

HSBC PORTFOLIOS

Société d'Investissement à Capital Variable
16, Boulevard d'Avranches
L-1160 Luxembourg, Grand Duchy of Luxembourg
R.C.S Luxembourg B 147 223
(the "Fund")

Luxembourg, 28 January 2019

Dear Shareholder,

We are writing to inform you of changes that will be made to the service providers who conduct operations on behalf of the Fund.

Terms otherwise not defined in this notice will have the same meaning as those defined in the current prospectus of the Fund (the "**Prospectus**").

▶ The Change

It has been decided to appoint HSBC France, Luxembourg Branch, a newly created branch of HSBC France ("**HSBC France, Luxembourg Branch**"), to provide depositary and paying agency, as well as domiciliary agency, administration, register and transfer agency services (the "**Services**") in replacement of HSBC Bank plc, Luxembourg Branch. Both HSBC France and HSBC Bank plc are subsidiaries of HSBC Holdings plc and the change is thus an intragroup transfer of HSBC Bank plc, Luxembourg Branch's business to HSBC France, Luxembourg Branch.

HSBC France, Luxembourg Branch acting as depositary of the Fund will delegate the safekeeping of certain of the assets of the Fund to one global sub-custodian being HSBC France in Paris (the "**Global Sub-Custodian**") instead of HSBC Bank plc in London, which currently acts as global sub-custodian to the Fund. The Global Sub-Custodian may also use sub-delegates appointed in accordance with the terms of written agreements between the Global Sub-Custodian and those sub-delegates for the safekeeping of certain of the assets of the Fund. In particular, the Global Sub-Custodian intends to sub-delegate the safekeeping of certain assets to HSBC Bank plc in London.

▶ Effective Date of the Change

The transfer of the above Services to HSBC France, Luxembourg Branch will be effective from 1 March 2019 or such later date as may be notified to you (the "**Transfer Date**").

On the Transfer Date, HSBC Bank plc, Luxembourg Branch will no longer provide the Services to the Fund, at the same time HSBC France, Luxembourg Branch will start providing the Services to the Fund.

▶ Rationale for the Change

In light of recent and upcoming changes in the HSBC Bank plc, Luxembourg Branch's political and regulatory framework (i.e. notably in the context of the United Kingdom leaving the European Union as of 29 March 2019 and the potential consequences this may have on HSBC Bank plc, Luxembourg Branch offering financial services in the European Union) HSBC Group has decided to organise its business in a way that supports its pan-European customer offers. The Fund's board of directors therefore believe that it is in the interest of the Shareholders to proceed with such transfer of services.

▶ Impact of the Change

The Fund will be serviced by HSBC France, Luxembourg Branch in the same way as currently being serviced by HSBC Bank plc, Luxembourg Branch.

The transfer of services to HSBC France, Luxembourg Branch will also involve the transfer of your personal data to HSBC France, Luxembourg Branch. As a result of the transfer, HSBC France, Luxembourg Branch will replace HSBC Bank plc, Luxembourg Branch as data processor and, as the case may be, data controller for its own purposes.

With effect from the Transfer Date, you will need to contact HSBC France, Luxembourg Branch in respect of:

- Subscription and redemption requests;
- Transfers and re-registration requirements;
- Statements and balance enquiries;
- Submission of application forms and identification documents;
- Dividend enquiries;
- Switches;
- Enquiries related to your shareholder account,

All current contact details will remain the same and the current contact persons will continue to service your account:

- Telephone number: +352 404646 767
- Facsimile number: +352 27025 380
- Email: amgtransferagency@lu.hsbc.com
- Address: HSBC France, Luxembourg Branch
16 Boulevard D'Avranches, L-1160, Luxembourg

Bank account details for the settlement of subscriptions will change as a result of the transfer and will be communicated to you by separate notification in advance of the Transfer Date.

Transfer agency bank accounts will be relocated from HSBC Bank plc to HSBC France. As a result, your current records will be transferred from HSBC Bank plc to HSBC France as of the Transfer Date and services previously delegated to HSBC Bank plc will be performed by HSBC France from the Transfer Date. It is important to note that your Shareholder account number will remain unchanged and will continue to be required in all correspondence.

There will be no changes to the current dealing arrangements for the Fund or to the fees charged to the Fund for the provision of the Services.

▶ **Action to be taken**

This change does not require any action by you aside from using the new bank account details, including new SWIFT codes that will become effective from the Transfer Date. However, should you wish to convert or redeem your Shares, you are able to do so in accordance with the usual terms set out in the Prospectus.

Investors who have subscribed in the Fund via intermediaries are not likely to be impacted by this change.

▶ **Contact Information**

Should you have any questions or concerns about this transition, please contact your local HSBC Distributor, or you may contact HSBC Investment Funds (Luxembourg) S.A. our appointed Management Company in Luxembourg.

Yours faithfully

Fund Board of Directors