attractive – above all sustainable – investment.

Following this merger, on 9 December 2022, shareholders of BNP Paribas Asia Pacific High Income Equity Fund – Classic class received 1 share of the newly introduced share class Privilege Plus EUR-Dis of BNP Paribas Funds Sustainable Asia ex-Japan Equity for each share held in BNP Paribas Asia Pacific High Income Equity Fund (exchange ratio 1:1).

Prior to the merger (1) the cancellation of all BNP Paribas Asia Pacific High Income Equity Fund, class Classic shares held by the company, (2) the cancellation of all BNP Paribas Asia Pacific High Income Equity Fund, class Classic shares, whereby the shareholders of BNP Paribas Asia Pacific High Income Equity Fund, class Classic received, as repayment, shares of BNP Paribas Funds Sustainable Asia ex-Japan Equity, Privilege Plus EUR-Dis, (3) the first amendment of the Articles of Association of the company and (4) the capital reduction and a second amendment of the Articles of Association were addressed to and approved by the Extraordinary General Meeting of shareholders ('EGM') of 2 December 2022. More information about this can be found in the Information Memorandum, which is published as from the day of the convening notice (21 October 2022) on the website of the Management Company.

On 9 December 2022, the Articles of Association of BNP Paribas Fund III N.V. were changed, after approval of the EGM on 2 December 2022. This change was related to:
- the temporarily increase of the nominal value per share of BNP Paribas Global Income Multi-Factor Equity Fund from EUR 1.00 to EUR 1.30 and the associated legally required temporary increase in the number of voting rights in order to avoid the need to have completed a capital reduction procedure at the moment the merger (as mentioned earlier) became effective;

- a legal-technical amendment of the Articles of Association, explicitly enabling the repayment in the form of shares of BNP Paribas Funds Sustainable Asia ex-Japan Equity.

Subsequent events

Transfer priority shares

As per 10 February 2023 the priority shares of BNP Paribas Fund III N.V. were transferred from BNP PARIBAS ASSET MANAGEMENT NL Holding N.V., a limited company with a statutory seat in Amsterdam, the Netherlands to BNP PARIBAS ASSET MANAGEMENT Holding, a French limited company with its seat in Paris, France.

Amendment Articles of Association

A deferred capital reduction procedure was followed. On 14 February 2023, the Articles of Association of BNP Paribas Fund III N.V. were amended for the second time, after approval of the EGM on 2 December 2022. This amendment was solely related to the decrease of the nominal value per share of BNP Paribas Global Income Multi-Factor Equity Fund from EUR 1.30 to EUR 1.00, to arrange that the shares in all sub-funds of the company again have a nominal value per share of EUR 1.00 (with one vote per share).

Management Board report BNP Paribas ESG Netherlands Index Fund

Investment objective
The objective of BNP Paribas ESG Netherlands Index Fund is to track the return of the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index (the “Index”), including fluctuations. It is anticipated that, under normal market conditions, the annualised tracking error of the sub-fund will not exceed 1%. Please note that this is a target only and the Management Company does not provide a guarantee that it will be met.
Further details may be found in the (supplementary) prospectus of BNP Paribas Fund III N.V. and in the Key Information Document for the sub-fund. We recommend that you read these documents.

Index
MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index.

Key figures

Classic class	31-12-2022	31-12-2021	31-12-2020
Shareholders’ equity (before profit appropriation) (x €1,000)	236,543	310,729	230,639
Number of outstanding shares	1,239,799	1,323,465	1,265,030
Net asset value per share (€)	190.79	234.78	182.32
Transaction price per share (€)	190.75	234.73	182.28
Dividend per share (€)[1]	5.35	4.00	3.00
Performance (%)[2]	(16.9)	30.6	12.8
Performance index (%)	(17.0)	30.5	14.3
Relative performance (%)[2]	0.1	0.1	(1.5)
Expected annual tracking error % (max)[3]	1.0	1.0	1.0
Tracking error %[3]	0.2	0.0	0.1

1 Proposed final dividend.

2 The dividend was taken into account when calculating the performance. The relative performance refers to the difference between the sub-fund's performance and the Index's performance.

3 In accordance with the (supplementary) prospectus, the sub-fund envisages keeping the tracking error in relation to the Index (MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement Index) below 1%. The tracking error refers to the tracking error calculated as the standard deviation of the difference in weekly returns between the sub-fund and the Index for the relevant reporting period.

Classic class	31-12-2022	31-12-2021	31-12-2020
Total income (x €1,000)	(51,290)	70,836	26,301
Total expenses (x €1,000)	933	1,013	803
Net result (x €1,000)	(52,223)	69,823	25,498

Five-year overview/ Investment result per share

Classic class	2022	2021	2020	2019	2018
Direct result from investments (€)	5.70	4.98	2.51	4.91	3.35
Indirect result from investments (€)	(45.68)	52.20	17.26	41.63	(23.60)
Gross investment result (€)	(39.98)	57.18	19.78	46.54	(20.25)
Operating expenses (€)	0.73	0.82	0.60	0.55	0.69
Net investment result (€)	(40.71)	56.36	19.17	45.99	(20.94)

The average number of outstanding shares, as used in the calculation of the investment result per share, is calculated as the sum of the outstanding shares on a daily basis divided by the number of observations, based on the number of days that the net asset value determination takes place during the reporting period.

Conducted investment policy
The objective of the sub-fund is to track the return of the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index (with a maximum tracking error of 1%), by investing in shares that are included in this index. The tracking error is a measure of the deviation of the

sub-fund's performance from that of the Index.
At the end of December 2022, the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index comprised 55 stocks. The best performing stock was OCI N.V. with a performance of 65.33%. Just Eat Takeaway performed the least with a negative return of 59.22%.
The composition of the Index is reviewed on a quarterly basis, at the end of February, May, August and November and it is valued daily. In the quarterly revision of November 2022 Ebusco Holding N.V. and Exor N.V. were added. The sub-fund also invests in stocks which have a sustainable policy.
The energy crisis did not impact the investment strategy of the sub-fund, nor the war between Ukraine and Russia. During the reporting period, the sub-fund invested in futures on the AEX-Index. The sole purpose of this is to reduce the transaction costs of purchases and sales and corporate actions.
As the futures are settled on a daily basis, no collateral is received.

Investment result

The key figures table provides details on inter alia the net asset value per share, absolute performance per share, performance of the Index and the performance per share of the sub-fund versus the Index (relative performance).
The tracking error per 31 December 2022 amounted to 0.20%. This deviation of the sub-fund versus the Index is mainly caused by transaction costs, the difference in reinvestment policy and fiscal treatment compared to the Index and the effect of cash maintained on the performance. During the reporting period, the sub-fund slightly outperformed the index with a performance of -16.9% against -17.0% for the Index.
The MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index also has outperformed its non-ESG-parent index (MSCI Netherlands) with a relative performance of 6.0% during the period, despite the energy crisis.
During the reporting period, the total number of outstanding shares (Classic class) decreased from 1,323,465 to 1,239,799. The development of the sub-fund's volume in relation to the fund market is a continuous point of attention for the Management Board.

Outlook

Looking at the investment objective of BNP Paribas ESG Netherlands Index Fund, the sub-fund will keep investing in line with the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index by investing at least 90% of its assets in shares that are included in this Index, where the maximum weight of a company in the Index is limited to 15% with every revision of the Index and where in the period between two revisions the maximum weight on a daily basis is limited to 20%.
Purchases and sales take place as a result of quarterly revisions of the Index and to make sure the weighting of the sub-fund's investments are in line with those of the Index.

Risk profile and risk management

The risk profile is presented in the Management Board report of BNP Paribas Fund III N.V.
The details of management of the main risks for the sub-fund during the financial year are set out below.

Risk appetite

Investors in BNP Paribas ESG Netherlands Index Fund are confronted with various risks. The risk appetite of the sub-fund is mainly determined by the choice of Index. The sub-fund invests in accordance with the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index and aims to replicate the performance and composition of the Index. The inclusion or exclusion of securities in or from the Index is based on criteria defined by the manager of the Index. Please consult the Index manager's website for more information on these criteria: www.msci.com.

Market risk

Market risk is the risk of fluctuations in the financial markets, or in other words fluctuations in share prices, interest rates, exchange rates, commodity prices and derivatives linked to these products.
The sub-fund is a passively managed sub-fund which tracks the performance of the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index as closely as possible. Stocks are bought and sold following the quarterly review of the Index and in order to bring the weighting of the sub-fund in line with that of the Index. The sub-fund cannot engage in active management in order to mitigate this risk.
The portfolio provides information on the companies in which the sub-fund was invested as at the end of

the reporting period, as well as the amounts invested.
The table below provides an insight into the breakdown of the sub-fund's assets across the various sectors as at the end of the reporting period.

Sector breakdown (%)	31-12-2022	31-12-2021[1]
Information Technology	20.5	23.0
Financials	17.8	16.3
Consumer Staples	16.3	15.9
Industrials	14.5	14.0
Consumer Discretionary	14.3	9.4
Materials	8.7	12.1
Communication Services	4.3	3.9
Health Care	2.0	3.3
Energy	0.7	0.7
Real Estate	0.4	0.4
Cash / futures	0.5	1.0
	100.0	**100.0**

1 Due to a change in the used sector breakdown during the current reporting period, the comparative figures have been adjusted accordingly.

Derivatives risk
The sub-fund may use financial derivatives. This may have a leverage effect and increase the volatility of a sub-fund. Certain derivatives give rise to losses that are greater than the costs of those derivatives. Some derivatives, specifically those traded over-the-counter, can be valued in different ways. A derivative may not correlate to its underlying securities to the extent expected, and may therefore prove ineffective or even counterproductive for a sub-fund.
During the reporting period, the sub-fund invested in futures on the AEX-Index. The sole purpose of this was to reduce the transaction costs of purchases and sales and corporate actions. As the futures are settled on a daily basis, no collateral obligation applies.

Concentration risk
Investing primarily in securities and other instruments with a strong focus on a specific market segment exposes a sub-fund to the risk of having its assets highly concentrated in that category or market.
The sub-fund invests in line with the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index, and therefore invests at least 90% of its assets in shares that compose the Index. The remainder of the sub-funds' assets are invested in other Dutch equity, in equity equivalent securities, in money market instruments and/or cash. The sub-fund cannot engage in active management in order to mitigate the concentration risk.

Liquidity risk
It may be impossible to liquidate a position at the right time and at a reasonable price.
The stocks that make up the MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index are all highly liquid.

Risks associated with techniques for efficient portfolio management
Techniques employed for efficient portfolio management, such as custody accounts, repurchase agreements and reverse repurchase agreements, and in particular relating to the quality of the collateral instruments received/reinvested, may give rise to various risks, such as liquidity risks and counterparty risks, which can have an impact on the results of the sub-fund in question. Besides the derivatives mentioned in the conducted investment policy, the sub-fund has not used techniques for efficient portfolio management during the reporting period.

Management Board report BNP Paribas ESG Global Property Securities Index Fund

Investment objective

The objective of BNP Paribas ESG Global Property Securities Index Fund is to track the return of the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index, including fluctuations. It is anticipated that, under normal market conditions, the annualised tracking error of the sub-fund will not exceed 1.5%. Please note that this is a target only and the Management Company does not provide a guarantee that it will be met.

Further details may be found in the (supplementary) prospectus of BNP Paribas Fund III N.V. and in the Key Information Document for the sub-fund. We recommend that you read these documents.

Index

FTSE EPRA Nareit Developed Green EU CTB (NTR) Index.

Key figures

Classic class	31-12-2022	31-12-2021	31-12-2020
Shareholders' equity (before profit appropriation) (x €1,000)	78,832	109,094	57,492
Number of outstanding shares	1,380,786	1,448,233	984,996
Net asset value per share (€)	57.09	75.33	58.37
Transaction price per share (€)	57.08	75.37	58.19
Dividend per share (€)[1]	2.75	2.25	1.80
Performance (%)[2]	(22.0)	33.7	(10.3)
Performance index (%)	(22.2)	31.8	(16.1)
Relative performance (%)[2]	0.2	1.9	5.8
Expected tracking error on annual basis (%) (max)[3]	1.5	1.5	n/a
Tracking error %[3]	1.0	0.2	n/a

1 Proposed final dividend.

2 The dividend is taken into account when calculating the performance. As a result of a complete revamping of the fund specifications due to the conversion into a sustainable index fund as per 01/04/2021 (which revision included investment policy, index and fee structure), the performances achieved before this date were realised in circumstances that no longer apply. The relative performance refers to the difference between the sub-fund's performance and the Index's performance.

3 In accordance with the (supplementary) prospectus the sub-fund envisages keeping the tracking error in relation to the Index below 1.5%. The tracking error refers to the tracking error calculated as the standard deviation of the difference in weekly returns between the sub-fund and the Index for the relevant reporting period.

Classic class	31-12-2022	31-12-2021	31-12-2020
Total income (x €1,000)	(22,796)	25,536	(7,055)
Total expenses (x €1,000)	379	444	509
Net result (x €1,000)	(23,175)	25,092	(7,564)

Five-year overview/ Investment result per share

Classic class	2022	2021	2020	2019	2018
Direct result from investments (€)	2.39	2.12	1.92	2.27	2.19
Indirect result from investments (€)	(18.51)	16.61	(8.89)	12.89	(3.55)
Gross investment result (€)	(16.12)	18.73	(6.97)	15.16	(1.36)
Operating expenses (€)	0.27	0.33	0.50	0.58	0.51
Net investment result (€)	(16.39)	18.40	(7.47)	14.58	(1.87)

The average number of outstanding shares, as used in the calculation of the investment result per share, is calculated as the sum of the outstanding shares on a daily basis divided by the number of observations, based on the number of days that the net asset value determination takes place during the reporting period.

Conducted investment policy

The objective of BNP Paribas ESG Global Property Securities Index Fund is to track the return of the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index, including fluctuations. It is anticipated that, under normal market conditions, the annualised tracking error of the sub-fund will not exceed 1.5%. Please note that this is a target only and the Management Company does not provide a guarantee that it will be met.
The tracking error is a measure of the deviation of the sub-fund's performance from that of the Index.
At the end of December 2022, FTSE EPRA Nareit Developed Green EU CTB (NTR) Index comprised 366 stocks. During the reporting period, the best performing stock was Deutsche Euroshop with a performance of 57.54%. Adler Group performed the least with a negative return of 87.66%.
The composition of the Index is reviewed annually in September but this year, there were two reviews, in October and in December. With the last rebalancing, there were 26 new stocks added and 8 stocks deleted, bringing the number of stocks to 366. We traded simultaneously to fully replicate the index. The sub-fund also invests in stocks which have a sustainable policy.
The war of Ukraine/Russia did not impact the investment strategy of the sub-fund. During the reporting period, the sub-fund invested in futures linked to regional real estate markets: E-mini S&P Real Estate Select Stock Index futures and FTSE EPRA Europe Index futures, for a respective exposure weight of 0.27% and 0.10% as at the end of December 2022. The sole purpose of this is to reduce the transaction costs of purchases and sales and corporate actions. As the futures are settled on a daily basis, no collateral is received.

Investment result

The key figures table provides details on inter alia the net asset value per share, absolute performance per share, performance of the Index and the performance per share of the sub-fund versus the Index (relative performance).
The tracking error per 31 December 2022 was 0.95%.
The FTSE EPRA Nareit Developed Green EU CTB (NTR) index tilts constituent weights based on three sustainable investment considerations: Green building certification, Energy usage and Carbon Emission data, while aiming to comply with the Climate Transition Benchmark (CTB) targets of reducing carbon intensity by at least 30% relative to the initial investment universe and achieving an additional decarbonisation target of 7% each year, as defined in the framework of the European Taxonomy Regulation.
During the reporting period, the sub-fund outperformed the Index with a performance of -22.0% against -22.2% for the Index, net of fees.
The total number of outstanding shares (Classic class) decreased during the reporting period from 1,448,233 to 1,380,786. The development of the sub-fund's volume in relation to the fund market is a continuous point of attention for the Management Board.

Outlook

Looking at the investment objective of BNP Paribas ESG Global Property Securities Index Fund, the sub-fund will keep investing in line with the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index by investing at least 90% of its assets in shares that are included in the Index, in REITS included in the Index and/or in equities equivalent securities whose underlying assets are issued by companies included in the Index. The maximum weight of a company within the Index is limited to 10% on each rebalancing date. Purchases and sales take place as a result of annual revisions of the Index and to make sure the weighting of the sub-fund's investments are in line with the Index (due to corporate actions or inflows / outflows).

Risk profile and risk management

The risk profile is presented in the Management Board report of BNP Paribas Fund III N.V.
The details of management of the main risks for the sub-fund during the financial year are set out below.

Risk appetite

Investors in BNP Paribas ESG Global Property Securities Index Fund are confronted with various risks. The risk appetite of the sub-fund is mainly determined by the choice of Index. The sub-fund invests in accordance with the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index and aims to replicate the performance and composition of the Index. The inclusion or exclusion of securities in or from the Index is based on criteria defined by the manager of the Index. Please consult the Index manager's website for more information on these criteria: www.ftse.com.

Market risk

Market risk is the risk of fluctuations in the financial markets, or in other words fluctuations in share prices, interest rates, exchange rates, commodity prices and derivatives linked to these products.
The sub-fund is a passively managed sub-fund which tracks the performance of the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index as closely as possible. Stocks are bought and sold following the quarterly review of the Index and in order to bring the weighting of the sub-fund in line with that of the Index. The sub-fund cannot engage in active management in order to mitigate this risk.
The portfolio provides information on the companies in which the sub-fund was invested as at the end of the reporting period, as well as the amounts invested.

The table below provides an insight into the breakdown of the sub-fund's assets across the various sectors as at the end of the reporting period.

Sector breakdown (%)	31-12-2022	31-12-2021[1]
Specialized	20.8	19.3
Real estate development and management	17.8	17.5
Residential	14.9	16.0
Offices	11.2	13.6
Shops	10.3	7.5
Industrial	10.0	10.1
Diversified	5.6	6.2
Health Care	5.3	4.9
Hotels and resorts	3.4	2.9
Consumer Discretionary	0.6	-
Other	0.3	0.6
Cash / futures	(0.2)	1.4
	100.0	**100.0**

1 Due to a change in the used sector breakdown during the current reporting period, the comparative figures have been adjusted accordingly.

Currency risk

The sub-fund may invest in securities or other instruments that are denominated in a currency other than the euro. As a result, a sub-fund's performance may be affected by movements in exchange rates. These currency fluctuations can have both a positive and a negative effect on the return. The (portfolio) manager has the possibility, if he wishes (and within the scope of a sub-fund's investment policy) to hedge currency risks by using financial derivatives.
The sub-fund invests in securities that belong to the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index. The sub-fund cannot engage in active management in order to mitigate this risk.

The following table provides an insight into the breakdown of the sub-fund's currency positions as at the end of the reporting period.

Currency breakdown (%)	31-12-2022	31-12-2021
USD	54.2	55.4
JPY	10.6	8.7
EUR	7.1	9.6
HKD	6.3	4.8
GBP	5.6	6.5
SGD	4.9	3.7
AUD	3.8	3.1
SEK	2.4	3.3
CAD	2.2	2.5
CHF	2.2	1.6
NZD	0.4	0.4
ILS	0.2	0.2
NOK	0.1	0.2
	100.0	**100.0**

Derivatives risk
The sub-fund may use financial derivatives. This may have a leverage effect and increase the volatility of a sub-fund. Certain derivatives give rise to losses that are greater than the costs of those derivatives. Some derivatives, specifically those traded over-the-counter, can be valued in different ways. A derivative may not correlate to its underlying securities to the extent expected, and may therefore prove ineffective or even counterproductive for a sub-fund.
During the reporting period, the sub-fund invested in futures on the E-mini S&P Real Estate Select Stock Index futures and FTSE EPRA Europe Index futures. The sole purpose of this was to reduce the transaction costs of purchases and sales and corporate actions. As the futures are settled on a daily basis, no collateral obligation applies.

Concentration risk
Investing primarily in securities and other instruments with a strong focus on a specific market segment exposes a sub-fund to the risk of having its assets highly concentrated in that category or market.
The sub-fund invests in line with FTSE EPRA Nareit Developed Green EU CTB (NTR) Index, and therefore invests at least 90% of its assets in equities issued by companies included in the Index, in REITS included in the Index and/or equities equivalent securities whose underlying assets are issued by companies included in the Index. The remainder of the Subfund's assets are invested in other global real estate equities, in other REITS, in other equity equivalent securities, in money market instruments, cash and/or futures. The sub-fund cannot engage in active management in order to mitigate the concentration risk.

Country risk
Risks can be greater in certain countries, in particular those with such characteristics as political instability, lack of complete or reliable information, market irregularities or high taxation.
The sub-fund invests in securities that belong to the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index. The sub-fund cannot engage in active management in order to mitigate this risk.

The following table provides an insight into the breakdown of the sub-fund's assets across the various countries as at the end of the financial year.

Geographical breakdown (%)	31-12-2022	31-12-2021
United States	54.3	54.4
Japan	10.6	8.8
Hong Kong	6.2	4.7
United Kingdom	5.6	6.4
Singapore	5.1	4.0
Australia	3.7	3.1
Germany	2.7	4.5
Sweden	2.4	3.2
Canada	2.2	2.5
Switzerland	2.2	1.6
France	1.7	1.6
Belgium	1.1	1.1
The Netherlands	0.6	0.8
Spain	0.6	0.5
Finland	0.4	0.4
New Zealand	0.4	0.4
Israel	0.2	0.2
Austria	0.1	0.1
Norway	0.1	0.2
Ireland	-	0.1
Cash / futures	(0.2)	1.4
	100.0	**100.0**

Liquidity risk
It may be impossible to liquidate a position at the right time and at a reasonable price. The stocks that make up the FTSE EPRA Nareit Developed Green EU CTB (NTR) Index are all liquid.

Risks associated with techniques for efficient portfolio management
Techniques employed for efficient portfolio management, such as custody accounts, repurchase agreements and reverse repurchase agreements, and in particular relating to the quality of the collateral instruments received/reinvested, may give rise to various risks, such as liquidity risks and counterparty risks, which can have an impact on the results of the sub-fund in question. Besides the derivatives mentioned in the conducted investment policy, the sub-fund has not used techniques for efficient portfolio management during the reporting period.

Management Board report BNP Paribas Global Income Multi-Factor Equity Fund

Investment objective

BNP Paribas Global Income Multi-Factor Equity Fund invests worldwide, primarily in a diversified portfolio of equity securities with an attractive dividend yield, with the objective of realising a higher return than the Index on the medium term. The sub-fund's investment policy is primarily geared to obtaining direct investment Income in the form of dividends and to a lesser extent to achieving capital growth.
Further details may be found in the (supplementary) prospectus of BNP Paribas Fund III N.V. and in the Key Information Document of the sub-fund. We recommend that you read these documents.

Index

MSCI World (NR).

Key figures

Classic class	31-12-2022	31-12-2021	31-12-2020
Shareholders' equity (before profit appropriation) (x €1,000)	197,636	231,717	192,102
Number of outstanding shares	2,906,652	3,065,348	3,316,824
Net asset value per share (€)	67.99	75.59	57.92
Transaction price per share (€)	67.86	75.44	57.80
Dividend per share (€)[1]	2.89	2.56	2.26
Performance (%)[2]	(6.4)	35.8	(3.3)
Performance index (%)	(12.8)	31.1	6.3
Relative performance (%)[2]	6.4	4.7	(9.6)

1 Interim dividends of €0.78, €0.79, €0.66 and €0.66 were made payable during the reporting period on 17/01/2022, 19/04/2022, 15/07/2022 and 17/10/2022. With these payments the distribution obligation of the sub-fund for 2022 has been fulfilled. The proposed final dividend is therefore €0.00.

2 The dividend is taken into account when calculating the performance. The relative performance refers to the difference between the sub-fund's performance and the Index's performance.

Classic class	31-12-2022	31-12-2021	31-12-2020
Total income (x €1,000)	(12,806)	66,116	(6,955)
Total expenses (x €1,000)	1,823	1,844	1,740
Net result (x €1,000)	(14,629)	64,272	(8,695)

Five-year overview/ Investment result per share

Classic class	2022	2021	2020	2019	2018
Direct result from investments (€)	1.36	2.00	0.65	1.96	2.03
Indirect result from investments (€)	(5.65)	18.79	(2.60)	9.83	(5.02)
Gross investment result (€)	(4.29)	20.79	(1.95)	11.79	(2.99)
Operating expenses (€)	0.61	0.58	0.50	0.53	0.54
Net investment result (€)	(4.90)	20.21	(2.45)	11.26	(3.53)

The average number of outstanding shares, as used in the calculation of the investment result per share, is calculated as the sum of the outstanding shares on a daily basis divided by the number of observations, based on the number of days that the net asset value determination takes place during the reporting period.

Conducted investment policy

The portfolio is built based on a systematic approach, combining several equity factor criterions such as value, profitability, low-volatility and momentum. The portfolio also integrates sustainable dimensions: ESG standards and carbon reduction.
The strategy approach is to identify the stocks that allow us to generate alpha and dividend yield while meeting all our investment constraints and requirements: in fact, we control for the ex-ante level of the tracking error, the beta exposure, the ESG average score and the carbon reduction. The sub-fund

integrates BNPPAM proprietary ESG Score and ESG integration rules. We expect the sub-fund to generate higher sustainable return and dividend yield than the MSCI World (NR) on the medium term.
The energy crisis and the Ukraine-Russia War did not impact the investment strategy of the sub-fund.
As of the end of December, the largest active overweights were set on Omnicom Group Inc. (United States, Communication Services) and Equinor Asa (Norway, Energy), whereas the largest underweights were set in Apple Inc. (United States, Information Technology) and Alphabet Inc. (United States, Communication Services).

Investment result

The key figures table provides details on inter alia the net asset value per share, absolute performance per share, performance of the Index and performance per share of the sub-fund versus the Index (relative performance).
Over 2022, the sub-fund returned -6.4% against -12.8% for the MSCI World (NR). The strategy outperformed its benchmark by 6.4%. The outperformance came from the successful stock selection mainly within three sectors: the Communication Services sector, the Consumer Discretionary sector and the IT sector.
Within the Communication Services sector: the strategy underweighted two stocks that combined added +1.16% to excess returns: Meta Platforms Inc. (US, -61.88%) and Alphabet Inc. (US, -22.24%); the strategy also overweighted three stocks that combined added 0.59% to excess returns: Omnicom Group Inc. (US, 21.88%), Nippon Telegraph And Telephone Corporation (Japan, 14.09%) and Swisscom Ag (Switzerland, 6.05%).
Within the Consumer Discretionary sector: the strategy underweighted two stocks that combined added +1.65% to excess returns: Amazon.Com Inc. (US, -46.31%), Tesla (US, -62.74%); the strategy also overweighted three stocks that combined added 1.06% to excess returns: Autozone Inc. (US, 25.35%), Oreilly Automotive Inc. (US, 27.35%) and Tractor Supply Company (US, 1.77%).
Within the IT sector: the strategy underweighted two stocks that combined added +0.62% to excess returns: Apple Inc. (US, -21.72%) and Nvidia Corporation (US, -47.02%); the strategy also overweighted two stocks that combined added 0.39% to excess returns: IBM (US, 16.25%) and Gartner Inc. (US, 7.13%).
From a sectorial perspective, active sector exposure (allocation) detracted from excess return mainly due to underweights in the Energy sector and the Utilities sector which both outperformed over the period following the energy crisis that was triggered or accelerated by the Ukraine-Russia war.
The total number of outstanding shares decreased during the reporting period (Classic class) from 3,065,348 to 2,906,652. The development of the sub-fund's volume in relation to the fund market is a continuous point of attention for the Management Board.

Outlook

The global economy is on the brink of recession as policy rates shoot higher, Europe faces an energy shock, and China struggles with zero-Covid policies and fragile property markets. The Chinese government has scope to stimulate growth, but in the West, government measures to aid households and companies may undermine central bank inflation-busting. Much of Europe is already in recession. We expect one to begin in the US in the third quarter of 2023, and while China's growth will likely not turn negative, it will be below historic levels. One can easily think of ways in which the situation could yet worsen: a breakdown in a key financial market due to the rapid rise in interest rates, a cold winter (not seen so far) and blackouts in Europe, or a flare-up in geopolitical tensions between US and China.
2022 has been an extraordinary year for financial markets, marking the end of an extraordinary decade and a half since the Global Financial Crisis (GFC). A sharp and swift rise in real discount rates caused bruising losses across asset classes, ending the panacea that 'lower for longer' interest rates delivered for risky assets over many decades. Equities face a struggle to generate above-average returns, even as the disconnect between still relatively optimistic corporate earnings expectations and economic reality narrows. We are neutral, with deep caution in Europe offset by optimism for US growth stocks.
We are confident that secular growth drivers will dominate short-term cyclical concerns over a three-plus year investment horizon. We focus on owning sustainable leaders or beneficiaries of the digital transformation, with enduring competitive advantages, trading at compelling valuations. In the terms of the progressing green transformation, we believe that, as investors, we must continue to focus our resources on sustainable long-term growth. We see opportunities in the shift to, for example, green hydrogen, restoring natural capital or building green infrastructure.
Lastly, geopolitical risks pepper the investment horizon. This is something we will monitor closely in 2023. The evolution of the Ukraine war and the energy crisis; China's approach to Taiwan and the

reopening of its economy; trade wars and their impact on supply chains – each of these developments could alter the path of both cash flows and discount rates. With no quick resolution in sight, risks here are likely to remain elevated.
Lastly, the recent developments in global banking system, triggered by the failure of Silicon Valley Bank, add to the overall uncertainty and question (again) the robustness of financial capitalism. With no quick resolution in sight, risks here are likely to remain elevated.

Risk profile and risk management

The risk profile is presented in the Management Board report of BNP Paribas Fund III N.V.
The details of management of the main risks for the sub-fund during the financial year are set out below.

Risk appetite

Investors in the fund are confronted with various risks. The fund invests worldwide in many financial markets, which enables optimal diversification and adjustment of the investment portfolio to changing market conditions. The aim within the investment portfolio is to achieve an optimal expected return/risk ratio. Assessment of expected risks and decision-making in anticipation of such risks form an integral part of the investment process.

Market risk

Market risk is the risk of fluctuations in the financial markets, or in other words fluctuations in share prices, interest rates, exchange rates, commodity prices and derivatives linked to these products.
During the period under review the sub-fund has been fully invested throughout. As equity markets collapsed following the Russian invasion of Ukraine, the sub-fund aimed at mirroring overall global market risk as expressed by MSCI World index and managed to deliver an outstanding outperformance. The sub-fund actively controls tracking error risk and market beta exposure. By the end of the year ex-post beta was 0.94 (target beta 1) and tracking error realised was 4.66% (in line with target tracking error of 5%). From the sectoral perspective, the sub-fund active exposure to Health Care moved from aligned to benchmark to significantly overweighted. The active exposure to Energy moved from underweighted to aligned to benchmark. The active exposure to Industrials moved from overweighted to underweighted. The overweight to Financials stayed positive but dropped significantly. The changes in sector exposure are a result of the systematic factor investment process. The sub-fund benefited from the use of futures in this rising market environment.

The table below provides an insight into the breakdown of the sub-fund's assets across the various sectors as at the end of the financial year.

Sector breakdown (%)	31-12-2022	31-12-2021[1]
Health Care	23.6	14.5
Financials	21.2	12.4
Information Technology	16.1	23.8
Energy	7.7	1.6
Consumer Discretionary	6.6	9.4
Industrials	6.3	10.9
Communication Services	6.0	5.4
Consumer Staples	6.0	10.2
Materials	2.4	8.6
Real Estate	1.8	-
Cash / futures	2.3	3.2
	100.0	100.0

1 Due to a change in the used sector breakdown during the current reporting period, the comparative figures have been adjusted accordingly.

Currency risk

The sub-fund may invest in securities or other instruments that are denominated in a currency other than the euro. As a result, a sub-fund's performance may be affected by movements in exchange rates. These currency fluctuations can have both a positive and a negative effect on the return.
The sub-fund invests in individual companies globally based on a systematic investment process.

Investment decisions are not taken on the basis of currency movements and expectations. Assessment of the country of risk and relevant currency markets is part of our evaluation of the companies as part of the investment process. The strategy results in high active currency exposures because it is not controlled in the portfolio construction. However, this portfolio is controlled in global risk (Tracking error controlled) and no contribution from active currency exposure is expected over the average recommended holding period. For this reason, no currency hedge is applied. By the end of the year ex-post tracking error was 4.66% (in line with target tracking error of 5%).

The table below provides an insight into the currency position of the sub-fund as at the end of the financial year.

Currency breakdown (%)	31-12-2022	31-12-2021
USD	59.8	64.8
JPY	10.0	10.0
CAD	7.1	2.6
EUR	6.3	9.4
GBP	4.4	1.9
CHF	4.2	6.0
NOK	2.5	-
AUD	2.3	0.4
DKK	1.9	2.3
SEK	1.0	2.1
HKD	0.5	0.5
	100.0	**100.0**

Derivatives risk
The sub-fund may use financial derivatives. This may have a leverage effect and increase the volatility of a sub-fund. Certain derivatives give rise to losses that are greater than the costs of those derivatives. Some derivatives, specifically those traded over-the-counter ('OTC'), can be valued in different ways. A derivative may not correlate to its underlying securities to the extent expected, and may therefore prove ineffective or even counterproductive for a sub-fund.
During the reporting period, the sub-fund used futures contracts to reach the beta one target. No other derivatives were used since the revamping of the sub-fund. By the end of the year the ex-post beta was 0.94 (in line with the target beta 1).

Country risk
Risks can be greater in certain countries, in particular those with such characteristics as political instability, lack of complete or reliable information, market irregularities or high taxation.
As the portfolio of this sub-fund covers global companies that have revenues and profits coming from all over the world, the specific country risk selection is less important top-down variable in the management of the portfolio. The sub-fund underweight to United States diminished (the strategy increased its exposure to US). At the same time, the strategy significantly reduced its exposure to Switzerland and UK: with Switzerland having a positive active weight while UK a negative one. Finally, the strategy decreased its exposure to the Eurozone following a drop in the benchmark weight (active weight stayed unchanged). Any change in country exposure is only a result of the systematic factor investment process.

The following table provides an insight into the breakdown of the sub-fund's assets across the various countries as at the end of the financial year.

Geographical breakdown (%)	31-12-2022	31-12-2021
United States	58.3	62.7
Japan	9.9	10.0
Canada	7.0	2.6
United Kingdom	4.3	1.9
Switzerland	4.2	6.0
Norway	2.5	-
Australia	2.3	0.4
Denmark	1.9	2.3
France	1.8	-
Germany	1.4	2.7
Finland	1.1	-
Sweden	1.0	2.1
Italy	0.6	-
The Netherlands	0.6	4.4
Hong Kong	0.5	0.5
Spain	0.3	0.8
Portugal	-	0.4
Cash / futures	2.3	3.2
	100.0	**100.0**

Liquidity risk
It may be impossible to liquidate a position at the right time and at a reasonable price. The investment universe of the strategy is a subset of the MSCI World Index (no out of index exposure). This first ensure sufficient liquidity level for any stock in the portfolio. In addition to this, the investment process applies a control on the liquidity level on every single line held by the portfolio: the maximum individual weight is calibrated so that the buy/sell trades required to get/liquidate the entire exposure on the single line should not exceed more than one day while limiting market impact.

Risks associated with techniques for efficient portfolio management
Techniques employed for efficient portfolio management, such as custody accounts, repurchase agreements and reverse repurchase agreements, and in particular relating to the quality of the collateral instruments received/reinvested, may give rise to various risks, such as liquidity risks and counterparty risks, which can have an impact on the results of the sub-fund in question. Next to futures, the sub-fund did not use techniques for efficient portfolio management.

Management Board report BNP Paribas Asia Pacific High Income Equity Fund

(On 9 December 2022 cross-border merged with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity)

General

On 9 December 2022, BNP Paribas Asia Pacific High Income Equity Fund was cross-border merged with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity, sub-fund of BNP Paribas Funds, a société d'investissement à capital variable incorporated under the laws of the Grand Duchy of Luxembourg.
As a result, shareholders of BNP Paribas Asia Pacific High Income Equity Fund – Class Classic received 1 share for each share held of the newly introduced Privilege Plus EUR-Dis share class of BNP Paribas Funds Sustainable Asia ex-Japan Equity for each share held in BNP Paribas Asia Pacific High Income Equity Fund (exchange ratio 1:1) on 9 December 2022.
For more detailed information on this cross-border merger, please refer to page 19 of this report.

Investment objective until 9 December 2022

BNP Paribas Asia Pacific High Income Equity Fund aimed to achieve the highest possible investment result in euro by investing in a diversified portfolio of Asia Pacific equities with an attractive dividend yield. The fund's investment policy was primarily geared to obtaining direct investment income in the form of dividends and to a lesser extent to achieving capital growth.

Index until 9 December 2022

S&P High Income Equity Asia Pacific (EUR) (NR) ('Index').

Key figures

Classic class	09-12-2022	31-12-2021	31-12-2020
Shareholders' equity (before profit appropriation) (x €1,000)	-	39,901	49,695
Number of outstanding shares	-	656,555	892,869
Net asset value per share (€)	-	60.77	55.66
Transaction price per share (€)	-	60.92	55.52
Dividend per share (€)[1]	2.39	2.37	2.18
Performance (%)[2]	(0.6)	14.9	(4.2)
Performance index (%)	0.9	18.5	(5.7)
Relative performance (%)[2]	(1.5)	(3.6)	1.5

1 Interim dividends of €0.61, €0.64, €0.58 and €0.56 were made payable during the reporting period on 17/01/2022, 19/04/2022, 15/07/2022 and 17/11/2022. With these payments (in total €2.39) the distribution obligation of this share class of the subfund for 2022 has been fulfilled.

2 The dividend is taken into account when calculating the performance. The relative performance refers to the difference between the sub-fund's performance and the Index's performance.

Classic class	09-12-2022	31-12-2021	31-12-2020
Total income (x €1,000)	177	6,474	(3,089)
Total expenses (x €1,000)	297	399	486
Net result (x €1,000)	(120)	6,075	(3,575)

Five-year overview/ Investment result per share

Classic class	2022	2021	2020	2019	2018
Direct result from investments (€)	2.33	2.54	2.00	2.59	2.61
Indirect result from investments (€)	(2.03)	5.93	(4.92)	7.99	(4.62)
Gross investment result (€)	0.30	8.47	(2.92)	10.58	(2.01)
Operating expenses (€)	0.50	0.52	0.46	0.50	0.50
Net investment result (€)	(0.20)	7.95	(3.38)	10.08	(2.51)

The average number of outstanding shares, as used in the calculation of the investment result per share, is calculated as the sum of the outstanding shares on a daily basis divided by the number of observations, based on the number of days that the net asset value determination takes place during the reporting period.

BNP Paribas Fund III N.V.

Amsterdam, 25 April 2023

Directors
J.L. Roebroek
M.P. Maagdenberg
K.M. Vandenbergh

Financial statements BNP Paribas Fund III N.V. (cumulative)

Balance sheet

(before appropriation of result)	Reference	31-12-2022 x €1,000	31-12-2021 x €1,000
Investments	1		
Shares		428,216	570,806
Property shares		78,343	108,244
Futures		-	433
		506,559	**679,483**
Receivables	2		
Receivables on securities transactions		2	163
Receivables on subscriptions		-	4
Dividend receivables		605	554
Tax receivables		1,764	1,510
		2,371	**2,231**
Other assets	3		
Cash		6,410	11,594
Short term liabilities	4		
Futures		887	-
Liabilities on securities transactions		-	565
Liabilities on redemptions		652	388
Liabilities to credit institutions		119	-
Liabilities on tax		416	588
Other liabilities and accruals		255	326
		2,329	**1,867**
Result of receivables and other assets minus short term liabilities		**6,452**	**11,958**
Result of assets minus short term liabilities		**513,011**	**691,441**
Shareholders´ equity	5		
Issued and paid-up share capital[1]		6,399	6,493
Share premium reserve		335,535	406,899
Other reserve		261,224	110,301
Unappropriated result		(90,147)	167,748
		513,011	**691,441**

1 Including 100 priority shares of €1.00.

The numbers as per 31 December 2021 also include the numbers of the sub-funds BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund, which were merged with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021.
For the separate numbers of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund as per 31 December 2021, please see the annual report 2021 of BNP Paribas Fund III N.V. This annual report is available on the website of the Management Company.

Profit and loss account

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Investment result			
Direct result from investments	6		
Dividend		16,439	15,753
Interest		57	-
Indirect result from investments	7		
Realised result on investments		19,109	76,890
Unrealised result on investments		(121,975)	77,034
Other results	8		
Subscription and redemption fee		77	153
Exchange differences on cash		(472)	68
Other income		50	1,624
Total income		**(86,715)**	**171,522**
Operating expenses	9		
Management fee		2,713	2,982
Service fee		706	750
Interest		13	34
Other expenses		-	8
Total expenses		**3,432**	**3,774**
Result		**(90,147)**	**167,748**

The numbers covering the period from 1 January 2021 up to and including 31 December 2021 also include the numbers of the sub-funds BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund, which were merged with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021.
For the separate numbers of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund covering the period from 1 January 2021 up to and including 31 December 2021, please see the annual report 2021 of BNP Paribas Fund III N.V. This annual report is available on the website of the Management Company.

Cash flow statement

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Cash flow from investment activities			
Purchases of investments		(256,120)	(339,015)
Sales of investments		296,276	374,397
Sales of investments due to merger[1]		30,385	-
Dividends received		15,962	17,855
Interest received		57	-
Interest paid		(13)	(34)
Payments due to management of investments		(3,490)	(3,725)
Other amounts received		50	1,624
Other amounts paid		-	(8)
		83,107	**51,094**
Cash flow from financing activities			
Received upon (re)issue of shares		13,038	56,062
Paid on repurchase of shares		(53,252)	(85,666)
Received subscription and redemption fees		77	153
Dividend distribution		(17,524)	(16,744)
Change in liabilities to credit institutions		119	-
Due to merger[2]		(30,277)	-
		(87,819)	**(46,195)**
Net cash flow		**(4,712)**	**4,899**
Cash at the start of the reporting period	3	11,594	6,627
Exchange differences on cash		(472)	68
Cash at the end of the reporting period		**6,410**	**11,594**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022.

2 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

The numbers covering the period from 1 January 2021 up to and including 31 December 2021 also include the numbers of the sub-funds BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund, which were merged with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021.
For the separate numbers of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund covering the period from 1 January 2021 up to and including 31 December 2021, please see the annual report 2021 of BNP Paribas Fund III N.V. This annual report is available on the website of the Management Company.

General notes

General

BNP Paribas Fund III N.V. is an investment company with variable capital incorporated under Dutch law by deed dated 4 September 1987 and has its registered office in Amsterdam.
BNP Paribas Fund III N.V. is registered in the trade register of the Chamber of Commerce in Amsterdam, under number 33195640.

The Management Company has its registered office at Herengracht 595, 1017 CE in Amsterdam. The Management Company is entered in the trade register of the Chamber of Commerce in Amsterdam under number 81007248.

Fiscal aspects

BNP Paribas Fund III N.V. has opted for the status of a fiscal investment institution as referred to in Section 28 of the Dutch Corporate Income Tax Act 1969. On account of the fiscal investment institution status, no corporate income tax is due if, inter alia, (almost) total fiscal earnings are distributed in the form of a cash dividend. For more detailed information about the tax aspects, reference is made to the prospectus of BNP Paribas Fund III N.V. on the website www.bnpparibas-am.nl.

Issue and repurchase of own shares

BNP Paribas Fund III N.V. operates as an open-end fund and is prepared on any day that Euronext Amsterdam is open (a 'valuation day') to buy its own shares or issue new shares at the prevailing transaction prices. If, on a valuation day, the assets in a sub-fund are on balance increased due to buying and/or issuing shares, the net asset value is increased by means of a premium. If the assets are on balance reduced due to buying and/or issuing shares, the net asset value is reduced by means of a discount. The price thus set is referred to as the transaction price. Due to the difference in costs and fee structure, the transaction price of Classic class will differ from X class.
The purpose of the premium and discount is to protect the incumbent shareholders and is added to the assets of the concerned sub-fund. The premium and discount is used by the sub-funds to cover the costs of the entry and withdrawal of shareholders. This concerns the purchase and sale costs of the underlying investments and any market impact and taxes. The Management Company has capped the premium and discount at a maximum percentage per sub-fund. This maximum percentage is mentioned in the concerned supplementary prospectus. The Management Company will always publish the current percentage on the Management Company's website (under 'Informatie Wet financieel toezicht').
The premium and discount as per the end of the financial year are included in the notes to the balance sheet of the relevant sub-fund.
Orders will be executed once each valuation day at the transaction prices determined by the Management Company. Orders placed with the sub-funds before 16:00 hrs, the so called cut-off time, will be executed on the next valuation day ('T') at approximately 10:00 hrs at the transaction prices announced by the Management Company for that day. Orders placed after the cut-off time will be executed on the following valuation day. The net asset value is determined by the Management Company on the basis of the closing prices of the underlying securities of the sub-funds after the cut-off time. The valuation principles, as included in the general explanation, apply to the determination of the net asset value.
The net asset value and the transaction price of the shares of the sub-funds will be determined in euros on each valuation day and will be published on the website of the Management Company.

Principles for preparing the annual accounts

General

The annual report of BNP Paribas Fund III N.V. for the reporting period 1 January up to and including 31 December 2022 has been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code, the authoritative statements of the Dutch Guidelines for Annual Reporting ('(Richtlijnen voor de jaarverslaggeving') issued by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving') and the Financial Supervision Act ('Wft'). In parts of this annual report wordings are used that deviate from the models for investment institutions, as prescribed in the Model of Annual Accounts Decree, where these better reflect the content of the item.
The annual figures have been prepared on the basis of the going concern assumption.

The company has a so-called umbrella structure. At company level, the annual report consists of a cumulative balance sheet, profit and loss account and cash flow statement, as well as general notes, notes to the balance sheet and notes to the profit and loss account.
A balance sheet, a profit and loss account, a cash flow statement, notes to the balance sheet and notes to the profit and loss account are included for each sub-fund. Shares in three sub-funds have been issued as of the date of this financial report.
For the sub-fund BNP Paribas Asia Pacific High Income Equity Fund, merged on 9 December 2022, the profit and loss account and cash flow statement have been prepared for the period from 1 January 2022 to 9 December 2022 and as such also accounted for in the cumulative profit and loss account and cash flow statement.

Foreign currency
The items in this annual report are valued considering the currency of the economic environment in which the business activities are carried out (the functional currency). The annual report is presented in euros; this is both the functional and presentation currency of BNP Paribas Fund III N.V.
Transactions in foreign currencies during the reporting period are included in the annual report at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are converted into the functional currency at the exchange rate on the balance sheet date. The exchange differences arising from the settlement and conversion are credited or charged to the profit and loss account.
Exchange rates as at 31 December, equivalent to 1 euro:

	31-12-2022	**31-12-2021**
US dollar	1.0673	1.1372
Australian dollar	1.5738	1.5642
British pound	0.8873	0.8396
Canadian dollar	1.4461	1.4365
Danish krone	7.4365	7.4376
Hong Kong dollar	8.3299	8.8660
Israeli shekel	3.7658	3.5394
Japanese yen	140.8183	130.9543
New Zealand dollar	1.6875	1.6610
Norwegian krone	10.5135	10.0282
Polish zloty	4.6813	4.5834
Singapore dollar	1.4314	1.5331
South African rand	18.1593	18.1498
Swedish krona	11.1203	10.2960
Swiss franc	0.9875	1.0361

Comparison to the previous reporting period
The applied valuation principles and principles of determination of the result have remained unchanged compared to the previous reporting period.

Valuation principles

Valuation of investments
Investments listed on a stock exchange are initially included in the balance sheet at their fair market value plus costs and re-valued from the day of purchase to fair market value (last known market value). The market values are reflected by the closing prices arrived after the cut-off time (as defined in the notes to the balance sheet) or - in the case of the sub-funds' investments in Asian markets - the latest prices arrived prior to the time of valuation. If based on special circumstances, in the opinion of the Management Company, the last known market values do not correctly reflect the value of the relevant investments, or if one or more stock exchanges on which a substantial portion of shares are traded are closed, quoted investments may be valued on the basis of an appraisal by the Management Company. Where the securities comprise units in other UCITS or investment institutions, these are valued on the basis of the last known net asset value or an estimate. When applying the principles and rules for the preparation of financial statements there are no judgments and estimates, in the form of appraisals, which could be essential for the amounts and disclosures in the financial statements.

Other investments are determined at fair market value, applying the usual criteria for the investment concerned.

Valuation of derivatives
Derivatives are initially recognised at cost price and subsequently as from the date of purchase valued at market price.

Valuation of other assets, other liabilities and other payables
Other assets and other liabilities and accruals are initially valued at fair market value. The subsequent valuation is based on nominal value (equals the amortized cost price). Assets and liabilities denominated in foreign currencies are converted at the last known exchange rates. Income and expenses in foreign currencies are converted at the transaction rate.
If a negative share premium reserve is created as a result of the accounting for the purchase of own shares, this negative balance is deducted from the other reserves.

Principles of determination of results
For each sub-fund in administration a so-called reserve account is held, in which changes in value are administered. The result of each sub-fund is computed as interest income and dividend income during a given financial period/year on ex-dividend listed investments less expenses attributable to that financial period/year. Stock dividends received are taken to the profit and loss account under dividend at fair market value. The costs of purchasing investments are capitalised in the cost price and therefore disclosed under changes in value. The costs of selling investments are deducted from the realised changes in value. Realised changes in value on investments during a given financial period are calculated by deducting the purchase cost from the sale proceeds.
Unrealised changes in value on investments during a given financial period are calculated by deducting the balance sheet value at the beginning of that financial period, where appropriate increased with the purchase price of purchases made during the financial period, from the balance sheet value at the end of that financial period. In the event of a sale, the cumulative value of unrealised changes in value already recognised in the result is reversed. These changes in value, consisting of both gains and losses on investments and gains and losses on foreign exchange, are recognised under income. Gains and losses on foreign exchange become realised on the date of the transaction.

Principles for preparing the cash flow statement
The cash flow statement is prepared according to the direct method, whereby a distinction is made between cash flow from investment activities and financing activities.
The cash flow statement includes exchange differences on cash, which are recognized in the profit and loss account under realised result on investments. Exchange rate differences on cash arise from movements in foreign exchange rates with regard to the conversion of receivables and debts denominated in a currency other than the fund currency between the moment of entering into a transaction and the settlement date of a transaction. As a result of increases and decreases in transaction (volumes) as well as volatility of foreign exchange rates, the item exchange rate differences on cash may undergo (significant) changes compared to the figures in the comparable period.

Notes to the balance sheet

1. Investments

The investments of BNP Paribas Fund III N.V. are the sum of the investments of the individual sub-funds.

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shares		
Position at the start of the reporting period	570,806	463,931
Purchases	240,326	283,961
Sales	(282,807)	(297,718)
Due to merger[1]	(30,385)	-
Realised result	26,069	60,239
Unrealised result	(95,793)	60,393
Position at the end of the reporting period	**428,216**	**570,806**
Property shares		
Position at the start of the reporting period	108,244	94,978
Purchases	15,229	55,619
Transfer from BNP Paribas Property Securities Fund Europe	-	16,655
Transfer from BNP Paribas High Income Property Fund	-	18,414
Sales	(19,078)	(67,271)
Transfer to BNP Paribas ESG Global Property Securities Index Fund	-	(35,069)
Realised result	(1,190)	7,842
Unrealised result	(24,862)	17,076
Position at the end of the reporting period	**78,343**	**108,244**
Futures		
Position at the start of the reporting period	433	870
Sales/expirations	5,770	(8,811)
Realised result	(5,770)	8,811
Unrealised result	(1,320)	(437)
Position at the end of the reporting period	**(887)**	**433**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022.

2. Receivables

Receivables on securities transactions

Receivables arising from securities transactions relate to amounts receivable from brokers.

Receivables on subscriptions

These relate solely to receivables from shareholders' equity subscriptions which have not settled as per balance sheet date.

Tax receivables

The tax receivables relate to the withholding tax receivable as per balance sheet date. The amount partially consists of non-refundable foreign withholding tax/dividend tax which are set off when (interim) dividend is paid by the sub-fund. For the refundable foreign withholding tax/dividend tax a refund has been requested by the Management Company at the relevant authorities in the related countries. The Management Company tries to receive the reclaimed amount as soon as possible.

Tax reclaims as part of the Aberdeen/ Fokus Bank Project
In several European Union member states, community law grants undertakings for collective investments (UCIs), the right to file claims with a view to recovering taxes they have been unjustly forced to pay. When one member state imposes a greater tax burden on a foreign UCI than on a resident UCI, this constitutes discrimination under community law.
This principle was confirmed by the ruling of the Court of Justice of the European Union (CJEU) in the 'Aberdeen' case (18 June 2009). This ruling acknowledges that a non-resident UCI can be subject to discriminatory taxation, which constitutes an obstacle to freedom of establishment and/or the free movement of capital. Other CJEU rulings have subsequently confirmed this jurisprudence. Key examples are the rulings in the Santander (10 May 2010) and Emerging Markets (10 April 2014) cases regarding French and Polish tax legislation, respectively. In light of this jurisprudence and in order to safeguard the right of UCIs to receive tax rebates, the Management Company has decided to file claims with the tax authorities in several member states whose discriminatory legislation fails to comply with community law. Preliminary studies will be carried out to determine whether or not the claims are viable, i.e. for which funds, in which member states and over what period of time it is necessary to request a rebate. This project is referred to as 'the Aberdeen/ Fokus Bank Project'. For coordination of this project, the Management Company appointed BNP PARIBAS ASSET MANAGEMENT Luxembourg ('BNPP AM Luxembourg'), which is a related party to the management Company. BNPP AM Luxembourg is appointed in a similar role for the entire global fundrange of BNPP AM.
To date, there is no European legislation establishing a uniform framework for this type of claim. As a result, the time taken to receive a rebate and the complexity of the procedure vary depending on the member state in question. This means that it is necessary to constantly monitor developments in this regard.
In case such a rebate is received for BNP Paribas Fund III N.V. and the concerned amount of tax withheld was earlier offset against Dutch dividend tax paid, such rebate might need to be reimbursed to the Dutch tax authority.
Over the years 2020 and 2021, the Management Company received multiple amounts, based on the submitted reclaims in France. For the majority of these amounts, the disbursement to the relevant sub-funds has been completed in 2021 and, where applicable, the repayment to the Dutch tax authorities has started. Of the received amounts, a gross amount of EUR 231,289 still remains. As soon as the Management Company has more information about the entitled parties, ie the Dutch tax authorities and/or the relevant sub-funds, and the costs, this amount will be paid out.
In addition, the Management Company received a gross amount of EUR 165,233 from Sweden in 2021. An amount of EUR 13,300 of this amount had already been settled with the Dutch tax authorities in the past. This amount will be refunded to the tax authorities. The remaining amount of EUR 151,933 was related to a receivable in the administration of EUR 155,692 for deductible dividend tax, which was part of the item 'Tax receivables' in the 2021 financial statements. The amount of EUR 151,933 has been paid out to the relevant sub-funds and the difference of EUR 3,759 has been written off.
Finally, a filed claim of EUR 151,825 has been paid out by the Norwegian tax authority. An amount of EUR 120,586 of this amount had already been settled with the Dutch tax authorities in the past. This amount will be refunded to the tax authorities. The remaining amount of EUR 31,239 was related to a receivable in the administration of EUR 31,485 for deductible dividend tax, which was part of the item 'Tax receivables' in the 2021 financial statements. The amount of EUR 31,239 has been paid out to the relevant sub-funds and the difference of EUR 246 has been written off. The Norwegian tax authority has also paid an amount of EUR 3,067 in interest on the filed claim.
The costs of the proceedings related to Sweden and Norway (EUR 27,931 and EUR 26,303 respectively, of which EUR 10,905 and EUR 10,223 respectively as compensation for BNPP AM Luxembourg) have been netted as far as possible with the income from these proceedings in the various sub-funds.
During the financial year 2022, the Management Company did not receive any amount due to submitted reclaims.

3. Other assets

Cash
This includes the on demand deposits as well as amounts paid under margin requirement and any overdrafts in current account.

4. Short term liabilities

Liabilities on securities transactions
Liabilities arising from securities transactions relate to liabilities to brokers.

Liabilities on redemptions
These relate solely to payables from shareholders' equity redemptions which have not settled as per balance sheet date.

Liabilities to credit institutions
Overdrafts in current accounts are included under Liabilities to credit institutions under Short term liabilities.

Liabilities on tax
This includes amounts received related to Aberdeen Project, which part needs to be repaid to the tax authorities.

5. Shareholders' equity
The shareholders' equity of BNP Paribas Fund III N.V. is the sum of the shareholders' equity of the individual sub-funds and 100 priority shares.
As per 31 December 2022, the authorised capital amounts to €42,750,100 divided into 100 priority shares and 42,750,000 ordinary shares. The shares of BNP Paribas Global Income Multi-Factor Equity Fund (10,000,000) have a nominal value of EUR 1.30. All other shares have a nominal value of EUR 1. With the amendment of the Articles of Association on 14 February 2023, the capital has been reduced to EUR 39,750,100 and the nominal value of BNP Paribas Global Income Multi-Factor Equity Fund was reduced again to EUR 1, to arrange that all shares once again have a nominal value per share of EUR 1.
As per 31 December 2022, 5,527,237 ordinary Classic shares were placed with third parties and 100 priority shares with BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. On 10 February 2023 the 100 priority shares were transferred from BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. to BNP PARIBAS ASSET MANAGEMENT Holding. The issued shares are fully paid up in cash.

Issued and paid-up share capital	Number of shares 01-01-2022 to 31-12-2022	Number of shares 01-01-2021 to 31-12-2021	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	6,493,701[1]	7,470,679[1]	6,493	7,471
Issued	143,796	366,589	144	367
Issued due to merger[2]	-	263,542	-	264
Issued due to merger[3]	-	295,809	-	296
From share premium reserve[4]	-	-	875	-
From share premium reserve[5]	-	-	-	461
Repurchased	(587,910)	(1,021,747)	(591)	(1,032)
Repurchased due to merger[6]	-	(881,171)	-	(881)
Repurchased due to merger[7]	(522,250)	-	(522)	-
To share premium reserve[8]	-	-	-	(453)
End of the reporting period	**5,527,337[1]**	**6,493,701[1]**	**6,399**	**6,493**

1 Including 100 priority shares of €1.

2 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

3 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

4 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas Global Income Multi-Factor Equity Fund on 9 December 2022.

5 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

6 Relates to the merger of BNP Paribas High Income Property Fund and BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

7 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

8 Due to the decrease of the nominal value per share from €1.30 to €1.00 of BNP Paribas ESG Global Property Securities Index Fund on 4 June 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Share premium reserve

The share premium reserve comprises the difference between the amounts paid up or paid on the issue/repurchase of shares and the nominal value. When the administrative processing of the purchase of own shares creates a negative share premium reserve, this negative balance is considered to be deducted from the other reserves.

Share premium reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	406,899	417,263
Issued	12,890	55,643
Contribution due to merger[1]	-	16,346
Contribution due to merger[2]	-	18,347
To issued and paid-up share capital[3]	(875)	-
From issued and paid-up share capital[4]	-	453
Repurchased	(52,925)	(83,930)
Release due to merger[5]	(33,382)	-
Release due to merger[6]	-	(14,688)
To issued and paid-up share capital[7]	-	(461)
Withdrawal from/addition to other reserve	2,928	(2,074)
End of the reporting period	**335,535**	**406,899**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

3 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas Global Income Multi-Factor Equity Fund on 9 December 2022.

4 Due to the decrease of the nominal value per share from €1.30 to €1.00 of BNP Paribas ESG Global Property Securities Index Fund on 4 June 2021 (*).

5 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

6 Relates to the merger of BNP Paribas High Income Property Fund and BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

7 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Other reserve

The part of the result that is not subject to the distribution obligation is added to the other reserves.

Other reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	110,301	148,870
Addition due to merger[1]	3,627	-
Release due to merger[2]	-	(19,684)
Addition to/withdrawal from share premium reserve	(2,928)	2,074
From/to unappropriated result	150,224	(20,959)
End of the reporting period	**261,224**	**110,301**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

2 Relates to the merger of BNP Paribas High Income Property Fund and BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Unappropriated result

Unappropriated result	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	167,748	(4,215)
Dividend distribution	(17,524)	(16,744)
To/from other reserve	(150,224)	20,959
Result reporting period	(90,147)	167,748
End of the reporting period	**(90,147)**	**167,748**

Notes to the profit and loss account

6. Direct result from investments

Dividend
This refers to gross cash dividends, reduced by the portion of the non-reclaimable withholding tax which is not eligible for deduction from the dividend tax payable and foreign withholding tax that is not reclaimed. In principle, all reclaimable foreign withholding tax is reclaimed, unless in practice it proves impossible to meet the rules of procedure to reclaim it and/or the costs would outweigh the benefits. Thresholds have been defined on the basis of costs, expected revenues and/or probability of success. Withholding tax that is not reclaimed is disclosed as a loss in the profit and loss account. The non-reclaimable withholding tax and the dividend tax withheld in the Netherlands are in principle set off against the dividend tax payable by the sub-fund on its own dividend distribution. Cash dividends are recognized on the ex-date.

Interest
Relates to interest income on demand deposits in current accounts.

7. Indirect result from investments

The indirect result from investments of the sub-funds is included in the notes to the profit and loss account of the relevant sub-fund.

8. Other results

Subscription and redemption fee
This concerns the income obtained from the premium on a net issue of shares in the sub-funds or the discount on a net purchase of shares in the sub-funds. The proceeds from the premiums and discounts are added to the company's assets and booked through the profit and loss account.
The income per sub-fund is included in the profit and loss account of the relevant sub-fund.

Distribution obligation as of 31 December 2022

In connection with the status of fiscal investment institution, the fiscal result, taking into account the maximum addition to the tax difference reserve, shall be paid out within 8 months after the end of the reporting period. In the table below the minimum and maximum dividend payable amount per sub-fund is included to comply with the distribution obligation.

EUR	Minimum (with max addition tax difference reserve)[1]	Maximaal (with min addition tax difference reserve)[1]
BNP Paribas ESG Netherlands Index Fund, Classic class	5,513,410	6,307,000
BNP Paribas ESG Global Property Securities Index Fund, Classic class	2,590,410	2,927,000
BNP Paribas Global Income Multi-Factor Equity Fund, Classic class	-	-

1 For sub-funds which did not pay interim-dividend, the distribution surplus from previous reporting period is taken into consideration in the amount disclosed.

Proposed profit appropriation
On priority shares a total dividend of EUR 5 shall be paid.
The Management Board proposes, taking into account the distribution obligation as per 31 December 2022 and the interim-dividends that were made payable during the reporting period, to determine the following final dividends for the reporting period 2022:

	EUR
BNP Paribas ESG Netherlands Index Fund, Classic class[1]	5.35
BNP Paribas ESG Global Property Securities Index Fund, Classic class[1]	2.75
BNP Paribas Global Income Multi-Factor Equity Fund, Classic class[1]	0.00

1 Concerns the proposed dividend; for any interim-dividends paid during the reporting period see the key figures of the relevant sub-fund.

9. Operating expenses

Management fee
The management fee covers the costs of the asset management. The management fee is charged by the Management Company to the result of the Classic class of each sub-fund on a monthly basis and is calculated on a daily basis on the assets of the class. No management fee is charged for X class shares of the sub-funds.

Service fee
The service fee covers the costs of the Depositary, of the activities outsourced in respect of BNP Paribas Fund III N.V., with the exception of asset management, such as administration, reporting as well as all other operating costs such as those of supervision and registration, marketing, auditing and shareholders' meetings. The service fee does not include transaction costs, any taxes, interest or bank charges, or extraordinary expenses such as legal fees with a view to the recovery of any losses.
The service fee is charged by the Management Company to the result of the class on a monthly basis and is calculated on a daily basis on the assets of the class.
If investments are made in other UCITS or investment institutions managed by BNP Paribas Asset Management, no double management fee will be charged. This excludes other costs, e.g. for administration and custody of assets or a service fee.
The costs and fees as disclosed in the profit and loss account correspond with those set out in the chapter 'Fees and expenses' in the prospectus.

Auditor's fees
The auditor's fees were paid by the Management Company out of the service fee and were amounting for 2022 to EUR 66,150 (2021: 63,500). In addition, the Management Company paid other audit fees relating to the examination of the prospectus, the investigation whether the management has acted in accordance with the UCITS provisions and the examination of the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022.

Ongoing charges
On the basis of laws and regulations, the total costs that are withdrawn during the reporting period from the assets of each sub-funds, respectively each class, should be disclosed as 'ongoing charges'.
These charges are calculated as follows: total charges charged to the shareholders' equity of each

subfund respectively each share class divided by the average net asset value of each sub-fund respectively each share class.
- The 'total expenses' include the expenses charged to the result during the reporting period as well as the expenses charged to the shareholders' equity. Transaction costs (except for subscription and redemption fees paid by the sub-fund for purchases/sales of participations in other investment funds), interest charges, any performance fees and any costs associated with holding derivatives (such as margin calls) are left out of consideration.
- The 'average net asset value' is calculated based on the sum of all net asset values calculated for each sub-fund respectively share class during the reporting period divided by the number of net asset value calculations during the reporting period.

In the table below the ongoing charges figure per sub-fund is disclosed.

	01-01-2022 to 31-12-2022 %	01-01-2021 to 31-12-2021 %
BNP Paribas ESG Netherlands Index Fund	0.37	0.37
BNP Paribas ESG Global Property Securities Index Fund	0.40	0.47
BNP Paribas Global Income Multi-Factor Equity Fund	0.87	0.87
BNP Paribas Asia Pacific High Income Equity Fund	0.87[1]	0.87

1 The ongoing charges ratio, as shown in the table, is annualised.

Expenses compared to the prospectus
In the table below the ongoing charges figures per 31-12-2022 per sub-fund are compared to the prospectus.

	% sub-fund	% prospectus
BNP Paribas ESG Netherlands Index Fund	0.37	0.37
BNP Paribas ESG Global Property Securities Index Fund	0.40	0.40
BNP Paribas Global Income Multi-Factor Equity Fund	0.87	0.87
BNP Paribas Asia Pacific High Income Equity Fund	0.87[1]	0.87

1 The ongoing charges ratio, as shown in the table, is annualised.

Transaction costs
The transaction costs of a sub-fund are at arm's length and are charged to the shareholders' equity of the sub-fund. The table below shows the transaction costs per subs-fund during the reporting period.

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
BNP Paribas ESG Netherlands Index Fund	3	6
BNP Paribas ESG Global Property Securities Index Fund	9	49
BNP Paribas Global Income Multi-Factor Equity Fund	150	81
BNP Paribas Asia Pacific High Income Equity Fund	100	117
Total	**262**	**253**

Portfolio turnover rate
The portfolio turnover rate represents the turnover rate of the investments relative to the average net asset value and serves as a measure of the transaction costs due to the investment policy and the related investment transactions. The turnover is determined by the sum of the purchases and sales reduced by the sum of the subscriptions and redemptions. The portfolio turnover rate is determined by expressing the turnover as a percentage of the average net asset value of the sub-fund. The

'average net asset value' is calculated based on the sum of all net asset values calculated for each sub-fund respectively share class during the reporting period divided by the number of net asset value calculations during the reporting period.

	01-01-2022 to 31-12-2022 %	01-01-2021 to 31-12-2021 %
BNP Paribas ESG Netherlands Index Fund	24.50	36.77
BNP Paribas ESG Global Property Securities Index Fund	28.22	114.24
BNP Paribas Global Income Multi-Factor Equity Fund	186.19[1]	148.32
BNP Paribas Asia Pacific High Income Equity Fund	107.87	120.51

1 The main reason for the higher portfolio turnover ratio is market volatility caused by macro and geopolitical events during the reporting period.

10. Affiliated parties

The Management Company has entered into the following agreements with affiliated parties, being related parties to the Management Company and/or the Depositary in accordance with article 1 of the Dutch Decree on Conduct of Business Supervision of Financial Undertakings under the Wft ('BGfo'):

- BNP Paribas S.A., Netherlands Branch: Depositary;
- BNP PARIBAS ASSET MANAGEMENT Asia Ltd: outsourcing of asset management (until 9 December 2022);
- BNP Paribas S.A., Belgium Branch: outsourcing of administration; and
- BNP Paribas, Luxembourg Branch: outsourcing of fund agent and transfer agent services.

For the execution of the day-to-day activities with regard to the company, the Management Company, where desired, engages employees of BNP Paribas Asset Management. These entities are affiliated parties. The outsourced activities are at arm's length. With the exception of the costs of coordinating the Aberdeen/Fokus Bank project, the expenses based on the outsourced activities are charged to the Management Company.

<u>Research collection charge agreements</u>

Research collection charge agreements with brokers can be used. Transaction costs charged by a broker consist of two components: a fee for the actual execution of an order and a fee for the research provided by the broker concerned for the benefit of the company. In Research collection charge agreements, it is agreed with a broker that the part of the transaction costs related to the purchase of research will be separated from the part related to the foreclosure. The fee for the research is then set aside at the relevant broker as a credit. It can be decided to transfer (part of) this fee to another (research) broker or provider of research for the provision of research. Decoupling the execution from the decrease in research ensures that the best performing brokers can be selected in both areas.

The asset managers of the sub-funds used research collection charge agreements with brokers during the reporting period. The costs associated with this are borne by the asset managers.

Transaction volume with affiliated parties

01-01-2022 to 31-12-2022	Transaction type	Volume (% total volume)	Costs x €1	Costs %
BNP Paribas ESG Netherlands Index Fund	Shares	-	-	0.00
	Derivatives	100.00	837	100.00
BNP Paribas ESG Global Property Securities Index Fund	Shares	1.38	29	0.32
	Derivatives	100.00	133	100.00
BNP Paribas Global Income Multi-Factor Equity Fund	Shares	2.21	2,153	1.48
	Derivatives	100.00	3,734	100.00
BNP Paribas Asia Pacific High Income Equity Fund	Shares	-	-	0.00

The transactions were conducted at market conditions.

Additional notes

Employees

As in the previous year, the company has no employees.

Off-balance-sheet commitments

On the balance sheet date, there are no other commitments than those shown on the balance sheet.

Subsequent events

Interim dividend

After the end of the reporting period, the interim dividends listed below, were made payable:

Sub-fund	Date	Amount
BNP Paribas Global Income Multi-Factor Equity Fund, Classic class	16-01-2023	€0.68
BNP Paribas Global Income Multi-Factor Equity Fund, Classic class	19-04-2023	€0.69

Financial statements BNP Paribas ESG Netherlands Index Fund

Balance sheet

(before appropriation of result)	Reference	31-12-2022 x €1,000	31-12-2021 x €1,000
Investments	1		
Shares		235,494	307,185
Futures		-	43
		235,494	**307,228**
Receivables			
Tax receivables		722	775
		722	**775**
Other assets	2		
Cash[1]		917	2,961
Short term liabilities			
Futures		23	-
Liabilities on redemptions		490	143
Other liabilities and accruals		77	92
		590	**235**
Result of receivables and other assets minus short term liabilities		**1,049**	**3,501**
Result of assets minus short term liabilities		**236,543**	**310,729**
Shareholders´ equity	3		
Issued and paid-up share capital		1,240	1,323
Share premium reserve		-	13,838
Other reserve		287,526	225,745
Unappropriated result		(52,223)	69,823
		236,543	**310,729**

1 Cash includes an amount of €93,000 in margin requirements for the AEX Index futures contracts (31/12/2021: €177,000). This amount is therefore not freely available to the sub-fund.

Profit and loss account

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Investment result			
Direct result from investments			
Dividend		7,300	6,055
Interest		2	-
Indirect result from investments	4		
Realised result on investments		7,574	33,937
Unrealised result on investments		(66,170)	30,733
Other results			
Subscription and redemption fee	5	5	16
Exchange differences on cash		(1)	9
Other income		-	86
Total income		**(51,290)**	**70,836**
Operating expenses	6		
Management fee		628	670
Service fee		301	322
Interest		4	14
Other expenses		-	7
Total expenses		**933**	**1,013**
Result		**(52,223)**	**69,823**

Cash flow statement

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Cash flow from investment activities			
Purchases of investments		(38,076)	(95,662)
Sales of investments		51,237	81,351
Dividends received		7,353	6,201
Interest received		2	-
Interest paid		(4)	(14)
Payments due to management of investments		(944)	(972)
Other amounts received		-	86
Other amounts paid		-	(7)
		19,568	**(9,017)**
Cash flow from financing activities			
Received upon (re)issue of shares		5,481	46,042
Paid on repurchase of shares		(21,983)	(32,223)
Received subscription and redemption fees		5	16
Dividend distribution		(5,114)	(3,629)
		(21,611)	**10,206**
Net cash flow		**(2,043)**	**1,189**
Cash at the start of the reporting period	2	2,961	1,763
Exchange differences on cash		(1)	9
Cash at the end of the reporting period		**917**	**2,961**

Notes to the balance sheet

General

The valuation principles and the principles of determination of the result are included as from page 40.

1. Investments

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shares		
Position at the start of the reporting period	307,185	228,090
Purchases	38,076	95,662
Sales	(51,379)	(80,088)
Realised result	7,716	32,790
Unrealised result	(66,104)	30,731
Position at the end of the reporting period	**235,494**	**307,185**
Futures		
Position at the start of the reporting period	43	41
Sales/expirations	142	(1,147)
Realised result	(142)	1,147
Unrealised result	(66)	2
Position at the end of the reporting period	**(23)**	**43**

Derivatives

The derivatives are used to enter long equity exposure and are not used to hedge risks. These futures are used to efficiently build equity exposure to cash positions in the portfolio. This prevents any cash drag and results in lower transaction costs.

The table below shows the investments of the sub-fund.

Number		Market value 31-12-2022 x €1,000	Percentage total investments
SHARES			
The Netherlands			
36,051	Aalberts Industries	1,306	0.6
87,781	ABN Amro Bank	1,135	0.5
16,025	Advanced Metallurgical Group	551	0.2
6,283	Adyen	8,095	3.4
1,035,573	Aegon	4,907	2.1
48,980	AerCap Holdings	2,677	1.1
105,257	Akzo Nobel	6,585	2.8
6,308	Alfen Beheer	531	0.2
41,935	Arcadis	1,539	0.7
27,143	ASM International	6,396	2.7
63,786	ASML	32,135	13.6
49,272	ASR Nederland	2,185	0.9
6,654	B&S Group	32	0.0
30,685	Basic-Fit	751	0.3
26,455	BE Semiconductor Industries	1,496	0.6

Number		Market value 31-12-2022 x €1,000	Percentage total investments
11,835	Brunel International	113	0.1
7,520	CM.com	85	0.1
119,136	Coca-Cola European Partners	6,175	2.6
17,174	Corbion	547	0.2
8,524	Ebusco Holding	112	0.1
24,745	Eurocommercial Properties	559	0.2
31,428	Exor	2,147	0.9
1,287	Fastned	49	0.1
9,387	Flow Traders	203	0.1
31,120	Fugro	349	0.1
150,227	Heineken	13,202	5.6
29,214	Heineken Holding	2,105	0.9
33,029	IMCD Group	4,398	1.9
2,183,411	ING Groep	24,865	10.6
65,200	InPost	514	0.2
29,228	JDE Peets	790	0.3
606,079	Koninklijke Ahold Delhaize	16,267	6.9
153,054	Koninklijke BAM Groep	332	0.1
101,302	Koninklijke DSM	11,579	4.9
1,914,537	Koninklijke KPN	5,533	2.3
322,142	Koninklijke Philips	4,511	2.0
161,702	NN Group	6,171	2.6
11,564	NSI	269	0.1
38,164	OCI	1,275	0.5
190,559	Pharming	207	0.1
207,416	PostNL	353	0.1
480,735	Prosus	30,983	13.1
69,302	Randstad	3,947	1.7
39,300	SBM Offshore	576	0.2
74,386	Signify	2,334	1.0
7,987	Sligro Food Group	130	0.1
105,901	Takeaway.com	2,092	0.9
23,191	TKH Group	862	0.4
42,592	TomTom	276	0.1
210,199	Universal Music Group	4,732	2.0
17,927	Van Lanschot Kempen	393	0.2
3,075	Vastned Retail	65	0.1
40,082	Vopak	1,112	0.5
6,977	Wereldhave	87	0.1
152,149	Wolters Kluwer	14,874	6.3
Total shares		**235,494**	**100.0**

	Maturity	Number	Contract value x €1,000	Exposure value x €1,000	Market value 31-12-2022 x €1,000	Percentage total investments
FUTURES						
AEX - Amsterdam Exchange Index	Jan-23	7	989	966	(23)	0.0
Total futures					**(23)**	**0.0**
Total investments					**235,471**	**100.0**

2. Other assets

Cash
This includes the on demand deposits as well as amounts paid under margin requirements and any overdrafts in current account.

3. Shareholders' equity

Shareholders' equity Classic class	Number of outstanding shares	Net asset value per share €	Shareholders' equity x €1,000
31-12-2022	1,239,799	190.79	236,543
31-12-2021	1,323,465	234.78	310,729
31-12-2020	1,265,030	182.32	230,639

The authorised capital amounts to €8,000,000 divided into 8,000,000 ordinary shares with a nominal value of €1.00 each. As of 31 December 2022, 1,239,799 ordinary Classic shares have been issued with third parties, fully paid up in cash.

Issued and paid-up share capital	Number of shares 01-01-2022 to 31-12-2022	Number of shares 01-01-2021 to 31-12-2021	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	1,323,465	1,265,030	1,323	1,265
Issued	29,640	206,593	30	206
Repurchased	(113,306)	(148,158)	(113)	(148)
End of the reporting period	**1,239,799**	**1,323,465**	**1,240**	**1,323**

Share premium reserve
The share premium reserve comprises the difference between the amounts paid up or paid on the issue/ repurchase of shares and the nominal value.

Share premium reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	13,838	-
Issued	5,451	45,833
Repurchased	(22,217)	(31,995)
Withdrawal from other reserve	2,928	-
End of the reporting period	**-**	**13,838**

Other reserve
The part of the result that is not subject to the distribution obligation is added to the other reserves.

Other reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	225,745	203,876
Addition to share premium reserve	(2,928)	-
From unappropriated result	64,709	21,869
End of the reporting period	**287,526**	**225,745**

Unappropriated result

Unappropriated result	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	69,823	25,498
Dividend distribution	(5,114)	(3,629)
To other reserve	(64,709)	(21,869)
Result reporting period	(52,223)	69,823
End of the reporting period	**(52,223)**	**69,823**

Statement of changes in shareholders' equity

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shareholders' equity at the start of the reporting period	310,729	230,639
(Re)issued	5,481	46,039
Repurchased	(22,330)	(32,143)
End of the reporting period	**293,880**	**244,535**
Direct result from investments	7,302	6,055
Management fee	(628)	(670)
Service fee	(301)	(322)
Interest	(4)	(14)
Other expenses	-	(7)
	6,369	**5,042**
Indirect result from investments	(58,596)	64,670
Other results	4	111
Net result	**(52,223)**	**69,823**
Dividend distribution	(5,114)	(3,629)
Shareholders' equity at the end of the reporting period	**236,543**	**310,729**

Notes to the profit and loss account

4. Indirect result from investments

Realised (x €1,000)	2022 Profit	2022 Loss	2022 Total	2021 Profit	2021 Loss	2021 Total
Shares	10,460	(2,744)	7,716	34,417	(1,627)	32,790
Futures	507	(649)	(142)	1,421	(274)	1,147
Total			**7,574**			**33,937**

Unrealised (x €1,000)	2022 Profit	2022 Loss	2022 Total	2021 Profit	2021 Loss	2021 Total
Shares	3,003	(69,107)	(66,104)	41,867	(11,136)	30,731
Futures	-	(66)	(66)	43	(41)	2
Total			**(66,170)**			**30,733**

5. Subscription and redemption fees

The premium and discount at the end of the reporting period:

	Premium maximum	Premium current	Discount maximum	Discount current
BNP Paribas ESG Netherlands Index Fund, Classic class	0.05%	0.02%	0.05%	0.02%

6. Operating expenses

Operating expenses Classic class	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Operating expenses on behalf of Management Company		
Management fee	628	670
Service fee	301	322
	929	**992**
Other expenses		
Interest	4	14
Other expenses	-	7
	4	**21**
Total	**933**	**1,013**

Management fee

The management fee is 0.25% (2021: 0.25%) and is in accordance with the prospectus. The management fee is calculated daily and is payable monthly afterwards.

Service fee

The service fee is 0.12% (2021: 0.12%) and covers the costs of the sub-fund as described in the cost structure on page 48 and is in accordance with the prospectus. The service fee is calculated daily and is payable monthly afterwards.

Financial statements BNP Paribas ESG Global Property Securities Index Fund

Balance sheet

(before appropriation of result)	Reference	31-12-2022 x €1,000	31-12-2021 x €1,000
Investments	1		
Property shares		78,343	108,244
Futures		-	19
		78,343	**108,263**
Receivables			
Receivables on securities transactions		2	5
Dividend receivables		338	319
Tax receivables		322	32
		662	**356**
Other assets	2		
Cash[1]		-	1,492
Short term liabilities			
Futures		9	-
Liabilities on securities transactions		-	565
Liabilities on redemptions		17	96
Liabilities to credit institutions		119	-
Liabilities on tax		-	320
Other liabilities and accruals		28	36
		173	**1,017**
Result of receivables and other assets minus short term liabilities		**489**	**831**
Result of assets minus short term liabilities		**78,832**	**109,094**
Shareholders´ equity	3		
Issued and paid-up share capital		1,381	1,448
Share premium reserve		23,746	28,226
Other reserve		76,880	54,328
Unappropriated result		(23,175)	25,092
		78,832	**109,094**

1 Cash includes an amount of €42,000 in margin requirements for the E-mini S&P Real Estate Select Stock Index and FTSE EPRA Europe Index futures contracts (31/12/2021: €6,000). This amount is therefore not freely available to the sub-fund.

Profit and loss account

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Investment result			
Direct result from investments			
Dividend		3,389	2,859
Interest		1	-
Indirect result from investments	4		
Realised result on investments		(1,288)	7,063
Unrealised result on investments		(24,890)	15,587
Other results			
Subscription and redemption fee	5	2	12
Exchange differences on cash		(14)	9
Other income		4	6
Total income		**(22,796)**	**25,536**
Operating expenses	6		
Management fee		263	328
Service fee		113	111
Interest		3	4
Other expenses		-	1
Total expenses		**379**	**444**
Result		**(23,175)**	**25,092**

Cash flow statement

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Cash flow from investment activities			
Purchases of investments		(15,794)	(54,567)
Sales of investments		18,983	60,644
Dividends received		2,760	3,146
Interest received		1	-
Interest paid		(3)	(4)
Payments due to management of investments		(384)	(445)
Other amounts received		4	6
Other amounts paid		-	(1)
		5,567	**8,779**
Cash flow from financing activities			
Received upon (re)issue of shares		1,618	1,677
Paid on repurchase of shares		(6,244)	(8,142)
Received subscription and redemption fees		2	12
Dividend distribution		(2,540)	(2,179)
Change in liabilities to credit institutions		119	-
Due to merger[1]		-	(46)
Due to merger[2]		-	230
		(7,045)	**(8,448)**
Net cash flow		**(1,478)**	**331**
Cash at the start of the reporting period	2	1,492	1,152
Exchange differences on cash		(14)	9
Cash at the end of the reporting period		**-**	**1,492**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Notes to the balance sheet

General

The valuation principles and the principles of determination of the result are included as from page 40.

1. Investments

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Property shares		
Position at the start of the reporting period	108,244	56,061
Purchases	15,229	55,132
Due to merger[1]	-	16,655
Due to merger[2]	-	18,414
Sales	(19,078)	(60,613)
Realised result	(1,190)	7,028
Unrealised result	(24,862)	15,567
Position at the end of the reporting period	**78,343**	**108,244**
Futures		
Position at the start of the reporting period	19	-
Sales/expirations	98	(36)
Realised result	(98)	36
Unrealised result	(28)	19
Position at the end of the reporting period	**(9)**	**19**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Derivatives

The derivatives are used to enter long equity exposure and are not used to hedge risks. These futures are used to efficiently build equity exposure to cash positions in the portfolio. This prevents any cash drag and results in lower transaction costs.

The table below shows the investments of the sub-fund.

Number		Market value 31-12-2022 x €1,000	Percentage total investments
PROPERTY SHARES			
Australia			
27,339	Abacus Property Group	46	0.1
9,805	Arena REIT	24	0.0
15,961	BWP Trust	40	0.1
10,792	Centuria Industrial REIT	21	0.0
22,931	Centuria Office REIT	22	0.0
15,941	Charter Hall Long WALE	45	0.1
27,175	Charter Hall Retail	66	0.1
57,776	Cromwell Property	25	0.0

Number		Market value 31-12-2022 x €1,000	Percentage total investments
92,483	Dexus	455	0.5
74,402	GPT Group	199	0.3
28,569	Growthpoint Properties Australia	54	0.1
82,974	HomeCo Daily Needs REIT	68	0.1
2,299	Hotel Property Investments	5	0.0
25,919	Ingenia Communities Group	74	0.1
5,071	Lifestyle Communities	61	0.1
218,158	Mirvac Group	295	0.3
38,691	National Storage REIT	57	0.1
69,880	Region Group	120	0.2
464,943	Scentre	851	1.1
34,497	Stockland	80	0.1
231,024	Vicinity Centres	294	0.3
13,920	Waypoint REIT	24	0.0
		2,926	**3.7**
Austria			
2,857	CA Immobilien Anlagen	81	0.1
		81	**0.1**
Belgium			
3,132	Aedifica	237	0.3
323	Ascencio	17	0.0
1,804	Cofinimmo	151	0.2
657	Intervest Offices & Warehouses	13	0.0
229	Leasinvest Real Estate	12	0.0
666	Montea	44	0.1
3,027	Shurgard Self Storage	130	0.2
281	VGP	22	0.0
5,533	Warehouses De Pauw	148	0.2
2,180	Xior Student Housing	63	0.1
		837	**1.1**
Canada			
9,229	Allied Properties REIT	163	0.2
2,853	Artis REIT	18	0.0
2,159	Boardwalk REIT	74	0.1
12,356	Canadian Apartment Properties REIT	365	0.5
10,830	Choice Properties	111	0.2
5,524	Crombie REIT	61	0.1
3,542	Dream Industrial Real	29	0.0
13,902	First Capital Real Estate	162	0.2
9,283	H&R REIT	78	0.1
9,592	InterRent REIT	85	0.1
7,034	Killam Apartment REIT	79	0.1
4,008	NorthWest Healthcare Properties	26	0.0
4,913	Primaris REIT	50	0.1
16,041	RioCan REIT	234	0.3
5,008	SmartCentres REIT	93	0.1
5,103	Summit Industrial Income	80	0.1
3,159	Tricon Residential	23	0.0
		1,731	**2.2**
Finland			
7,406	Citycon	46	0.1
19,433	Kojamo	268	0.3
		314	**0.4**
France			
5,088	Carmila	68	0.1

Number		Market value 31-12-2022 x €1,000	Percentage total investments
4,189	Covivio	232	0.3
5,073	Gecina	483	0.6
2,176	Icade	88	0.1
17,983	Klepierre	387	0.5
9,553	Mercialys	93	0.1
		1,351	**1.7**
Germany			
8,734	Adler Group	12	0.0
55,746	Aroundtown	122	0.2
572	Deutsche EuroShop	13	0.0
4,980	Deutsche Wohnen	99	0.1
9,118	Grand City Properties	84	0.1
4,482	Hamborner REIT	30	0.0
5,994	Leg Immobilien	365	0.5
11,922	Tag Immobilien	72	0.1
59,963	Vonovia	1,320	1.7
		2,117	**2.7**
Hong Kong			
199,000	Champion REIT	74	0.1
151,500	CK Asset Holdings	874	1.1
59,000	Hysan Development	179	0.2
173,500	Link REIT	1,193	1.5
88,000	Prosperity REIT	21	0.0
146,000	Sino Land	171	0.2
110,500	Sun Hung Kai	1,417	1.8
87,000	Sunlight REIT	35	0.1
59,200	Swire Properties	141	0.2
139,000	Wharf REIC	759	1.0
		4,864	**6.2**
Ireland			
31,606	Irish Residential Properties	35	0.0
		35	**0.0**
Israel			
9,704	Amot Investments	53	0.1
2,268	Azrieli Group	141	0.1
		194	**0.2**
Italy			
994	Immobiliare Grande Distribuzione	3	0.0
		3	**0.0**
Japan			
54	Activia Properties	158	0.2
33	Advance Logistics Investment	34	0.1
124	Advance Residence Investment	298	0.4
300	Aeon Mall	4	0.0
6	Aeon REIT	7	0.0
60	Comforia Residential REIT	126	0.2
20	CRE Logistics REIT	26	0.0
110	Daiwa House REIT	229	0.3
23	Daiwa Office Investment	105	0.1
131	Daiwa Securities Living Investment	107	0.1
1	Frontier Real Estate Investment	4	0.0
11	Fukuoka REIT	13	0.0
83	Global One	64	0.1
251	GLP J-REIT	270	0.3
1,700	Heiwa Real Estate	44	0.1

Number		Market value 31-12-2022 x €1,000	Percentage total investments
69	Heiwa Real Estate REIT	74	0.1
6	Hoshino Resorts REIT	30	0.1
22,400	Hulic	165	0.2
87	Hulic REIT	101	0.1
86	Ichigo Office REIT	52	0.1
90	Industrial & Infrastructure Fund Investment	97	0.1
267	Invincible Investment	97	0.1
16	Japan Excellent	15	0.0
184	Japan Hotel REIT	101	0.1
56	Japan Logistics Fund	125	0.2
17	Japan Metropolitan Fund	13	0.0
61	Japan Prime Realty Investment	160	0.2
35	Japan Real Estate Investment	143	0.2
29	Kenedix Office Investment	66	0.1
71	Kenedix Residential Next Investment	104	0.1
10	Kenedix Retail REIT	18	0.0
70	LaSalle Logiport	80	0.1
63,500	Mitsubishi Estate	772	1.0
20	Mitsubishi Estate Logistics	60	0.1
48,300	Mitsui Fudosan	829	1.1
2	Mitsui Fudosan Logistics	7	0.0
158	Mori Hills REIT	177	0.2
40	Mori Trust Sogo REIT	42	0.1
45	Nippon Accommodations Fund	193	0.2
129	Nippon Building Fund	539	0.7
134	Nippon Prologis REIT	294	0.4
34	Nippon REIT Investment Corporation	84	0.1
6,400	Nomura Real Estate Holdings	129	0.2
229	Nomura Real Estate Master Fund	265	0.3
19	NTT UD REIT Investment Corporation	19	0.0
16	One REIT	29	0.1
105	Orix JREIT	139	0.2
24	Samty Residential Investment	20	0.0
26	Sankei Real Estate	16	0.0
30,100	Sekisui House	499	0.6
378	Sekisui House REIT	200	0.3
21	Sosila Logistics REIT	20	0.0
20	Starts Proceed Investment	34	0.0
27,300	Sumitomo Realty & Development	605	0.9
12,600	Tokyo Tatemono	143	0.2
76	Tokyu REIT	112	0.1
104	United Urban Investment	111	0.1
		8,268	**10.6**
The Netherlands			
3,249	Eurocommercial Properties	73	0.1
1,005	NSI	23	0.0
6,898	Unibail-Rodamco	335	0.4
1,377	Vastned Retail	29	0.0
3,212	Wereldhave	40	0.1
		500	**0.6**
New Zealand			
58,506	Argosy Property	40	0.1
151,443	Kiwi Property Group	82	0.1
135,960	Precinct Properties New Zealand	102	0.1
24,984	Stride Property Group	21	0.0

Number		Market value 31-12-2022 x €1,000	Percentage total investments
25,566	Vital Healthcare Property Trust	34	0.0
		279	**0.3**
Norway			
5,402	Entra	54	0.1
		54	**0.1**
Singapore			
31,200	Aims Apac REIT	27	0.0
246,200	Ascendas Real Estate Inv	471	0.6
74,400	Ascott Residence Trust	55	0.1
531,593	Capital Mall Trust	758	0.9
181,475	Capitaland Investment	469	0.6
62,013	CDL Hospitality	54	0.1
18,400	City Developments	106	0.1
5,700	Cromwell REIT	9	0.0
250,600	ESR REIT	65	0.1
64,700	Far East Hospitality Trust	28	0.0
110,000	Fortune REIT	98	0.1
124,600	Frasers Centrepoint	183	0.2
125,500	Frasers Logistics & Commercial Trust	102	0.1
13,000	Hongkong Land Holdings	56	0.1
139,100	Keppel DC REIT	172	0.2
189,700	Keppel REIT	121	0.2
83,109	Lendlease Global Commercial REIT	41	0.1
203,100	Mapletree Commercial Trust	237	0.3
126,800	Mapletree Industrial Trust	197	0.3
86,550	Mapletree Logistics Trust	96	0.1
250,900	Oue Commercial Real Estate	59	0.1
27,800	Parkway Life Real Estate	73	0.1
128,400	SPH REIT	81	0.1
140,100	Starhill Global REIT	53	0.1
205,100	Suntec REIT	198	0.3
37,400	UOL Group	176	0.2
		3,985	**5.1**
Spain			
36,363	Inmobiliaria Colonial Socimi	219	0.3
2,821	Lar España Real Estate	12	0.0
23,113	Merlin Properties Socimi	203	0.3
		434	**0.6**
Sweden			
8,695	Amasten Fastigheter	15	0.0
4,568	Atrium Ljungberg AB-B	70	0.1
19,521	Castellum	222	0.3
1,352	Catena	47	0.1
3,257	Cibus Nordic Real Estate	42	0.1
22,689	Corem Property Group	17	0.0
4,964	Dios Fastigheter	34	0.0
26,288	Fabege	210	0.2
57,767	Fastighets AB Balder-B	252	0.3
11,996	Hufvudstaden AB-A	160	0.2
1,486	NP3 Fastigheter	27	0.0
7,313	Nyfosa	53	0.1
4,799	Pandox B	50	0.1
3,280	Platzer Fastigheter	24	0.0
11,422	Sagax	243	0.3
86,954	Samhällsbyggnadsbolaget	136	0.2

Number		Market value 31-12-2022 x €1,000	Percentage total investments
34,190	Wallenstam AB-B	135	0.2
20,916	Wihlborgs Fastigheter	148	0.2
		1,885	**2.4**
Switzerland			
1,605	Allreal Holding	244	0.3
244	Hiag Immobilien	20	0.0
94	Intershop Holding	57	0.1
772	Mobimo Holding	184	0.2
722	Peach Property Group	12	0.0
4,891	PSP Swiss Property	537	0.7
7,902	Swiss Prime Site	641	0.8
		1,695	**2.1**
United Kingdom			
15,720	Aberdeen Standard European Logistics Income	12	0.0
162,513	Assura	100	0.1
16,145	Big Yellow Group	209	0.3
70,236	British Land Co	313	0.4
81,543	Capital & Counties Properties	98	0.1
49,908	Civitas Social Housing	35	0.1
9,166	CLS Holdings	16	0.0
14,589	Custodian REIT	15	0.0
10,101	Derwent London	270	0.3
47,365	Empiric Student Property	45	0.1
28,253	F&C Commercial Property Trust	28	0.1
18,363	F&C UK Real Estate Investment	14	0.0
44,214	Grainger	126	0.2
19,616	Great Portland Estates	109	0.1
322,394	Hammerson	86	0.1
8,163	Helical	31	0.1
48,082	Home REIT	21	0.0
19,684	Impact Healthcare REIT	23	0.0
55,324	Land Securities Group	387	0.5
61,041	LondonMetric Property	119	0.2
17,425	LXI REIT	22	0.0
22,962	NewRiver REIT	20	0.0
9,568	Phoenix Spree Deutschland	27	0.0
19,056	Picton Property Income	17	0.0
86,861	Primary Health Properties	108	0.2
17,253	PRS REIT	17	0.0
8,657	Regional REIT	6	0.0
11,260	Residential Secure Income REIT	11	0.0
18,458	Safestore Holdings	197	0.3
27,759	Schroder REIT	13	0.0
134,482	Segro	1,157	1.5
18,833	Shaftesbury	78	0.1
33,172	Sirius Real Estate	28	0.0
12,963	Standard Life Investments Property Income Trust	9	0.0
34,392	Supermarket Income REIT	40	0.1
34,494	Target Healthcare REIT	31	0.1
25,797	Triple Point Social	18	0.0
83,867	Tritax Big Box REIT	131	0.2
9,063	Tritax Eurobox	6	0.0
42,106	UK Commercial Property REIT	28	0.0
23,799	Unite Group	244	0.3
12,792	Urban Logistics REIT	19	0.0

Number		Market value 31-12-2022 x €1,000	Percentage total investments
11,017	Warehouse REIT	13	0.0
10,392	Workspace Group	52	0.1
		4,349	**5.6**
United States			
1,352	Acadia Realty	18	0.0
1,029	Agree Realty	68	0.1
5,483	Alexander & Baldwin	96	0.1
14,975	Alexandria Real Estate	2,044	2.6
2,871	American Assets Trust	71	0.1
1,534	American Finance Trust	9	0.0
5,696	American Homes 4 Rent	161	0.2
14,415	Americold Realty Trust	382	0.5
12,657	Apartment Income REIT	407	0.5
8,484	Apartment Invt & Mgmt Co	57	0.1
11,103	Apple Hospitality REIT	164	0.2
2,406	Armada Hoffler Properties	26	0.0
11,642	Avalonbay Communities	1,762	2.2
12,121	Boston Properties	768	1.0
6,564	Brandywine Realty Trust	38	0.1
964	Brixmor Property Group	20	0.0
9,124	Broadstone Net Lease	139	0.2
6,161	Camden Property Trust	646	0.8
1,178	CareTrust REIT	20	0.0
384	Centerspace	21	0.0
555	Community Healthcare Trust	19	0.0
4,933	Corporate Office Properties	120	0.2
8,122	Cousins Properties	192	0.2
9,506	CubeSmart	358	0.5
15,731	DiamondRock Hospitality	121	0.2
30,839	Digital Realty Trust	2,897	3.7
12,985	Douglas Emmett	191	0.2
4,483	Easterly Government	60	0.1
1,111	Eastgroup Properties	154	0.2
10,476	Empire State Realty Trust	66	0.1
2,536	EPR Properties	90	0.1
10,112	Equinix	6,206	7.9
10,796	Equity Commonwealth	253	0.4
9,046	Equity Lifestyle Properties	548	0.7
32,691	Equity Residential	1,807	2.3
3,376	Essential Properties Realty Trust	74	0.1
6,051	Essex Property Trust	1,202	1.5
2,957	Extra Space Storage	408	0.5
4,060	Federal Realty Investment Trust	384	0.5
11,630	First Industrial Realty	526	0.7
5,784	Four Corners Property	141	0.2
13,689	Gaming and Leisure Properties	668	0.9
3,582	Getty Realty	114	0.1
1,289	Global Net Lease	15	0.0
9,594	Healthcare Realty Trust	173	0.2
19,670	Healthpeak Properties	462	0.6
3,482	Highwoods Properties	91	0.2
55,830	Host Hotels & Resorts	840	1.1
11,964	Hudson Pacific Properties	109	0.1
847	Independence Realty Trust	13	0.0
1,923	Innovative Industrial Properties	183	0.2

Number		Market value 31-12-2022 x €1,000	Percentage total investments
1,865	Inventrust Properties	41	0.1
12,694	Invitation Homes	353	0.5
5,888	JBG SMITH Properties	105	0.1
6,847	Kennedy-Wilson Holdings	101	0.1
9,332	Kilroy Realty	338	0.4
3,747	Kimco Realty	74	0.1
815	Kite Realty Group	16	0.0
1,632	Lexington Realty	15	0.0
752	Life Storage	69	0.1
1,033	LTC Properties	34	0.1
872	Macerich	9	0.0
7,069	Mack-Cali Realty	105	0.1
19,969	Medical Properties Trust	208	0.3
6,763	Mid-America Apartment Communities	995	1.3
1,756	National Health Investors	86	0.1
3,033	National Retail Properties	130	0.2
575	National Storage Affiliates	19	0.0
1,517	NETSTREIT	26	0.0
1,088	Nexpoint Residential	44	0.1
912	Office Properties Income Trust	11	0.0
10,423	Omega Healthcare Investors	273	0.3
3,214	Orion Office REIT	26	0.0
13,767	Paramount Group	77	0.1
16,635	Park Hotels & Resorts	184	0.3
11,857	Pebblebrook Hotel Trust	149	0.2
3,226	Phillips Edison & Company	96	0.1
1,893	Physicians Realty Trust	26	0.0
3,277	Piedmont Office Realty Trust	28	0.0
21,221	Prologis	2,241	2.9
6,216	Public Storage	1,632	2.1
2,028	Realty Income Corporation	121	0.2
2,406	Regency Centers Corporation	141	0.2
6,706	Retail Opportunity Investment	94	0.1
7,847	Rexford Industrial Realty Investment	402	0.5
11,437	RLJ Lodging Trust	113	0.1
5,230	Ryman Hospitality Properties	401	0.5
1,122	Sabra Health Care REIT	13	0.0
2,353	Safehold	63	0.1
3,629	Service Properties Trust	25	0.0
3,264	Simon Property Group	359	0.5
654	Site Centers	8	0.0
3,637	SL Green Realty	115	0.1
450	Spirit Realty Capital	17	0.0
622	Stag Industrial	19	0.0
1,180	Store Capital	35	0.1
4,193	Summit Hotel Properties	28	0.0
3,301	Sun Communities	442	0.6
18,568	Sunstone Hotel Investors	168	0.2
591	Tanger Factory Outlet	10	0.0
4,617	Terreno Realty	246	0.3
25,350	UDR	920	1.2
353	Universal Health Realty Income	16	0.0
2,489	Urban Edge	33	0.1
22,106	Ventas	933	1.2
99,525	Vici Properties	3,021	3.9

Number		Market value 31-12-2022 x €1,000	Percentage total investments
11,491	Vornado Realty	224	0.4
7,153	Washington REIT	119	0.2
17,940	Welltower	1,102	1.4
3,117	WP Carey	228	0.3
9,101	Xenia Hotels & Resorts	112	0.1
		42,441	**54.3**
Total property shares		**78,343**	**100.0**

	Maturity	Number	Contract value x €1,000	Exposure value x €1,000	Market value 31-12-2022 x €1,000	Percentage total investments
FUTURES						
FTSE EPRA Europe Index	Mar-23	5	78	75	(3)	0.0
E-mini S&P Real Estate Select Stock Index	Mar-23	5	220	214	(6)	0.0
Total futures					**(9)**	**0.0**
Total investments					**78,334**	**100.0**

2. Other assets

Cash

This includes the on demand deposits as well as amounts paid under margin requirements and any overdrafts in current account.

3. Shareholders' equity

Shareholders' equity Classic class	Number of outstanding shares	Net asset value per share €	Shareholders' equity x €1,000
31-12-2022	1,380,786	57.09	78,832
31-12-2021	1,448,233	75.33	109,094
31-12-2020	984,996	58.37	57,492

The authorised capital amounts to €10,000,000 divided into 10,000,000 ordinary shares with a nominal value of €1.00 each. As of 31 December 2022, 1,380,786 ordinary Classic shares have been issued with third parties, fully paid up in cash.

Issued and paid-up share capital	Number of shares 01-01-2022 to 31-12-2022	Number of shares 01-01-2021 to 31-12-2021	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	1,448,233	984,996	1,448	985
Issued	25,707	25,533	26	26
Issued due to merger[1]	-	263,542	-	264
Issued due to merger[2]	-	295,809	-	296
From share premium reserve[3]	-	-	-	461
Repurchased	(93,154)	(121,647)	(93)	(131)
To share premium reserve[4]	-	-	-	(453)
End of the reporting period	**1,380,786**	**1,448,233**	**1,381**	**1,448**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

3 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

4 Due to the decrease of the nominal value per share from €1.30 to €1.00 of BNP Paribas ESG Global Property Securities Index Fund on 4 June 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Share premium reserve

The share premium reserve comprises the difference between the amounts paid up or paid on the issue/repurchase of shares and the nominal value.

Share premium reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	28,226	-
Issued	1,592	1,598
Contribution due to merger[1]	-	16,346
Contribution due to merger[2]	-	18,347
From issued and paid-up share capital[3]	-	453
Repurchased	(6,072)	(8,057)
To issued and paid-up share capital[4]	-	(461)
End of the reporting period	**23,746**	**28,226**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

3 Due to the decrease of the nominal value per share from €1.30 to €1.00 of BNP Paribas ESG Global Property Securities Index Fund on 4 June 2021 (*).

4 Due to the temporary increase of the nominal value per share from €1.00 to €1.30 of BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Other reserve

The part of the result that is not subject to the distribution obligation is added to the other reserves.

Other reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	54,328	64,072
From/to unappropriated result	22,552	(9,744)
End of the reporting period	**76,880**	**54,328**

Unappropriated result

Unappropriated result	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	25,092	(7,565)
Dividend distribution	(2,540)	(2,179)
To/from other reserve	(22,552)	9,744
Result reporting period	(23,175)	25,092
End of the reporting period	**(23,175)**	**25,092**

Statement of changes in shareholders' equity

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shareholders' equity at the start of the reporting period	109,094	57,492
(Re)issued	1,618	1,624
Contribution due to merger[1]	-	16,610
Contribution due to merger[2]	-	18,643
Repurchased	(6,165)	(8,188)
End of the reporting period	**104,547**	**86,181**
Direct result from investments	3,390	2,859
Management fee	(263)	(328)
Service fee	(113)	(111)
Interest	(3)	(4)
Other expenses	-	(1)
	3,011	**2,415**
Indirect result from investments	(26,178)	22,650
Other results	(8)	27
Net result	**(23,175)**	**25,092**
Dividend distribution	(2,540)	(2,179)
Shareholders' equity at the end of the reporting period	**78,832**	**109,094**

1 Relates to the merger of BNP Paribas Property Securities Fund Europe with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

2 Relates to the merger of BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021 (*).

(*) For more information please see the paragraph "Merger of BNP Paribas Property Securities Fund Europe and BNP Paribas High Income Property Fund with and into BNP Paribas ESG Global Property Securities Index Fund on 1 April 2021" in the Management Board report in the annual report 2021.

Notes to the profit and loss account

4. Indirect result from investments

	2022			2021		
Realised (x €1,000)	**Profit**	**Loss**	**Total**	**Profit**	**Loss**	**Total**
Property shares	1,743	(2,933)	(1,190)	8,380	(1,353)	7,027
Futures	17	(115)	(98)	36	-	36
Total			**(1,288)**			**7,063**

	2022			2021		
Unrealised (x €1,000)	**Profit**	**Loss**	**Total**	**Profit**	**Loss**	**Total**
Property shares	1,225	(26,087)	(24,862)	19,341	(3,773)	15,568
Futures	-	(28)	(28)	19	-	19
Total			**(24,890)**			**15,587**

5. Subscription and redemption fees

The premium and discount at the end of the reporting period:

	Premium		Discount	
	maximum	current	maximum	current
BNP Paribas ESG Global Property Securities Index Fund, Classic class	0.10%	0.06%	0.05%	0.02%
BNP Paribas ESG Global Property Securities Index Fund, X class	0.10%	0.06%	0.05%	0.02%

6. Operating expenses

Operating expenses Classic class	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Operating expenses on behalf of Management Company		
Management fee	263	328
Service fee	113	111
	376	**439**
Other expenses		
Interest	3	4
Other expenses	-	1
	3	**5**
Total	**379**	**444**

Management fee
The management fee is 0.28% (2021: 01-01-2021/31-03-2021: 0.75%; 01-04-2021/31-12-2021: 0.28%) and is in accordance with the prospectus. The management fee is calculated daily and is payable monthly afterwards.

Service fee
The service fee is 0.12% (2021: 0.12%) and covers the costs of the sub-fund as described in the cost structure on page 48 and is in accordance with the prospectus. The service fee is calculated daily and is payable monthly afterwards.

Financial statements BNP Paribas Global Income Multi-Factor Equity Fund

Balance sheet

(before appropriation of result)	Reference	31-12-2022 x €1,000	31-12-2021 x €1,000
Investments	1		
Shares		192,722	224,006
Futures		-	371
		192,722	**224,377**
Receivables			
Receivables on securities transactions		-	158
Receivables on subscriptions		-	1
Dividend receivables		267	152
Tax receivables		720	645
		987	**956**
Other assets	2		
Cash[1]		5,493	6,969
Short term liabilities			
Futures		855	-
Liabilities on redemptions		145	149
Liabilities on tax		416	268
Other liabilities and accruals		150	168
		1,566	**585**
Result of receivables and other assets minus short term liabilities		**4,914**	**7,340**
Result of assets minus short term liabilities		**197,636**	**231,717**
Shareholders´ equity	3		
Issued and paid-up share capital		3,778	3,065
Share premium reserve		311,789	323,538
Other reserve		(103,302)	(159,158)
Unappropriated result		(14,629)	64,272
		197,636	**231,717**

1 Cash includes an amount of €2,712,000 in margin requirements for S&P 500 E-Mini futures contracts (31/12/2021: €1,264,000). This amount is therefore not freely available to the sub-fund.

Profit and loss account

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Investment result			
Direct result from investments			
Dividend		4,186	4,696
Interest		50	-
Indirect result from investments	4		
Realised result on investments		13,586	25,711
Unrealised result on investments		(30,463)	34,040
Other results			
Subscription and redemption fee	5	40	64
Exchange differences on cash		(249)	73
Other income		44	1,532
Total income		**(12,806)**	**66,116**
Operating expenses	6		
Management fee		1,566	1,578
Service fee		251	252
Interest		6	14
Total expenses		**1,823**	**1,844**
Result		**(14,629)**	**64,272**

Cash flow statement

	Reference	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Cash flow from investment activities			
Purchases of investments		(195,826)	(159,926)
Sales of investments		211,617	182,429
Dividends received		4,144	6,047
Interest received		50	-
Interest paid		(6)	(14)
Payments due to management of investments		(1,835)	(1,804)
Other amounts received		44	1,532
		18,188	**28,264**
Cash flow from financing activities			
Received upon (re)issue of shares		3,924	6,836
Paid on repurchase of shares		(14,963)	(23,515)
Received subscription and redemption fees		40	64
Dividend distribution		(8,416)	(8,194)
		(19,415)	**(24,809)**
Net cash flow		**(1,227)**	**3,455**
Cash at the start of the reporting period	2	6,969	3,441
Exchange differences on cash		(249)	73
Cash at the end of the reporting period		**5,493**	**6,969**

Notes to the balance sheet

General
The valuation principles and the principles of determination of the result are included as from page 40.

1. Investments

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shares		
Position at the start of the reporting period	224,006	186,458
Purchases	195,826	159,926
Sales	(216,989)	(174,959)
Realised result	19,116	18,084
Unrealised result	(29,237)	34,497
Position at the end of the reporting period	**192,722**	**224,006**
Futures		
Position at the start of the reporting period	371	829
Sales/expirations	5,530	(7,628)
Realised result	(5,530)	7,628
Unrealised result	(1,226)	(458)
Position at the end of the reporting period	**(855)**	**371**

Derivatives
The derivatives are used to enter long equity exposure and are not used to hedge risks. These futures are used to efficiently build equity exposure to cash positions in the portfolio. This prevents any cash drag and results in lower transaction costs.

The table below shows the investments of the sub-fund. The active share on 31 December 2022 was 82.30%. This percentage is a snapshot per the date mentioned.

Number		Market value 31-12-2022 x €1,000	Percentage total investments
SHARES			
Australia			
3,673	Cochlear	476	0.2
211,652	Dexus	1,042	0.5
106,073	Fortescue Metals Group	1,382	0.7
428,669	Medibank Private Limited	804	0.4
643,476	Vicinity Centres	818	0.4
		4,522	**2.2**
Canada			
14,729	BCE	606	0.3
10,064	iA Financial	552	0.3
31,509	Loblaw Companies	2,609	1.4
50,035	Sun Life Financial	2,175	1.1
88,884	Telus	1,606	0.8
11,325	TMX Group	1,061	0.6
53,659	Toronto-Dominion Bank	3,253	1.7
42,165	Tourmaline Oil	1,992	1.0

Number		Market value 31-12-2022 x €1,000	Percentage total investments
		13,854	**7.2**
Denmark			
	Novo Nordisk	3,740	1.9
		3,740	**1.9**
Finland			
520,467	Nokia	2,252	1.2
		2,252	**1.2**
France			
5,155	Dassault Aviation	816	0.4
7,784	Ipsen	782	0.4
8,922	Thales	1,064	0.6
14,424	TotalEnergies	846	0.4
		3,508	**1.8**
Germany			
11,484	Deutsche Börse	1,853	1.0
11,885	GEA Group	454	0.2
210,928	Telefónica Deutschland	486	0.3
		2,793	**1.5**
Hong Kong			
	Hang Seng Bank	1,002	0.5
		1,002	**0.5**
Italy			
69,619	Assicurazioni Generali	1,157	0.6
		1,157	**0.6**
Japan			
84,300	Canon	1,709	0.9
62,600	Dai-Ichi Life Holdings	1,331	0.7
278,100	Daiwa Securities Group	1,151	0.6
189,700	Inpex	1,881	1.0
62,700	KDDI	1,773	0.9
247,300	Mitsubishi UFJ Financial	1,561	0.8
160,300	Mizuho Financial Group	2,113	1.1
41,800	Nippon Telegraph & Telephone	1,117	0.6
57,200	Olympus	955	0.5
7,900	Oracle	478	0.2
15,400	Secom	825	0.4
39,400	Sompo Holdings	1,640	0.9
57,100	Sumitomo Mitsui Trust	1,860	1.0
28,300	Trend Micro	1,234	0.6
		19,628	**10.2**
The Netherlands			
11,224	Wolters Kluwer	1,097	0.6
		1,097	**0.6**
Norway			
65,656	Aker BP	1,899	1.0
91,936	Equinor	3,076	1.6
		4,975	**2.6**
Spain			
202,772	Telefónica	686	0.4
		686	**0.4**
Sweden			
55,436	Boliden AB	1,950	1.0
		1,950	**1.0**

Number		Market value 31-12-2022 x €1,000	Percentage total investments
Switzerland			
26,693	Novartis	2,260	1.2
5,982	Swiss Life Holding	2,888	1.5
4,823	Swisscom	2,474	1.3
1,605	Zurich Insurance Group	719	0.4
		8,341	**4.4**
United Kingdom			
79,926	Antofagasta	1,392	0.7
19,630	AstraZeneca	2,482	1.3
175,066	BP	937	0.5
37,597	Compass Group	813	0.4
144,870	GSK	2,347	1.2
22,990	Shell	603	0.3
		8,574	**4.4**
United States			
16,756	AbbVie	2,537	1.4
18,984	Advanced Micro Devices	1,152	0.6
13,076	American Express	1,810	0.9
11,997	AmerisourceBergen	1,863	1.0
12,684	Amgen	3,121	1.6
25,165	Apple	3,064	1.6
4,666	Applied Materials	426	0.2
16,143	Arch Capital Group	950	0.5
1,293	AutoZone	2,988	1.5
8,411	Blackstone	585	0.3
328	Booking Holdings	619	0.3
45,913	Bristol-Myers Squibb	3,095	1.6
12,341	C.H. Robinson Worldwide	1,059	0.6
28,408	Campbell Soup	1,511	0.8
13,234	Cardinal Health	953	0.5
31,840	Centene	2,447	1.3
23,067	Chevron	3,879	2.0
7,481	Cigna	2,323	1.2
74,921	Cisco Systems	3,344	1.7
17,444	CVS Health	1,523	0.8
6,634	Elevance Health	3,189	1.6
2,109	Eli Lilly & Company	723	0.4
7,189	Gartner	2,264	1.2
35,820	General Mills	2,814	1.5
7,128	GoDaddy	500	0.3
12,476	Hilton Worldwide Holdings	1,477	0.8
11,380	Home Depot	3,368	1.7
24,859	IBM	3,282	1.7
11,432	Illinois Tool works	2,360	1.2
13,600	Jack Henry & Associates	2,237	1.2
12,346	JM Smucker	1,833	1.0
60,532	Juniper Networks	1,813	0.9
9,922	Kellogg Company	662	0.3
13,364	Lowe's Cos	2,495	1.4
13,925	LPL Financial Holdings	2,820	1.5
18,994	Masco	831	0.4
4,328	Mastercard	1,410	0.7
2,814	McKesson	989	0.5
38,207	Merck & Co.	3,972	2.0
24,275	Microsoft	5,455	2.8

Number		Market value 31-12-2022 x €1,000	Percentage total investments
6,919	Molina Healthcare	2,141	1.1
19,697	NetApp	1,108	0.6
41,653	Omnicom Group	3,184	1.6
14,215	PepsiCo	2,406	1.4
38,424	Pfizer	1,845	1.0
6,733	Principal Financial Group	529	0.3
15,253	Progressive	1,854	1.0
15,798	Robert Half	1,093	0.6
36,482	State Street	2,652	1.5
5,935	Tractor Supply	1,251	0.7
15,948	Travelers Companies	2,802	1.6
10,273	Vertex Pharmaceuticals	2,780	1.4
55,659	Weyerhaeuser	1,617	0.8
40,263	WR Berkley	2,738	1.4
5,564	WW Grainger	2,900	1.4
		114,643	**59.9**
Total shares		**192,722**	**100.4**

	Maturity	Number	Contract value x €1,000	Exposure value x €1,000	Market value 31-12-2022 x €1,000	Percentage total investments
FUTURES						
S&P 500 E-Mini Future	Mar-23	170	31,605	30,750	(855)	(0.4)
Total futures					**(855)**	**(0.4)**
Total investments					**191,867**	**100.0**

2. Other assets

Cash
This includes the on demand deposits as well as amounts paid under margin requirement and any overdrafts in current account.

3. Shareholders' equity

Shareholders' equity Classic class	Number of outstanding shares	Net asset value per share €	Shareholders' equity x €1,000
31-12-2022	2,906,652	67.99	197,636
31-12-2021	3,065,348	75.59	231,717
31-12-2020	3,316,824	57.92	192,102

The authorised capital amounts to €9,750,000 divided into 9,750,000 ordinary shares with a nominal value of €1.30 each. Per 9 December 2022, the nominal value of the shares of BNP Paribas Global Income Multi-Factor Equity Fund, Classic class was temporarily increased from EUR 1.00 to EUR 1.30. With an amendment of the Articles of Association on 14 February 2023, the nominal value was reduced again to EUR 1.00. As of 31 December 2022, 2,906,652 ordinary Classic shares have been issued with third parties, fully paid up in cash.

Issued and paid-up share capital	Number of shares 01-01-2022 to 31-12-2022	Number of shares 01-01-2021 to 31-12-2021	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	3,065,348	3,316,824	3,065	3,317
Issued	55,421	103,927	55	104
From share premium reserve[1]	-	-	875	-
Repurchased	(214,117)	(355,403)	(217)	(356)
End of the reporting period	**2,906,652**	**3,065,348**	**3,778**	**3,065**

1 Due to the temporary increase of the nominal value per share of BNP Paribas Global Income Multi-Factor Equity Fund from €1.00 to €1.30 on 9 December 2022.

Share premium reserve
The share premium reserve comprises the difference between the amounts paid up or paid on the issue/repurchase of shares and the nominal value.

Share premium reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	323,538	339,749
Issued	3,868	6,733
Repurchased	(14,742)	(22,944)
To issued and paid-up share capital[1]	(875)	-
End of the reporting period	**311,789**	**323,538**

1 Due to the temporary increase of the nominal value per share of BNP Paribas Global Income Multi-Factor Equity Fund from €1.00 to €1.30 on 9 December 2022.

Other reserve
The part of the result that is not subject to the distribution obligation is added to the other reserves.

Other reserve	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	(159,158)	(142,270)
From/to unappropriated result	55,856	(16,888)
End of the reporting period	**(103,302)**	**(159,158)**

Unappropriated result

Unappropriated result	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	64,272	(8,694)
Dividend distribution	(8,416)	(8,194)
To/from other reserve	(55,856)	16,888
Result reporting period	(14,629)	64,272
End of the reporting period	**(14,629)**	**64,272**

Statement of changes in shareholders' equity

	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shareholders' equity at the start of the reporting period	231,717	192,102
(Re)issued	3,923	6,837
Repurchased	(14,959)	(23,300)
End of the reporting period	**220,681**	**175,639**
Direct result from investments	4,236	4,696
Management fee	(1,566)	(1,578)
Service fee	(251)	(252)
Interest	(6)	(14)
	2,413	**2,852**
Indirect result from investments	(16,877)	59,751
Other results	(165)	1,669
Net result	**(14,629)**	**64,272**
Dividend distribution	(8,416)	(8,194)
Shareholders' equity at the end of the reporting period	**197,636**	**231,717**

Notes to the profit and loss account

4. Indirect results from investments

	2022			2021		
Realised (x €1,000)	Profit	Loss	Total	Profit	Loss	Total
Shares	26,197	(7,081)	19,116	23,862	(5,779)	18,083
Futures	2,678	(8,208)	(5,530)	7,687	(59)	7,628
Total			**13,586**			**25,711**

Unrealised (x €1,000)	2022 Profit	2022 Loss	2022 Total	2021 Profit	2021 Loss	2021 Total
Shares	10,508	(39,745)	(29,237)	41,919	(7,421)	34,498
Futures	-	(1,226)	(1,226)	371	(829)	(458)
Total			**(30,463)**			**34,040**

5. Subscription and redemption fees

The premium and discount at the end of the reporting period:

	Premium maximum	Premium current	Discount maximum	Discount current
BNP Paribas Global Income Multi-Factor Equity Fund, Classic class	0.30%	0.25%	0.30%	0.20%
BNP Paribas Global Income Multi-Factor Equity Fund, X class	0.30%	0.25%	0.30%	0.20%

6. Operating expenses

Operating expenses Classic class	01-01-2022 to 31-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Operating expenses on behalf of Management Company		
Management fee	1,566	1,578
Service fee	251	252
	1,817	**1,830**
Other expenses		
Interest	6	14
	6	**14**
Total	**1,823**	**1,844**

Management fee

The management fee is 0.75% (2021: 0.75%) and is in accordance with the prospectus. The management fee is calculated daily and is payable monthly afterwards.

Service fee

The service fee is 0.12% (2021: 0.12%) and covers the costs of the sub-fund as described in the cost structure on page 48 and is in accordance with the prospectus. The service fee is calculated daily and is payable monthly afterwards.

Financial statements BNP Paribas Asia Pacific High Income Equity Fund

(On 9 December 2022 cross-border merged with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity)

Balance sheet

(before appropriation of result)	Reference	09-12-2022 x €1,000	31-12-2021 x €1,000
Investments	1		
Shares		-	39,615
		-	**39,615**
Receivables			
Receivables on subscriptions		-	3
Dividend receivables		-	83
Tax receivables		-	58
		-	**144**
Other assets			
Cash		-	172
Short term liabilities			
Other liabilities and accruals		-	30
		-	**30**
Result of receivables and other assets minus short term liabilities		**-**	**286**
Result of assets minus short term liabilities		**-**	**39,901**
Shareholders´ equity	2		
Issued and paid-up share capital		-	657
Share premium reserve		-	41,297
Other reserve		120	(8,128)
Unappropriated result		(120)	6,075
		-	**39,901**

Profit and loss account

	Reference	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Investment result			
Direct result from investments			
Dividend		1,564	1,955
Interest		4	-
Indirect result from investments	3		
Realised result on investments		(763)	9,365
Unrealised result on investments		(452)	(4,835)
Other results			
Subscription and redemption fee	4	30	41
Exchange differences on cash		(208)	(52)
Other income		2	-
Total income		**177**	**6,474**
Operating expenses	5		
Management fee		256	342
Service fee		41	55
Interest		-	2
Total expenses		**297**	**399**
Result		**(120)**	**6,075**

Cash flow statement

	Reference	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Cash flow from investment activities			
Purchases of investments		(6,424)	(28,373)
Sales of investments		14,439	43,315
Sales of investments due to merger[1]		30,385	-
Dividends received		1,705	1,920
Interest received		4	-
Interest paid		-	(2)
Payments due to management of investments		(327)	(404)
Other amounts received		2	-
		39,784	**16,456**
Cash flow from financing activities			
Received upon (re)issue of shares		2,015	1,099
Paid on repurchase of shares		(10,062)	(15,521)
Received subscription and redemption fees		30	41
Dividend distribution		(1,454)	(1,872)
Due to merger[1]		(30,277)	-
		(39,748)	**(16,253)**
Net cash flow		**36**	**203**
Cash at the start of the reporting period		172	21
Exchange differences on cash		(208)	(52)
Cash at the end of the reporting period		**-**	**172**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

Notes to the balance sheet

General
On 9 December 2022 BNP Paribas Asia Pacific High Income Equity Fund was the disappearing sub-fund in the cross-border merger with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity. For more detailed information on this cross-border merger, please see page 19 of this report.

The valuation principles and the principles of determination of the result are included as from page 40.

1. Investments

	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shares		
Position at the start of the reporting period	39,615	49,383
Purchases	6,424	28,373
Sales	(14,439)	(42,671)
Due to merger[1]	(30,385)	-
Realised result	(763)	9,365
Unrealised result	(452)	(4,835)
Position at the end of the reporting period	**-**	**39,615**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022.

2. Shareholders' equity

Shareholders' equity Classic class	Number of outstanding shares	Net asset value per share €	Shareholders' equity x €1,000
09-12-2022	-	-	-
31-12-2021	656,555	60.77	39,901
31-12-2020	892,869	55.66	49,695

Issued and paid-up share capital	Number of shares 01-01-2022 to 09-12-2022	Number of shares 01-01-2021 to 31-12-2021	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	656,555	892,869	657	892
Issued	33,028	18,394	33	19
Repurchased	(167,333)	(254,708)	(168)	(254)
Repurchased due to merger[1]	(522,250)	-	(522)	-
End of the reporting period	**-**	**656,555**	**-**	**657**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

Share premium reserve

The share premium reserve comprises the difference between the amounts paid up or paid on the issue/ repurchase of shares and the nominal value.

Share premium reserve	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	41,297	55,059
Issued	1,979	1,083
Repurchased	(9,894)	(14,845)
Release due to merger[1]	(33,382)	-
End of the reporting period	**-**	**41,297**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

Other reserve

The part of the result that is not subject to the distribution obligation is added to the other reserves.

Other reserve	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	(8,128)	(2,681)
From/to unappropriated result	4,621	(5,447)
Release due to merger[1]	3,627	-
End of the reporting period	**120**	**(8,128)**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

Unappropriated result

Unappropriated result	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Start of the reporting period	6,075	(3,575)
Dividend distribution	(1,454)	(1,872)
To/from other reserves	(4,621)	5,447
Result reporting period	(120)	6,075
End of the reporting period	**(120)**	**6,075**

Statement of changes in shareholders' equity

	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Shareholders' equity at the start of the reporting period	39,901	49,695
(Re)issued	2,012	1,102
Repurchased	(10,062)	(15,099)
End of the reporting period	31,851	35,698
Direct result from investments	1,568	1,955
Management fee	(256)	(342)
Service fee	(41)	(55)
Interest	-	(2)
	1,271	**1,556**
Indirect result from investments	(1,215)	4,530
Other results	(176)	(11)
Net result	**(120)**	**6,075**
Dividend distribution	(1,454)	(1,872)
Due to merger[1]	(30,277)	-
Shareholders' equity at the end of the reporting period	**-**	**39,901**

1 Relates to the cross-border merger of BNP Paribas Asia Pacific High Income Equity Fund with and into BNP Paribas Funds Sustainable Asia ex-Japan Equity on 9 December 2022. For further information on this cross-border merger please see page 19 of this report.

Notes to the profit and loss account

3. Indirect result from investments

	2022			2021		
Realised (x €1,000)	**Profit**	**Loss**	**Total**	**Profit**	**Loss**	**Total**
Shares	3,230	(3,993)	(763)	10,539	(1,174)	9,365
Total			**(763)**			**9,365**

	2022			2021		
Unrealised (x €1,000)	**Profit**	**Loss**	**Total**	**Profit**	**Loss**	**Total**
Shares	2,475	(2,927)	(452)	3,505	(8,340)	(4,835)
Total			**(452)**			**(4,835)**

4. Subscription and redemption fees
The premium and discount up to 9 December 2022:

	Premium		Discount	
	maximum	current	maximum	current
BNP Paribas Asia Pacific High Income Equity Fund, Classic class	0.35%	0.25%	0.35%	0.25%

5. Operating expenses

Operating expenses Classic class	01-01-2022 to 09-12-2022 x €1,000	01-01-2021 to 31-12-2021 x €1,000
Operating expenses on behalf of Management Company		
Management fee	256	342
Service fee	41	55
	297	**397**
Other expenses		
Interest	-	2
	-	**2**
Total	**297**	**399**

Management fee
The management fee was 0.75% (2021: 0.75%) and was in accordance with the prospectus. The management fee was calculated daily and was payable monthly afterwards.

Service fee
The service fee was 0.12% (2021: 0.12%) and covered the costs of the sub-fund as described in the cost structure on page 48 and was in accordance with the prospectus. The service fee was calculated daily and was payable monthly afterwards.

Amsterdam, 25 April 2023

Directors
J.L. Roebroek
M.P. Maagdenberg
K.M. Vandenbergh

Other information

Provisions of the Articles of Association for the appropriation of profit

Article 21 of the Articles of Association states:

Par. 1:
A dividend of five per cent (5%) of the nominal amount of the priority shares shall firstly, if possible, be distributed from the profit of any given financial year. No further distribution on priority shares shall take place.
Par 2:
The company keeps a reserve account for each sub-fund, or, if applicable, for each class.
Par 3:
The income from the capital allocated to each of the sub-funds, insofar these are not allocated to share price differences, shall be determined on the basis of the profit shown in the adopted annual accounts following deduction of the share of the general costs and expenses of the company for the account of the sub-fund in question.
In the adopted annual accounts is shown per sub-fund or per class respectively (i) the costs and taxes relating to the amounts paid into the share account or the share premium account in question, (ii) other costs relating to this sub-fund or this class respectively (including the administrative expenses). The Board of Directors shall determine for each sub-fund or each class respectively, the proportion of the amount referred to in the previous sentence to be allocated to the reserve account kept for the sub-fund or the class respectively, in question. The amount remaining after the allocation referred to in the previous sentence shall, without prejudice to the provisions of article 22, paragraph 1, be placed at the disposal of the General Meeting, on the understanding that the distribution of dividend may only take place in accordance with the proposals made by the Board of Directors for each sub-fund or each class respectively.
If the balance of income and expenses referred to above is negative, this amount will be debited from the reserve account of the sub-fund or the class respectively, in question. Share price differences concerning the capital of a sub-fund or a class respectively, shall be taken directly to the reserve account of the sub-fund or the class respectively, in question. Reserve accounts can have a positive as well as negative balance.
Par 4:
The general costs and expenses of the company as referred to in paragraph 3 are allocated on a pro rata basis to the capital of each of the sub-funds or each of the classes respectively.
Par 5:
Only the holders of shares in the sub-fund or the class respectively, in question and on a pro rata basis of each person's ownership of shares in the sub-fund or the class respectively, in question are entitled to the capital of a sub-fund or the class respectively.

Personal interests

At the beginning and at the end of the reporting period, the Management Board of BNP Paribas Fund III N.V. did not hold any interests in securities which were also held by one or more of the sub-funds of BNP Paribas Fund III N.V.

Provisions concerning priority shares

The rights attaching to priority shares relate to the formulation of a binding nomination for the appointment of directors. Decisions to amend the articles of association or to wind up the company may also only be taken at the proposal of the holders of priority shares.

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Independent auditor's report

To: the shareholders of BNP Paribas Fund III N.V.

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements for the year ended 31 December 2022 of BNP Paribas Fund III N.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of BNP Paribas Fund III N.V. as at 31 December 2022 and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The balance sheet as at 31 December 2022;
2. The profit and loss account for 2022;
3. The notes comprising a summary of the accounting policies and other explanatory information, including the annual figures of the sub-funds of BNP Paribas Fund III N.V.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.
Our responsibilities under those standards are further described in the section Our responsibilities for the audit of the financial statements section of our report.

We are independent of BNP Paribas Fund III N.V. (also: the investment company), in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of BNP Paribas Fund III N.V.

BNP Paribas Fund III N.V. is an investment company with variable capital, with its registered office in Amsterdam, and consists of three sub-funds as at 31 December 2022 (undertakings for collective investment in securities): BNP Paribas ESG Netherlands Index Fund, BNP Paribas ESG Global Property Securities Index Fund and BNP Paribas Global Income Multi-Factor Equity Fund. The shares of these sub-funds are traded via Euronext Amsterdam, segment Euronext Fund Service. On December 9, 2022, the sub-fund BNP Paribas Asia Pacific High Income Equity Fund was merged BNP Paribas Funds Sustainable Asia ex-Japan Equity, subfund of BNP Paribas Funds, Luxembourg. The sub-

funds invest in listed securities whose fair value is derived from quoted market prices. The Management Board and also the Management Company of BNP Paribas Fund III N.V. consists of three natural persons. BNP PARIBAS ASSET MANAGEMENT France, Netherlands Branch has been appointed as Management Company. BNP PARIBAS ASSET MANAGEMENT France, Netherlands Branch is part of BNP Paribas S.A.
References to functions and departments in this section are relevant functions and departments of BNP PARIBAS ASSET MANAGEMENT France, Netherlands Branch.

We have determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	We determine the materiality per sub-fund of BNP Paribas Fund III N.V.
Benchmark used	1% of the net asset value (shareholders' equity) as at 31 December 2022. We allocate materiality for the financial statements as a whole to each of the sub-funds based on shareholders' equity.
Additional explanation	The sub-funds of BNP Paribas Fund III N.V. each have their own investment policy, risk profile, price formation and separate administration. Investors can (exclusively) invest in sub-funds. Annual figures are prepared for each sub-fund, which form part of the notes to the annual accounts of BNP Paribas Fund III N.V. These annual accounts are based on the sum of the annual figures for the sub-funds. We use shareholders' equity per sub-fund as the basis for materiality. This is the total (market) value to which investors are entitled and is considered the most important factor in the sector for investment decisions by shareholders. For the audit of the annual figures of the discontinued sub-fund BNP Paribas Asia Pacific High Income Equity Fund, we have determined a materiality at 1% of the net asset value (equity) calculated on 9 December 2022. The materiality has not changed compared to the previous financial year.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with Management Board, that we report deviations greater than 5% of the materiality per sub-fund found during our audit as well as minor deviations that we believe are relevant for qualitative reasons.

Teaming and use of specialists

We ensured that the engagement team has the appropriate knowledge and skills required to audit a listed investment company. We have included tax specialists in our engagement team.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility
Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit approach related to fraud risks
We identified and assessed risks of material misstatement of the financial statements due to fraud. During our audit, we obtained insight into the investment company and its environment, the components of the internal control system, including the risk assessment process and the way in which the Management Board responds to fraud risks and monitors the internal control system, as well as the outcomes.
We refer to the section 'Risk policy and risk management' of the Management Board report, for Management Board's fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system and in particular the fraud risk analysis, as well as, for example, the Code of conduct of BNP Paribas Group, whistleblower policy and incident registration. We have evaluated the design and existence of internal controls aimed at mitigating fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption, including potential conflicts of interest between the manager and investors in the investment company. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all our audits, we addressed the risks related to Management Board override of controls. Because of this risk, we have reviewed accounting estimates for biases that could pose a risk of material misstatement due to fraud, focusing in particular on important areas requiring judgment and significant accounting estimates as disclosed in the 'Accounting principles' section in the general notes to the financial statements. We have performed procedures to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.
As described in key audit matter of “Outsourcing”, due to the potential conflict of interests between the manager and the investor in the sub-funds, we also examined transactions where the costs for the investment company are revenue for the Management Company and/or related parties.

We did not identify a risk of fraud in revenue recognition.

We have taken cognizance of the available information and requested information from members of the Management Board, the legal department, the compliance department and the risk department.

The fraud risk we identified, other available information and other available information, does not reveal any specific indications of fraud or suspected fraud that could be of material importance to the presentation of the financial statements.

Our audit approach to the risk of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts an disclosures in the financial statements. Further to that, we have assessed the circumstances with regard to the risk of non-compliance with laws and regulations that can reasonably be expected to have a material effect on the financial statements. In line with NBA guideline 1142 Specific obligations under the supervisory legislation and regulations for the internal auditor and the external auditor of investment firms, (managers of) alternative investment institutions and (managers of) undertakings for collective investment in securities, our estimate is based on our experience in the sector, coordination with the Management Board, taking note of the systematic analysis of integrity risks (SIRA), reading minutes, reading reports from the internal audit department of BNP Paribas insofar as relevant to BNP Paribas Fund III N.V. and the reports from the compliance department. We also performed substantive procedures focused on transaction flows, financial statements and disclosures.

We also took note of legal reports and correspondence with regulators and remained alert for indications of (potential) non-compliance during the audit. Finally, we have received written confirmation that all known occurrences of non-compliance with laws and regulations have been shared with us.

Our audit approach related to going concern

As explained in paragraph 'Principles for preparation the financial statements' in the general notes to the financials statements, the financial statements have been prepared on the basis of the going concern assumption. The Management Board has made a specific assessment of the ability of the investment company to continue as a going concern and to continue its activities for the foreseeable futures.
We discussed the specific assessment with the Management Board and evaluated it professionally.
We have considered whether the Management Board's specific assessment, based on our knowledge and understanding, obtained from the financial statements audit or otherwise, includes all relevant events and circumstances that could lead to reasonable doubt as to whether the investment company can continue its activities as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the relevant related disclosures in the financial statements. If the explanations are inadequate, we must adjust our statement.

Based on our procedures performed, we did not identify material uncertainties about going concern.

Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may mean that an investment company can no longer continue as a going concern.

Our key audit matters

In the key audit matters, we describe matters that, in our professional judgment, were most important during our audit of the financial statements. We have communicated the key audit matters to the Management Board, but do not fully reflect everything that has been discussed.

We have examined the merger on April 9, 2022 and the actual exchange ratios of BNP Paribas Asia Pacific High Income Equity Fund with BNP Paribas Funds, Sustainable Asia ex-Japan Equity in accordance with article 4:62f Wet op the financieel toezicht (Wft, Act on Financial Supervision). Our work was largely similar to the activities described in the key audit area’s below, according to the calculation of the net asset value on9 December 2022 and we have not designated this as a (separate) key audit matter.
Compared to last year, we have made no changes to key audit matters applied.

Existence, ownership and valuation of Investments	
Risk	The sub-funds that together form BNP Paribas Fund III N.V. invest exclusively in investments with quoted market prices. These investments largely determine the financial results of the investment entity. We refer to the notes to the balance sheet per sub-fund regarding the valuation of investments and the breakdown of the investments as at 31 December 2022. We estimate the risk of a material error in these investments to be lower, partly because the investments mainly consist of titles for which a price is available on an active market and therefore lack an estimation element. However, due to the size of the investments in relation to the financial statements as a whole, the investments are the item with the greatest impact on our audit.
Our audit approach	Our audit procedures consisted, among other procedures, of evaluating whether the accounting policies for recognition and measurement of investments and the associated (currency) price sources and agreements in are in accordance with Part 9 Book 2 of the Dutch Civil Code and whether these principles, sources and agreements have been applied consistently. We have evaluated the design of internal controls for the valuation process. Our audit procedures regarding the existence, ownership and valuation of the listed investments consisted amongst others of: • Reconciling the valuation of the investments with at least one independent price source; and • Reconciling the existence and ownership of the investments with an external confirmation from the depositary received directly by us
Main observations	The execution of these procedures did not result in significant findings with regards to the existence or valuation of the listed investments as disclosed in the financial statements.
Income from investments	
Risk	The income from investments is the main source of income of the investment company therefore we consider this as key audit matter. Income comprises of dividend and interest income, realized gains (and losses) and changes in unrealized gains (and losses) of investments. We refer to the breakdown of the income from investments of the sub-funds in the profit and loss account and the disclosure on the profit and loss account with regards to income from investments.
Our audit approach	Our audit procedures regarding income from investments consisted amongst others of: • Examining and testing the internal control measures at the manager and parties to which activities have been outsourced (the service organizations), including relevant general IT control measures regarding processes regarding transaction processing, corporate actions, reconciliation of investments and portfolio valuation. For outsourced processes, we also made use of independent reports on the design, existence and operation of relevant control measures; and

	• Performing detailed analytical procedures including data analysis based on market data of both direct and indirect returns in relation to the investments and market data as well in relation to the return of the index of each sub-fund.
Main observations	The execution of our audit procedures did not result in significant findings related to income from investments.
Outsourcing	
Risk	The investment entity does not employ any employees. The investment entity has appointed BNP PARIBAS ASSET MANAGEMENT France, Netherlands Branch as Management Company, who is responsible for both asset management and risk management. The share registration, financial administration and investment administration have been outsourced by the Management Company to BNP Paribas S.A., Belgium Branch. We consider outsourcing as key audit matter. Financial information received from BNP Paribas S.A., Belgium Branch is used in the preparation of the financial statements of the investment entity. In accordance with legislation, the manager remains ultimately responsible for the entire service chain, including controlled and ethical business operations. The latter can be divided into the following two aspects: • The management of processes and operational risks by the Management Company (outsourcing) • The management of integrity risks arising, among other things, from the potential conflict of interest between the Management Company and the investors in the sub-funds. We refer to the explanation of the outsourcing risk and the statement of the manager regarding the business operations in the Management Board report, as well as to the explanation of the ongoing charges per sub-fund.
Our audit approach	As part of and as far as we deem relevant for our audit of the financial statements of the investment company, we have focused on the controlled and sound business processes of the Management Company, in line with Practice Note 1142. Our audit procedures consisted among others of: • Take note of and testing the internal control measures, including relevant general IT control measures, taken by the Management Company and outsourced parties. We have used independent reports on the design, existence and the operational effectiveness of relevant controls at the Management Company • Determining that the Management Company and the Depositary hold the required license from the supervisory bodies; • We have taken note of the correspondence with the supervisory bodies and the report from the independent depositary. In performing our audit procedures, we have remained alert of signals of potential non-compliance with laws and regulations in general, compliance of the ICBE requirements and more specifically, the provisions of the Wet op het financieel toezicht (Wft, Act on Financial Supervision);

	• We have among others audited the management fee, service fee and other costs by performing recalculations based on the agreements in the prospectus, and we have determined that the transactions with related parties have been correctly processed and disclosed; and • We have performed substantive procedures, such as analytical reviews and test of details on the results of relevant financial data.
Main observations	The execution of our audit procedures, did not yield significant findings relating to outsourced activities with a direct impact on the financial statement of the investment company.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:
- Is consistent with the financial statements and does not contain material misstatements;
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Management Board is responsible for the preparation of the other information, including the Management Board report and the other details in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the annual general meeting as auditor of the investment entity on 7 September 2018 for the 2019 financial year and have operated as statutory auditor since that date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of the Management Board for the financial statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Management Board is responsible for assessing the investment company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting unless the Management Board either intends to liquidate the investment company or to cease operations, or has no realistic alternative but to do so. The Management Board should disclose events and circumstances that may cast significant doubt on the investment company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the investment company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication

We communicate with the Management Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the Management Board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide Management Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Management Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these key audit matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 25 April 2023

Ernst & Young Accountants LLP

Signed by J.C.J. Preijde

Annex 1: Templates periodic disclosure for the financial products

referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

BNP Paribas ESG Netherlands Index Fund

BNP Paribas ESG Global Property Securities Index Fund

BNP Paribas Global Income Multi-Factor Equity Fund

a Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS ESG NETHERLANDS INDEX FUND   Legal Entity Identifier: 213800DGASJCK423P291

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

☐ Yes   ☒ No

☐ It made a **sustainable investment with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective :** ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 44.3 % of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but noct limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria: **100%** ;
- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology : **99.7%** ;
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe: **65.7 vs. 67.8 (MSCI Netherlands IMI Index)*.**
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR: **44.3%.**

***** Source: BNP Paribas Asset Management. For data availability purposes, another provider of extra-financial data (e.g. ESG score, carbon footprint) as well as a slightly different initial investment universe may be used to determine and implement extra-financial targets of the investment strategy.

...and compared to previous periods ?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its

revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product take into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

Depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators for the proportion of assets qualified as sustainable investments:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers some principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
ASML HOLDING NV	Information Technology	13,58%	Netherlands
PROSUS NV	Consumer Discretionary	13,09%	Netherlands
ING GROEP NV	Financials	10,51%	Netherlands
KONINKLIJKE AHOLD DELHAIZE NV	Consumer Staples	6,87%	Netherlands
WOLTERS KLUWER NV C	Industrials	6,28%	Netherlands
HEINEKEN NV	Consumer Staples	5,58%	Netherlands
KONINKILIJKE DSM NV	Materials	4,89%	Netherlands
ADYEN NV	Information Technology	3,42%	Netherlands
AKZO NOBEL NV	Materials	2,78%	Netherlands
ASM INTERNATIONAL NV	Information Technology	2,70%	Netherlands
COCA-COLA EUROPACIFIC PARTNERS PLC	Consumer Staples	2,61%	United Kingdom
NN GROUP NV	Financials	2,61%	Netherlands
KONINKLIJKE KPN NV	Communication Services	2,34%	Netherlands
AEGON NV	Financials	2,07%	Netherlands
UNIVERSAL MUSIC GROUP NV	Communication Services	2,00%	Netherlands

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets.

In order to determine the investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, BNPP AM has decided to use its internal methodologies through the calculation of the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product is 91.4%.

The proportion of sustainable investments of the financial product is 44.3%.

The remaining proportion of the investments may include:

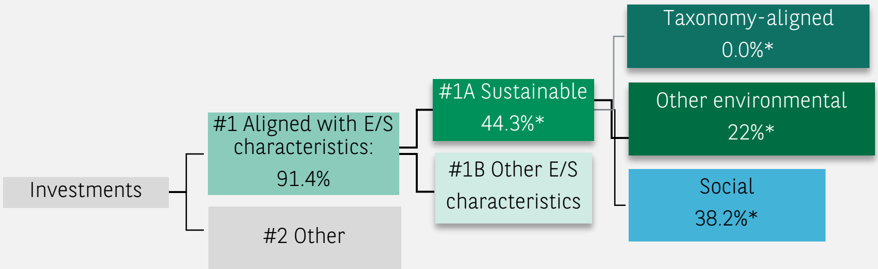
- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



#1 Aligned with E/S characteristics includes investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.
*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

In which economic sectors were the investments made ?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Sectors	% Asset
Information Technology	20,49%
Financials	17,75%
Consumer Staples	16,34%
Industrials	14,47%
Consumer Discretionary	14,33%
Materials	8,68%
Communication Services	4,34%
Health Care	1,99%
Energy	0,71%
Cash	0,51%
Real Estate	0,41%
Other	-0.01%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product did not commit to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, and it did not do so.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Does the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

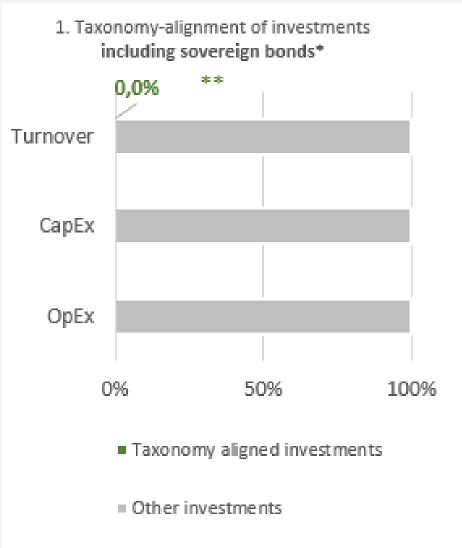
☒ No:

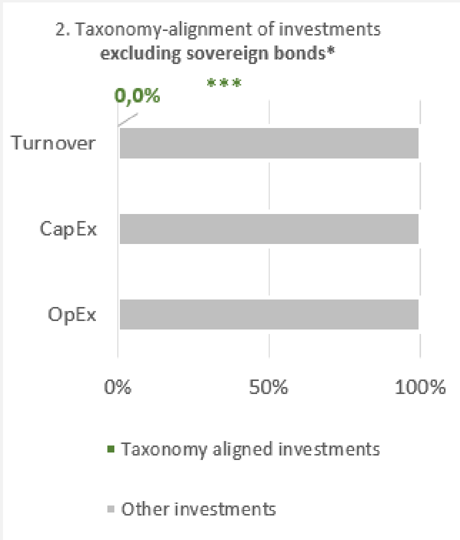
At the date of closure of the accounting year and preparation of the annual report, the data are not available and the Management Company does not have the information relating to the previous year.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

*** Real taxonomy aligned.*

**** Real taxonomy aligned. At the date of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy excluding sovereign bonds. The percentage of alignment of investments with the taxonomy including sovereign bonds being by construction a real minimum proportion, this same figure is used accordingly.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What is the share of investments in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **22.0%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent 38.2% of the financial product.

What investments were included under ' other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product shall comply with the reference benchmark business involvement and controversies exclusion criteria.
- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.
- The financial product shall invest at least 35% of its assets in "sustainable investments" as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as "sustainable investment" are indicated in the above question "*What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives*" and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

  There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

  In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/sustainability-documents/

How did this financial product perform compared to the reference benchmark?

The MSCI Netherlands IMI ESG Universal Ex Select Global Sanctions and Business Involvement (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Its methodology used for the calculation of the reference benchmark can be found at: www.msci.com

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Due to the index nature of the financial product, its sustainability indicators are directly linked to the ones of the tracked index. Consequently the performance of the financial product with regard to sustainability indicators representative of the alignment of the reference benchmark with the environmental or social characteristics promoted are the ones disclosed above under the question "*How did the sustainability indicators perform?*"

How did this financial product perform compared with the reference benchmark?

Due to the index nature of the financial product and its investment objective to replicate the performance of the reference benchmark while maintaining a tracking error between the financial product and the index below 1%, the performance of the financial product and the one of the reference benchmark are very close. Please note that the 1% is a target only and the Management Company does not provide a guarantee that it will be met.

How did this financial product perform compared with the broad market index?

	Carbon footprint (tCO2 eq/EV) [1,2]	ESG score[2]
Financial product	18,79	65,67
Broad market index[3]	15,66	67,87

(1) The carbon footprint is the sum of each carbon emission divided by its simplified enterprise value, multiplied by the weight in the portfolio. Carbon emissions represent the sum of a company's scope 1 (direct emissions from installations) and scope 2 (indirect emissions linked to the company's energy consumption) emissions. Simplified enterprise value measures a total value and is calculated as the sum of market capitalization and total debt. The footprint is expressed in tons of CO_2 equivalent per million euros of entreprise value.

(2) Source: BNP Paribas Asset Management. For data availability purposes, another provider of extra-financial data (e.g. ESG score, carbon footprint) as well as a slightly different initial investment universe may be used to determine and implement extra-financial targets of the investment strategy.

(3) MSCI Netherlands IMI Index

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS ESG GLOBAL PROPERTY SECURITIES INDEX FUND

Legal Entity Identifier: 2138004ILPUKYXEHF851

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made a **sustainable investment with an environmental objective**: ___%	☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 47.3 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective** : ___%	☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the methodology of the index provider. As such, the product is exposed to issuers that demonstrate superior or improve environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by external data providers.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable, in collaboration with BNP Paribas Asset Management's Sustainability Centre.

The FTSE EPRA Nareit Developed Green EU CTB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product, and are based on the reference benchmark ESG methodology:

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- The percentage of the financial product's portfolio compliant with the reference benchmark eligible stock criteria taking into account sectorial and controversial policies: **100%** ;
- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology : **98.2%** ;
- The average carbon footprint of the financial product's portfolio compared to the average carbon footprint of its investment universe: **11.5 vs. 9.2 tCO_2 eq/EV (FTSE EPRA Nareit Developed Index)*.**
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR: **47.3%.**

***** Source: BNP Paribas Asset Management. For data availability purposes, another provider of extra-financial data (e.g. ESG score, carbon footprint) as well as a slightly different initial investment universe may be used to determine and implement extra-financial targets of the investment strategy.

...and compared to previous periods ?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its

revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, for such sustainable investments, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the sustainable investments of the financial product take into account principal adverse impact indicators by analysing within the investment process those indicators in respect of the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS). More information on the GSS can be found on: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators for the proportion of assets qualified as sustainable investments:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET

MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments of the financial product exclude issuers that are in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team.

The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers some principal adverse impacts on sustainability factors. In order for the investment manager to determine which PAI is considered and addressed or mitigated, ESG methodology and disclosures of the reference benchmark and/or the index provider are used.

The policy framework in order to analyse how principle adverse impacts are considered for the financial product mainly relies on the three following pillars:

1- Analysis of the embedded exclusion process leading the investment strategy to remove industries and behaviours that present a high risk of adverse impacts in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment;

2- How the ESG ratings used throughout the investment process include in their methodology consideration of principal adverse impacts on sustainability factors, and to what extent those ratings are used in the investment strategy;

3- Engagement and voting policy, when applicable.

The Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts. Engagement with issuers aim at encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts. Voting at Annual General Meetings of companies the portfolio is invested in aims at promoting good governance and advance environmental and social issues.

More detailed information on the manner in which BNPP AM considers principal adverse impacts of investment decisions on sustainability factors taking due account of the size, the nature and scale of its activities and the types of financial products managed can be found in the BNPP AM SFDR disclosure statement: sustainability risk integration and Principal Adverse Impacts considerations.

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
EQUINIX REIT INC REIT	Real Estate	7.87%	United States
VICI PPTYS INC REIT	Real Estate	3.83%	United States
DIGITAL REALTY TRUST REIT INC REIT	Real Estate	3.68%	United States
PROLOGIS REIT INC REIT	Real Estate	2.84%	United States
ALEXANDRIA REAL EST EQ INC REIT	Real Estate	2.59%	United States
EQUITY RESIDENTIAL REIT REIT	Real Estate	2.29%	United States
AVALONBAY COMMUNITIES REIT INC REIT	Real Estate	2.23%	United States
PUBLIC STORAGE REIT REIT	Real Estate	2.07%	United States
SUN HUNG KAI PROPERTIES LTD	Real Estate	1.80%	Hong Kong
VONOVIA	Real Estate	1.67%	Germany
ESSEX PROPERTY TRUST REIT INC REIT	Real Estate	1.52%	United States
LINK REAL ESTATE INVESTMENT TRUST REI_UNT	Real Estate	1.51%	Hong Kong
SEGRO REIT PLC REIT	Real Estate	1.47%	United Kingdom
WELLTOWER REIT	Real Estate	1.40%	United States
MID-AMERICA APARTMENT COMMUNITIE REIT	Real Estate	1.26%	United States

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets.

In order to determine the investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, BNPP AM has decided to use its internal methodologies through the calculation of the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product is 66.8%.

The proportion of sustainable investments of the financial product is 47.3%.

The remaining proportion of the investments may include:

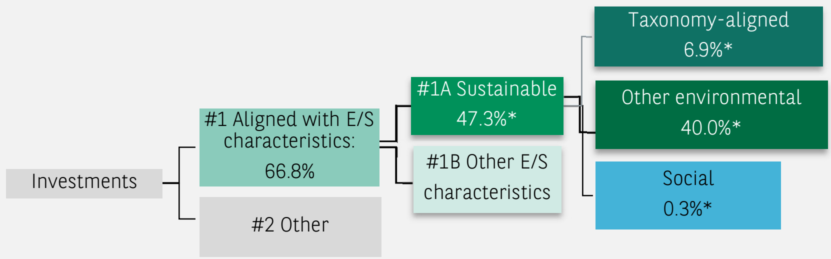
- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



#1 Aligned with E/S characteristics includes investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.
*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

In which economic sectors were the investments made ?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is:

Sectors	% Asset
Real Estate	98.73%
Cash	0.64%
Consumer Discretionary	0.63%
Financials	0.01%
Other	-0.01%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

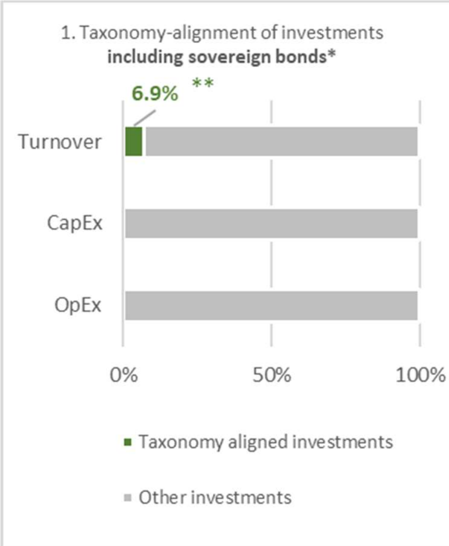
☒ No:

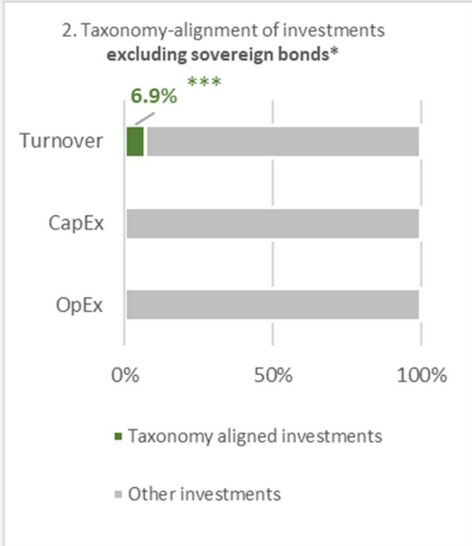
At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: :
- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

*** Real taxonomy aligned.*

**** Real taxonomy aligned. At the date of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy excluding sovereign bonds. The percentage of alignment of investments with the taxonomy including sovereign bonds being by construction a real minimum proportion, this same figure is used accordingly.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- *What is the share of investments in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **40.0%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent 0.3% of the financial product.

What investments were included under ' other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include:

- the proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes , or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product shall comply with the eligible stock criteria by excluding companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.
- The financial product shall have at least 90% of its investment strategy underlying securities covered by the ESG analysis based on the index provider methodology.
- The financial product shall have the weighted average carbon footprint of its portfolio at least 30% lower than the weighted average carbon footprint of its investment universe, as defined in the Prospectus.
- The financial product shall achieve an annual decarbonisation target of at least 7%.
- The financial product shall invest at least 40% of its assets in “sustainable investments” as defined in Article 2 (17) of SFDR. Criteria to qualify an investment as “sustainable investment” are indicated in the above question “*What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives*” and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

There is no guarantee that extra-financial filter or criteria is applied at any moment. For instance, between two index reshuffles, if a company were deemed to not fulfil anymore an ESG criteria, it may be excluded only at the next reshuffle following the index provider rules.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The FTSE EPRA Nareit Developed Green EU CTB (NTR) Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The methodology used for the calculation of the reference benchmark can be found at: www.ftserussell.com.

How does the reference benchmark differ from a broad market index?

The reference benchmark incorporates environmental or social criteria in its asset allocation methodology whereas a relevant broad market index does not and is usually market-capitalization weighted.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Due to the index nature of the financial product, its sustainability indicators are directly linked to the ones of the tracked index. Consequently the performance of the financial product with regard to sustainability indicators representative of the alignment of the reference benchmark with the environmental or social characteristics promoted are the ones disclosed above under the question "*How did the sustainability indicators perform?*"

How did this financial product perform compared with the reference benchmark?

Due to the index nature of the financial product and its investment objective to replicate the performance of the reference benchmark while maintaining a tracking error between the financial product and the index below 1.5%, the performance of the financial product and the one of the reference benchmark are very close. Please note that the 1.5% is a target only and the Management Company does not provide a guarantee that it will be met.

How did this financial product perform compared with the broad market index?

	Carbon footprint (tCO2 eq/EV) [1,2]	ESG score[2]
Financial product	11.49	59.38
Broad market index[3]	9.20	58.42

(1) The carbon footprint is the sum of each carbon emission divided by its simplified enterprise value, multiplied by the weight in the portfolio. Carbon emissions represent the sum of a company's scope 1 (direct emissions from installations) and scope 2 (indirect emissions linked to the company's energy consumption) emissions. Simplified enterprise value measures a total value and is calculated as the sum of market capitalization and total debt. The footprint is expressed in tons of CO_2 equivalent per million euros of entreprise value.

(2) Source: BNP Paribas Asset Management. For data availability purposes, another provider of extra-financial data (e.g. ESG score, carbon footprint) as well as a slightly different initial investment universe may be used to determine and implement extra-financial targets of the investment strategy.

(3) FTSE EPRA Nareit Developed Index

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS GLOBAL INCOME MULTI-FACTOR EQUITY FUND

Legal Entity Identifier: 213800LMFSH7RJIW8I57

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

[ ] Yes	[x] No
[ ] It made a sustainable investment with an environmental objective: ___%	[x] It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 60.5% of sustainable investments
[ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[x] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[x] with a social objective
[ ] It made **sustainable investments with a social objective** : ___%	[ ] It promoted E/S characteristics **but did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social and Governance (ESG) criteria using an internal ESG proprietary methodology, and by investing in issuers that demonstrate superior or improving environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The financial product aims to improve its ESG profile and reduce its environmental footprint, as measured by greenhouse gas emissions, compared to its investment universe.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy : 100%

- The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology : 100%

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus : 64.8 vs. 56.0 (MSCI World NR)

- The average carbon footprint of the financial product's portfolio compared to the average carbon footprint of its investment universe : 29.5 vs. 67.6 tCO_2 eq/EV

- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation : 60.5%

...and compared to previous periods ?

Not applicable for the first periodic report

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: *https://www.bnpparibas-am.com/sustainability-documents/*

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint

3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production

6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:

15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

The EU Taxonomy sets out a 'do not significant harm' principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

Ensuring all securities included in the portfolio have supportive ESG research

Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:

4. Investments in companies without carbon emission reduction initiatives

Social

4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:

15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments	Sector	% Assets	Country
MICROSOFT CORP	Information Technology	2,76%	United States
MERCK & CO INC	Health Care	2,01%	United States
CHEVRON CORP	Energy	1,96%	United States
NOVO NORDISK CLASS B B	Health Care	1,89%	Denmark
HOME DEPOT INC	Consumer Discretionary	1,70%	United States
CISCO SYSTEMS INC	Information Technology	1,69%	United States
INTERNATIONAL BUSINESS MACHINES CORP	Information Technology	1,66%	United States
TORONTO DOMINION	Financials	1,65%	Canada
ELEVANCE HEALTH INC	Health Care	1,61%	United States
OMNICOM GROUP INC	Communication Services	1,61%	United States
AMGEN INC	Health Care	1,58%	United States
BRISTOL MYERS SQUIBB	Health Care	1,57%	United States
EQUINOR	Energy	1,56%	Norway
APPLE INC	Information Technology	1,55%	United States
AUTOZONE INC	Consumer Discretionary	1,51%	United States

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets

What was the asset allocation ?

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive

S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

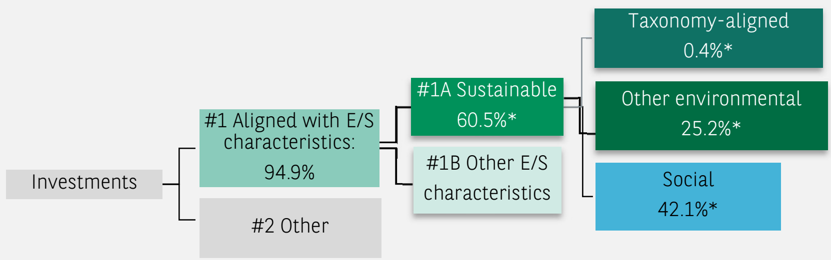
The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product 94.9%.

The proportion of sustainable investments of the financial product is 60.5%. The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



#1 Aligned with E/S characteristics includes investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.
*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

In which economic sectors were the investments made ?

Sectors	% Asset
Health Care	23,55%
Financials	21,18%
Information Technology	16,05%
Energy	7,65%
Consumer Discretionary	6,58%
Industrials	6,32%
Communication Services	6,04%
Consumer Staples	5,99%
Cash	2,93%
Materials	2,39%
Real Estate	1,76%
Other	-0.43%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Does the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

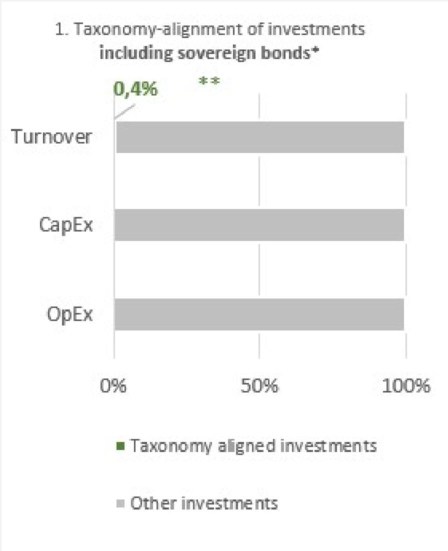
✖ No:

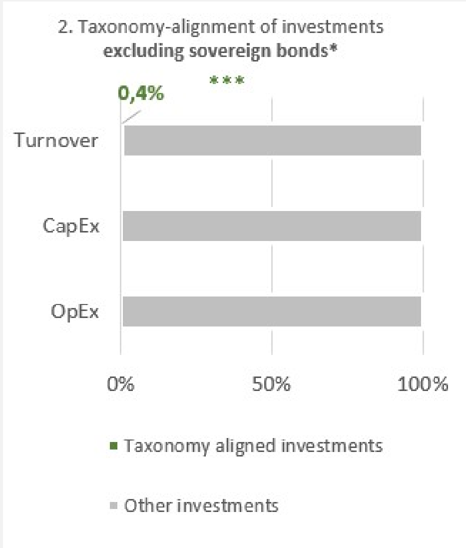
At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: :
- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

** *Real taxonomy aligned*

*** *Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What is the share of investments in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

Not applicable for the first periodic report

What was the share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is 25.2%.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European

Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent **42.1%** of the financial product.

What investments were included under ' other', what is their purpose and are there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- the proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes or

- instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks, and

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

  More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must have the weighted average ESG score of its portfolio higher than the average weighted ESG score of its investment universe after eliminating at least 20% of securities with the lowest ESG Score

- The financial product must have the weighted average carbon footprint of its portfolio at least 50% lower than the weighted average carbon footprint of its investment universe, as defined in the Prospectus

- The financial product must invest at least 40% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as "sustainable investment" are indicated in the above question "What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives" and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus

  In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/sustainability-documents/

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

BNP PARIBAS FUND III N.V.

BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world