

This document is a Supplement to the Prospectus dated 27 March 2023 issued by BNP PARIBAS EASY ICAV (the “ICAV”). This Supplement forms part of, and should be read in conjunction with, the Prospectus.

The value of Shares may go up or down and you may not get back the amount you invested. Investors’ attention is drawn to the risk warnings contained in the section headed Risk Factors in the Prospectus and, in particular, to the risk warnings contained in the section of this Supplement entitled “Risk Factors”.

Words and expressions defined in the Prospectus, unless the context otherwise requires, have the same meaning when used in this Supplement.

BNP PARIBAS EASY ICAV

(an open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with variable capital and segregated liability between its sub-funds and registered in Ireland with registration number C496041 and authorised by the Central Bank of Ireland as a UCITS))

SUPPLEMENT

Dated 27 March 2023

in respect of

BNP PARIBAS EASY S&P 500 ESG UCITS ETF

(a sub-fund of the ICAV, the “Fund”)

The Directors of the ICAV, whose names appear in the Directory in the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

THE FUND

Investment Objective

The investment objective of the Fund is to replicate the performance of the S&P 500 ESG Index NTR (Bloomberg: SPXESUN Index) (the “**Index**”) while aiming to minimise the tracking error between the Fund’s Net Asset Value and the Index.

Investment Policy

In order to achieve its investment objective, the Fund will generally seek to replicate the Index.

However, the Fund may employ Optimised Replication (as defined in the Prospectus) in circumstances where the number of constituents in the Index is too high relative to the Fund’s net assets or where the liquidity profile of the constituents of the Index is inconsistent with that of the Fund.

Full Replication

When employing Full Replication, the Fund will invest, in similar proportions to their weightings in the Index, at least 90% of its net assets in a portfolio of US equity securities that, as far as practicable, comprise the component securities of the Index or in equity related securities whose underlying assets are issued by companies included in the Index. The issuers of such equity securities will be companies domiciled or conducting the majority of their business activities in the United States of America and which are deemed to respect ESG criteria, as determined by S&P Dow Jones Indices LLC (the “**Index Provider**”).

The Fund may invest in equity-related securities the underlying assets of which are issued by companies included in the Index (i.e. Depositary Receipts) where it is not possible or practicable for the Fund to invest directly in or continue to hold all of the constituent securities of the Index (for reasons such as, but not limited to, where this would involve difficulties or substantial costs, where one or more securities in the Index becomes temporarily illiquid or unavailable, or as a result of legal restrictions or regulatory limitations that apply to the Fund but not the Index) and/or where consistent with its investment objective.

Optimised Replication

When employing Optimised Replication, the Fund will seek to track the performance of the Index by investing at least 90% of its net assets in a portfolio of US equity securities comprising a representative sample of the constituents of the Index or in equity-related securities whose underlying assets are issued by companies included in the Index. These securities are selected by the Investment Manager in order to minimise tracking error.

Other Investments

At least, 51% of the Fund’s net assets will be invested at all times in equity securities, however, the Fund may make other investments as outlined below where consistent with its investment objective and policy.

The Fund may invest up to 10% of its net assets in equity securities or equity-related securities (i.e. Depositary Receipts) issued by companies not included in the Index, in the units/shares of Eligible Collective Investment Schemes where such investments satisfy the requirements of the Central Bank. The Fund may invest up to 10% of its net assets in Money Market Instruments to be held as ancillary liquid assets.

The Fund may also engage in transactions in FDIs for investment, hedging and/or efficient portfolio management purposes. The Fund may use the following FDIs: foreign exchange swaps, forwards, interest rate swaps, futures and options. Further details on FDIs and how they may be used are set out in the Prospectus under the heading “**Use of Derivatives and Hedging**”.

The equity securities and FDI investments of the Fund will be listed, traded and dealt with on one or more of the Regulated Markets set out in Schedule 1 to the Prospectus.

Securities Financing Transactions

The Fund may invest in total return swaps for currency hedging purposes only subject to the requirements of the Securities Financing Transactions Regulation, the UCITS Regulations and the Central Bank UCITS Regulations. This is more particularly described in the Prospectus under the heading “**Securities Financing Transaction Regulations Disclosure**”. Up to 105% of a Class’ net assets may be subject to total return swaps at any time, however the amount subject to total return swaps is not generally expected to exceed 100% of a Class’ net assets.

The Fund will not engage in lending or borrowing of securities or repurchase/reverse agreements within the meaning of the Securities Financing Transactions Regulation.

Transparency of the Promotion of Environmental or Social Characteristics – Information relating to SFDR and Taxonomy

The Fund is an Article 8 fund as defined in the Prospectus.

The Fund promotes environmental and/or social characteristics by investing in companies assessed according to ESG criteria such as: (i) companies’ involvement in specific business activities such as, but not limited to, controversial weapons, thermal coal or tobacco; and (ii) the principles of United Nations’ Global Compact.

As a result, companies involved in sectors with a potentially high negative ESG impact, those subject to significant violations of the UN Global Compact principles and those involved in severe ESG-related controversies are excluded from investment by the Fund.

The Fund achieves this by replicating/tracking the Index, which has a methodology that is consistent with attaining the environmental and social characteristics promoted by the Fund. The Investment Manager measures the attainment by the Fund of the environmental and/or social characteristics as detailed in the annex to the Supplement.

The environmental and social characteristics are achieved by applying the Index Provider’s exclusionary criteria to the eligible securities and by using an ESG rating to select securities, as described in the section below titled “**The Index**”.

Further information on how the environmental and social characteristics promoted by the Fund are achieved is set out under the heading “**The Index**” below.

The Fund commits to invest a minimum of 25% of its net assets in sustainable investments. The Investment Manager determines whether the Fund’s investments are sustainable investments in accordance with its proprietary methodology which integrates several criteria into its definition of sustainable investment and of which criteria a company must meet one in order to be deemed to contribute to an environmental or social objective and which also includes consideration of not doing significant harm to any other sustainable objective and provided the company follows good governance practices. This determination is made based on reviews of historical compositions of the Index. Further detail on the Fund’s minimum investment in sustainable investments and the Investment Manager’s methodology to determine sustainable investments (including its assessment of do no significant harm and good governance) and the Fund’s consideration of principal adverse impacts can be found in the annex to this Supplement.

The proprietary methodology of the Investment Manager used to determine the minimum proportion of sustainable investments of this passively managed Fund is not implemented in the Index methodology.

The Taxonomy Regulation aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. The Taxonomy Regulation is a classification system establishing a list of environmentally sustainable economic activities in respect of the six environmental objectives as defined in the Taxonomy Regulation.

The Fund does not commit to a minimum proportion of investment in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation and that contribute to the environmental objectives. Therefore, the minimum percentage of investments aligned with the Taxonomy Regulation and the minimum share of investments in transitional and enabling activities is 0%.

In respect of the Taxonomy Regulation, the “do no significant harm” principle only applies to the investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities. Economic activities that are not recognised by the Taxonomy Regulation are not necessarily environmentally harmful or unsustainable. All activities that can make a substantial contribution to environmental as well as social objectives are not yet part of the Taxonomy Regulation.

Further details are contained in the Prospectus under the heading "**ESG-related Disclosures**".

In compliance with the article 8 of SFDR and the article 6 of Taxonomy Regulation, pre-contractual disclosures about the environmental or social characteristics relating to this Fund are available in the annex of the Supplement.

Base Currency

The Base Currency of the Fund is USD.

There is no guarantee that the Fund will achieve its investment objective.

PROFILE OF A TYPICAL INVESTOR

The Fund is suitable for investors seeking diversification of their investments in equities, willing to accept higher market risks to potentially generate higher long-term returns, while accepting significant temporary losses and tolerating volatility.

SHARE CLASSES

Details of the Classes available in the Fund are set out below.

Classes	TER (maximum)	Distribution Policy	Distribution Frequency	Hedging Policy	Initial Offer Period Status	Initial Offer Price per Share
CAP	0.15%	Capitalisation	N/A	Unhedged	New	10
EUR CAP	0.15%	Capitalisation	N/A	Unhedged	New	10
EUR CAP H	0.15%	Capitalisation	N/A	Hedged	New	10

The Directors and/or the Manager reserve the right to differentiate between persons who are subscribing for or redeeming Shares and to waive or reduce the Minimum Subscription Amount and Minimum Redemption Amount for any such person or to refuse an application for the subscription of Shares in their absolute discretion.

Additional Classes may be created in accordance with the requirements of the Central Bank.

TRACKING ERROR

The Investment Manager aims to keep the Tracking Error of the Fund (being the standard deviation

of the difference in returns between the Fund and the Index) below 1% under normal market conditions. However, exceptional circumstances may arise which cause the Tracking Error to exceed 1%.

The anticipated tracking error of the Fund is not a guide to its future performance. The annual and semi-annual report and accounts will set out the actual realised tracking error as at the end of the period under review.

DIVIDENDS

Where the ICAV intends to declare dividends with respect to one or more Classes of the Fund, the proposed frequency of such dividend declarations shall be as set out in the table in the section entitled **“Share Classes”**.

It is not the current intention of the Directors to declare dividends in respect of the Classes identified as “capitalisation” classes in this Supplement. The income, earnings and gains of the Funds will be accumulated and reinvested. Any change to this dividend policy shall be set out in an updated version of the Supplement and notified to the Shareholders in advance.

It is intended to declare dividends in respect of the Classes identified as “distribution” classes in this Supplement. Distributions in respect of these Classes will be declared at such frequency as disclosed under the heading **“Share Classes”** from time to time.

The Directors may determine annually, after the end of the relevant accounting year, if and to what extent the Fund will pay dividends. Any dividend payments will be confirmed in writing to the relevant Shareholders.

Please refer to the **“Distribution Policy”** section in the Prospectus for further information.

DEALING IN SHARES OF THE FUND

Only Authorised Participants or Authorised Investors may subscribe for and redeem Shares in the Fund directly with the ICAV in accordance with the section of the Prospectus entitled **“Procedures for Subscriptions and Redemptions”** having regard to the information set out below:

Business Day	means a day on which banks, markets and exchanges are open for business in Ireland and such other days as the Directors shall determine.
Dealing Day (D)	means, unless otherwise determined by the Directors and notified in advance to Shareholders, each Business Day on which the Index is published excluding days on which the constituent of the Index with a weighting that represents a significant proportion of the Index (in excess of 10%) are not tradable.
Initial Offer Period	The Initial Offer Period shall commence at 9:00 a.m. (Dublin time) on 28 March 2023 and shall end at 3:00 p.m. (Dublin time) on 27 September 2023 or such other time as the Directors may determine.
Minimum Subscription Amount	means : - on the Primary Market: The number of Shares equivalent to USD 1 million, rounded up to the nearest whole number of Shares - on the Secondary Market: None The Directors and/or the Manager reserve the right to waive such Minimum Subscription Amount.
Minimum Redemption Amount	1 Share

Redemption Fee	Up to 3%.
Settlement Time (Maximum D+3)	means, in respect of subscriptions, maximum three Business Days after the relevant Dealing Day (unless otherwise stipulated by the Manager or its delegate); and, in respect of redemptions, maximum three Business Days after the relevant Dealing Day (unless otherwise agreed with the Manager or its delegate).
Subscription Fee	Up to 3%.
Trade Cut-Off Time (D)	means 4.30 p.m. (CET) on the relevant Dealing Day.
Valuation Day (D+1)	means one Business Day after the relevant Dealing Day where the Net Asset Value per Share is calculated. The last Business Day of the year will always be a Valuation Day
Valuation Point	means 11.59 p.m. (Irish time) on the Dealing Day or such time as the Directors, in consultation with the Manager, may decide and notify to Shareholders in advance, this time being the time of reference where all relevant available market closing prices are retrieved for NAV calculation.

FEES AND EXPENSES

A TER will be paid out of the assets of each Class to the Manager. The TER for each Class is set out under the heading “TER” in the table included under the heading “**Share Classes**”.

This section should be read in conjunction with the section headed “**Fees, Costs and Expenses**” in the Prospectus.

RISK FACTORS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “**Risk Factors**” section of the Prospectus, including without limitation: Extra-financial Criteria and Sustainable Investments Risk, Risks relating to Funds that seek to track or replicate an Index, Equity Risk and Currency Risk.

RISK MANAGEMENT

The ICAV will use the commitment approach for the purposes of calculating global exposure for the Fund. The Fund’s global exposure will be limited to 100% of Net Asset Value using the commitment approach.

While it is not the Investment Manager’s intention to leverage the Fund, any leverage resulting from the use of FDIs will be done in accordance with the UCITS Regulations.

Further detail on the calculation of global exposure is set out in the financial derivative instrument risk management process of the Fund (“**RMP**”). The RMP employed enables the Manager to accurately measure, monitor and manage the various risks associated with FDI, including leverage.

THE INDEX

General Description

The Index is a broad-based, net return (calculated with dividends reinvested after the deduction of applicable withholding taxes), float-adjusted market capitalisation weighted index that is designed to measure the performance of securities meeting extra-financial (Environmental, Social and Governance (ESG)) criteria, while maintaining a similar overall industry group weights as the S&P 500 Index.

The Index constituents must be part of the S&P 500 index (the “Eligible Universe”). The S&P 500 index is an equity index representative of the 500 leading securities by market capitalization traded in the USA.

The Index applies exclusions from the Eligible Universe based on:

- companies’ involvement in specific business activities such as, but not limited to, controversial weapons, thermal coal or tobacco;
- the principles of United Nations’ Global Compact. Companies classified as non-compliant, are ineligible for Index inclusion; and
- involvement in relevant ESG controversies.

In addition, the Index excludes securities from the Eligible Universe (“selectivity” approach) via a best-in-class methodology (a type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle within their sector of activity, without favouring nor excluding a given sector compared to a reference universe or index). To this end, companies with an S&P DJI ESG Score¹ that falls within the worst 25% of ESG scores from each Global Industry Classification Standard (“GICS”) industry group are excluded from the Index.

The selection of the Index constituents using S&P DJI ESG Scores is done as follows:

1. For each GICS industry group, companies are selected in decreasing order of ESG score, until 65% of the universe’s float-adjusted market capitalization (FMC) is reached;
2. For each GICS industry group, existing companies ranked between 65% and 85% are selected to get as close as possible to the target 75% of FMC; and
3. If the combined FMC of selected companies is not above the 75% FMC target, companies not already selected from the Eligible Universe may be added in decreasing order of ESG score to get as close as possible to the 75% FMC target. This process will stop when the addition of the next eligible company would result in the total FMC of the relevant GICS industry group moving further away from the 75% FMC target.

This selection process enables the Index to exhibit similar industry or sector risk characteristics as the Eligible Universe.

The extra-financial analysis is carried out on all the securities comprising the Index.

It cannot be guaranteed that all constituents will comply with the extra-financial criteria set out herein at all times. For example, between two Index rebalancing dates as set out below, if a constituent no longer complied with the extra-financial criteria applied in constructing the Index, that constituent may not be excluded until the next Index rebalancing date, following the Index provider rules.

Further information on exclusions is available in the methodology, which can be downloaded from www.spglobal.com.

¹ S&P DJI ESG Score is an environmental, social, and governance score that robustly measures ESG risk and performance factors for corporations, with a focus on financial materiality with a range from 0-100, with 100 representing best performance. The S&P DJI ESG Score is available on S&P Global’s website at the following address as of the date of preparation of the prospectus: <https://www.spglobal.com/esg/>.

Index Rebalancing

The Index rebalances annually, effective after the close of the last Business Day of April. The rebalancing reference date is the last trading day of March. For further information, please refer to the website: www.spglobal.com/spdji/en/indices/esg/sp-500-esg-index/#data

The Fund will rebalance in line with the Index and will bear the costs of any rebalancing trades, i.e. the costs of buying and selling securities of the Index and associated taxes and transaction costs.

Index Publication

Further information on the index, its composition, calculation and rules for monitoring and periodic rebalancing, as well as information on the general methodology common to all S&P indices, can be found at www.spglobal.com/spdji/.

DISCLAIMERS

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S&P DOW JONES INDICES DOES NOT GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE S&P 500 ESG OR ANY DATA RELATED THERETO OR ANY COMMUNICATION, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY BNP PARIBAS ASSET MANAGEMENT FRANCE, OWNERS OF THE BNP PARIBAS EASY S&P 500 ESG UCITS ETF, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P 500 ESG OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT

LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND BNP PARIBAS ASSET MANAGEMENT FRANCE, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES. »

Pre-contractual 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

Product name: BNP PARIBAS EASY S&P 500 ESG UCITS ETF

Legal entity identifier:

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.

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Does this financial product have a sustainable investment objective?

Yes

No

<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 25% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

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 investment strategy selects issuers through:

- A positive screening using a selectivity approach. This involves evaluation of ESG performance of an issuer against a combination of environmental, social and governance factors which include but not limited to :
 - Environmental: energy efficiency, reduction of emissions of greenhouse gases, 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.
- A negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and convention, such as the UN Nations Global Compact principles, 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, a department which drives the sustainability approach, develops and implements the firm's Global Sustainable Strategy (GSS).

The S&P 500 ESG Index NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

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

- The percentage of the financial product's portfolio compliant with the reference benchmark business involvement exclusion criteria;
- The percentage of the financial product's assets covered by the ESG analysis based on the index provider ESG methodology;
- The minimum percentage of the financial product's investment universe reduction due to exclusion of securities with low ESG score and/or sector exclusions and/or any other extra financial criteria; and
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of SFDR.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does 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 investment manager is using, as of the date of the prospectus, BNP Paribas Asset Management (BNPP AM) internal methodology, to determine sustainable investments. Such methodology 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;
2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets;
3. A company operating in 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;
4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region.

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

Under the BNPP AM internal methodology, 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 Centre following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology. For the avoidance of doubt, the financial product does not invest in green bonds, social bonds and sustainability bonds.

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. BNPP AM uses its proprietary methodology and/or relies on information provided by the reference benchmark administrator to assess all companies against these requirements.

The proprietary methodology of the investment manager used to determine the minimum proportion of sustainable investments of this passively managed Fund is not implemented in the reference benchmark methodology.

More information on the internal methodology can be found on the website of the investment manager: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability).

How do the sustainable investments that the financial product partially intends to make, 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 takes 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 \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability).

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

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.

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 indicators

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: [sustainability risk integration and Principal Adverse Impacts considerations](#).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

How are the 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 EU criteria.

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

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



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, 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](#).

In addition, information on how the principal adverse impacts on sustainability factors have been considered over the year will be available in the annual report of the financial product.

No



What investment strategy does this financial product follow?

Investment Objective: The Sub-Fund (the “Fund”) seeks to replicate the performance of the S&P 500 ESG Index NTR (Bloomberg: SPXESUN Index) (the “Index”) while aiming to minimise the tracking error between the Fund’s Net Asset Value and the Index.

Investment Policy: The Fund pursues a passively managed (index tracking) strategy. In order to achieve its investment objective, the Fund will generally seek to replicate the Index by holding all of the Index equity securities in a similar proportion to their weighting in the Index (Full Replication as defined in the Prospectus). The Fund may also employ Optimised Replication (as defined in the Prospectus) and select Index equity securities in order to build a representative portfolio that provides a return that is comparable to that of the Index.

The Index is a broad-based, net return (calculated with dividends reinvested after the deduction of applicable withholding taxes), float-adjusted market capitalisation weighted index that is designed to measure the performance of securities meeting extra-financial (Environmental, Social and Governance (ESG)) criteria, while maintaining a similar overall industry group weights as the S&P 500 Index. The Index constituents must be part of the S&P 500 index (the “Eligible Universe”). The S&P 500 index is an equity index representative of the 500 leading securities by market capitalization traded in the USA.

The Index is rebalanced annually.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Index applies exclusions from the Eligible Universe based on companies' involvement in specific business activities such as, but not limited to, controversial weapons, thermal coal or tobacco, the principles of United Nations' Global Compact or involvement in relevant ESG controversies. In addition, the Index excludes securities from the Eligible Universe ("selectivity" approach) via a best-in-class methodology (a type of ESG selection consisting of giving priority to the best rated companies from an extra-financial angle within their sector of activity, without favouring nor excluding a given sector compared to a reference universe or index).

The extra-financial strategy of the Index, carried out at each step of the investment process, may comprise methodological limitations such as the Extra-financial Criteria and Sustainable Investments Risk or the Index rebalancing.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this financial product as described below are systematically integrated throughout the investment process.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

- 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's investment universe of the investment strategy, as defined in the Prospectus, shall be reduced by a minimum of 25% due to exclusion of securities with low ESG score and/or sector exclusions and/or other extra-financial criteria.
- The financial product shall invest at least 25% 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".

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.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The financial product's investment universe is reduced by a minimum of 25% due to exclusion of securities with low ESG score and/or sector and/or other extra-financial criteria.

● ***What is the policy to assess good governance practices of the investee companies?***

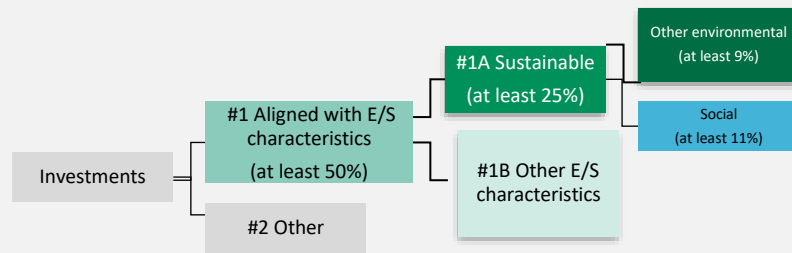
The reference benchmark ESG scoring framework assesses corporate governance such as sound management structures, employee relations, remuneration of staff and tax compliance through a core set of standard key performance indicators that look especially at board, pay, ownership and control, and accounting practices.

Further information on the reference benchmark, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the MSCI indices can be found on www.spglobal.com/spdji/.



What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the 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 investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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 minimum proportion of such investments used to meet the environmental or social characteristics promoted by the financial product shall be at least 50%. For the avoidance of doubt, such a proportion is solely a minimum and the exact percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report. The minimum proportion of sustainable investments of the financial product is 25%.

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 Responsible Business Conduct (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.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

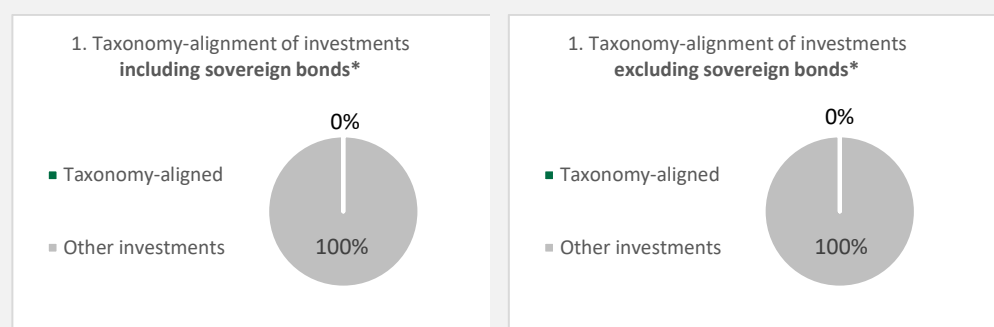
Financial derivative instruments may be used for efficient portfolio management and hedging purposes. These instruments are not used to attain the environmental or social characteristics promoted by the product.



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

The financial product does not commit to invest in a minimum proportion of investments with an environmental objective aligned with the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are 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

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.

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.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas

In nuclear energy

No

On the date of this pre-contractual information document, the investment manager does not have the data to indicate whether the financial product intends to invest in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy; the "No" box is ticked accordingly.

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

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 objectives – 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

The minimum share of investments in transitional and enabling activities in the meaning of the Taxonomy Regulation is 0% in transitional activities and 0% in enabling activities.



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 9%.

The minimum share is intentionally low as the objective of the investment manager is not to prevent the product from investing in taxonomy-aligned activities within the framework of the investment strategy of the product.

The Management Company is improving its Taxonomy-alignment data collection to ensure the accuracy and suitability of its Taxonomy sustainability-related disclosures. In the meantime, the financial product will invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments within the financial product is 11%.



What investments are included under “#2 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.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The S&P 500 ESG Index NTR Index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

The environmental or social characteristics promoted by the financial product are directly linked to the ones of the reference benchmark as the investment objective of the financial product is to replicate the performance of the reference benchmark, including fluctuations, and to maintain the tracking-error between the financial product and the reference benchmark below 1%.

The reference benchmark is rule-based and therefore continuously apply its methodology, including environmental or social characteristics.

However, 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.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The alignment of the investment strategy with the methodology of the index is intrinsic to the investment objective of the financial product which is to replicate the performance of the index, including fluctuations, and to maintain the tracking-error between the financial product and the index below 1%.

- ***How does the designated index differ from a relevant 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.

- ***Where can the methodology used for the calculation of the designated index be found?***

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

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



Where can I find more product specific information online?

More product-specific information can be found on the website: <https://www.bnpparibas-am.com> after choosing the relevant country and directly in the section “Sustainability-related disclosures” dedicated to the product.