

BNP Paribas L1

Luxembourg SICAV – UCITS category

Registered office: 10 rue Edward Steichen, L-2540 Luxembourg

Luxembourg Trade and Companies Register n° B 32.327

Luxembourg, 27 November 2017

Dear Shareholders,

We hereby inform you of changes to be implemented in the next version of the Prospectus of the Company.

“Bond World Emerging Local” sub-fund

Please note the following decrease of the maximum Management Fees of the categories:

category	Current maximum	New maximum
Classic	1.50%	1.40%
N	1.50%	1.40%
Privilege	0.75%	0.70%
Life	1.385%	1.385% (unchanged)

Transformation of the “Diversified World Balanced” and “Diversified World Growth” sub-funds

1) Background to and rationale for the Transformation

- ✓ The demand for profiled funds grows. In the meantime, the appetite of our main clients for SRI products is still increasing. Therefore, it is proposed to the shareholders to capitalise on the success of the “Sustainable Active” sub-fund’s strategy.
- ✓ The shareholders should benefit from an increase of the future performances with Lower OCRs described on below.

Warning:

- ✓ **Past results are not an indicator or guarantee of future results.**
- ✓ **There is no guarantee that [this objective would be achieved](#).**

2) “Diversified World Balanced”

<i>features</i>	<i>current</i>	<i>new</i>															
Name	Diversified World Balanced	Sustainable Active Balanced															
Investment policy	<p>This sub-fund invests in UCITS and/or UCI which invest in debt securities and equity markets, money market instruments and, on an ancillary basis, in cash instruments, as well as in financial derivative instruments on this type of asset in order to achieve maximum profitability for the risk incurred. Emphasis is placed on international diversification of investments.</p> <p>When the investment in UCITS and/or UCI is not considered appropriate, the sub-fund may be invested directly in underlying targeted assets in so far as they fulfil the requirements of Appendix 1 of the Book I of the Prospectus.</p> <p>The risk is closely related to the percentages invested in the different asset classes. Therefore the portfolio's composition will be aligned to the below asset class weightings.</p> <table border="1"> <thead> <tr> <th></th> <th>minimum</th> <th>maximum</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>Debt Securities</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>Alternatives</td> <td>0%</td> <td>40%</td> </tr> <tr> <td>Cash</td> <td>0%</td> <td>25%</td> </tr> </tbody> </table> <p>Investments in “Alternatives” may include investments in absolute return products, indirect commodities, UCITS/UCIs with alternative strategies in so far as they fulfil the requirements of point 1.e) of the Appendix 1 of the Book I of the Prospectus, real estate securities and volatility based products.</p> <p>For effective portfolio management the manager may change actual asset class weightings - within the given ranges - based on market conditions and his forecasts.</p>		minimum	maximum	Equity	25%	75%	Debt Securities	25%	75%	Alternatives	0%	40%	Cash	0%	25%	<p>This sub-fund invests directly or indirectly (through UCITS, UCI and/or ETF) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets.</p> <p>The sub-fund will have 50% minimum exposure to fixed income. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria.</p> <p>Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCI and/or ETF):</p> <ul style="list-style-type: none"> - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or “Best in Class”) and negative (or by “exclusion”). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. <p>The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I of the Prospectus.</p> <p>Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings:</p> <ul style="list-style-type: none"> - Equity: 50% - Bonds: 50% <p>For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 25% to maximum 75%).</p>
	minimum	maximum															
Equity	25%	75%															
Debt Securities	25%	75%															
Alternatives	0%	40%															
Cash	0%	25%															
Benchmark for performances	40% MSCI World AC + 10% MSCI EMU + 40% Barclays Euro Aggregate + 10% Eonia	50% MSCI World + 50% Bloomberg Barclays Euro Aggregate															
Specific Market Risks	<ul style="list-style-type: none"> • Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Alternative Investment Strategies Risks • Commodity Market Risk • Real Estate Investment Risks 	<ul style="list-style-type: none"> • Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk 															
Summary of differences for: <ul style="list-style-type: none"> • Investment policies • Investment Strategy • Asset Allocation 	<p>The sub-fund will follow a Sustainable & Responsible Investments (SRI) strategy which is not the case under the current investment policy.</p> <p>Currently the sub-fund may invest up to 40% of its assets into Alternative Investments but it will no longer be the case after transformation.</p>																
Investor Type Profile	<p>This sub-fund is suitable for investors who:</p> <ul style="list-style-type: none"> • Are looking for a diversification of their investments through exposure to a range of 	<p>This sub-fund is suitable for investors who:</p> <ul style="list-style-type: none"> • Are looking for a diversification of their investments through exposure to a range of asset 															

	asset classes, globally; • Can accept low to medium market risks.	classes, globally; • Can accept medium market risks.
Fees « Classic » OCR, including • Management • Other • Indirect Fee	2.18% (based on past expenses determined as of 08-Nov-2017) maximum 1.50% maximum 0.35% maximum 1.00%	1.68% (estimation as the management fees decrease with the transformation) maximum 1.30% maximum 0.35% maximum 1.00%
Fees « N » OCR, including • Management • Distribution • Other • Indirect Fee	2.96% (based on past expenses determined as of 08-Nov-2017) maximum 1.50% maximum 0.75% maximum 0.35% maximum 1.00%	2.43% (estimation as the management fees decrease with the transformation) maximum 1.30% maximum 0.75% maximum 0.35% maximum 1.00%
Fees « Privilege » OCR, including • Management • Other • Indirect Fee	1.46% (based on past expenses determined as of 08-Nov-2017) maximum 0.75% maximum 0.35% maximum 1.00%	1.13% (estimation as the management fees decrease with the transformation) maximum 0.65% maximum 0.35% maximum 1.00%
Fees « I » OCR, including • Management • Other • Indirect Fee	1.08% (based on past expenses determined as of 08-Nov-2017) maximum 0.50% maximum 0.25% maximum 1.00%	0.75% maximum 0.50% maximum 0.20% maximum 1.00%

Investment objective, SRRI (4), Risk management process (Commitment Approach) and NAV cycle **are unchanged**.

3) “Diversified World Growth”

<i>features</i>	<i>current</i>	<i>new</i>															
Name	Diversified World Growth	Sustainable Active Growth															
Investment policy	<p>This sub-fund invests in UCITS and/or UCI which invest in debt securities and equity markets, money market instruments and, on an ancillary basis, in cash instruments, as well as in financial derivative instruments in order to achieve maximum profitability for the risk incurred. Emphasis is placed on international diversification of investments.</p> <p>When the investment in UCITS and/or UCI is not considered appropriate, the sub-fund may be invested directly in underlying targeted assets in so far as they fulfil the requirements of Appendix 1 of the Book I of the Prospectus.</p> <p>The risk is closely related to the percentages invested in the different asset classes. Therefore the portfolio's composition will be aligned to the below asset class weightings.</p> <table border="1"> <thead> <tr> <th></th> <th>minimum</th> <th>maximum</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>50%</td> <td>100%</td> </tr> <tr> <td>Debt Securities</td> <td>0%</td> <td>50%</td> </tr> <tr> <td>Alternatives</td> <td>0%</td> <td>40%</td> </tr> <tr> <td>Cash</td> <td>0%</td> <td>25%</td> </tr> </tbody> </table> <p>Investments in “Alternatives” may include investments in absolute return products, indirect commodities, UCITS/UCIs with alternative strategies in so far as they fulfil the requirements of point 1.e) of the Appendix 1 of the Book I of the Prospectus, real estate securities and volatility based products.</p> <p>For effective portfolio management the manager may change actual asset class weightings - within the given ranges - based on market conditions and his forecasts.</p>		minimum	maximum	Equity	50%	100%	Debt Securities	0%	50%	Alternatives	0%	40%	Cash	0%	25%	<p>This sub-fund invests directly or indirectly (through UCITS, UCI and/or ETF) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets.</p> <p>The sub-fund will have 50% minimum exposure to fixed income. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria.</p> <p>Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCI and/or ETF):</p> <ul style="list-style-type: none"> - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or “Best in Class”) and negative (or by “exclusion”). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. <p>The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I of the Prospectus.</p> <p>Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings:</p> <ul style="list-style-type: none"> - Equity: 75% - Bonds: 25% <p>For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 50% to maximum 100%).</p>
	minimum	maximum															
Equity	50%	100%															
Debt Securities	0%	50%															
Alternatives	0%	40%															
Cash	0%	25%															
Specific Market Risks	<ul style="list-style-type: none"> • Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Alternative Investment Strategies Risks • Commodity Market Risk • Real Estate Investment Risks 	<ul style="list-style-type: none"> • Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk 															
Benchmark for performances	60% MSCI World AC + 15% MSCI EMU + 20% Barclays Euro Aggregate + 5% Eonia	75% MSCI World + 25% Bloomberg Barclays Euro Aggregate															
Summary of differences for: • Investment policies • Investment Strategy • Asset Allocation	The sub-fund will follow a Sustainable & Responsible Investments (SRI) strategy which is not the case under the current investment policy. Currently the sub-fund may invest up to 40% of its assets into Alternative Investments but it will no longer be the case after transformation.																
Investor Type Profile	This sub-fund is suitable for investors who: • Are looking for a diversification of their investments through exposure to a range of	This sub-fund is suitable for investors who: • Are looking for a diversification of their investments through exposure to a range of asset															

	asset classes, globally; <ul style="list-style-type: none"> • Are willing to accept higher market risks in order to potentially generate higher long-term returns; • Can accept significant temporary losses; • Can tolerate medium to high volatility. 	classes, globally; <ul style="list-style-type: none"> • Can accept low to medium market risks.
Fees « Classic » OCR, including <ul style="list-style-type: none"> • Management • Other • Indirect Fee 	2.36% (based on past expenses determined as of 08-Nov-2017) maximum 1.50% maximum 0.35% maximum 1.00%	1.68% (estimation as the management fees decrease with the transformation) maximum 1.40% maximum 0.35% maximum 1.00%
Fees « N » OCR, including <ul style="list-style-type: none"> • Management • Distribution • Other • Indirect Fee 	3.11% (based on past expenses determined as of 08-Nov-2017) maximum 1.50% maximum 0.75% maximum 0.35% maximum 1.00%	2.43% (estimation as the management fees decrease with the transformation) maximum 1.40% maximum 0.75% maximum 0.35% maximum 1.00%
Fees « Privilege » OCR, including <ul style="list-style-type: none"> • Management • Other • Indirect Fee 	1.61% (based on past expenses determined as of 08-Nov-2017) maximum 0.75% maximum 0.35% maximum 1.00%	1.13% (estimation as the management fees decrease with the transformation) maximum 0.70% maximum 0.35% maximum 1.00%
Fees « I » OCR, including <ul style="list-style-type: none"> • Management • Other • Indirect Fee 	1.17% (based on past expenses determined as of 08-Nov-2017) maximum 0.50% maximum 0.25% maximum 1.00%	0.75% maximum 0.50% maximum 0.20% maximum 1.00%

Investment objective, SRRI (5), Risk management process (Commitment Approach) and NAV cycle **are unchanged**.

ADDITIONAL INFORMATION

These changes will be reflected in the version of the Prospectus dated December 2017, and will be effective on 29 December 2017 (Order Trade Date).

Additional clerical changes have been made to update and enhance the general wording of the Prospectus or to comply with new laws and regulations.

Terms or expression not defined in the present notice have the same meaning as in the Prospectus of the Company.

If your shares are held by a clearing house, we advise you to enquire about the specific terms applying to subscriptions, redemptions and conversions made via this type of intermediary.

YOUR OPTIONS

- 1. If you are comfortable with these change**, you do not need to take any action
- 2. Should you not approve these changes**, you have the possibility to request the redemption of your shares free of charge until 27 December, 2017.
- 3. In case of any question**, please contact our Client Service (+ 352 26 46 31 21 / AMLU.ClientService@bnpparibas.com).

Best regards,

The Board of Directors