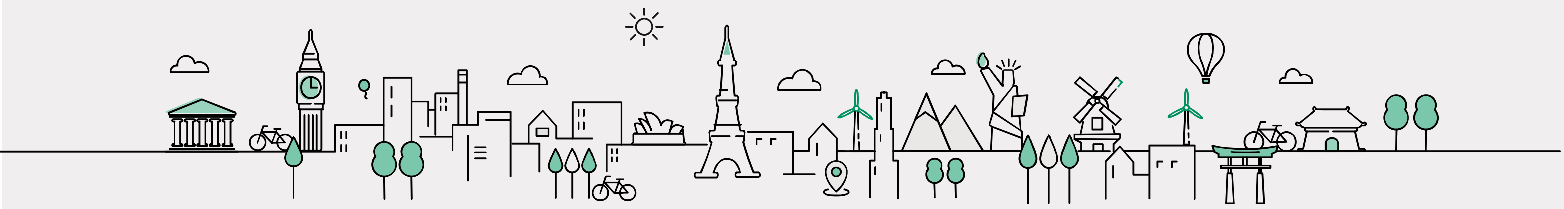
ANNUAL REPORT 2017

BNP PARIBAS ASSET MANAGEMENT NEDERLAND N.V.



Annual Report 2017 – 31 December 2017

BNP PARIBAS ASSET MANAGEMENT

The asset manager for a changing world

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General

We herewith present the financial statements for the year 2017 of BNP PARIBAS ASSET MANAGEMENT Nederland N.V. (the **Company**) together with the report of the Management Board.

BNP Paribas Asset Management is the autonomous global asset management division of the BNP Paribas Group. The Company, acts, amongst others, as director and/or management company (*beheerder*) for Dutch Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Funds (AIF's) (together: investment funds). Further, the Company is entrusted with asset management activities for both institutional mandates and foreign investment funds of BNP Paribas Asset Management. Total assets that are under the direct management of the Company are around EUR 26 billion as of December 31st, 2017.

On June 1st, 2017 various entities within BNP Paribas Investment Partners, amongst those the Company, changed their statutory names. As of June 1st, 2017, the name of the Company is BNP PARIBAS ASSET MANAGEMENT Nederland N.V.

Corporate Structure

BNP PARIBAS ASSET MANAGEMENT Holding in France indirectly holds 100% of the shares of BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. which is the 100% owner of the shares of the Company. The Company is established in the Netherlands. BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. also holds 100% of the shares of BNP PARIBAS ASSET MANAGEMENT Netherlands N.V., which is the formal employer of all BNP Paribas Asset Management employees, as well as the contracting party for external contractors and other external temporarily staff that is based in the Netherlands.

Year results 2017

The Company's net result increased with EUR 11.2 million, resulting in a profit of EUR 5.8 million compared to the same period in 2016.

During 2017, the total assets under management (**AuM**) of the Dutch Fund range decreased with 8% to EUR 1.9 billion. On the Institutional side, both the client base and AuM remained relatively stable, except for the restructuring of the mandate of a main client which led to an outflow of EUR 2.4 billion. The financial impact of the aforementioned developments is relatively small, considering a drop of 3% in net fee margin, leading to a net fee margin of EUR 37.6 million for 2017.
On the cost side, the administrative expenses decreased with EUR 1.5 million thanks to lower costs from the providers, servicing our investment funds (Note 16). The decreased costs recharged by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V., acting in its role as employer of Dutch BNP

Paribas Asset Management employees, as well as external contractors and other external temporarily staff contracted by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V., and service provider to BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. and its subsidiaries, are offset against higher global cost recharges.

Following the above, the operating result for 2017 slightly improved with EUR 0.5 million to a negative result of EUR 6.7 million.

Next to the continuing operations, the Company transferred part of its investment management activities per the end of 2017 to three other BNP Paribas Asset Management entities, respectively BNP PARIBAS ASSET MANAGEMENT France SAS, BNP PARIBAS ASSET MANAGEMENT Belgium SA/NV and BNP PARIBAS ASSET MANAGEMENT UK Limited. In consideration of this transfer, all acquiring parties agreed to compensate the Company for future revenue losses by paying a total amount of EUR 14.4 million (Note 18)..

Market Environment and Corporate Strategy

The asset management landscape is changing fast from different perspectives.

Firstly – from a regulatory perspective – increased client interest protection challenges the industry to further enhance service levels whereas pressure on margins continues. In parallel, an increase of transparency encourages more severe requirements on reporting and monitoring.

Secondly – from a client demand perspective – clients have new expectations especially in terms of value for money while at the same time the current low yield environment and deflationary pressures accentuate sensitivity to pricing. As a consequence, there is a polarisation of clients' demands towards low-margin and highly scalable passive products on the one hand, and high added value, higher fee solutions on the other hand. This evolution in the product mix results in a price erosion for traditional active products and in a strong development of passives and specific asset classes solutions.

Thirdly, – from the perspective of digitalisation of the industry – there is a change in the way we do business, as new entrants across the value chain challenge existing market participants. The market faces the arrival of a new kind of non-financial competitors in the field of big data.

The challenges as outlined above hold across borders and require a global approach with a global vision and mission. BNP Paribas Asset Management's mission is to be a leading provider of quality investment solutions for individuals, companies and institutions. BNP Paribas Asset Management aims to be a quality driven investment house, which delivers more than products, through a scalable and efficient platform, on a global scale and with a culture of performance.

There are a couple of practical guidelines along which this corporate mission of BNP Paribas Asset Management is being translated into practical strategy and implementation. This applies for aiming towards simplicity in the overall set-up. This would also apply for the creation of unified investment platforms for equity and for fixed income, but also for the combination of all multi-asset teams whereby fundamental and quant research is being bundled into a "quanta mental" approach. Furthermore, it would apply for the overall scope of the product range and for the simplification of the overall set-up. Practical examples would include leveraging ESG capabilities to ensure a leading offering of solutions and products. In addition, it stimulates a focus on the creation of a new product mix, being positioned both on the low fee and tracking error bucket and on higher pricing and tracking error, thereby creating an optimal balance between the traditional asset class and alternative asset classes.

The Company's strategy, products and services

The Company forms an integral part of BNP Paribas Asset Management. Strategy of the Company is typically being derived from a global perspective, thereby taking local positioning and market circumstances sharply into account.

From this perspective, some organizational changes have taken place within the Company in the course of 2017. The major changes are:

- Further simplification of the overall set-up of the Operations and IT function;
- Revamp of the investment competences of Dutch equity, which has now switched towards a passive, ESG tilted, strategy;
- Transfer of asset allocation activities;
- Strengthening of the (global) investment solution activities from the Netherlands.

The above changes are being taken further in 2018.

In its position as Management Company for UCITS and AIFs, a couple of changes has been implemented in the course of 2017.

With effect from 1 January 2017 the positions of BNP Paribas High Income Property Fund in currencies other than the euro are no longer fully hedged to the euro. The investment policy, the risk profile and the index have been updated to reflect this.

On 17 March 2017, BNP Paribas Sustainable Europe Index Fund, Classic share class merged with BNP Paribas Sustainable World Index Fund, Classic share class. The reason for this merger was the relatively small size of BNP Paribas Sustainable Europe Index Fund. On 22 December 2017, however, it was decided to liquidate BNP Paribas Sustainable World Index Fund as the assets under management remained limited. Shareholders of BNP Paribas Sustainable World Index Fund received a liquidation payment, equal to EUR 277.39 (the NAV as calculated for this fund on 22 December 2017).

In the prospectuses of BNP Paribas OBAM N.V. and BNP Paribas Fund III N.V., the Management Company has implemented the possibility of using Stock Connect. 'Stock Connect' is a program that aims for mutual access to the stock market between the Chinese mainland and Hong Kong.

For the time being, the Management Company intends to use this program exclusively for Chinese investments of BNP Paribas Global High Income Equity Fund, BNP Paribas Asia Pacific High Income Equity Fund (two sub-funds of BNP Paribas Fund III N.V.) and BNP Paribas OBAM N.V.
On 1 November 2017 THEAM S.A.S., the asset manager of BNP Paribas AEX Index Fund merged with and into BNP PARIBAS ASSET MANAGEMENT France. As a result, BNP PARIBAS ASSET MANAGEMENT France is the asset manager of this fund as from that date.

Employees

All employees of BNP Paribas Asset Management based in the Netherlands are contractually employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V., a sister company of the Company. All external contractors and other external temporarily staff are also contracted by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. In order to be successful in the rapidly changing market environment and to jointly achieve the Company's mission and objectives, employees need to be motivated and even passionate . From this perspective, the new branding strategy that was rolled out in the course in the second quarter of 2017, was accompanied by branding & culture workshop organised on a global basis. In the Netherlands, seven workshops have been held; follow-up on the feedback of these workshops will be taken further in 2018.

Compliance and Corporate Governance

As always, the Board of Directors paid significant attention to applicable laws and regulations, including the Act on Financial Supervision (*Wet op het financieel toezicht* or *Wft*). The Company's Board of Directors has sought to ensure that required amendments, where necessary, were made in a timely manner, in amongst others prospectuses, its Principles of Fund Governance (as available on the Company's website www.bnpparibas-am.nl) and based on the requirements concerning sound business operations (as set out in the Wft) and other public information, internal procedures, organisation and guidelines.

Notable regulatory changes for the Company over 2017 include the Securities Financing Transaction Regulation (Regulation (EU) 2015/2365), the Benchmark Regulation (Regulation (EU) 2016/1011), the Markets in Financial Instruments Directive (Regulation (EU) 2014/65) (MiFID II), the Act on balanced distribution of seats on the Board and the Supervisory Board and the Act Implementing the Annual Accounts Directive (2013/34 EU).

Internal control framework and risk assessment policies

Although the Company is not significantly exposed to risks from financial instruments, market movements may impact financial results as net income from fees is closely related to the underlying net asset value of the investment funds while administrative expenses are only up to a certain extent related to movements in net asset value. Furthermore, the performance of the Company might be affected by redemptions by investors of our investment funds, changes in strategy by our distribution partners and negative sentiment in the market in general.

The Board of Directors of the Company is responsible for the day-to-day management, but part of the daily operations are outsourced to other BNP Paribas Asset Management entities and external parties. The Board of Directors has designed policies, procedures and structures as well as reporting lines to monitor outsourced activities, to control operational activities and to identify risks. The internal control framework has been designed to achieve the Company's goals by effectively mitigating, evaluating and monitoring risks. Within this framework, the Company's Compliance department ensures overall compliance with applicable laws and regulations. The Company's department of Risk Operational Risk and Control assures the accuracy of the internal control measures and administration descriptions. During this financial year and as far as the Board of Directors is aware, the Company has effectively operated under its system of Internal Control.

DUFAS Asset Manager Code

As stated before, BNP Paribas Asset Management is the asset management division of BNP Paribas Group. the Company provides services to both retail and institutional investors in the Netherlands. Activities for retail investors take the form of the distribution and management of investment funds, while services to institutional investors comprise management of investment mandates, fiduciary management and management of investment funds.
The Company is a member of and is actively participating in DUFAS, the Dutch Fund and Asset Management Association. DUFAS adopted the Asset Manager Code in 2014 (Code Vermogensbeheerders), setting out ten General Principles for asset managers.

The main focus of the General Principles is on putting the interests of asset management clients first, good governance on the part of asset managers and investment funds and a high degree of transparency in respect of returns and costs. The Company endorses these principles and explains annually on how it has applied them. We refer to the website (www.bnpparibas-am.nl / Over ons / DUFAS Code Vermogensbeheerders) for the feedback from the Company for the year 2017.

As the Company's activities form an integral part of the international asset management activities of BNP Paribas Group, many processes have an international dimension. As stated above, part of the daily operations of the Company are delegated or outsourced. In all cases of delegation or outsourcing to foreign BNP Paribas Asset Management entities or third parties, the Company has sought to ensure that further to any local applicable laws and regulations, the customs, laws and regulations as applicable in the Netherlands are fully observed, including any guidelines following from the DUFAS Asset Manager Code.

Remuneration policy

The objective of a remuneration policy is to ensure all employees of BNP Paribas Asset Management are compensated in a way that complies with management guidelines, while offering transparency and consistency in the remuneration strategy, and ensuring compliance with applicable regulations.

In asset management, where human capital is crucial, a company's remuneration policy and practices have a significant impact on competitiveness, helping it recruit and retain talent.

Fostering awareness of our compensation policy and practices among our managers and employees is particularly important to BNP Paribas Asset Management.

What are the key principles of BNP Paribas Asset Management's Reward Policy?

- First, our reward strategy is designed to achieve a sound, responsible and effective remuneration policy and practice. In particular, it is designed to:
  - avoid conflicts of interest;
  - protect the clients' interests; and
  - ensure there is no encouraging of excessive risk-taking.

  These three points are central to our policy and are emphasized to all our employees.

  To meet these objectives, we use a best practice, which is to align the long-term interests of the employee, the employer and our clients.
- Secondly, in concrete terms, BNP Paribas Asset Management's remuneration policy centres around four guiding business principles:

  Pay for Performance: our results-oriented reward policy helps us attract, motivate and retain the best and most effective talent.

  Share Wealth Creation: monitoring closely the pay-out ratio of variable remuneration relative to BNP Paribas Asset Management's operating profits (before variable remuneration), allows us to fully align the remuneration of BNP Paribas Asset Management's human capital with that of our shareholders.

  Aligning employee's and company's goals, particularly for investment teams and senior managers with long-term incentive plans, enables us to create a closer "line of sight", further strengthening the link between performance and rewards.

  Promoting an element of employee risk-sharing (which we dub "skin in the game"), ensures that investment teams and senior managers are fully committed to the long term performance of the company and its products.

  Together, these guiding principles help shape the BNP Paribas Asset Management's approach to reward, resulting in what we call "Total Reward".

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

What types of remuneration are awarded in practice?

BNP Paribas Asset Management's compensation structure is made up of three main types of remuneration:

- Everyone benefits from **Fixed Compensation** or a base salary, reflecting the individual's role, qualifications and experience, as well as a satisfactory level of commitment.
- **Short Term Variable Compensation** is a supplement available to a wide range of employees and based on individual and collective performance. It is usually delivered in cash in March after the end of the performance measurement period.
- **Long Term Incentive Awards** are supplements based on objective criteria defined for targeted populations, such as senior managers and investment teams. These awards are generally fully

deferred, with payment over several years, settled after various risk adjustment factors have been applied.

How is performance measured and linked to variable remuneration?

- Remuneration depends not just on individual success, but also on the whole Company's performance.
  For awards of variable remuneration, the global variable remuneration pool is a result of BNP Paribas Asset Management's overall performance, reflecting its success in meeting major business objectives. In a top-down approach, this collective performance is assessed and cascaded down to BNP Paribas Asset Management’s departments, based on specific key performance indicators.
  Finance and HR help BNP Paribas Asset Management’s top management determine the annual global variable remuneration pool, based on an estimate of BNP Paribas Asset Management’s profit before variable remuneration. This estimate is made after adjustments from Risk, Compliance, Legal and Permanent Control have been factored in, as may be needed. This helps ensure that all existing and foreseeable risks[1] are duly taken into account.
- Individual performance is assessed at the end of the year, thanks to a performance rating, based primarily on individual objectives set at the beginning of the year, for each BNP Paribas Asset Management employee. BNP Paribas Asset Management ensures that financial objectives are at all times supplemented with non-financial objectives, which contribute for at least 50% in assessing individual performance. Variable compensation will for at least 50% be based on non-financial objectives.
  Here as well, managers are required to pay specific attention to all existing and foreseeable risks (as defined above), when carrying out their employees’ annual individual appraisal. This can be done using key performance indicators tailored to each employee, pre-defined during the annual objectives’ setting process.
  Furthermore, specific methodologies have been developed to measure the performance of investment managers and sales teams within the context of incentive schemes.
  Notably, for investment managers of benchmarked portfolios, excess performance over the benchmark is quantitatively measured, adjusted by the excess risk taken (also called “tracking error”). This “information ratio” is measured over one and three years with equal weights.
- For control functions, such as Compliance, Risk, Legal and Permanent Control, fixed and variable compensation is set independently from the performance and the compensation pool of the business areas that they oversee or monitor. This is secured by BNP Paribas’ organisation in integrated central control functions, with their heads directly reporting to BNP Paribas’ CEO.
- Further, for long term incentives, specific risk adjustments may be applied after their awards, generally at their vesting dates at the end of their deferral periods. The remuneration committee of BNP PARIBAS ASSET MANAGEMENT Holding in France , the parent entity of BNP Paribas Asset Management business line reviews all these awards annually, before they are paid out, and may apply at its discretion a malus, i.e. a downward adjustment to account for significant risks or underperformance (e.g. severe financial stress of BNP Paribas Asset Management,

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

cases of individual misconduct, etc.). In case an event of misconduct is identified after a long term incentive award has been paid out, BNP Paribas Asset Management can resort to commercial terms of its awards (subject to applicable legislation), to recoup (or "claw-back") all or part of such unduly perceived variable remuneration.
For the avoidance of doubt, in case of misconduct variable remuneration can be reduced to zero.

<u>How are the remuneration decisions calculated and taken and how is the remuneration policy governed?</u>

- Remuneration decisions are made by implementing the BNP Paribas Group's CRP or Compensation Review Process. CRP is a global end-of-year review used to validate every type of compensation. Its collaborative software platform allows the collective and individual performance impacts to be efficiently managed.
  It also helps ensure employees receive equal and fair treatment, delegation rules are respected and remuneration decisions are verified by both a manager and HR at every step.
  As a significant input to the Compensation Review Process (CRP), individual market benchmarks for fixed as well as variable remuneration are used from leading providers (mainly MacLagan and Towers Watson).
- As a rule, BNP Paribas Asset Management has a discretionary approach to its variable remuneration decisions, and implements them systematically via the BNP Paribas Group's CRP. In practice, the bonus pool is determined during the fourth quarter, based on estimates of performance indicators calculated by Finance and HR, in liaison with the business, Risk and Compliance, in the frame of the budgetary cycle. In particular, regarding the funding of long term variable remuneration awards for certain senior investment management executives (i.e. senior portfolio managers and their team heads) BNP Paribas Asset Management uses quantitative indicators to help align their interests with that of BNP Paribas Asset Management and its clients. These are based on net new revenues and performance fees[2] generated on the portfolios managed by these teams. The corresponding awards are ultimately made within the CRP, under the same deferral and indexation rules as those otherwise applicable to BNP Paribas Asset Management's identified staff (for portfolio managers, see description further below).
- Ultimately, the global remuneration policy is designed and overseen by BNP Paribas Asset Management's Board of Directors and a three-member remuneration committee, who are responsible for ensuring its relevance and effectiveness at all times. This remuneration committee is chaired by one of its two independent directors.

[2] It is worth noting that at client level, so far as performance fees are concerned, BNP Paribas Asset Management always charges less than 30% of the excess performance delivered, as recommended by French Regulator AMF in its position 2012-12.

How is the list of identified staff determined?

- BNP Paribas Asset Management identifies its staff with a significant impact on the risk profile of their employer or on the portfolios that they manage in a consistent manner across all of its AIFM and/or UCITS[3] licenced entities:
    - At management company level, the heads of control functions (notably the heads of Risk and Compliance) are identified, as well as the members of the Board of Directors, the CEO and the CIOs.
    - At portfolio level, portfolio managers are included in the identified staff, subject to proportionality rules as described below.

  Where non-AIFM or non-UCITS entities of BNP Paribas Asset Management are subject to other types of identification of staff requirements BNP Paribas Asset Management ensures it respects rigorously those local requirements.

What specific remuneration policy applies to them?

- In general, Identified Staff have at least 40% of their variable remuneration deferred over three years. This deferral is fully in “remuneration instruments” i.e. in the form of cash indexed on relevant indices:
    - For senior managers, the index is the variation in BNP Paribas Asset Management pre-tax profits over the three year deferral period.
    - For portfolio managers, the index is a weighted average of 25% of the variation in BNP Paribas Asset Management pre-tax profits, and 75% of the total return of a basket of portfolios representative of the portfolio manager’s team activity. All indices are measured over the three year deferral period.
    - For heads of control function, there is no indexation, to preserve their independence.
- Where the applicable regulations require more than 40% of variable remuneration paid in instruments (typically, 50%), part of the non-deferred remuneration may be paid in retained instruments (i.e. the same instruments as those deferred, but only held for a period of six months, without vesting conditions).

How does BNP Paribas Asset Management implement proportionality?

- In the staff identification process, portfolio managers who manage exclusively funds which are purely passive (e.g., feeders or passive indexed or structured funds) are not considered having an impact on the risk profile of these funds, hence are not retained in the Identified Staff.
- In line with general market practice, Identified staff who earn less than 100 000 euros of variable remuneration for their regulated activity will not be subject to the mandatory thresholds of 40% deferral and 50% in instruments. Nonetheless, they may still have part of their variable remuneration deferred in instruments (as described above), for strategic retention reasons.

[3] UCITS V identified staff is subject to remuneration rules as from 1st January 2017 for the first time (i.e. for the 2017 performance year, with the corresponding variable remuneration to be paid or awarded in March 2018).

What about investment management delegations?

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

Aggregate quantitative information for members of staff of the Company(*)

Business Area	Number of staff(**)	Total Remuneration (fixed + variable) x € 1,000 (**)	Of which total variable remuneration x € 1,000 (**)
Members of staff of the Company	**116**	**13,697**	**3,427**

** This concerns employees of BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. deployed by the Company on the basis of an Intra-Group Resources agreement including employees managing AIFs and/or UCITS and/or European mandates portfolio managers of* BNP Paribas Asset Management *Group.*

*** This concerns all employees employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. in the calendar year 2016. Awards of variable remuneration during the financial year are based on performance over 2016. The amounts mentioned relate to the aforementioned employees and concern:*

- *Fixed remuneration including any raise awarded at the closing of the annual compensation review process (CRP) in May 2017; and*
- *Variable remuneration awarded during this CRP, based on performance during the preceding calendar year , whether this variable remuneration is deferred or not, and whether the employees ultimately remained in the Company or not . This concerns both the variable remuneration paid and the remuneration awarded and deferred in the financial year at the closing of the annual CRP in May 2017.*

All amounts mentioned are annualized.

Aggregate quantitative information for members of staff whose actions have a material impact on the risk profile of the Company (*) and who are indeed "Identified Staff"[4]:

Business Area	Number of staff(**)	Total Remuneration x € 1,000 (**)	Of which total variable remuneration x € 1,000 (**)
Identified Staff of the Company	31	4,955	1,444
Of which non-Portfolio managers	9	1,893	625
Of which AIF/ UCITS and European mandates Portfolio managers	22	3,062	820
Of which solely AIF Portfolio managers	9	1,211	359

** This concerns employees of BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. deployed by the Company on the basis of an Intra-Group Resources agreement including employees managing AIFs and/or UCITS and/or European mandates portfolio managers of* BNP Paribas Asset Management *Group.*

*** This concerns all employees employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. in the calendar year 2016. Awards of variable remuneration during the financial year are based on performance over 2016. The amounts mentioned relate to the aforementioned employees and concern:*

- *Fixed remuneration including any raise awarded at the closing of the annual compensation review process (CRP) in May 2017; and*
- *Variable remuneration awarded during this CRP, based on performance during the preceding calendar year , whether this variable remuneration is deferred or not, and whether the employees ultimately remained in the Company or not . This concerns both the variable remuneration paid and the remuneration awarded and deferred in the financial year at the closing of the annual CRP in May 2017.*

All amounts mentioned are annualized.

Other information:

- Number of AIF and UCITS Funds under management:

	Number of (sub)funds 31/12/2017	Assets under Management at 31/12/2017 x € 1 billion
UCITS (sub)funds	8	1.85
AIFs (sub)funds	1	0.05

[4] The identified staff is determined based on end of year review.

- Under the supervision of the BNP Paribas Asset Management remuneration committee, an independent and central audit of the Global BNP Paribas Asset Management remuneration policy and its implementation over the 2016/2017 financial year was conducted between May and July 2017. The results of this audit, which covered the BNP Paribas Asset Management entities[5] with an AIFM licence, (most of which have an UCITS licence), was rated “globally satisfactory” (i.e. the second best rating out of four).
  Indeed, no significant issues were found. However, in line with BNP Paribas Asset Management business line's continuous improvement approach, some recommendations were issued, which relate to further strengthening of controls, processes and documentation.
- There were no significant changes in the remuneration policy in 2017, save adaptations required by the regulations to better reflect alignment of interest in deferred instruments. Notably, the performance of flagship funds of the BNP Paribas Asset Management business line will have a greater influence on such instruments as from 2018.
- In 2017, no employees working under the responsibility of the Company received a total annual remuneration of EUR 1 million or more.
- There were no carried interest payments to any of the Company’s staff.

This disclosure of BNP Paribas Asset Management’s remuneration policy and practices was prepared by the HR, Compliance, Risk and Legal departments of BNP Paribas Asset Management, and was approved by BNP Paribas Asset Management’s management.
Its first version –reflecting AIFMD requirements- was approved by BNP PARIBAS ASSET MANAGEMENT Holding’s Board of Directors in March 2016.

Its update to reflect current UCITS V requirements, was approved by BNP PARIBAS ASSET MANAGEMENT Holding’s Remuneration Committee in November 2016, and was approved by BNP PARIBAS ASSET MANAGEMENT Holding’s Board of Directors in December 2016.

Wherever local law so requires, it has been presented to works councils, regulators, and other stakeholders as may be appropriate.

Outlook 2018

From a legal perspective, the General Data Protection Regulation (Regulation (EU) 2016/679) (GDPR) will enter into force as per 25 May 2018. In order for BNP Paribas Group to be compliant with GDPR, various projects within BNP Paribas Group, BNP Paribas Asset Management and the Company have commenced and will be worked on. Another change that is expected to be of importance for the Company is Brexit. Throughout 2018 projects will be commenced within BNP Paribas Group and BNP Paribas Asset Management to deal with the effects of Brexit.

[5] BNP Paribas Asset Management France, BNPP Capital Partners, FundQuest Advisor, BNP Paribas Asset Management Belgium, BNP Paribas Asset Management Luxembourg, BNP Paribas Asset Management Nederland and formerly CamGestion and Theam, both of them having been absorbed by BNP Paribas Asset Management France in Q4 2017.

Commercially, the enhancement of the Solution investment activities are expected to further strengthen the foothold in this institutional segment.

For the fund related activities, the Company fully revamped BNP Paribas Netherlands Fund as per 11 April 2018 and transformed it into an index fund with a sustainable character. In this way the Management Company responds to the increasing demand for passive cost- and tax-efficient funds which invest in equities of companies with high standards on environment, societal importance and good governance. This transformation entailed a complete revision of, among other things, the investment policy, the index and the cost structure of the sub-fund. The name of the sub-fund changed into BNP Paribas ESG Netherlands Index Fund. More information on this fund can be found in the prospectus of BNP Paribas Fund III N.V. dated 11 April 2018.

With effect from 11 April 2018 the positions of BNP Paribas Asia Pacific High Income Equity Fund in currencies other than the euro are no longer fully hedged to the euro. The investment policy, the risk profile and the index have been updated to reflect this. Subsequently, on 20 April 2018, BNP Paribas Asia Pacific High Income Equity Fund was the receiving fund in a share class merger with the Luxembourg based Parvest Equity High Dividend Pacific, Privilege EUR-DIS share class, whereby shareholders of the Luxembourg share class received Classic shares in BNP Paribas Asia Pacific High Income Equity Fund. In anticipation thereof the Company on 20 April 2018 obtained authorisation to also offer the Classic class shares of the sub-fund in Luxembourg.

No other changes in the Dutch fund range offered by the Company are currently foreseen for 2018.

Amsterdam, 26 April 2018

The Board of Directors:
Due to absence (*belet*), E.C. Stienstra is unable to act in her capacity as Director. In accordance with article 17 of the Articles of Association of the Company, the remaining Directors are charged with the management of the Company in her absence.

J.L. Roebroek (Chairman)

M.P. Maagdenberg	E.C. Stienstra	C.J.M. Janssen

Report of the Supervisory Board

To the shareholder of BNP PARIBAS ASSET MANAGEMENT Nederland N.V.

We herewith present the annual report of BNP PARIBAS ASSET MANAGEMENT Nederland N.V. (the **Company**) for the financial year 2017, which includes, amongst others, the Management Board report and the financial statements. Deloitte Accountants B.V. has issued an unqualified auditors' report on the financial statements, which may be found under 'Other information' on page 41.

The Supervisory Board held formal meetings with the Management Board on two occasions during the financial year. The main topics covered at those meetings were as follows:

- Corporate strategy and developments
- The governance of investment and other Company activities
- Risk, compliance and control processes and reporting
- Changes in and compliance with new legislation and regulations at Dutch, European and international levels
- Evolution of client assets under management and the commercial strategy
- Financial results and the budget
- Composition of the Supervisory Board

In addition to these formal meetings, informal discussions took place at regular intervals between the Management Board and (individual) members of the Supervisory Board on topics including the corporate developments and specific current matters.

Overall, we believe the policy of the Company has been implemented adequately in the interest of the Company, of the Company's shareholder and of the employees and investors and other stakeholders of the Company. Furthermore we believe that the Company has acted in the interest of the investment funds it manages, that conflicts of interests were appropriately addressed and that any risks were adequately controlled within the BNP Paribas Asset Management organisation.

We recommend that you adopt this annual report in its current format and that you discharge the Management Board in respect of its management activities and the Supervisory Board in respect of its supervision thereof.

As per the date of signing of this report the Supervisory Board of the Company consists of three members:

- Mr. S. Pierri (appointed as per 1 April 2018): Global Head of Client Group BNP Paribas Asset Management;
- Mr. T.A. Rostron (appointed 1 January 2017): Managing Director Kroon Advisors Ltd.;
- Mr. D. Thielemans (appointed 1 April 2017): CEO and Country Head BNP Paribas The Netherlands.

Mrs. A.M.O. Verstraeten (appointed as per 26 August 2016) resigned as per 1 April 2017. Mr. M. Diulius (appointed on 15 October 2012) resigned as per 1 April 2018.

Amsterdam, 26 April 2018

The Supervisory Board:

S. Pierri T.A. Rostron D. Thielemans

Financial Statements

Statement of financial position

(after appropriation of result)

(x € 1,000)

	Notes	As at 31 December 2017	2016
ASSETS			
Non current assets			
Deferred tax assets	6	50	82
Current assets			
Trade and other receivables	7	14,518	16,108
Cash and cash equivalents	8	24,758	7,165
Property, Plant & Equipment (Net)	9	228	228
Total assets		**39,554**	**23,583**
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to the owners of the Company			
Share capital	10	225	225
Share premium	10	42,720	34,920
Other reserve		2	2
Retained earnings	11	(19,301)	(25,053)
		23,646	10,094
LIABILITIES			
Trade and other payables	12	15,807	13,489
Provisions	13	101	-
		15,908	13,489
Total equity and liabilities		**39,554**	**23,583**

The notes on pages 22 to 41 are an integral part of these Financial Statements.

Statement of profit or loss and other comprehensive income

(x € 1,000)

	Notes	Year ended 31 December 2017	2016
Continuing operations			
Management and other fees	14	54,771	58,519
Distribution, sales and advisory costs	15	(17,208)	(19,894)
Income from fees - net		37,563	38,625
Administrative expenses	16	(44,310)	(45,841)
Operating result		(6,747)	(7,216)
Finance income and costs	17	(20)	(11)
Other gains and losses	18	14,436	-
Result before income tax		**7,669**	**(7,227)**
Current tax income / (expenses)	19	(1,917)	1,807
RESULT FOR THE YEAR		**5,752**	**(5,420)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**5,752**	**(5,420)**

Earnings per share

(x € 1,000)

		2017	2016
Result attributable to the owners of the Company		5,752	(5,420)
Weighted average number of ordinary shares in issue		501	501
Basic earnings per share	20	11.48	(10.82)

The notes on pages 22 to 41 are an integral part of these Financial Statements.

Statement of changes in equity

(x € 1,000)

	Notes	Share Capital	Share Premium	Other Reserve	Retained Earnings	Total Equity
		Attributable to owners of the Company				
At 1 January 2016		225	32,220	2	(19,633)	12,814
Capital Contribution	**10**		2,700			2,700
Result distribution					(5,420)	(5,420)
Total comprehensive income		-	-	-	(5,420)	(5,420)
Dividend distribution in 2016	**21**				**-**	**-**
At 31 December 2016		**225**	**34,920**	**2**	**(25,053)**	**10,094**
At 1 January 2017		225	34,920	2	(25,053)	10,094
Capital Contribution	**10**		7,800			7,800
Result distribution					5,752	5,752
Total comprehensive income		-	-	-	5,752	5,752
Dividend distribution in 2017	**21**				**-**	**-**
At 31 December 2017		**225**	**42,720**	**2**	**(19,301)**	**23,646**

The notes on pages 22 to 41 are an integral part of these Financial Statements.

Statement of cash flows

(x € 1,000)

	Notes	Year ended 31 December 2017	2016
Operating activities			
Result before income tax		7,669	(7,227)
Adjustments to reconcile profit before income tax to net cash flows			
Cash / Non-cash:			
Finance income		20	11
Working capital adjustments:			
Decrease / (Increase) in Trade and other receivables		1,590	7,134
Decrease / (Increase) in Property, Plant & Equipment (Net)		-	197
(Decrease) / Increase in Trade and other payables		2,419	(2,653)
Income tax payable within Trade Receivables/ (Trade Payables)		(1,885)	1,725
Net cash flows from/ (used in) operating activities		9,813	(813)
Investing activities			
Interest received		(20)	(11)
Net cash flows from/ (used in) investing activities		(20)	(11)
Financing activities			
Capital Contribution (BNPP AM NL Holding NV)	10	7,800	2,700
Net cash flows from financing activities		7,800	2,700
Net increase/ (decrease) in cash and cash equivalents		17,593	1,876
Cash and cash equivalents at 1 January	8	7,165	5,289
Cash and cash equivalents at 31 December	8	24,758	7,165

The notes on pages 22 to 41 are an integral part of these Financial Statements.

Notes to the Financial Statements

1. Corporate information

BNP PARIBAS ASSET MANAGEMENT Nederland N.V. (the **Company**) is a public limited liability company with its registered office in Amsterdam, the Netherlands, and is a wholly-owned subsidiary of BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. The Company was incorporated in the Netherlands on 30 December 1966. The organisation chart of the Group to which the Company belongs is as follows:

A more detailed Group structure is included in the registration document (*registratiedocument*) as published by the Company on its website (www.bnpparibas-am.nl, under "Informatie Wet Financieel Toezicht", "Beheerder").

The Company acts, amongst others, as director and management company for Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Funds (AIFs). Investment funds are registered with the Dutch Authority for the Financial Markets (*Autoriteit*

Financiële Markten or *AFM*). The Company is subject to supervision of the Dutch Central Bank (*De Nederlandsche Bank* or *DNB*) and the AFM and holds licenses under the Act on Financial Supervision (*Wet op het financieel toezicht* or *Wft*). The company is registered at the Dutch Chamber of Commerce under Amsterdam Trade Register no. 33.179.578.

These Financial Statements of the Company were authorized for issue by the Board of Directors and Supervisory Board on 25 April 2018.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated. The Financial Statements are presented in Euro, which is also the functional currency of the Group to which the Company belongs, rounded to the nearest thousand, unless otherwise stated.

2.1 Basis of preparation

Statement of compliance

The Financial Statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), with Part 9 of Book 2 of the Dutch Civil Code (*Burgerlijk Wetboek*) and the Act on Financial Supervision (*Wet op het financieel toezicht* or *Wft*).

Basis of measurement

The Financial Statements have been prepared under the historical cost convention. All amounts reported in this annual report are stated in EUR (*1,000).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in note 4.

Following the current standards and interpretations, IFRS control criteria with regard to consolidation of investment funds are not met. As a result, investment funds are not consolidated. Current IFRS considerations indicate that consolidation of investment funds, which do not meet the IFRS control criteria, does not appear likely. Nevertheless, the Company will closely monitor the IFRS developments on this subject.

Tax status

As of 1 January 2015, the fiscal unity structure for value added tax purposes is no longer the same as the fiscal unity structure for corporate income tax purposes (see chapter 2.11). For value added tax, the Company is part of a fiscal unity together with BNP PARIBAS ASSET MANAGEMENT NL Holding N.V., BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. and GroeiVermogen N.V. For corporate income tax, the Company, as well as BNP PARIBAS ASSET MANAGEMENT NL Holding N.V., BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. and GroeiVermogen N.V., has become individual member of the new horizontal corporate tax group at the country level of BNP Paribas. Consequently, the BNP Paribas Asset Management NL's fiscal unity for corporate income tax ceased.

The measurement of current tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Corporate income tax is calculated and settled by using a standard rate which was 25% for 2016 and 2017.

Amendments to standards

a) New standards, amendments and interpretations applicable for 2017

Below is a list of new and revised IFRSs and amendments to IFRSs adopted by the EU that are mandatorily effective in EU for the year ending 31 December 2017:

- Amendments to IAS 7 Disclosure initiative;
- Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses; and
- Amendments to IFRS 12 included in Annual Improvements to IFRS Standards 2014-2016 Cycle.

Amendments to IAS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.

Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify the following:

- Unrealised losses on a debt instrument measured at fair value for which the tax base remains at cost give rise to a deductible temporary difference, irrespective of whether tile debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, or whether it is probable that the issuer will pay all the contractual cash flows;

- When an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, and the tax law restricts the utilisation of losses to deduction against income of a specific type (e.g. capital losses can only be set off against capital gains), an entity assesses a deductible temporary difference in combination with other deductible temporary differences of that type, but separately from other types of deductible temporary differences;
- The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this;
- In evaluating whether sufficient future taxable profits are available, an entity should compare the deductible temporary differences with future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences.

Amendments to IFRS 12 included in Annual Improvements to IFRS Standards 2014-2016 Cycle

IFRS 12 states that an entity need not provide summarised financial information for interests in subsidiaries, associates or joint ventures that are classified (or included in a disposal group that is classified) as held for sale. The amendments clarify that this is the only concession from the disclosure requirements of IFRS 12 for such interests.

All amendments described here above are applied retrospectively. The management of the Company has assessed, in consultation with BNP Paribas Asset Management Group, that none of these have any effect on the financial statements, since the content of the amendments has no relevant relationship with the Company's balance sheet and profit & loss sheet as are disclosed in these financial statements.

b) New standards, amendments and interpretations applicable for the Company

At the date of authorisation of the financial statements there were a number of standards and interpretations which were in issue but not yet effective.

New forthcoming standards and amendments	Anticipated impact	Effective date
Revenue from contracts with customers (IFRS 15)	To be assessed	January 1st 2018
Financial instruments (IFRS 9)	To be assessed	January 1st 2018
Classification and Measurement of Share-based Payment Transactions (IFRS 2)	Not applicable	January 1st 2018
Leases (IFRS 16)	Not applicable	January 1st 2019
Amendments to IAS 40 Transfers of Investment Property		
Annual improvements to IFRS Standards 2014-2016 Cycle	Not applicable	January 1st 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	Not applicable	January 1st 2018
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (IFRS 10 and IAS 28)	Not applicable	Effective for annual periods beginning on or after a date to be determined.

Revenue from contracts with customers (IFRS 15)

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction contracts* and the related interpretation when it becomes effective.
The core principal of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The management of the Company will assess whether the application of this new standard will have any (significant) effect to future financial statements.

Financial instruments (IFRS 9)

In July 2014, the IASB finalised the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for a) the classification and measurement of financial assets and financial liabilities, b) impairment methodology, and c) general hedge accounting. IFRS 9 (as revised in 2014) will supersede *IAS 39 Financial Instruments: Recognition and measurement* upon its effective date.

The management of the Company will assess whether the application of this new standard will have any (significant) effect to future financial statements.

2.2 Segment reporting

The Company has made use of the exemption under IFRS 8.2 which exempts entities, whose equity or debt are not publicly traded and which are not in the process of issuing equity or debt securities in public security markets, to disclose segment information.

2.3 Cash and cash equivalents

Cash comprises cash at banks, cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.4 Cash flow statement

The cash flow statement, based on the indirect method of calculation, gives details of the source of cash which became available during the year and the application of this cash over the course of the year. Profit before income tax has been adjusted for costs and income that did not result in any expense or revenues during the reporting year.

2.5 Share capital

Ordinary shares are classified as equity.

2.6 Earnings per share

Earnings per share are calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares in issuance during the year.

2.7 Trade receivables, trade payables

Trade receivables and trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. A provision for doubtful debtors is established when there is objective evidence that the Company will not be able to collect all amounts. The provision for doubtful debtors is assessed individually.

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Accrued rebate fees to third parties (trade payables) are at fair value. The bases of the carrying amount are described under 2.9 Revenue recognition.

2.8 Employee benefits

The Company does not employ any employees. The members of the Board of Directors and Supervisory Board of the Company are, except Mr. T.A. Rostron, employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. or another entity of the BNP Paribas Group. Therefore, accounting policies for employee benefits are not applicable.

2.9 Revenue recognition

Income from fees - net

Income from fees - net comprises the fair value of the service rendered in the ordinary course of the Company's activities, net of management and other fees minus rebate, sales and advisory costs. The Company recognises income from fees in the accounting period in which the service is provided, the amount can be reliably measured, it is probable that future economic benefits will flow to or out the entity and specific criteria have been met for each of the Company's activities as described below.

Management fees and other fees

Management and other fees include service fees and performance fees, as well as fees earned for the investment management and sales activities performed. Management fees for the Dutch Funds range are calculated on the fund's month-end or monthly average net asset value using predetermined fee percentages, as disclosed in the fund's prospectus. The same principle applies for service fees that are charged to cover administrative, custody and other operational costs that include cost of auditors, registration, supervision and external reporting.
For the institutional client base, the management fees are calculated over the quarterly (average) net asset value. Next to the fees earned from the Company's Funds and clients the Company is also compensated by other BNP Paribas Asset Management for its role in either managing (investment management fee) or selling (sales fee) foreign products.

Rebate, sales and advisory costs

Rebate, sales and advisory cost are costs which are payable to third parties and related parties. These costs are recorded when the services have been provided and can be based on, in agreements, predetermined percentages of the (average) management fee or (one of) the principles as defined in the Company's Transfer Pricing Policy (see note 5).
The actual rebate costs are calculated using the position statements provided by custodians or internally registered positions.
Finally, the accruals are based on the latest actual costs or on the latest information provided by custodians.

Finance income and costs

Interest income and costs are recognized on an accrual basis and are charged to the statement of profit or loss and other comprehensive income.

2.10 Costs

Costs are recognized on an accrual basis and are charged to the statement of profit or loss and other comprehensive income.

2.11 Income taxes

Income tax, based on the applicable standard rate, is recognized in the period in which the result arises.

Horizontal Tax Group

Effective as of 2015, the Company is part of the new BNP Paribas Netherlands fiscal unity for corporate income tax, headed by BNP Paribas S.A., Netherlands branch. For that reason, the Company is jointly and severally liable for the tax liabilities of this fiscal unity. The corporate tax position with respect to the financial year will be settled with the head of the fiscal unity, as much as possible on the basis of the individual fiscal result and taking into account the allocation of the benefits of the fiscal unity to the various members of the fiscal unity, except in the case of a (consolidated) annual profit for the Dutch BNP Paribas Asset Management entities. In this specific case, as the head of the former fiscal unity (BNP PARIBAS ASSET MANAGEMENT NL Holding N.V.) has a deferred tax asset, the Company's corporate tax payable for 2017 will be settled with BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. enabling the utilization the deferred tax asset of the former fiscal unity.

Following a name change in the course of 2016, BNP Paribas Finance B.V. is the head of the horizontal corporate tax group in 2017. Following a restructuring of BNP Paribas Corporate and Institutional Banking (becoming a branch of BNPP SA), a new consolidated corporate tax group has been put in place as of January 1st, 2017, headed by BNP Paribas S.A., Netherlands branch.

2.12 Dividend distribution

Dividend distribution to the Company's shareholder is recognized as a liability in the Company's Financial Statements in the period in which the dividends are approved by the Company's shareholder.

3. Financial risk management objectives and policies

3.1 Financial risk factors

The Company has a limited number of financial instruments. Financial assets relate to trade receivables, other financial assets and cash and cash equivalents. Financial liabilities relate to trade payables. Both arise directly from the Company's operations. The Company does not use derivative financial instruments. The Company has designed policies, procedures and structures as well as reporting lines to monitor outsourced activities to control operational activities and to identify risks. Corporate policies & procedures are disclosed on the BNP Paribas Asset Management intranet web site accessible for all BNP Paribas Asset Management employees.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Trade and other receivables are related fees receivable from investment funds and Institutional clients for which the Company is the manager, plus receivables from internal parties in relation to Transfer Pricing (note 5). The Company uses the following risk weights for the most relevant items in the balance sheet:

0%	Taxes and balances held within Group;
20%	Cash balances (3rd Parties), Debtors in the Asset Management Business;
50%	Loans and Advances – Other Commercial Loans;
100%	Debtors/creditors.

Since 2013 the accrued management fees are considered as 0% risk and debtors in the Asset Management business are considered to be 20% risk weight. As the risk is therefore only applicable for Institutional clients, these receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. Furthermore, the Company has no positions which could lead to significant concentrations of credit risk. The maximum exposure is the carrying amount as disclosed in note 7.

With respect to credit risk related to cash and cash equivalents, the Company's exposure arises from default of the counterparty, which is BNP Paribas S.A, Netherlands branch, with a maximum exposure equal to the carrying amount disclosed in note 8.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not have open market positions and therefore, changes in market prices do not have any impact. However, changes in market prices might impact financial results due to the fact that net income from fees is closely related to the net asset value of the investment funds while administrative expenses are only to a certain extent related to movements in net asset value. The Company is not exposed to any material foreign exchange risks.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company monitors its risk to a shortage of funds on an ongoing basis. Due to the nature of its activities management and other fees are generally received prior to payment of rebate, sales and advisory fees thereby limiting the risk of a shortage of funds.
The interest rate risk is limited to the working capital and due to the fact the Company does not have any long-term loans the risk is considered to be remote.

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and to assure compliance with the capital requirements mentioned in the Wft. Reference is made to note 25 for details about the capital requirements under the Wft. The Company monitors its capital on an ongoing basis. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to its shareholder, return capital to its shareholder, its shareholder could make an informal capital contribution without the issuance of share or issue new shares.

3.3 Fair value estimation

The carrying amounts are assumed to approximate their fair values.

4. Critical accounting estimates and judgements

Estimates and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are recognized in the period in which the estimate is revised. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next year are outlined below.

Rebate costs

Rebate costs regarding institutional mandates/investors are accrued monthly based on the latest actual costs or on the latest information provided by custodians. Normally the number of shares is

communicated to/ obtained by the Company quarterly in arrears and might therefore, deviate from the number of shares used to determine the monthly accrual.
The rebate costs for 2017 amounting to EUR 2.9 million has been paid to institutional mandates/ investors following the agreed discount on their investments in (one of) the Company's Investment Funds.
In 2016, these costs amounted to EUR 2.7 million, whereas an additional amount of EUR 0.7 million was paid to third-party distributors that were exempt from the ban on retrocessions, because the third-party distributors are qualified as insurance companies. Following the liquidation of the ABN AMRO Beleggingsmodel Fondsen per 9 December 2016, such distribution fees are no longer paid to any third-party distributors.

5. Transfer Pricing Policy

Following the integration of Fortis Investments into BNP Paribas Asset Management in 2010, the implementation of a new consistent and fiscally robust transfer pricing policy - covering both revenues and costs - for the combined asset management activities was needed.

Effective as from 1 January 2011, assisted by KPMG/Fidal, BNP Paribas Asset Management defined and validated a new Transfer Pricing (TP) methodology, all documented in adherence with the OECD Guidelines and the new French transfer pricing documentation obligation. With becoming a provisional member of the European Economic Interest Grouping, as from 1 July 2011, the Company aims to further streamline the cross-border cost pooling and invoicing flows.

The revenue fee sharing is divided into two parts. With regard to the sales efforts (distribution), the management company remunerates the entity which sells the product based on a certain proportion of the earned management fees. As from 1 January 2012, this remuneration increased from 65% to 72% of the (average) management fees for investment Funds, except for (Luxemburg) I-shares for which the remuneration is 50%. For institutional clients/ mandates, the sales remuneration amounts to only 30% of the net management fee.
In respect of the asset management efforts, the entity which manages the product (investment centre) is entitled to receive remuneration based on "at arm's length" delegation to an external manager. This remuneration of the investment centre depends on the asset class as well as the assets under management.
In the scope of cost sharing the operational expenses are incurred within the departments Operations, Marketing, IT and Network Change Management & Strategy. Based on validated allocation keys (a.o. assets under distribution, users by IT-applications and number of portfolios) these costs are re-invoiced to the beneficiary entities of the BNP Paribas Asset Management Group.

6. Deferred tax assets

	2017	2016
Deferred tax assets	50	82

The deferred tax asset is related to the first time adaptation entries during 2016 following the differences between fiscal versus economic principles of the depreciation of fixed assets. Commercially, the fixed assets are depreciated over a period of 3 years to the maximum of the rental lease period (investments in building). The fiscal depreciation period is set on 5 years, which means that 20% is depreciated (linear method) taking into account a possible residual value. Only when a fixed asset is disposed earlier, a depreciation of more than 20% is allowed.

7. Trade and other receivables

	2017	2016
Accrued Management and other fees	5,412	4,636
Accrued other income	-	34
Accrued receivables from related parties (Note 24)	8,075	9,355
Other Trade receivables	-	1,038
Trade receivables from related parties (Note 24)	253	136
VAT and other tax receivables	778	909
	14,518	16,108

Trade and other receivables are non-interest bearing and relate to invoiced and accrued management and other fees which settle, except fees from the Dutch funds, quarterly.

8. Cash and cash equivalents

	2017	2016
Cash at bank	24,758	7,165

Cash at bank earns interest at floating rates based on one month average EURIBOR.

9. Property, Plant & Equipment (Net)

	Hardware	Software	Inventory	Hardware	Software	Inventory
Cost or valuation:	**2017**	**2017**	**2017**	**2016**	**2016**	**2016**
Balance at 1 January	487	33	1,852	484	34	1,704
Additions	61	-	61	12	-	148
Disposals	(9)	-	-	(9)	(1)	-
Balance at 31 December	539	33	1,913	487	33	1,852
Accumulated depreciation:	**2017**	**2017**	**2017**	**2016**	**2016**	**2016**
Balance at 1 January	(407)	(33)	(1,704)	(280)	(23)	(1,494)
Disposals	-	-	-	9	1	
Depreciation & Impairment	(69)	-	(44)	(136)	(11)	(210)
Balance at 31 December	(476)	(33)	(1,748)	(407)	(33)	(1,704)
Total	63	-	165	80	-	148

10. Share capital and share premium

	Number of shares	**Ordinary shares x € 1,000**	**Share premium x € 1,000**	**Total x € 1,000**
At 1 January 2017	501	225	34,920	35,145
Capital Contribution	-	-	7,800	7,800
At 31 December 2017	501	225	42,720	42,945
At 1 January 2016	501	225	32,220	32,445
Capital Contribution	-	-	2,700	2,700
At 31 December 2016	501	225	34,920	35,145

Issued and paid-up capital

At 31 December 2017, 501 shares of EUR 450 per share have been issued and fully paid.

Share premium

BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. has made a capital contribution to the shares in the form of share premium of EUR 7.8 million in March 2017.

Distribution of profit

Dividends are recognised as a liability in the period in which they are declared.

11. Retained earnings

	2017	2016
At 1 January	(25,053)	(19,633)
Net result for the year	5,752	(5,420)
At 31 December	(19,301)	(25,053)

12. Trade and other payables

	2017	2016
Accrued payables to related parties (Note 24)	11,249	10,054
Accrued payables to third parties	2,933	1,337
VAT and other tax payables	1,726	2,098
	15,908	13,489

13. Provisions

	2017	2016
Provision for claims	101	-

This provision originates from an administrative failure detected in 2017.

14. Management and other fees

	2017	2016
Management fees	28,802	32,635
Investment management fee	10,625	10,279
Sales fee -net	14,014	14,064
Service fee	1,130	1,341
Performance fee	200	200
	54,771	58,519

The decrease of management fees amounting to EUR 3.8 million can be explained by the liquidation of the ABN AMRO Beleggingsmodel Fondsen (EUR 0.7 million), the decreased AUM of the other Dutch Funds (EUR 0.9 million) and a Japanese mandate (EUR 1.0 million), and a restructuring of the mandate of an important insurance client. Following the lower AUM of the Dutch Funds also the service fees decreased, whilst the other fees remained stable.

15. Rebate, sales and advisory costs

	2017	2016
Rebate cost	(2,921)	(3,464)
Sales costs - net	(2,571)	(3,109)
Advisory costs - net	(11,716)	(13,321)
	(17,208)	(19,894)

In line with the lower management fees, the directly related payables also decreased, of which; EUR 0.6 million Rebate costs for the ABN AMRO Beleggingsmodel Fondsen and EUR 0.5 million Sales cost to BNP PARIBAS ASSET MANAGEMENT Japan related to a Japanese mandate. Finally, the advisory cost decreased with EUR 1.6 million following the lower AUM of the Dutch Funds (EUR 0.4 million), the restructuring of the mandate of an important insurance client (EUR 0.5 million) and the insourcing of the investment management activities from BNP PARIBAS ASSET MANAGEMENT UK Limited (EUR 0.3 million).

16. Administrative expenses

	2017	2016
Professional fees	(84)	(86)
Reinvoicing	(40,881)	(41,073)
Other expenses	(3,345)	(4,682)
	(44,310)	(45,841)

Professional fees include legal, fiscal advice and audit costs performed on behalf of the Company.

The Company distinguishes audit costs related to the investment funds which are covered by the Service fees or are part of the total expense ratio and audit costs directly related to the Company itself. The audit costs directly related to the Company amount to EUR 84 thousand (2016: EUR 86 thousand of which EUR 3 thousand was not related to the statutory audit of 2016) for the audit services provided by Deloitte Accountants B.V. No other fees have been paid by the Company to Deloitte Accountants B.V. or Deloitte affiliates.
The audit costs related to the investment funds managed by the Company amount to EUR 164 thousand (2016: EUR 198 thousand).

Activities that are outsourced to BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. are documented into service level agreements and are presented as reinvoicing. Such cost includes cost for financial, sales, (investment) management services and administration cost.

Other expenses are mainly related to the providers servicing our investment institutions, including costs such as: Dealing Services (EUR 1.7 million), Fund administration (EUR 0.3 million), Custody/ Depositary (EUR 0.4 million) and Trade Support (EUR 0.2 million).

17. Finance income and costs

	2017	2016
Finance income	(20)	(11)

18. Other gains and losses

	2017	2016
Other gains and losses (Note 24)	14,436	-

The other gains and losses of the Company are related to the transferred investment management activities per the end of 2017 to three other BNP Paribas Asset Management entities, respectively BNP PARIBAS ASSET MANAGEMENT France SAS, BNP PARIBAS ASSET MANAGEMENT Belgium SA/NV and BNP PARIBAS ASSET MANAGEMENT UK Limited. In consideration of this transfer, all acquiring parties agreed to compensate the Company for future revenue losses by paying a total amount of EUR 14.4 million.

19. Income tax

	2017	2016
Current tax	(1,917)	1,807

The tax on the Company's result before tax does not differ from the theoretical amount that arises using the basic tax rate applicable to the profit. The standard and effective tax rate was 25% (2016: 25%).

20. Basic earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2017	2016
Result attributable to the owners of the Company	5,752	(5,420)
Weighted average number of ordinary shares in issue	501	501
Basic earnings per share	11.48	(10.82)

(b) Diluted

The Company has no categories of dilutive potential ordinary shares. As a result, the diluted earnings per share are identical to the basic earnings per share as per the above summary.

21. Dividends per share

No dividends were paid in 2016 and 2017. The objective of the Company's dividend policy is to upstream as much dividend as possible.

22. Contingencies

Upon final settlement with the Tax authorities the Company is liable for all the tax liabilities of the fiscal unity (reference is made to the paragraphs i) Basis of preparation – Tax status and ii) 2.11 Income taxes). The Corporate income tax of 2016 has been settled with BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. in February 2017. The filing of the corporate income tax will be done by BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. acting as head of the fiscal unity. The Value Added Tax (VAT) is settled quarterly in arrears before the end of the month following that quarter. Hence, the VAT for the 4th quarter 2017 that was outstanding per year-end 2017 has been settled in January 2018.

23. Commitments

Capital commitments

Capital expenditure contracted for at the statement of financial position date, but not yet incurred, does not exist.

Service level agreements

The Company is committed to payments under service level agreement with BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. This agreement is based on financial services performed by employees employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. as well as external contractors and other external temporarily staff contracted by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. For 2017 these costs amounted to EUR 25.6 million, which is lower compared to the EUR 27.9 million for 2016 thanks to a lower cost base within BNP PARIBAS ASSET MANAGEMENT Netherlands N.V.

24. Related-party transactions

The Company has related-party transactions with its BNP Paribas AM entities (including EEIG), BNP Paribas Securities Services (BP2S) and BNP Paribas Dealing Services.

The following transactions were carried out with related parties:

Investment management fees and sales fees

	2017	2016
Other BNP Paribas AM entities *	24,639	24,240
* Main counterparty:		
BNP Paribas ASSET MANAGEMENT Luxemburg	22,558	21,770

Rebate, sales and advisory costs, custodian/ reporting and dealing costs

	2017	2016
Other BNP Paribas AM entities *	12,170	14,011
BNP Paribas Securities Services	880	1,650
BNP Paribas Dealing Services	1,726	2,069
	14,776	17,730
* Main counterparties:		
BNP Paribas ASSET MANAGEMENT France	3,388	1,717
BNP Paribas ASSET MANAGEMENT U.K. Limited	4,657	5,722
BNP Paribas ASSET MANAGEMENT Japan Limited	2,253	2,758

The increase of advisory costs incurred with BNP Paribas Asset Management France from EUR 1.7 million (2016) to EUR 3.4 million (2017) is explained by the merge between BNP Paribas Asset Management France and THEAM in 2017. In 2016 the advisory fees were split over BNP Paribas Asset Management France and THEAM (a non-affiliated party that year) but fully combined in 2017.

Re-invoicing revenues and costs

	2017	2016
Re-invoicing revenues other BNP Paribas AM entities *	4,806	5,130
Re-invoicing costs other BNP Paribas AM entities **	(43,735)	(46,203)
Net Re-invoicing (cost)	(38,929)	(41,073)
* Main counterparties:		
BNP Paribas ASSET MANAGEMENT Netherlands N.V.	-	-
EEIG	3,997	4,102
** Main counterparties:		
BNP Paribas ASSET MANAGEMENT Netherlands N.V.	(25,556)	(27,858)
EEIG	(16,721)	(15,600)

As set out in note 5, the TP contains the cost sharing policy where the operational expenses incurred within the departments Operations, Marketing, IT and Network Change Management & Strategy are re-invoiced to the beneficiary entities of the BNP Paribas Asset Management Group. And as per note 15, the activities that are outsourced to BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. are documented into service level agreements and include costs for financial, sales, (investment) management services and administration cost.

Other gains and losses

	2017	2016
Other BNP Paribas AM entities *	14,436	-
* Counterparties:		
BNP Paribas ASSET MANAGEMENT U.K. Limited	8,093	-
BNP Paribas ASSET MANAGEMENT France	5,118	-
BNP Paribas ASSET MANAGEMENT Belgium	1,225	-

Year-end balances arising from related-parties transactions:

Receivables from related parties:

	2017	2016
Other BNP Paribas AM entities *	8,328	9,491
* Main counterparties:		
BNP Paribas ASSET MANAGEMENT Luxemburg	5,708	5,619
BNP Paribas ASSET MANAGEMENT NL Holding N.V.	-	1,725
EEIG	1,276	1,014

Receivables from related parties relate to rebate, sales and advisory fees and the re-invoicing revenues following the TP. These receivables are not secured, non-interest bearing and settle normally within 30 - 90 days.

Payables to related parties:

	2017	2016
Other BNP Paribas AM entities *	10,548	8,458
BNP Paribas Securities Services	328	1,123
BNP Paribas Dealing Services	373	473
	11,249	10,054
* Main counterparties:		
EEIG	4,707	4,305
BNP Paribas ASSET MANAGEMENT U.K. Limited	1,163	1,643

Payables to related parties include fees such as rebate, sales and advisory fees, internal settlement cost and the re-invoicing costs of the TP. The payables bear no interest. No guarantees are given. Depending on the underlying agreement payables settle normally within 30 - 90 days.

Key management compensation

The Board of Directors has the authority and responsibility for planning, directing and controlling the activities of the Company and is acknowledged as key management personnel as defined in IAS 24.9. Key management personnel can also perform activities on behalf of other companies. The following table includes management compensation only for the period the members were appointed as a member of the Board of Directors and employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V.

The compensation of the Board of Directors, being compliant with the remuneration policy taking into account performance of individuals and market trends, was as follows:

*Key management compensation **

	2017	2016
Salaries and other short-term employee benefits	862	936
Termination benefits	-	-
	862	936

* The Company does not employ any employees and the compensation is therefore not included in the financial statements.

25. Employees

The Company does not employ any employees. The members of the Board of Directors and Supervisory Board of the Company are, except Mr. T.A. Rostron, employed by BNP PARIBAS ASSET MANAGEMENT Netherlands N.V. or another entity of the BNP Paribas Group. Therefore, accounting policies for employee benefits are not applicable.

26. Compliance

Act on Financial Supervision (Wft)

The license under the Act on Financial Supervision requires the Company, amongst other requirements, to:

- Publish its Annual Financial Statements within 4 months after the end of its financial year;
- Comply with a minimum amount of shareholders' equity.

Shareholders' equity

The sufficiency of the Company's shareholders' equity is determined by the Fixed Overheads Requirement (FOR), calculated over the audited costs of prior year multiplied with 25%.

The Company's shareholders' equity at 31 December 2017 (and 2016) is sufficient.

Vaste Kosteneis (or Fixed Overhead)	**2017**	**2016**
Total audited annual costs * 25%	10,269	2,945
Total required regulatory capital	10,269	2,945
Regulatory capital	23,646	10,094
Surplus regulatory capital	**13,377**	**7,149**

It is the intention of BNP PARIBAS ASSET MANAGEMENT NL Holding N.V. to (continue to) provide sufficient financial support to the Company for the year 2018, to enable the Company to meet the capital requirements arising under the Act on Financial Supervision.

27. Proposed result appropriation

It is proposed by the Board of Directors to add the profit for the year 2017 amounting to EUR 5,751,730 (EUR 11,480.50 per share) to the reserve of the Company.

28. Subsequent events

There are no subsequent events to report.

Other Information

Independent auditor's report

To the shareholders and the supervisory board of BNP PARIBAS ASSET MANAGEMENT Nederland N.V.

Report on the audit of the financial statements 2017 included in the annual report

Our opinion

We have audited the accompanying financial statements 2017 of BNP PARIBAS ASSET MANAGEMENT Nederland N.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of BNP PARIBAS ASSET MANAGEMENT Nederland N.V. as at 31 December 2017, and of its result and its cash flows for 2017 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code and with the Act on Financial Supervision.

The financial statements comprise:

1. The statement of financial position as at 31 December 2017.
2. The following statements for 2017: the income statement, the statements of comprehensive income, changes in equity and cash flows.
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

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

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

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

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contain other information that consists of:

- Report of the Board of Directors.
- Other Information as required by Part 9 of Book 2 of the Dutch Civil Code.
- Report of the Supervisory Board.

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

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Report of the Board of Directors in accordance with Part 9 of Book 2 of the Dutch Civil Code, the other information as required by Part 9 of Book 2 of the Dutch Civil Code and the Report of the Supervisory Board in accordance with Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTIONT OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management and the supervisory board for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS, Part 9 of Book 2 of the Dutch Civil Code and with the Act on Financial Supervision. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

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

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

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

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit.

Amsterdam, 26 April 2018

Deloitte Accountants B.V.

Was signed on the original: E.M. van der Hall

Stipulations of the articles of association with respect to result appropriation

Profit is appropriated in accordance with article 25 of the articles of association. The stipulations are as follows:

25.1 The profit is at the disposal of the general meeting.

25.2 Profits will be distributed after adoption of the annual accounts/ financial statements showing that this is justified.

25.3 In accordance with a proposal of the Board of Directors, the Company may distribute an interim dividend, by resolution of the general meeting, from profit of the current financial year, without prejudice to the provisions in article 26.1

The Company may only distribute to shareholders as far as its own assets are larger than the issued capital plus reserves pursuant to the law subject to provisions in Book 2, section 105, paragraph 4 of the Dutch Civil Code.

Loss is appropriated in accordance with the Dutch Civil Code.

Organisation

BNP PARIBAS ASSET MANAGEMENT Nederland N.V.

Registered office

Herengracht 595
P.O. Box 71770
1008 DG Amsterdam
The Netherlands

Directors

J.L. Roebroek (Chairman)
M.P. Maagdenberg
E.C. Stienstra
C.J.M. Janssen

Supervisory Board

A.M.O. Verstraeten (until 1 April 2017)
M. Diulius (until 1 April 2018)
T.A. Rostron (as of 1 January 2017)
D. Thielemans (as of 1 April 2017)
S. Pierri (as of 1 April 2018)

Auditor

DELOITTE Accountants B.V.
P.O. Box 58110
1040 HC Amsterdam
The Netherlands

Banks

BNP Paribas S.A., Netherlands branch
Amsterdam
The Netherlands

Regulators

The Dutch Authority for the Financial Markets (AFM) (supervision of conduct of business)
The Dutch Central Bank (DNB) (prudential supervision)

List of investment funds managed in 2017

BNP Paribas Fund I N.V.

– BNP Paribas Premium Global Dividend Fund

BNP Paribas Fund III N.V.

– BNP Paribas ESG Netherlands Index Fund[a]

– BNP Paribas Global Property Securities Fund

– BNP Paribas Property Securities Fund Europe

– BNP Paribas AEX Index Fund

– BNP Paribas High Income Property Fund

– BNP Paribas Global High Income Equity Fund

– BNP Paribas Sustainable World Index Fund[b]

– BNP Paribas Asia Pacific High Income Equity Fund

– BNP Paribas Sustainable Europe Index Fund[c]

BNP Paribas OBAM N.V.

[a] Until 11 April 2018 called BNP Paribas Netherlands Fund
[b] Liquidated on 22 December 2017
[c] Merged into BNP Paribas Sustainable World Index Fund on 17 March 2017

For more information

Investor services

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Client Service
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Amsterdam Trade Register no. 33.179.578

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