WORLDSELECT ONE SICAV

ANNUAL REPORT at 31/03/2023
R.C.S. Luxembourg B 101 897

BNP PARIBAS
ASSET MANAGEMENT

The sustainable investor for a changing world

Table of contents

	Page
Organisation	2
Information	3
Manager's report	4
Audit report	9
Financial statements at 31/03/2023	12
Key figures relating to the last 3 years	13
Securities portfolio at 31/03/2023	
First Selection	*14*
Notes to the financial statements	15
Unaudited appendix	23

Organisation

Registered office

10 Rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg

Board of Directors

Chairman

Mr. Samir CHERFAOUI, Head of Product Development and Global Coordination, BNP PARIBAS ASSET MANAGEMENT France, Paris

Members

Ms. Anita FRUEHWALD, Country Head Austria & CEE, BNP PARIBAS ASSET MANAGEMENT Austria, Vienna

Ms. Selima MABROUK-BRIET, Head of Client Marketing Office Business Management, BNP PARIBAS ASSET MANAGEMENT France, Paris

Management Company

BNP PARIBAS ASSET MANAGEMENT Luxembourg, 10 Rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg

BNP PARIBAS ASSET MANAGEMENT Luxembourg is a Management Company as defined by Chapter 15 of the amended Luxembourg Law of 17 December 2010 concerning Undertakings for Collective Investment.

The Management Company performs the administration, portfolio management and marketing duties.

NAV Calculation

BNP Paribas S.A., Luxembourg Branch*, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Depositary, Registrar and Transfer Agent

BNP Paribas S.A., Luxembourg Branch*, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Effective Investment Manager

BNP PARIBAS ASSET MANAGEMENT France, 1 Boulevard Haussmann, F-75009 Paris, France

BNP PARIBAS ASSET MANAGEMENT UK Ltd., 5 Aldermanbury Square, London EC2V 7BP, United Kingdom

Investment advisor

FundQuest Advisor, 1 Boulevard Haussmann, F-75009, Paris, France (until 16 March 2023)

Auditor

PricewaterhouseCoopers, Société coopérative, 2 Rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

*Until 30 September 2022: BNP Paribas Securities Services, Luxembourg Branch

Information

WORLDSELECT ONE (the "Company") is an open-ended investment company (*Société d'Investissement à Capital Variable* - SICAV) incorporated on 21 July 2004 for an indefinite period, in accordance with the provisions of part I of the Law of 30 March 1988 on Undertakings for Collective Investment.

The Company is currently subject to Part I of the Law of 17 December 2010, as amended, on Undertakings for Collective Investment and to European directive 2009/65/EC (UCITS IV), as amended by the Directive 2014/91 (UCITS V).

The Articles of Association of the Company were published on 2 August 2004 in the "*Mémorial C, Recueil des Sociétés et Associations*" (the "Mémorial"), after having been deposited with the clerk of the District Court of Luxembourg in Luxembourg, where they may be consulted. The Articles of Association were last amended at the Extraordinary General Meeting of Shareholders held on 25 April 2016, published in the Mémorial on 11 July 2016.

The Company is registered in the Luxembourg Trade and Companies Register under the number B 101 897.

The Annual General Meeting of Shareholders takes place in Luxembourg, at the Company's registered office on the last Thursday of the month of July at 11.30 a.m. If this day is not a bank business day in Luxembourg, the Annual General Meeting will be held on the next bank business day.

As to net asset value of the shares of the sub-funds and the dividends, the Company publishes the legally required information in the Grand-Duchy of Luxembourg and in all other countries where these shares are publicly offered. This information is also available on the website: www.bnpparibas-am.com.

The financial year begins on 1 April of each calendar year and ends on 31 March of the following calendar year.

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors, as well as a non-certified semi-annual interim report closed on the last day of the sixth month of the financial year. The Company is authorized to publish a simplified version of the financial report when required. The annual report is made public within four months of the end of the financial year and the interim report within two months of the end of the half-year.

The Articles of Association, the Prospectus, the KIID, and periodic reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual and interim reports are available upon request.

Except for newspaper publications required by Law, the official media to obtain any notice to shareholders will be the website www.bnpparibas-am.com.

Documents and information are also available on the website: www.bnpparibas-am.com.

Manager's report

Stock markets

The start of the period under review, namely late March 2022, was the point at which investors had overcome the initial shock caused by the invasion of Ukraine a few weeks earlier and started to fully appreciate the tougher tone coming from the major central banks, including the US Federal Reserve. This was the primary driver of financial market trends in 2022. Tensions on long yields, linked first to inflationary fears and then to the shift towards less accommodative monetary policy, penalised equities and growth stocks in particular. Global equities experienced a sharp selloff in April, managed to stabilise in May, then fell by over 10% in the first half of June. The drop in long-dated yields and, in all likelihood, cheap purchases by certain participants pushed equities higher after that, but ultimately they could not withstand the deterioration in economic indicators. From summer onwards, equities fluctuated widely, rising and then falling when investors expected the Fed to pivot to less restrictive monetary policy in subsequent months. The rhetoric from central bankers remained highly aggressive, though, accompanied by larger-than-expected increases in key rates. It was at this point that the "Fed pivot" scenario evolved to mean a slower pace of rate hikes by the US central bank.

This hypothesis gave equities a sizeable boost in the autumn, but from mid-December investors had to pay greater heed to central bankers insisting that inflation was still too high and restrictive monetary policy would need to be adopted and remain in place in 2023. Shifting expectations regarding the Fed's monetary policy and, more generally, uncertainty about the economic outlook caused considerable volatility across all asset classes from early 2023. In January, investors were looking for signs of an economic slowdown and an easing of inflation to confirm predictions of less aggressive monetary tightening. In February, by contrast, indicators came in ahead of expectations, casting doubt on the relevance of the ideal scenario investors had envisaged in January. The normalisation of global production chains, lower transport costs and an uptick in commodities prices helped to slow headline inflation, but underlying inflation remained at levels incompatible with central bank targets. In March, difficulties at a number of US regional banks and very limited contagion to Europe raised the spectre of a financial crisis. The swift response from the authorities saw equities end Q1 with strong gains, but could not prevent additional drastic changes to monetary policy expectations.

The other crucial factor for equity investors over the course of the past 12 months was the change in China's Covid strategy from November onwards. The reopening of the Chinese economy was synonymous with Asia recovering and global production chains getting back to normal – prospects welcomed by Asian emerging markets. Be that as it may, the erratic trajectory of global equity markets suggests investors were in disarray. After falls in two consecutive quarters and a strong rally in late 2022 and early 2023, global equities have declined 9.1% over the past 12 months. In mid-October, the MSCI AC World reached a two-year low, having fallen 22.7% since the end of March. The subsequent equity rally was significant, therefore, but even so it did not reflect confidence in the economic outlook for future quarters. EM equities underperformed, with a fall of 13.3% for the MSCI Emerging Markets index in USD. This was caused by a sharp selloff for European and Latin American emerging markets, which were affected by factors including a drop in energy prices (the oil price fell by around 25%).

US markets suffered because they tended to be largely composed of growth stocks and were therefore vulnerable to rising discount rates; one example is the composite Nasdaq index, which dropped 14.1%. The S&P 500 index lost 9.3% whereas the EURO STOXX 50 ended 10.6% higher and the Nikkei 225 index remained practically unchanged at +0.8% (indices in local currencies, with dividends not reinvested).

Currency markets

Highly aggressive statements and decisions from the Fed and concern about the health of the world economy caused rapid and generalised US dollar appreciation until September 2022. The DXY dollar index (calculated against a basket made up of the euro, yen, pound sterling, Canadian dollar, Swedish krona and Swiss franc) rose 16.1% between late March 2022 and 27 September, when it reached its highest level since May 2002. It then fell rapidly, taking the year-on-year rise to 4.3%. The weakening of the dollar from October can be attributed to the prospect of a change in Fed monetary policy and the renewed appetite for risk assets this hypothesis provoked. The index fluctuated in 2023, with no clear trend emerging.

Manager's report

The EUR/USD exchange rate (1.1067 at end-March 2022) fell to under 1.00 on 22 August due to uncertainty regarding the supply of Russian gas to the eurozone and associated fears of a recession. Given concerns about growth, the tougher tone from ECB officials and the increase in key rates from July were not enough to provide lasting support to the euro. The EUR/USD exchange rate trended towards 0.95 on 26 September (its lowest level in over 20 years) before rising again in Q4 amid a dollar move that took it above 1.07 in December (a level last seen in early June). At the start of 2023, it benefited from eurozone economies faring better than expected, reaching 1.10 in early February. It then fluctuated erratically between 1.05 and 1.10, ultimately recording a fall of 2.1% YoY to end at 1.0839.

The USD/JPY exchange rate, which stood at 121.70 at end-March 2022, moved higher as the Bank of Japan (BoJ) continued to view inflation as resulting from the rise in commodities prices. The exchange rate crossed the 150 threshold in October, hitting its highest level since July 1990 at 152 on 21 October. As in September, this triggered direct intervention in the currency market to support the yen. Movements over the months that followed continued to reflect expectations regarding the divergence between Fed and BoJ monetary policy. The dollar fell sharply after the BoJ's monetary policy meeting on 20 December, when the BoJ announced it was widening the band of its yield curve control. This decision took observers by surprise, pushing the USD/JPY exchange rate to its lowest level since early August (131.73 on 20 December). In 2023, it has fluctuated erratically between 128 and 138. Investors remain convinced that the ultra-accommodative policy will be abandoned in the coming months but are stuck with the status quo for now because of what is seen as "temporary" inflation. Kazuo Ueda, who will be Governor of the BoJ from 9 April, also shares this assessment. The yen fell 8.4% YoY to 132.86 for one dollar.

Monetary policy

The US Federal Reserve (Fed) began raising its intervention rates in March (by 25 bps) and soon quickened the pace, with a hike of 50 bps in May followed by four consecutive increases of 75 bps. On 14 December, after a 50 bp rate hike, the target rate for federal funds was adjusted to 4.25-4.50%, amounting to an overall increase of 425 bps in 2022. Over the months, it became clear that the Fed would be concentrating on inflation during its double term and any collateral damage to growth or employment would not get in its way. Deeming inflation "widespread and too high", the Fed decided to bring it back towards the 2% target and, to that end, continue hiking key rates in 2023 and keep them in restrictive territory for some time. Investors felt that this brutal tightening of monetary policy would provoke a recession and the Fed would quickly return to lowering rates. This "Fed pivot" hypothesis, as reflected on the futures markets, was supported by the slowing frequency of rate hikes in December and worsening business surveys. After a hike of 25 bps on 1 February 2023, investors initially chose to focus on evidence in support of an imminent end to the cycle of monetary tightening, but soon had to abandon this idea in light of the publication of excellent economic indicators (especially job creation figures) and more aggressive comments from a number of Fed officials, including Jerome Powell. The woes of California's Silicon Valley Bank (SVB) and contagion to other regional institutions affected expectations profoundly: in the opinion of investors, the risk of recession went up because of the important role played by regional banks in financing the economy (via small and medium-sized enterprises) and the likely introduction of stricter lending terms. At the end of the FOMC meeting of 21 and 22 March, the target range for the federal funds rate was taken to 4.75%–5.00%. The assessment of the labour market remained optimistic (faster job creation since the start of 2023, low unemployment rate) and inflation was considered "high". Otherwise, the economic forecasts published by the Fed were amended only slightly. The second paragraph of the official statement noted that the US banking system was "sound and resilient" but recent events were likely to result in tighter credit conditions for households and businesses and to weigh on economic activity, hiring and inflation. This uncertainty may explain the change in forward guidance (indication as to the future direction of monetary policy): with somewhat less aggressive phrasing than before, the Committee said it anticipated that "some additional policy firming may be appropriate". However, the core PCE indicator excluding food and energy came in at 4.6% year on year in February - a high level in absolute terms reflecting stubborn inflation, subject to close monitoring by the Fed.

Manager's report

Although anticipations of rate increases had emerged at the start of 2022, the European Central Bank (ECB) began its cycle of hikes in July 2022, opting for a rise of 50 bps despite previously indicating that it would raise rates by just 25 bps. It persisted with this aggressive approach throughout the months that followed, as inflation showed no signs of easing, ending the era of zero or negative rates in August with a rise of 75 bps. It went on to increase its three key rates by 75 bps in October and then by 50 bps in December, February and March, taking the deposit rate to 3.00%, the rate on the marginal lending facility to 3.75% and the rate on main refinancing operations to 3.50%. After the decision on 16 March, the ECB indicated that recent tensions on the financial markets were adding to uncertainty around forecasts, but not affecting its baseline scenario that further rate rises would be necessary. Future decisions would be made on a “meeting-by-meeting” basis and determined by its assessment of the inflation outlook in light of the incoming economic and financial data, the dynamics of underlying inflation, and the strength of monetary policy transmission. At the press conference, Christine Lagarde stated that underlying inflation, and in particular services, were “not yet heading in the direction that would confirm the inflation outlook” held by the ECB. The tone therefore remained fairly hawkish despite the financial turbulence unleashed a few days earlier in the United States. The ECB felt that the eurozone was “resilient, with strong capital and liquidity positions”, and stressed that “the ECB’s policy toolkit is fully equipped to provide liquidity support to the euro area financial system if needed and to preserve the smooth transmission of monetary policy”. Christine Lagarde managed to draw a clear distinction between the goals of financial stability and price stability. Underlying inflation stood at 5.7% year on year in March (versus 4.8% in September 2022). Furthermore, economic indicators were regularly beating forecasts, demonstrating a certain economic resilience in the eurozone, even if the improvement in survey data was driven by the strong performance of services, with the manufacturing sector treading water.

Long term yields

Volatility on government bond yields remained high throughout the year due to fluctuating expectations regarding monetary policy. Unanticipated country-specific events led to an overall decline in government bonds on two separate occasions, making investors jittery. In September, the United Kingdom’s risky communication on its budget policy forced the Bank of England to intervene on the gilt market to re-establish financial stability. In December, the Bank of Japan (BoJ) changed its yield curve control policy unexpectedly. This weighed on markets around the world, and eurozone bond markets in particular.

The 10-year T-note yield (2.34% at end-March 2022) initially rose above 3.00% in May after the Fed tightened its monetary policy. Despite adjustments in positions (profit-taking on short positions), the upward trend did not reverse. The 10-year yield stood at nearly 3.50% on 14 June – a 10-year high. Concerns about growth subsequently came to the fore. A growing number of observers began to think that the Fed’s aggressive monetary policy could result in a recession. Although inflation remained very high and well above the 2% target, investors were convinced that the cycle of monetary tightening would be less severe than announced and followed by easing in early 2023. Yields fell significantly until the beginning of August. After several unequivocal statements from members of the FOMC (Federal Open Market Committee), an upward trend took hold again on short- and long-term yields and the 10-year yield came close to 4.25% in October. In November and December, the data supported the scenario of inflation easing, prompting a further fall in bond yields (to under 3.50% in mid-December). Although the deceleration in inflation (from 9.1% in June to 6.0% in February) left it well above the 2% target, investors focused on information compatible with their scenario that the Fed would slow the pace of rate hikes. The Fed used multiple channels (statements and orchestrated leaks to the press) to effectively signal that the rise would be 50 bps in December (after 75 bps in June, July, September and November), but emphasized the fact that the cycle of tightening would continue. Investors largely ignored this part of the message. In December, hawkish commentary from the ECB and then, above all, the Bank of Japan’s unexpected move, influenced US yields. Other sources of volatility disrupted government bonds in 2023: after the closure of Silicon Valley Bank and a few days of concern about other regional institutions, short-dated yields recorded their largest daily variations since the early 1980s. Despite the swift response from the authorities, in particular to guarantee the safety of bank deposits, yields fell further on the back of fears that a recession caused by the banking crisis would force the Fed to aggressively cut its intervention rates. These concerns receded at the end of the period when it became clear that the risk of contagion was limited (and the authorities had it under control). In this context, the 10-year T-note yield rose by 113 bps year on year to end at 3.47%. The short end of the curve underperformed, with the two-year yield increasing by 169 bps to 4.02% after a highly erratic trajectory.

Manager's report

Faced with rising inflation and signs that the ECB could normalise monetary policy, the 10-year German Bund yield (0.55% at end-March 2022) approached and then crossed the 1.00% threshold in May. The rally in long-dated yields remained chaotic, but the ECB's tougher rhetoric and key rate hikes from July pushed the German 10-year rate past all symbolic thresholds (1.50% at end-August, 1.75% then 2.00% in September), to nearly 2.50% in October, a level not seen since 2011, while inflation surpassed 10% year on year. As the weeks went by, it became clear that the ECB, like most of its counterparts in developed economies, would not hesitate to raise key rates to fight inflation, even if growth was showing signs of weakness. US yields caused erratic movements for a time, before an upward trend took hold again in December. The trajectory of eurozone markets in 2023 was influenced by anticipations about Fed and ECB monetary policy and, of course, by the bank-related events of March, in the US and then in Europe. The 10-year German Bund yield started with a fall in January back towards 2.00% after an article appeared in the press suggesting that the ECB intended to slow the pace of rate hikes. Commentary emphasising the fact that inflation remained too high pushed 10-year German yields above 2.50% in late February and 2.75% in early March. On several occasions, market shifts were accentuated by the reactions of investors caught on the back foot. That was the case with the fall that followed the ECB's 50 bp rate hike on 16 March and drove the 10-year German Bund yield below 2.00% for a time in trading on 24 March, amid mounting concerns about European banks. Yields trended higher late in the period before falling on 31 March on the back of a slowdown in overall inflation caused by favourable base effects on energy costs. The 10-year German Bund yield ended at 2.29% (+174 bps year on year).

Outlook

The events that occurred in March were specific to certain players in the banking sector. Authorities in the US and Europe correctly assessed the situation and managed to largely restore calm by ensuring access to liquidity, thereby reducing the risk of a systemic crisis. Jitters are likely to persist, however, in particular because the recent bank failures increase the uncertainty surrounding what was already an unclear economic scenario. Drastic changes to expectations regarding Fed monetary policy in recent weeks, causing massive shifts across the entire yield curve, have left certain market players in difficulty. Their responses have accentuated trends and made market sentiment even harder to parse. Our central scenario is still one of a recession caused by monetary policies introduced to combat inflation. It is as yet too early to assess the macroeconomic implications of the doubts now weighing on US regional banks, which play an important role in financing the economy. Changes to lending patterns will be another crucial factor determining how central banks, most notably the Fed, conduct monetary policy. That was Jerome Powell's central message at the press conference of 22 March. Although persistently high underlying inflation would have more than justified substantial further rises in intervention rates, the terminal rate is likely to be lower than the forecasts were suggesting in early March. Conversely, we think that expectations of swift cuts are overblown given that the recession is likely to remain moderate. This analysis leads us to believe that bond yields have fallen too low in recent weeks with respect to fundamentals, in particular in the eurozone where the ECB is likely to continue hiking its key rates. We believe that the probability of a decoupling of growth between the developed world and the emerging world has risen, justifying greater exposure to EM equities. Our overall equity position is neutral. Some jitters are likely to remain, which could fuel volatility in various asset classes over the coming months, before it is possible to establish a firmer consensus by ruling out the most extreme scenarios.

Changes

YIELDS

10-year yield	31 March 2023	31 March 2022	Change (basis points)
US T-note	3.47	2.34	113
JGB	0.35	0.22	14
OAT	2.79	0.98	181
Bund	2.29	0.55	174

CURRENCIES

Europe closures	31 March 2023	31 March 2022	Change
EUR/USD	1.0839	1.1067	(2.06)%
USD/JPY	132.86	121.70	9.17%
EUR/JPY	144.09	134.67	6.99%
EUR/GBP	0.8790	0.8424	4.35%
GBP/USD	1.2337	1.3138	(6.10)%
EUR/CHF	0.9922	1.0212	(2.85)%
USD/CHF	0.9153	0.9225	(0.78)%

Manager's report

STOCK MARKETS

	31 March 2023	31 March 2022	Change
Euro Stoxx 50	4 315.1	3 902.5	10.57%
Stoxx 50	3 941.1	3 710.8	6.21%
CAC 40	7 322.4	6 659.9	9.95%
Xetra-DAX	15 628.8	14 414.8	8.42%
FTSE 100	7 631.7	7 515.7	1.54%
SMI	11 106.2	12 161.5	(8.68)%
Dow Jones 30	33 274.2	34 678.4	(4.05)%
Nasdaq	12 221.9	14 220.5	(14.05)%
S&P 500	4 109.3	4 530.4	(9.29)%
Nikkei 225	28 041.5	27 821.4	0.79%
Topix	2 003.50	1 946.40	2.93%
MSCI All Countries (*)	646.8	711.6	(9.11)%
MSCI Emerging Markets (*)	990.3	1 141.8	(13.27)%

(*) in USD Source : Bloomberg, Reuters, BNPP AM

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The Board of Directors

Luxembourg, 2 May 2023

Note: The information stated in this report is historical and not necessarily indicative of future performance.

Audit report

To the Shareholders of
WORLDSELECT ONE

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of WORLDSELECT ONE (the “Fund”) as at 31 March 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 March 2023;
- the statement of operations and changes in net assets for the year then ended;
- the securities portfolio as at 31 March 2023; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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;

- obtain 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 Fund's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;

- conclude on the appropriateness of the Board of Directors of the Fund’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 6 July 2023

Electronically signed by:
Sébastien Sadzot

Sébastien Sadzot

Financial statements at 31/03/2023

	Notes	First Selection
	Expressed in	**EUR**
Statement of net assets		
Assets		**42 757 560**
Securities portfolio at cost price		39 812 947
Unrealised gain/(loss) on securities portfolio		1 326 953
Securities portfolio at market value	2	41 139 900
Options at market value	2,11	17 980
Cash at banks and time deposits		330 225
Other assets		1 269 455
Liabilities		**154 370**
Net Unrealised loss on financial instruments	2,9,10	22 597
Other liabilities		131 773
Net asset value		**42 603 190**
Statement of operations and changes in net assets		
Income on investments and assets		**50 071**
Management and advisory fees	4	759 664
Depositary fees	6	8 904
Bank interest		4 605
Extraordinary and other expenses	7	37 681
Taxes	8	4 978
Administrative services fees	5	346 615
Transaction fees	14	8 747
Total expenses		**1 171 194**
Net result from investments		**(1 121 123)**
Net realised result on:		
Investments securities	2	(1 286 470)
Financial instruments	2	(1 554 816)
Net realised result		**(3 962 409)**
Movement on net unrealised gain/(loss) on:		
Investments securities		(1 573 636)
Financial instruments		164 243
Change in net assets due to operations		**(5 371 802)**
Net subscriptions/(redemptions)		**(1 897 997)**
Increase/(Decrease) in net assets during the year/period		**(7 269 799)**
Net assets at the beginning of the financial year/period		**49 872 989**
Net assets at the end of the financial year/period		**42 603 190**

Key figures relating to the last 3 years

First Selection	EUR 31/03/2021	EUR 31/03/2022	EUR 31/03/2023	Number of shares 31/03/2023
Net assets	55 511 440	49 872 989	42 603 190	
Net asset value per share				
Share “Classic - Capitalisation”	15.04	15.10	13.46	3 164 358.398

Securities portfolio at 31/03/2023

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
	Shares/Units in investment funds		41 139 900	96.57
	Luxembourg		*28 431 769*	*66.74*
82 634.68	AMSELECT AB US EQUITY GROWTH ICA	USD	6 942 697	16.31
26 037.42	AMSELECT AMUNDI EUROPE EQUITY VALUE - I CAP	EUR	2 711 016	6.36
22 206.06	AMSELECT BLUEBAY EURO BOND AGGREGATE ICA	EUR	1 901 061	4.46
38 452.71	AMSELECT HARRIS US EQUITY VALUE ICA	USD	3 059 724	7.18
84 393.00	BNP PARIBAS EASY ENERGY & METALS ENHANCED ROLL - UCITS ETF CAP	USD	998 128	2.34
6 750.00	BNP PARIBAS EASY ESG VALUE EUROPE - UCITS ETF CAP	EUR	831 769	1.95
1 181.30	BNP PARIBAS EASY MSCI JAPAN ESG FILTERED MIN TE - TRACK PRIVILEGE CAP	EUR	1 557 006	3.65
61 106.00	BNP PARIBAS EASY MSCI PACIFIC EX JAPAN ESG FILTERED MIN TE - UCITS ETF CAP	EUR	764 925	1.80
266 697.00	BNP PARIBAS EASY MSCI USA SRI S-SERIES PAB 5PC CAPPED - UCITS ETF CAP	USD	4 125 709	9.69
8 878.47	BNP PARIBAS FUNDS CHINA EQUITY- X CAP	USD	589 691	1.38
43 503.00	BNP PARIBAS FUNDS EMERGING MULTI ASSET INCOME - CLASSIC CAP	USD	3 580 504	8.41
0.36	BNP PARIBAS FUNDS EUROPE SMALL CAP - I CAP	EUR	99	0.00
1 878.00	BNP PARIBAS FUNDS GLOBAL ENVIRONMENT - I CAP	EUR	619 120	1.45
0.03	BNP PARIBAS FUNDS SUSTAINABLE ENHANCED BOND 12M - I CAP	EUR	2 735	0.01
34 193.04	FIDELITY-ASEAN F-I ACC USD	USD	422 358	0.99
35 974.07	LOMBARD ODIER FUNDS GLOBAL FINTECH IX1 EUR CAP	EUR	325 227	0.76
	France		*10 216 325*	*23.98*
338 636.00	BNP PARIBAS EASY S&P 500 UCITS ETF - CLASSIC CAP	EUR	6 285 354	14.76
48 910.00	BNP PARIBAS EASY STOXX EUROPE 600 UCITS ETF - CLASSIC CAP	EUR	670 610	1.57
123.66	BNP PARIBAS MOIS ISR - I CAP	EUR	2 832 273	6.65
6.41	OFI PRECIOUS METALS-XL	EUR	428 088	1.00
	Ireland		*2 491 806*	*5.85*
0.41	ACADIAN EMERGING MARKET EQUITY UCITS II - C USD I - ACC	USD	7	0.00
6 206.00	ALGEBRIS FINANCIAL CREDIT FUND - I EUR CAP	EUR	1 046 332	2.46
0.41	BRANDES EUROPEAN VALUE - I EUR	EUR	20	0.00
2 634.00	INVESCO NASDAQ 100 EUR HDG	EUR	625 812	1.47
20 984.00	ISHARES MSCI KOREA	EUR	819 635	1.92
	Total securities portfolio		**41 139 900**	**96.57**

Notes to the financial statements

Notes to the financial statements at 31/03/2023

Note 1 - General Information

The sub-fund First Selection (expressed in EUR) is a sub-fund that mainly invests in shares/units of Undertakings for Collective Investment in transferable securities (“UCI’s” and “UCITS”), which in turn invest primarily in equities, bonds and money market instruments. Emphasis is placed on international diversification of investments across both developed and emerging market countries.

The sub-fund aims to increase the value of its assets over the investment horizon through a dynamic strategic asset allocation process (based on the manager’s longer-term asset class views) as well as via tactical asset allocation deviations (based on the manager’s shorter-term asset class views). Exposure to equity markets in the sub-fund can fluctuate between 60% and 100%.

The investment manager will also aim to add value by selecting managers to actively manage each individual asset class.

Within the framework of the investment policy and also for hedging purposes, the sub-fund may use the derivative instruments described in Appendices 1 and 2 of Book I of the prospectus. Potential investors should be aware that the use of derivatives may involve greater risks.

Note 2 - Principal accounting methods

a) Net asset value

This annual report is prepared on the basis of the last net asset value as at 31 March 2023.

b) Presentation of the financial statements

The financial statements of the Company are presented in accordance with the legislation in force in Luxembourg on Undertakings for Collective Investment.

The statement of operations and changes in net assets covers the financial year from 1 April 2022 to 31 March 2023.

c) Valuation of the securities portfolio

The target fund units/shares held in the sub-fund are valued at the last net asset value available on the Valuation Day, as communicated by the target fund concerned or, at the unofficial value if the latter is more recent (in such case based upon a probable net asset value estimated prudently and in good faith by the Board of Directors of the Company or based upon other sources, such as information from the manager of the said target fund).

d) Valuation of futures contracts

Futures contracts are valued at their realisable value, which is based on the last available settlement price of such contracts on the market on which these contracts are traded.

Margin accounts to guarantee the liabilities on futures contracts are included in the “Cash at banks and time deposits” and/or “Bank overdrafts” account in the statement of net assets.

The unrealised appreciation/(depreciation) is disclosed in the Statement of net assets under “Net Unrealised gain on financial instruments” or “Net Unrealised loss on financial instruments”. Realised gains/(losses) and change in unrealised appreciation/(depreciation) as a result thereof are included in the Statement of operations and changes in net assets respectively under “Net realised result on Financial instruments” and “Movement on net unrealised gain/(loss) on Financial instruments”.

e) Valuation of options

The liquidation value of options traded on stock markets is based on the closing prices published by the stock markets on which the Company traded the contracts in question. The liquidation value of options not traded on stock markets is determined in accordance with the rules defined by the Board of Directors of the Company, in accordance with uniform criteria for each category of contract.

Options are disclosed at market value in the Statement of net assets. The unrealised appreciation/(depreciation) is disclosed in the caption “Options at market value”. Realised gains/(losses) and change in unrealised appreciation/(depreciation) as a result thereof are included in the Statement of operations and changes in net assets respectively under “Net realised result on Financial instruments” and “Movement on net unrealised gain/(loss) on Financial instruments”.

f) Valuation of forward foreign exchange contracts

The disposal value of the forward foreign exchange contracts is based on the forward foreign exchange rates at the balance sheet date for the duration of the contracts.

The unrealised appreciation/(depreciation) is disclosed in the Statement of net assets under “Net Unrealised gain on financial instruments” or “Net Unrealised loss on financial instruments”. Realised gains/(losses) and change in unrealised appreciation/(depreciation) as a result thereof are included in the Statement of operations and changes in net assets respectively under “Net realised result on Financial instruments” and “Movement on net unrealised gain/(loss) on Financial instruments”.

g) Income on investments

Dividends are recorded at the ex-dividend date. Interests are recorded on an accrual basis.

Note 3 - Exchange rates

As at 31 March 2023, the sole sub-fund and share class was denominated in EUR.

Note 4 - Management and advisory fees (maximum per annum)

Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company and serve to cover remuneration of the asset managers and also distributors in connection with the marketing of the Company's stock.

Sub-fund	Management Fee	Advisory Fee
First Selection	2.10%	0.15%[1]

[1] Until 16 March 2023

The sub-fund may not invest in a UCITS, or other UCI (underlying), with a management fee exceeding 3.00% per annum.

The maximum management fees applied for the underlying sub-funds are as follow:

Security Name	Management Fee
AMSELECT AB US EQUITY GROWTH - I CAP	0.75%
AMSELECT AMUNDI EUROPE EQUITY VALUE - I CAP	0.75%
AMSELECT BLUEBAY EURO BOND AGGREGATE - I CAP	0.30%
AMSELECT HARRIS US EQUITY VALUE - I CAP	0.75%
BNP PARIBAS EASY ENERGY & METAL ENHANCED ROLL - UCITS ETF CAP	0.26%
BNP PARIBAS EASY ESG VALUE EUROPE - UCITS ETF CAP	0.18%

Notes to the financial statements at 31/03/2023

Security Name	Management Fee
BNP PARIBAS EASY MSCI JAPAN ESG FILTERED MIN TE - TRACK PRIVILEGE CAP	0.03%
BNP PARIBAS EASY MSCI PACIFIC EX JAPAN ESG FILTERED MIN TE - UCITS ETF CAP	0.03%
BNP PARIBAS EASY MSCI USA SRI S-SERIES PAB 5PC CAPPED - UCITS ETF CAP	0.13%
BNP PARIBAS EASY S&P 500 UCITS ETF - EUR CLASSIC CAP	0.03%
BNP PARIBAS EASY STOXX EUROPE 600 UCITS ETF - EUR CLASSIC CAP	0.08%
BNP PARIBAS FUNDS CHINA EQUITY - X CAP	0.00%
BNP PARIBAS FUNDS EMERGING MULTI-ASSET INCOME - C CAP	1.25%
BNP PARIBAS FUNDS EUROPE SMALL CAP - I CAP	0.85%
BNP PARIBAS FUNDS GLOBAL ENVIRONMENT - I CAP	0.85%
BNP PARIBAS FUNDS SUSTAINABLE ENHANCED BOND 12M - I CAP	0.40%
BNP PARIBAS MOIS ISR - I CAP	0.15%

Note 5 - Administrative services fees

Fee calculated on each Valuation Day on the net asset value of the sub-fund at a rate which shall be agreed from time to time with the Management Company and paid to the Management Company monthly. This fee shall cover the services of the Administrative Agent, Domiciliary and Corporate Agent and the Registrar & Transfer Agent as well as of service providers and fees incurred in places where the Company is registered.

Note 6 - Depositary fees

Charge calculated on the net asset value of the sub-fund and paid by the Company. The rate will depend on the market in which the assets are invested and typically range from 0.003% of the net assets of the sub-fund in developed markets to 0.35% of the net assets of the sub-fund in emerging markets (excluding transaction charges and reasonable disbursements and out-of-pocket expenses), plus VAT if any. The sub-fund may pay higher depositary fees applicable to investment in emerging markets.

Note 7 - Extraordinary and other expenses

Expenses other than management, performance, distribution and administrative services.

They will be borne by the Company and include stamp duties, taxes, commissions and other dealing costs, foreign exchange costs, bank charges, registration fees in relation to investments, insurance and security costs, fees and expenses of the Auditors, the remuneration and expenses of its directors and officers, all expenses incurred in the collection of income and in the acquisition, holding and disposal of investments. The Company will also be responsible for the costs of preparing, translating, printing and distributing all rating agencies statements, notices, accounts, Prospectuses/offering documents, annual and semi-annual reports and relevant documents as required by relevant local laws, as well as certain other expenses incurred in the administration of the sub-fund such as but not limited to rating agency fees.

The sub-fund may also pay specific additional costs, without limitation, such as hedging expenses.

Moreover, the Company bears any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed on the Company or its assets, in the countries where the Company is distributed.

Note 8 - Taxes

The Company is liable to an annual "taxe d'abonnement" in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

a) sub-funds with the exclusive objective of collective investments in money market instruments and deposits with credit institutions;

b) sub-funds with the exclusive objective of collective investments with credit institutions;

c) sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this "*taxe d'abonnement*":

a) the value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the "taxe d'abonnement";

b) sub-funds, categories and/or classes:
(i) whose securities are reserved to Institutional Investors, Managers, or UCIs and
(ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and
(iii) whose weighted residual portfolio maturity does not exceed 90 days, and
(iv) that have obtained the highest possible rating from a recognised rating agency;

c) sub-funds , share categories and/or classes reserved to:
(i) institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
(ii) companies having one or more employers investing funds to provide pension benefits to their employees;

d) sub-funds whose main objective is investment in microfinance institutions;

e) sub-funds, categories and/or classes:
(i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
(ii) whose exclusive object is to replicate the performance of one or several indices.

When due, the "taxe d'abonnement" is payable quarterly based on the relevant net assets and calculated at the end of the quarter for which it is applicable.

In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

No fee or tax is payable in Luxembourg when shares in the Company are issued, with the exception of the fixed levy which is payable upon establishment and which concern the raising of capital.

The income received by the Company may be subject to a withholding tax in the country of origin and is therefore collected by the Company after deduction of this tax, which is neither eligible for setting off nor recoverable.

Note 9 - Futures contracts

As at 31 March 2023, the following positions were outstanding:

First Selection

Currency	**Quantity**	**Purchase/ Sale**	**Description**	**Maturity**	**Nominal (in EUR)**	**Net unrealised gain/(loss) (in EUR)**
EUR	5	S	EURO OAT FUTURE FRENCH GOVT BD 10YR 6%	08/06/2023	651 150	(8 244)
EUR	7	S	EURO-BTP FUTURE	08/06/2023	807 450	(13 900)
EUR	5	S	EURO-BUND FUTURE	08/06/2023	679 200	(8 144)
EUR	57	P	STOXX BANKS DVP	15/12/2023	171 000	4 275

Currency	Quantity	Purchase/ Sale	Description	Maturity	Nominal (in EUR)	Net unrealised gain/(loss) (in EUR)
EUR	24	P	EURO STOXX BANK (SX7E)	16/06/2023	118 860	(2 890)
EUR	70	P	STOXX BANKS DVP	16/06/2023	175 350	4 200
EUR	17	P	STOXX BANKS DVP	20/12/2024	46 750	3 825
USD	37	P	MSCI EMERGING MARKETS INDEX	16/06/2023	1 695 131	20 178
USD	14	S	MSCI WORLD NR	16/06/2023	1 115 928	(53 895)
					Total:	**(54 595)**

As at 31 March 2023, the cash margin balance in relation to futures and/or options amounted to 284 266 EUR.

Broker for futures contracts:

BNP Paribas, France

Note 10 - Forward foreign exchange contracts

As at 31 March 2023, the total amount purchased per currency and the total amount sold per currency in the context of forward foreign exchange contracts were as follows:

First Selection

Currency	Purchase amount	Currency	Sale amount
EUR	18 878 609	EUR	2 485 660
JPY	224 545 000	JPY	112 354 867
USD	927 000	USD	19 566 519
		Net unrealised gain (in EUR)	**31 998**

As at 31 March 2023, the latest maturity of all outstanding contracts is 19 April 2023.

Counterparties to Forward foreign exchange contract:

Bank of America Securities Europe
BNP Paribas Paris
Goldman Sachs International London
JP Morgan
Morgan Stanley Europe

Notes to the financial statements at 31/03/2023

Note 11 - Options positions

For options contracts with the same Description, Currency, Maturity Date, Strike and Counterparty, the positions are consolidated. In this context, the options' quantities can be 0.

As at 31 March 2023, the following positions were outstanding:

First Selection

Currency	Quantity	Purchase/ Sale	Description	Maturity date	Strike	Nominal (in EUR)	Market value (in EUR)
EUR	6	P	PUT EURO STOXX 50 - OPTION 19/05/2023 37	19/05/2023	3 700.000	222 000	876
EUR	6	P	PUT EURO STOXX 50 - OPTION 16/06/2023 35	16/06/2023	3 550.000	213 000	1 170
EUR	6	P	PUT EURO STOXX 50 - OPTION 15/09/2023 38	15/09/2023	3 800.000	228 000	4 866
USD	1	S	PUT S&P 500 E-MINI FUTURE 16/06/2023 370	16/06/2023	3 700.000	170 279	(1 588)
USD	2	P	PUT S&P 500 E-MINI FUTURE 16/06/2023 395	16/06/2023	3 950.000	363 569	6 903
USD	2	P	PUT S&P 500 E-MINI FUTURE 16/06/2023 380	16/06/2023	3 800.000	349 763	4 349
USD	2	S	PUT S&P 500 E-MINI FUTURE 16/06/2023 360	16/06/2023	3 600.000	331 354	(2 324)
USD	2	P	PUT S&P 500 E-MINI FUTURE 16/06/2023 375	16/06/2023	3 750.000	345 161	3 728
						Total:	**17 980**

As at 31 March 2023, the cash margin balance in relation to futures and/or options amounted to 284 266 EUR.

Counterparty to Options:

BNP Paribas, France

Note 12 - Global overview of collateral

As at 31 March 2023, the Company pledged the following collaterals in favour of forward exchange traded counterparties:

Sub-fund	Currency	OTC collateral	Type of collateral
First Selection	EUR	20 000	Cash

Note 13 - Change in the composition of the securities portfolio

The list of changes to the composition of the securities portfolio during the financial year is available free of charge at the Management Company's registered office and from local agents.

Note 14 - Transaction fees

Transaction fees incurred by the Company relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are mainly composed of standard fees, sundry fees on transactions, stamp fees, brokerage fees, depositary fees, VAT fees, stock exchange fees and RTO fees (Reception and transmission of orders).

In line with bond market practice, a bid-offer spread is applied when buying or selling securities. Consequently, in any given transaction, there will be a difference between the purchase and sale prices quoted by the broker, which represents the broker's fee.

Note 15 - List of Investment Managers

- BNP PARIBAS ASSET MANAGEMENT France, abbreviated to BNPP AM France
- BNP PARIBAS ASSET MANAGEMENT UK Ltd., abbreviated to BNPP AM UK

Sub-fund	Investment Managers
First Selection	**BNPP AM France** sub delegating to **BNPP AM UK** (for portfolio hedging and FX cash management)

Note 16 - SFDR Statement

Information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Sustainable Finance Disclosure Regulation section.

Note 17 - Significant Event

Since 24 February 2022, the Board of Directors has been very attentive to the consequences of the conflict between Russia and Ukraine and its impact on the energy shortage and food supplies in Europe. The Board of Directors closely monitors developments in terms of global outlook, market and financial risks in order to take all necessary measures in the interest of shareholders.

Information on the Remuneration Policy in effect within the Management Company

We are providing below quantitative information concerning remuneration as required under Article 22 of the AIFM Directive (Directive 2011/61/EU of 8 June 2011) and Article 69(3) of the UCITS V Directive (Directive 2014/91/EU of 23 July 2014) in a format that is compliant with the recommendations of the association competent for the financial centre, the French Asset Management Association (Association Française de la Gestion financière - AFG)[1].

Aggregate remuneration of employees of BNP PARIBAS ASSET MANAGEMENT Luxembourg ("BNPP AM Luxembourg") (point (e) of Article 22(2) of the AIFM Directive and point (a) of Article 69(3) of the UCITS V Directive):

Business sector	Number of employees	Total remuneration (fixed + variable) (EUR thousand)	of which total variable remuneration (EUR thousand)
All employees of **BNPP AM Luxembourg**	78	8 248	1 098

Aggregate remuneration of employees of BNPP AM Luxembourg whose work has a significant impact on the risk profile and who thus have the status of "Regulated Staff Members[2]" (point (f) of Article 22(2) of the AIFM Directive and point (b) of Article 69(3) of the UCITS V Directive):

Business sector	Number of employees	Total remuneration (EUR thousand)
Regulated Staff Members employed by **BNPP AM Luxembourg**:	3	752
of whom managers of Alternative Investment Funds/UCITS/managers of European mandates	*0*	*0*

Other information about BNPP AM Luxembourg:

– **Information on AIF and UCITS under management**

	Number of sub-funds (31/12/2022)	Assets under management (billions of euro) on 31/12/2022[3]
UCITS	192	118
Alternative Investment Funds	23	3

- Under the supervision of the Remuneration Committee of BNP Paribas Asset Management Holding and its Board of Directors, a centralised independent audit of the global remuneration policy of BNP Paribas Asset Management along with its implementation during the 2022 financial year was carried out between June and September 2022. As a result of this audit, which covered the entities of BNP Paribas Asset Management holding an AIFM and/or UCITS licence, a score of "Satisfactory" was awarded (the highest of four possible scores), thus endorsing the solidity of the system in place, particularly in its key stages: identification of regulated staff members, consistency of the relation between performance and remuneration, application of mandatory deferred remuneration rules, implementation of indexation and deferred remuneration mechanisms. A recommendation - not presented as a warning - was issued in 2022, the documentation and controls of the selection of the baskets of index for the members of the management teams who do not directly manage the portfolios themselves needed to be improved in certain cases.
- Further information concerning the calculation of variable remuneration and on these deferred remuneration instruments is provided in the description of the Remuneration Policy published on the Company's website.

[1] NB: the figures for remuneration provided below cannot be directly reconciled with the accounting data for the year as they reflect the amounts awarded based on staff numbers at the close of the annual variable remuneration campaign in May 2022. Thus, these amounts include for example all variable remuneration awarded during this campaign, whether deferred or not, and irrespective of whether or not the employees ultimately remained with the Company.
[2] The list of regulated staff members is drawn up on the basis of the review carried out at the end of the year.
[3] The amounts thus reported take into account master-feeder funds.

Unaudited appendix

Global market risk exposure

The Management Company of the Company, after a risk profile assessment, decided to adopt the commitment approach to determine the global market risk exposure.

Information according to regulation on transparency of securities financing transactions

The Company is not affected by SFTR instruments during the year ending 31 March 2023.

Transparency of the promotion of environmental or social characteristics and of sustainable investments

I - BNP Paribas Asset Management approach

BNP Paribas Asset Management's current general approach to considering environmental, social and governance (ESG) criteria is detailed on our website: https://www.bnpparibas-am.com/en/sustainability/as-an-investor/.

II - Investment strategy of the Company

As part of the investment strategy implemented, the Company does not promote environmental and/or social and governance characteristics, nor does it have a sustainable investment objective within the meaning of Articles 8 and 9 of the SFDR.

The Company’s investments do not take into account the European Union criteria for environmentally sustainable economic activities as set out by the Taxonomy Regulation.

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

Facilities in the Federal Republic of Germany according to section 306a (1) of the Investment Code

Subscriptions, repurchase and redemption orders can be addressed to BNP Paribas Securities, Niederlassung Luxemburg, 60, avenue J. F. Kennedy, L-1855 Luxemburg.

Payments relating to the units of the UCITS will be made by BNP Paribas Securities, Niederlassung Luxemburg, 60, avenue J. F. Kennedy, L-1855 Luxemburg.

Information on how orders can be made and how repurchase and redemption proceeds are paid can be obtained from BNP PARIBAS ASSET MANAGEMENT France, Zweigniederlassung Deutschland, Senckenberganlage 19, 60325 Frankfurt am Main.

Information and access to procedures and arrangements referred to in Article 15 of Directive 2009/65/EC relating to investors' exercise of their rights can be obtained from BNP PARIBAS ASSET MANAGEMENT France, Zweigniederlassung Deutschland, Senckenberganlage 19, 60325 Frankfurt am Main.

Information and documents required pursuant to Chapter IX of Directive 2009/65/EC available to investors can be obtained free of charge and in hard copy from BNP PARIBAS ASSET MANAGEMENT France, Zweigniederlassung Deutschland, Senckenberganlage 19, 60325 Frankfurt am Main.

The prospectus, the key investor information documents, the articles of incorporation, the annual, semi-annual reports, the issue, sale, repurchase or redemption price of the units is available free of charge, in hard copy form at BNP PARIBAS ASSET MANAGEMENT Luxembourg and on the website www.bnpparibas-am.com.

No units of EU UCITS will be issued as printed individual certificates.

The issue, redemption and conversion prices of shares are published on www.bnpparibas-am.de and any other information to the shareholders will be published in Germany in the Federal Gazette ("www.bundesanzeiger.de") and on the website www.bnpparibas-am.com except for the publications concerning the payment of dividends, the exchange ratio and the convening notices to General Meeting which are available via the website.

In addition, communications to investors in the Federal Republic of Germany will be made available by means of a durable medium (section 167 of the Investment Code) in the following cases:

- suspension of the redemption of the units,
- termination of the management of the fund or its liquidation,
- any amendments to the company rules which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.

BNP PARIBAS
ASSET MANAGEMENT

The sustainable investor for a changing world