



# PRODUCT KEY FACTS

BNP Paribas Funds Europe Dividend  
September 2019

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

## Quick facts

|   |  |                           |  |
|---|--|---------------------------|--|
| <b>Management Company:</b>                  | BNP PARIBAS ASSET MANAGEMENT Luxembourg  |                           |  |
| <b>Fund Manager:</b>                        | Internal and/or external delegation to one or more portfolio managers as described in the “General Information” section of the Prospectus and the “Management and Sub-Delegation” section of the Hong Kong Covering Document and Information for Hong Kong Investors |                           |  |
| <b>Custodian:</b>                           | BNP Paribas Securities Services, Luxembourg Branch   |                           |  |
| <b>Ongoing charges over a year#:</b>        | Classic  |                           | 1.96%  |
|   | Privilege  |                           | 1.08%  |
| <b>Base currency:</b>                       | EUR  | <b>Dealing frequency:</b> | Daily  |
| <b>Financial year end of this sub-fund:</b> | 31 December  | <b>Dividend policy:</b>   | Capitalisation shares – No dividend distribution (income, if any, will be reinvested)  |
|   |  |                           | Distribution shares - Dividend, if declared, will be paid<br>Distributions may be paid out of capital which may result in an immediate reduction of the sub-fund’s net asset value per share |
|   |  | <b>Min. investment:</b>   | None   |
|   |  | <b>Min. holding:</b>      | “Privilege” categories – EUR 3 million or equivalent   |

# The ongoing charges figure is calculated based on expenses for the year ended at 31 December 2018. This figure may vary from year to year. The ongoing charge is calculated by adding all direct fees, indirect fees and external fees of the sub-fund and then divided by the average net assets. Direct fees refer to charges and payment directly borne by the sub-fund such as operating costs, remuneration and payment to key operators and service providers. Indirect fees refer to the ongoing charges of the underlying funds which the sub-fund invests. External fees refer to any remuneration of the management company or other party that derives from fee-sharing arrangement.

## What is this product?

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

### Objective and Investment Strategy

#### Objective

To increase the value of its assets over the medium term by investing in European dividend equities.

#### Strategy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action) and/or convertible bonds) issued by companies whose dividend prospects are, in the opinion of the management team, sustainable over the medium term.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other securities, money market instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in collective investment schemes.

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

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

This sub-fund may use financial derivative instruments (such as futures and options, swaps and derivative contracts) extensively for investment purpose and/or hedging purpose. No specific strategy relating to financial derivative instruments is adopted by the Management Company and the Fund Managers of the sub-fund. The maximum level of leverage is 100% of the net asset value of the sub-fund calculated using the commitment methodology.

### What are the key risks?

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

#### Derivative Risk

- The sub-fund may enter into financial derivative instruments ("FDIs") extensively for investment and hedging purposes. The use of FDIs may involve risks including:
  - the counterparty to the derivative transaction is unable to meet or defaults on its obligations;
  - high volatility of derivatives;
  - the incorrect valuation or pricing of derivatives;
  - the degree of leverage inherent in trading of derivatives. Accordingly, a relatively small price movement in derivatives may result in an immediate and substantial loss to the sub-fund;
  - the possible absence of a liquid market for any particular instrument at any particular time; and
  - the success of the sub-fund's hedging strategy will depend, in part, upon the investment manager's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged.
- Should the use of FDIs for investment and hedging be ineffective or unsuccessful, the sub-fund may suffer a substantial loss, having an adverse effect on its net asset value.

#### Geographical Concentration Risk

- The sub-fund's investments are concentrated in the European Economic Area. This may result in greater volatility than funds which comprise broad-based global investments. The sub-fund may be more susceptible to adverse fluctuations in value resulting from adverse condition in the European Economic Area and the sub-fund's value may be adversely affected.

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### **Eurozone Market Risk**

- The sub-fund invests in Eurozone. Economic and financial difficulties in Eurozone may continue, worsen or spread within and outside the Eurozone. Austerity measures and reforms may not be efficient or may subsequently result in social unrest or other unintentional consequences. Countries may depart from the European Union and cease to use Euro as local currency. Such events could adversely affect the investment of the sub-fund and thus adversely affect the performance and value of the sub-fund.

### **Asset Class Concentration Risk**

- The sub-fund's investments are concentrated in the shares or other similar securities which deem to have a dividend return greater than the market average of the dividends of the companies in Europe. This may result in greater volatility than funds which comprise broad-based investments. The sub-fund may be more susceptible to adverse fluctuations in value resulting from adverse condition in this type of asset class.

### **Risk linked to Equity Market**

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

### **Liquidity Risk**

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

### **Currency Exchange Risk**

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

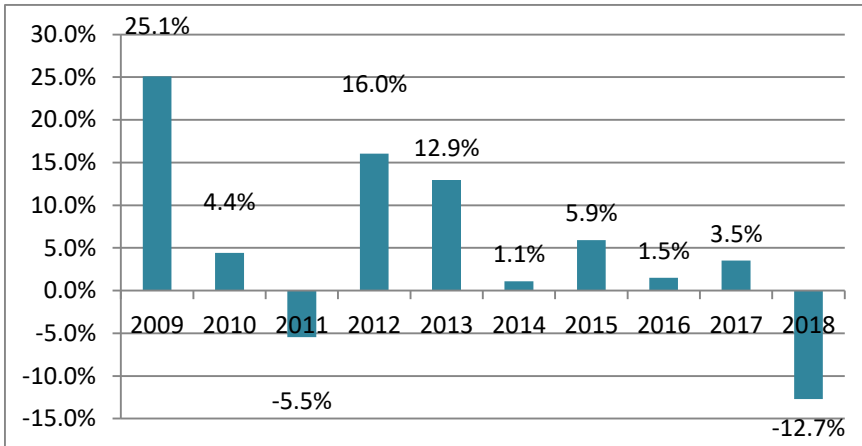
### **Risk in connection with Dividend Payment**

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

### **Investment Risk**

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

## How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- Classic Capitalisation, being a share class with the same reference currency as the sub-fund with the longest track record among all share classes and not restricted to certain types of clients, is selected as the representative share class.
- These figures show by how much the Classic Capitalisation share class increased or decreased in value during the calendar year being shown. Performance data has been calculated in EUR including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- BNP Paribas Funds Europe Dividend launch date: 16 October 2000
- Classic Capitalisation share class launch date: 26 October 2000
- On 14 March 2011, BNP Paribas Funds Europe Dividend absorbed a Luxembourg fund which is not authorized by the SFC.

## Is there any guarantee?

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

## What are the fees and charges?

### Charges which may be payable by you

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

#### Fee

**Subscription fee  
(Entry cost)**

#### What you pay

Up to 3% of the net asset value of the relevant share class subscribed

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|   |   |
|---|---|
| <b>Switching fee<br/>(Conversion fee)</b> | Up to 1.5% of the net asset value of the relevant share class converted |
| <b>Redemption fee<br/>(Exit cost)</b>     | Nil   |

### Ongoing fees payable by the sub-fund

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

Annual rate (as a % of the net asset value of the relevant share category)

|   |  |
|---|--|
| <b>Management fee</b>   | “Classic” categories – Up to 1.50%<br>“Privilege” categories – Up to 0.75% |
| <b>Custodian fee</b>  | Included in Other costs  |
| <b>Performance fee</b>  | Not applicable   |
| <b>Administration fee</b>   | Included in Other costs  |
| <b>Other costs</b><br>(Other costs cover the general asset custody expenses payable to the custodian and the daily administration expenses) | “Classic” categories – Up to 0.40%<br>“Privilege” categories – Up to 0.25% |

### Other fees

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

### Additional Information

- You generally buy and redeem shares at the sub-fund’s next determined subscription price and redemption price through your authorised distributor after the transaction servicing agent receives your request via your authorised distributors in good order on or before 6 pm (Hong Kong time) on a Hong Kong business day. Investors should note that different distributors may have different dealing cut-off which may be earlier than the time specified in this document. Investors should check with the relevant authorised distributors accordingly.
- The net asset value of this sub-fund is calculated and the price of shares published daily on the website at <http://www.bnpparibas-am.hk>.
- The general meeting of shareholders holding distribution shares of the sub-fund decides each year on the Board of Director’s proposal to pay a dividend. As such, there is no guarantee of dividend or distribution payments during the period you hold the shares of the sub-fund.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the website at <http://www.bnpparibas-am.hk>.
- The compositions of the dividends for the last 12 months are available from the Hong Kong representative on request and also on the website at <http://www.bnpparibas-am.hk>.
- Investors may obtain information on the intermediaries from our hotline (852) 2533 0088.

### Important

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

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