

**BNP Paribas Funds**  
*SICAV under Luxembourg law – UCITS class*  
*Registered Office: 10, rue Edward Steichen, L-2540 Luxembourg*  
*Luxembourg Trade and Companies Register No. B 33.363*  
*(the “Company”)*

**Merger Notice to the Shareholders**  
**BNP Paribas Funds Latin America Equity**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

The Board of Directors of BNP Paribas Funds (the “Company”) are the persons responsible for the information contained in this notice to shareholders (the “Notice”). To the best of the knowledge and belief of the Board of Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Notice is, at the date hereof, in accordance with the facts and does not omit anything likely to affect the importance of such information. The Board of Directors accept responsibility accordingly.

The Board of Directors of the Company decides, in accordance with the provisions of Article 34 of the Articles of Association of the Company and the Chapter 8 of the Luxembourg Law of 17 December 2010 concerning UCI (the “Law”), to merge **BNP Paribas Funds Latin America Equity** (the “Merging Sub-Fund”) into **BNP Paribas Funds Brazil Equity** (the “Receiving Sub-Fund”) on **7 June 2024**, in accordance with Article 1, point 20), a) of the Law (the “Merger”):

<i>BNP Paribas Funds Merging Sub-Fund</i>	<i>BNP Paribas Funds Receiving Sub-Fund</i>	<i>Effective Date of Merger*</i>	<i>Last Order Date*</i>	<i>First NAV Valuation Date*</i>	<i>First NAV Calculation Date*</i>
<b>Latin America Equity</b>	<b>Brazil Equity</b>	<b>7 June 2024</b>	31 May 2024	7 June 2024	10 June 2024

\* Dates:

- Effective Date of Merger – Date at which the Merger is effective and final.
- Last Order Date – Last date at which redemption and conversion orders of the Merging Sub-Fund are accepted until 6pm Hong Kong time. Any orders of the Merging Sub-Fund received after this date will be rejected, i.e. investors of the Merging Sub-Fund would not be able to redeem or convert their shares after the Last Order Date (31 May 2024); until the completion of the Merger (7 June 2024). Shareholders of the Merging Sub-Fund who do not accept the Merger may instruct redemption or conversion of their shares free of charge until this date (see item 7).
- First NAV Valuation Date – Date of valuation of the underlying assets for the calculation of the first NAV post-Merger.
- First NAV Calculation Date – Date at which the first NAV post-Merger (with merged portfolios) will be calculated.

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Issued shares will be merged as follows:

<i>ISIN code</i>	<i>BNP Paribas Funds Merging Sub-Fund</i>	<i>Share category</i>	<i>Reference Currency</i>	<i>BNP Paribas Funds Receiving Sub-Fund</i>	<i>Share category</i>	<i>Reference Currency</i>	<i>ISIN code</i>
LU0075933415	Latin America Equity	Classic-CAP	USD	Brazil Equity	Classic-CAP	USD	LU0265266980
LU0075933175		Classic-DIS	USD		Classic-DIS	USD	LU0265267285
LU0111453535		Privilege-CAP	USD		Privilege-CAP	USD	LU0265313147

*Depending on the applicable exchange ratio, shareholders who would receive less than 1 share of the Receiving Sub-Fund after the merger would not be entitled to any voting's right in the Receiving Sub-Fund.*

1) Background & Rationale to the Merger

- ✓ Over the last years, performances of the Merging Sub-Fund have been disappointing and the Merging Sub-Fund has faced important outflows.
- ✓ The Merger aims to offer to the Shareholders of the Merging Sub-Fund an alternative solution through a merger into the Receiving Sub-Fund which provide full exposure to the dominant economy and equity financial market in the region.

The Board of Directors of the Company considered that the Merger would be in the best interest of the shareholders of the Merging Sub-Fund.

2) Impact of the Merger for the shareholders of the Merging Sub-Fund

- ✓ The shareholders of the Merging Sub-Fund, who do not make use of their shares redemption or conversion rights explained below in item 7), will become shareholders of the Receiving Sub-Fund.
- ✓ The Merging Sub-Fund will be dissolved without liquidation by transferring all of their assets and liabilities into the Receiving Sub-Fund on the Effective Date **7 June 2024**.
- ✓ The Merging Sub-Fund will cease to exist at the Effective Date of the Merger.
- ✓ The Merger will be done in kind. The investment universe of the Merging Sub-Fund being broader than the one of the Receiving Sub-Fund, the portfolio of the Merging Sub-Fund will be rebalanced within 5 business days prior to the Merger (i.e. 31 May 2024) and securities and cash, if any, will be transferred into the Receiving Sub-Fund.
- ✓ First orders of the shareholders of the Merging Sub-Fund will be accepted in the Receiving Sub-Fund on **7 June 2024** after 16:00 CET, and will be processed on the NAV dated **10 June 2024** (calculated on 11 June 2024) provided that new positions have been taken into account by their financial intermediary.
- ✓ There may be significant number of shareholders of Merging Sub-Fund redeem prior to the Merger, who would not participate in the Merger. Such redemptions may lessen the increase in assets in the Receiving Sub-Fund which would occur through the Merger. Starting from the date of this Notice, in order to protect the interests of remaining shareholders of Merging Sub-Fund, when the total net redemption/conversion applications received on a dealing day for the Merging Sub-Fund equals or exceeds 10% of its net assets, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 10% of the net assets of the Merging Sub-Fund. Any redemption/conversion applications deferred shall be given in priority in relation to redemption/conversion applications received on the next dealing day, again subject to the limit of 10% of net assets. Please refer to the Hong Kong Offering Document of the Company for the details.

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3) Impact of the Merger for the shareholders of the Receiving Sub-Fund

The Merger will have no impact for the shareholders of the Receiving Sub-Fund.

4) Organisation of the exchange of shares

- ✓ Shareholders of the Merging Sub-Fund will receive, in the Receiving Sub-Fund, a number of new shares calculated by multiplying the number of shares they held in the relevant classes of the Merging Sub-Fund by the exchange ratio.
- ✓ The exchange ratios for the Merging Sub-Fund will be calculated on Friday 7 June 2024 by dividing the net asset value (NAV) per share of the share categories of the Merging Sub-Fund by the NAV per share of the corresponding share category of the Receiving Sub-Fund, based on the valuation of the underlying assets set on Thursday 6 June 2024. The exchange ratios for the Merging Sub-Fund will also be audited by PricewaterhouseCoopers, Société Coopérative, the auditor of the Company. The criteria adopted for the valuation of the assets and, where applicable, the liabilities for the calculation of the exchange ratio will be the same as those described in the chapter “Net Asset Value” of the Book I of the prospectus of the Company.
- ✓ No balancing cash adjustment will be paid for the fraction of the share in the Receiving Sub-Fund attributed beyond the third decimal.

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5) Material differences between Merging and Receiving Sub-Fund

The differences between the Merging and Receiving Sub-Fund are the following:

Features	“BNP Paribas Funds Latin America Equity” Merging Sub-Fund	“BNP Paribas Funds Brazil Equity” Receiving Sub-Fund
Investment objective	Increase the value of its assets over the medium term by investing primarily in Latin American equities.	Increase the value of its assets over the medium term by investing primarily in Brazilian equities.
Investment policy	<p>At all times, the sub-fund aims to invest its assets in Latin American equities and/or equity equivalent securities, and at all times it will be invested at least for 75% of them in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in, Latin America (all American countries except the USA and Canada) and by selecting the best market opportunities among the most representative values in this market.</p> <p>On ancillary bases, the sub-fund may invest a maximum of 25% of its assets in any other securities, money market instruments and/or cash, and also, within a limit of 10% of the assets, in collective investment schemes.</p> <p>The sub-fund is actively managed with the index MSCI EM Latin America 10/40 (NR) as benchmark. Due to the active approach of the Investment Manager, the performance objective of the sub-fund is to outperform the benchmark.</p> <p>The investment philosophy is based in a long term bottom-up approach taking into consideration the financial structure of companies with superior earnings growth and sound profitability, quality of the management, sustainable growth and others. The selection approach is based on an assessment of critical factors such as valuation multiples, earnings growth and cash flow generation. Alongside, a top down overlay approach is used to identify companies operating in sectors/countries with strong long term macroeconomic fundamentals. Opportunities are sought everywhere in the Latin America investment universe, whether inside or outside of the index, with no particular constraints other than liquidity.</p> <p>Nevertheless, when certain market’s circumstances justify it in order to preserve</p>	<p>At all times, the sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Brazil.</p> <p>The remaining portion, namely a maximum of 25% of its assets, may be invested in any other securities, money market instruments or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in collective investment schemes.</p> <p>The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT’s Sustainable Investment Policy, which takes into account Environmental, Social and Governance criteria in the investment process of the sub-fund.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>

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	<p>the overall liquidity of the sub-fund, the Investment Manager will focus on the most tradable equities, the composition of the portfolio could get closer to that of the benchmark. Such circumstances are related to emerging markets inefficiencies, such as liquidity issues and severe FX devaluations during global instabilities, irrational speculative attacks towards emerging markets, and electoral periods in which prices are chiefly driven by political news-flow rather than fundamentals.</p> <p>The Investment Manager applies BNP PARIBAS ASSET MANAGEMENT’s Sustainable Investment Policy, which takes into account Environmental, Social and Governance criteria in the investment process of the sub-fund.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>	
Summary of differences for investment strategy	Both sub-funds invest in equities following a similar investment strategy and philosophy. However, the investment universe of the Merging Sub-Fund is broader than that of the Receiving Sub-Fund as the Merging sub-fund may invest in equities issued by companies located in the Latin American region while the Receiving Sub-Fund may only invest in equities issued by companies located in Brazil.	
Ongoing Charges Ratio (as of 31 Dec 2023)	<ul style="list-style-type: none"> <li>• Classic                                   • 2.23%</li> <li>• Privilege                               • 1.23%</li> </ul>	
Fund Size (as of 28 Mar 2024)	USD 45.74 million	USD 70.87 million
Valuation Day	For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day, except if 50% or more of the assets of the sub-fund are listed on closed Stock Exchange.	For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day, except if the Sao Paulo stock exchange is closed.
Unamortized preliminary expenses	There is no unamortized preliminary expenses	

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There is no other differences between the Merging and Receiving Sub-Funds. They have the same characteristics, inter alia:

- Investment Manager
- Fee Structure (including management fees)
- Dividend and Distribution Policy
- Specific Risk Factors
- Risk Management Process (Commitment Approach)
- Accounting Currency
- Dates in relation to subscription, conversion and redemption of shares including Centralisation of Orders, Orders Trade Date, NAV publication date and Orders Settlement Date

- ✓ The ongoing charges figure are calculated based on expenses for the year ended at 31 December 2023. The ongoing charges are calculated by adding all direct fees, indirect fees and external fees of the sub-fund and then divided by the average net assets. Direct fees refer to charges and payment directly borne by the sub-fund such as operating costs, remuneration and payment to key operators and service providers. Indirect fees refer to the ongoing charges of the underlying funds which the sub-fund invests. External fees refer to any remuneration of the management company or other party that derives from fee-sharing arrangement.

6) Tax Consequences

The tax position of shareholders in Hong Kong, in respect of their holdings, will generally **not be affected** following the Merger. Shareholders are recommended to consult their tax advisors to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with the Merger.

7) Right to redeem and convert the shares

Your options:

- ✓ If you **accept** this Merger, you do **not need** to take any action. Shareholders' holding in Merging Sub-Fund will be automatically merged into the Receiving Sub-Fund on 7 June 2024. Hong Kong shareholders will be informed of the number of shares received after the Merger by way of a contract note, which is expected to be issued by 11 June 2024.
- ✓ Should you **not accept** this Merger, you have the possibility to request the redemption of your shares or convert your shares to other SFC-authorized sub-funds of the Company free of charge from the date of this Notice until 6pm Hong Kong time on 31 May 2024. Investors should note that different distributors may have different dealing cut-off which may be earlier than the time specified above. Investors should check with the relevant authorised distributors accordingly. Please be reminded that investors of the Merging Sub-Fund would not be able to redeem or convert their shares after 31 May 2024; until the completion of the Merger (i.e. 7 June 2024). Please refer to the Hong Kong Offering Document of the Company for details of the procedures for placing redemption and conversion requests in respect of the shares; as well as for the details of other SFC-authorized sub-funds of the Company.

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8) Documents available for inspection

Copies of the current Hong Kong Offering Document, the Articles of Association and the latest financial report of the Company are available upon request, free of charge, at the office of the Hong Kong Representative – BNP PARIBAS ASSET MANAGEMENT Asia Limited at Suite 1701, 17/F, Lincoln House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong and on the website at <https://www.bnpparibas-am.com/en-hk><sup>1</sup>.

9) Other information

- ✓ The costs and expenses of the Merger will be borne by BNP PARIBAS ASSET MANAGEMENT Luxembourg, the management company of the Company (the “Management Company”), except for banking and transaction related costs, taxes and stamp duties which would be charged to the Merging Sub-Fund. When these transaction costs are incurred, shareholders who remain in the Merging Sub-fund during the rebalancing period will bear such costs. Such transaction costs are not expected to be significant and are estimated to be 0.1% of the NAV of the Sub-fund (i.e. estimated to be USD 45,000).
- ✓ The merging operations will be validated by PricewaterhouseCoopers, Société Coopérative, the auditor of the Company and the Merging and Receiving Sub-Funds.
- ✓ Starting from the date of this Notice, the Merging Sub-Fund would no longer be allowed to be marketed to the public in Hong Kong. Subscription and / or conversion-in orders from new Hong Kong investors (except for existing monthly saving plan investors) would no longer be accepted. The Board of Directors of the Company accepts the responsibility for the accuracy of the contents of this Notice. This Notice will also be communicated to any potential investor of the Receiving Sub-Fund before subscription. Hong Kong shareholders may contact BNP PARIBAS ASSET MANAGEMENT Asia Limited, the Hong Kong Representative of the Companies, at (852) 2533 0088 for any questions.
- ✓ Please refer to the Hong Kong Offering Document of the Company for any term or expression not defined in this Notice.

Luxembourg, 9 April 2024

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<sup>1</sup> Investors should note that this website has not been reviewed by the SFC.