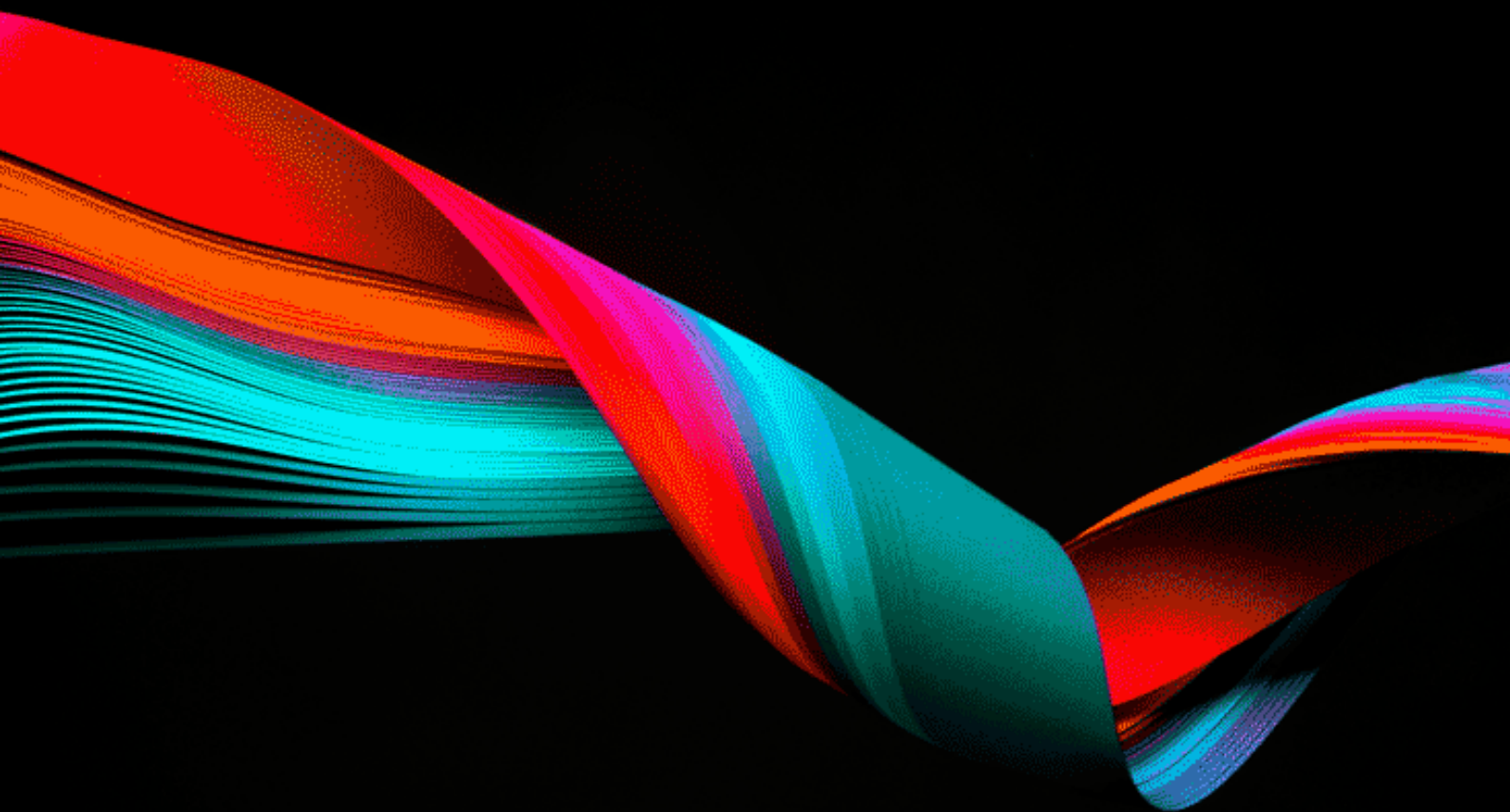


# HSBC UCITS Common Contractual Fund – Islamic Global Equity Index Fund (the Fund)

A Fund of HSBC UCITS Common Contractual Fund

Supplement to the Prospectus

10 February 2025



This Supplement contains specific information in relation to HSBC UCITS Common Contractual Fund – Islamic Global Equity Index Fund (the **Fund**), a fund of HSBC UCITS Common Contractual Fund (the **CCF**), an open-ended umbrella type common contractual fund established under the laws of Ireland and authorised by the Central Bank of Ireland.

This Supplement forms part of the Prospectus of the CCF dated 10 February 2025 (the **Prospectus**) and should be read in the context of and together with the Prospectus.

An investment in the Fund should only be made by those persons who could sustain a loss on their investment. It should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors.

The Directors of the Manager, whose names appear under the section entitled **Directors of the Manager** in the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.



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# 1. Investment Objective, Policy and Strategy

## Investment Objective

The investment objective of the Fund is to achieve capital growth over the long term.

## Investment Policy

The Fund will track the performance of the Dow Jones Islamic Market Titans 100 Index (the **Index**), while minimising as far as possible the tracking error between the Fund's performance and the performance of the Index. In addition, the Fund shall comply with Shariah Principles (as defined below) as interpreted and laid down by the **Shariah Committee** (as defined below) and provided to the Directors and the Investment Manager.

The Fund will seek to achieve its investment objective through investing in a diversified portfolio of equity securities which are Index constituents (as described under the heading entitled **Index** below). In addition to compliance with the UCITS Regulations and Central Bank requirements in the first instance, the investments of the Fund shall be in accordance with Islamic investment principles (i.e. Divine Islamic 'law' as revealed in (i) the **Qur'an**, which is the holy book of Islam, (ii) the **sunna**, or binding authority of the dicta and decisions of the Prophet Mohammed (peace be upon him), (iii) **ijma**, or 'consensus' of the community of Islamic scholars, and (iv) the **qiyas**, or analogical deductions and reasoning of the Islamic scholars) (collectively, **Shariah Principles**), as interpreted by the Shariah Committee, as defined below under the heading **Shariah Compliance**.

Subject to permitted investments in unlisted securities and the other investments outlined in this policy, the Fund's investments will be listed or traded on Regulated Markets, as defined in the Prospectus.

The Fund may also invest in Shariah compliant ADRs and GDRs, which are certificates typically issued by a bank or trust company representing ownership of an underlying number of shares of a foreign company, as an alternative to directly purchasing the Index constituents in jurisdictions where it would not be possible or practical for the Fund to hold the Index constituents directly and to gain exposure to such Index constituents without directly investing in those securities.

In order to track the performance of the Index, the Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply.

The Fund may invest up to 10% of its net assets in units or shares of UCITS and/or other CIS (including funds which are managed by or affiliated with the HSBC Group) whose investment policy is consistent with the investment policy of the Fund, including Shariah compliance, in accordance with the requirements of the Central Bank. There will be no double charging of the fees (i.e. management fees of the UCITS and/or other CIS invested in) for such investments.

The Fund is not permitted to invest in UCITS and CIS that are themselves tax transparent vehicles, for example common contractual funds in Ireland or their equivalent in other jurisdictions.

The Fund may also, for ancillary liquidity purposes, hold cash and Shariah compliant cash equivalents.

The Fund may use Shariah compliant foreign exchange forwards for hedging purposes, as set out under the heading **Financial Derivative Instruments and Efficient Portfolio Management** below.

The Fund has been classified as an Article 6 Fund under Regulation (EU) 2019/2088 of the European Parliament (as may be amended from time to time). The manner in which Sustainability Risks are integrated in the investment decision making process is described in the section of the Prospectus entitled **Integration of Sustainability Risks into Investment Decisions**. The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## Investment Strategy

The Investment Manager will seek to fully replicate the Index.

Replication refers to an investment strategy employed by index tracking funds to track an index. The Fund will seek to invest in all of the securities or equivalent instruments (for example ADR and GDRs) of the Index and in the same proportions in which they are included in the Index. However, there may be circumstances when it is not possible or practicable for the Fund to invest in all constituents of the Index. Such circumstances may include (but are not limited to): (i) a limited availability of the Index constituents; (ii) trading suspensions on constituents of the Index; (iii) cost inefficiencies; (iv) if the assets under management of the Fund are considered by the Investment Manager to be too small when measured against the weights and prices of the full Index constituents; or (v) where there are internal or regulatory driven trading restrictions that apply to the Fund or Investment Manager but not the Index.

## Index

The Index is designed to measure the performance of the largest 100 companies traded globally that pass rules-based screens for adherence to Shariah Principles. The Index comprises 103 constituents in 14 markets as of 30 December 2022.

The Index universe comprises all constituent stock of the Dow Jones Islamic Market World Index (the **Index Universe**). The Index methodology uses a rules-based screening process to determine whether a security is eligible for inclusion in the Index. Index components are selected by filtering the Index Universe through screens for business activities and companies which generate more than 5% of income or revenue from the following business activities are excluded from inclusion within the Index: alcohol, tobacco, pork-related products, conventional financial services, weapons and defences, certain entertainment. For more information regarding Shariah excluded business activities please visit the Ratings Intelligence website at <https://www.ratingsintelligence.com/shariah-screening.html>.

After removing companies with unacceptable primary business activities, the remaining companies are filtered according to accounting-based screens to remove companies with unacceptable levels of debt or impure interest income such that each of the following ratios must be less than 33%: total debt divided by trailing 24-month average market capitalisation, the sum of a company's cash and interest-bearing securities divided by trailing 24-month, average market capitalisation and accounts receivables divided by trailing-month average market capitalisation.

Securities in the Index are weighted by float-adjusted market capitalisation. Each component's weight is capped at 10% of the index's total free-float market capitalisation. Weights are reviewed on a quarterly basis.

The Index is calculated and published by S&P Dow Jones (the **Index Provider**) on a daily basis, using the closing price of each component stock. For stocks that did not trade on the current day, the closing prices or adjusted closing prices from the previous trading day are used.

At the date of this Supplement, the Index is a non-EU benchmark included in ESMA's register of third country benchmarks pursuant to Regulation (EU) 2016/1011.

On a quarterly basis in March, June, September and December, the Index may be rebalanced. The Index undergoes a full review in September and is also reviewed on an ongoing basis to account for corporate actions such as mergers, delistings or bankruptcies.

The Index is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates (**SPDJI**) and has been licensed for use by the Fund. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global (**S&P**); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (**Dow Jones**). The Fund is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the Index.

Further information about the Index, its composition, calculation and rules can be found at <http://supplemental.spindices.com/supplemental-data/eu>.

## Tracking Error

As at the date of this Supplement, the anticipated level of tracking error in normal market conditions is 0.2% per annum.

## Shariah Compliance

The Manager, in conjunction with the Investment Manager, intends that the Fund's investments will be in compliance with the principles and precepts of Shariah and will be conducted under the principles interpreted and the guidelines established by the Shariah Committee. The Investment Manager has entered into a non-discretionary performance level agreement for Shariah services with HSBC Bank Middle East Limited (the **Shariah Committee**) pursuant to which HSBC Bank Middle East Limited will establish and administer an independent Shariah Committee in respect to the Fund (the **Performance Level Agreement**). The members of the Shariah Committee will be disclosed in the CCF's annual report. For the avoidance of doubt, members of the Shariah Committee will have no influence over investment decisions.

Within the Shariah Principles as interpreted, laid down and monitored by the Shariah Committee, the Investment Manager shall retain full discretion to manage the investments of the Fund in accordance with the Investment Policy described above. The Shariah Committee shall carry out the following activities:

- ◆ Consultation and advice on Shariah matters pertaining to the Fund;
- ◆ Review of the investment objectives and policies and advising the Manager and Investment Manager regarding compliance of the investment policy with Shariah Principles;
- ◆ Determine that the investment activities of the Fund are made in compliance with Shariah Principles;
- ◆ Review of the Index methodology and advising on the compliance of the Index constituents with Shariah Principles;
- ◆ Advise the Manager and Investment Manager on compliance with Shariah Principles in respect of the use of FDI for hedging purposes;
- ◆ Establish principles for calculating an appropriate percentage of impure income derived from entities in which the Fund have invested and approve proposals for the nomination of suitable charities to which an amount so determined shall be donated, if any; and
- ◆ Facilitate Shariah approvals in the form of pronouncements (a Fatwa) and prepare an annual certificate on the Fund's compliance with Shariah Principles (a Fatwa) for inclusion in the CCF's annual report.

Following receipt of the Shariah Committee's guidance, the Investment Manager will ensure that the Fund's investments comply with Shariah Principles.

The Shariah Committee shall also issue guidelines to quantify the annual amount of the Fund's Net Asset Value that is derived from companies engaged in activity which is prohibited by the Shariah Committee, and which is not screened out by the Index methodology outlined above and the Investment Restrictions set out below. Such amount will be calculated on an annual basis, based on the purification ratios, expressed as a percentage of the relevant company's dividend. The purification ratios will be provided by the Index Provider for all Index constituent companies in which the Fund has invested. The amount shall be disbursed as a charitable donation to one or more worthy causes approved by the Shariah Committee. Any such amounts will be deducted only on their actual determination and no anticipated accrual thereof shall be made. The amount donated in this way will be detailed in the CCF's annual report.

The Performance Level Agreement provides that the agreement may be terminated by either party on 30 days' prior written notice.

## 2. Financial Derivative Instruments (FDIs) and Efficient Portfolio Management

The Fund may invest in the following FDI subject to the conditions and limits laid down by the Central Bank:

### Shariah-compliant foreign exchange forwards

Shariah-compliant foreign exchange forwards allow the holder to promise to purchase one currency and to promise to sell another currency at a pre-determined rate of exchange at a pre-determined date in the future without a contracting obligation on the part of the promisee before the pre-determined date. It is the intention of the Fund that Shariah-compliant foreign exchange forwards will be used for hedging purposes.

The usage of FDIs applicable to the Fund are set out under the section entitled **Utilisation of FDIs and Efficient Portfolio Management** in the Prospectus.

The commitment approach will be used to calculate the daily global exposure of the Fund, being the incremental exposure and leverage generated through the use of FDIs, in accordance with the risk management process in respect of the Fund and the requirements of the Central Bank. While the Fund may be leveraged as a result of its investments in FDIs, the Fund's global exposure relating to FDIs (including any embedded FDIs), calculated using the commitment approach will be limited to 100% of Net Asset Value of the Fund.

### Unit Class Hedging

Whilst the Fund may offer Unit Classes which are denominated in currencies other than the Fund Base Currency (the US Dollar), the Fund may also offer Unit Classes which seek to hedge the Base Currency of the Fund (and not the underlying portfolio currency exposures) back to the currency denomination of the Unit Class (individually a **Base Currency Hedged Unit Class**, collectively the **Base Currency Hedged Unit Classes**).

For example, in the case of a EUR denominated Unit Class where the Base Currency of the Fund is USD, following a EUR subscription into the Unit Class, the EUR will be converted into USD whilst entering into a USD/EUR currency forward transaction with the aim of creating a hedged exposure from USD back to EUR. When the underlying portfolio currency exposure is all, or nearly all, to the Base Currency then such a Unit Class would be suitable for investors whose day-to-day currency matches the currency of the Hedged Currency Unit Class (e.g. EUR) and who wishes to hedge their Base Currency (e.g. USD) exposure.

The successful execution of a hedging strategy cannot be assured. Any financial instruments used to implement such strategies with respect to one or more Currency Hedged Unit Class shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant Currency Hedged Unit Class and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Currency Hedged Unit Class. Any currency exposure of a Unit Class may not be combined with or offset against that of any other Unit Class.

In the case of an Unhedged Currency Unit Class, a currency conversion will take place on subscriptions, redemptions, and exchanges at prevailing exchange rates. The value of the Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency of the relevant Fund.

Movements in currency exchange rates can materially impact investment returns and investors should ensure they fully understand the difference between investment in Base Currency Hedged Unit Classes and Unhedged Currency Unit Classes.

A complete list of launched Unit Classes is available from the Investment Manager.

## 3. Financing

In accordance with the general provisions set out in the Prospectus under the heading **Borrowing and Lending Powers and Restrictions**, the Fund may obtain Shariah-compliant finance up to 10% of its total Net Asset Value on a temporary basis and not for speculative purposes. Any such financing must be in compliance with Shariah Principles.

## 4. Investment Restrictions

The investment restrictions applicable to the Fund are set out under the section entitled **Investment Restrictions** in the Prospectus. In addition, the Shariah Committee has expressly declared the following instruments and transactions inappropriate for the Fund, unless otherwise approved by the Shariah Committee:

- ◆ Investment in interest bearing instruments;
- ◆ Investment in interest-based instruments/accounts;
- ◆ Use of FDI (except for Shariah-compliant foreign exchange forwards as described above) or warrants;
- ◆ Short selling; and
- ◆ Companies that derive their income from other non-Shariah compliant activity, i.e. alcohol, tobacco, pork-related products, conventional financial services, weapons and defences, certain entertainment.

## 5. Profile of a Typical Investor

Investment in the Fund is restricted to institutional investors only.

Prospective investors in the Fund should ensure that they understand fully the nature of the Fund, as well as the extent of their exposure to risks associated with an investment in the Fund and should consider the suitability of an investment in the Fund.

The Fund may be suitable for investors seeking capital growth in a Shariah-compliant portfolio.

## 6. Risk Factors

The risk factors under the section entitled **Risk Factors** in the Prospectus and the specific risk factors set out below apply to the Fund. These investment risks are not exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisors before making an application for Units. As the Fund may be exposed to emerging markets, prospective investors should refer to the risk factors on emerging markets in the Prospectus.

**Shariah Restrictions.** It is possible that the restrictions placed on investment, such as the prohibition on the use of interest-bearing investments, the donations to approved charities and the limited universe of stocks available in the Index may result in the Fund performing less well than funds with similar investment objectives which are not subject to Shariah restrictions.

**FDI.** In the event the Fund uses FDI for investment purposes, such use may increase the risk profile of the Fund. For information in relation to the risks associated with the use of FDI, please refer to the **Risk Factors – Derivatives and Techniques and Instruments Risk** section of the Prospectus.

**Concentration Risk.** The Index may be concentrated in companies operating in certain markets or securities listed in certain stock exchanges; therefore, any situation impacting such markets or stock exchanges may also impact the Index and the Fund's performance.

**Index Calculation Risk.** HSBC Global Asset Management Ltd has entered into an agreement with the Index Provider. Under such agreement, the Index Provider will calculate the Index which will be replicated by the Fund. The agreement is subject to an annual review. The Fund may be terminated if the Index ceases to be compiled or published and there is no replacement Index using the same or substantially similar formula for the method of calculation as used in calculating the relevant Index. The Index is calculated by the Index Provider, without any consideration to the performance of the Fund. The Index Provider makes no representation or warranty, express or implied, to investors in the Fund or other persons regarding the advisability of investing in the Fund. There is no assurance that the Index Provider will compile the Index accurately, or that the Index will be determined, composed or

calculated accurately. In addition, the process and the basis of computing and compiling the Index and any of its related formulae, constituent companies and factors may at any time be changed or altered without notice.

**Composition of the Index Risk.** The composition of the Index may change (e.g. securities delisted). The Investment Manager will seek to implement any change to the index composition but there is no guarantee the Fund will accurately reflect the composition of the Index at any given time.

**Index Replication Risk.** As the Fund will seek to replicate an Index, by investing directly in the components of the Index, any fluctuation/volatility of the Index may result in increases/decreases of the Fund valuation. The Investment Manager will not seek to select stocks or take defensive positions in declining markets. Therefore, should the Index fall, the Net Asset Value of the Fund would also fall, and investors may lose a significant part of their investments. Furthermore, there is no guarantee that the Fund's performance will exactly replicate the index performance. This could be caused, amongst others, by transaction costs, corporate actions, or timing variances.

### Factors which may impact the ability of the Fund to track the Index.

- ◆ Transaction costs incurred as a result of the index rebalance: in order to maintain the proportion of each security aligned with the tracked index, the Fund will need to buy/sell securities whenever the tracked index re-balances/changes its components. These will include any transaction taxes.
- ◆ Custody costs: these are incurred by the Fund for holding the securities it invests in. Custody costs vary by market.
- ◆ Dividend/reinvestments: the Fund may receive dividends as a result of owning stocks. This will usually be paid in cash. The Fund will usually retain a proportion of cash to be able to deal with day-to-day Fund management operations to minimise the need to sell any securities. Dividends may sometimes be kept in cash until enough payments have accumulated in order to reinvest in the Fund's securities.
- ◆ Taxes: the Fund may be liable for taxes such as withholding tax or capital gains tax.
- ◆ Corporate actions: in some instances, the treatment of specific corporate actions (e.g. dividend payments) by the Index may differ from how the fund treats such corporate action and calculates its Net Asset Value.

## 7. Gross Income Payment Policy

Gross Income Payments may be made in relation to the Gross Income Unit Classes at the discretion of the Manager (following consultation with the Investment Manager) in accordance with the provisions as outlined in the section entitled **Gross Income Payment Policy** in the Prospectus, where it is determined to make a Gross Income Payment on at least an annual basis.

Notwithstanding the provisions of the section **Gross Income Payment Policy** in the Prospectus, the Manager does not intend to pay Gross Income Payments in respect of the Accumulating Unit Classes; rather Gross Income will be retained by the Fund and treated as accruing directly to the Unitholder and reflected in the Net Asset Value of such Unit. Unitholders are absolutely entitled to the income of the Fund as it arises, whether or not a Gross Income Payment is made.

## 8. Key Information for Subscribing and Redeeming

### Base Currency

The Base Currency of the Fund is US Dollar.

Investments of the Fund may be denominated in currencies other than the Base Currency.

### Available Unit Classes, Minimum Investment and Unitholding

The following Unit Classes are available:

Unit Class	Minimum Initial Investment Amount (or equivalent in the relevant denominated currency)		Minimum Additional Investment Amount (or equivalent in the relevant denominated currency)	Minimum Unitholding
Class A	US\$25 million treaty eligible	US\$10 million non-treaty eligible	US \$100,000	100,000 Units
Class B	US\$25 million treaty eligible	US\$10 million non-treaty eligible	US \$100,000	100,000 Units
Class C	US\$25 million treaty eligible	US\$10 million non-treaty eligible	US \$100,000	100,000 Units
Class D <sup>1</sup>	US\$25 million treaty eligible	US\$10 million non-treaty eligible	US \$100,000	100,000 Units
Class Z <sup>2</sup>	US\$25 million treaty eligible	US\$10 million non-treaty eligible	US \$100,000	100,000 Units

Each Unit Class listed in the table above is denominated in the Base Currency of the Fund.

Each Unit Class listed in the table above may be offered:

- ◆ with Unit Class tax treatment which is treaty eligible or non-treaty eligible;
- ◆ denominated in the Base Currency of the Fund;
- ◆ as a Currency Unit Class denominated in Australian Dollars (AUD), Euro (EUR), Pound Sterling (GBP), Japanese Yen (JPY), Swiss Franc (CHF), Hong Kong Dollars (HKD) or Singapore Dollars (SGD) which may be either a Hedged Currency Unit Class or an Unhedged Currency Unit Class;
- ◆ as accumulating unit classes in respect of which any Gross Income attributable to such Units is retained within the Fund and reflected in the Net Asset Value of such Units (**Accumulating Unit Classes**) or gross income unit classes in respect of which Gross Income Payments may be distributed (**Gross Income Unit Classes**).

The following additive suffixes will be included in the name of a Unit Class to identify the above characteristics of a Unit Class:

- ◆ Unit Class Tax Treatment: the number "0" to indicate that the Unit Class tax treatment is non-treaty eligible. A number between 1-99 to indicate that the Unit Class tax treatment is treaty eligible;
- ◆ Unhedged Currency Unit Class: the currency code of denomination of the Unit Class, for example AUD where the Class is denominated in Australian Dollars;
- ◆ Hedged Currency Unit Class: "H" followed by the currency code of denomination of the Unit Class to indicate that the Class is a Hedged Currency Unit Class;
- ◆ Accumulating Unit Class: the suffix "-C" after tax treatment number to indicate that the Class is an Accumulating Unit Class;

<sup>1</sup> D Units will only be available for investment by entities introduced to the Fund by members of the HSBC Group or collective investment schemes managed by members of the HSBC Group or such other person as the Distributor may from time to time approve. There will be no fees or expenses charged to the assets attributable to the D Units. This is because holders of the D Units will be subject to fees charged separately by virtue of their existing relationship with members of the HSBC Group. The applicable fees and expenses as disclosed in Section 13 of this Supplement. Fees and Expenses will be borne by the Distributor, or its affiliates, and not by the holders of the D Units or other Unitholders.

<sup>2</sup> Z Unit Classes are only available to clients, affiliates and consultants of the Investment Manager. They will not be charged the Fixed Management Fee as detailed in Section 13 of this Supplement.

- ◆ **Gross Income Unit Class:** the suffix "-D" after tax treatment number to indicate that the Class is a Gross Income Unit Class.

A Unit Class denominated in the Fund's Base Currency will have no currency code included in the name of that Unit Class.

For example, Class A1CHCHF indicates this Unit Class is treaty eligible, denominated in Swiss Franc, is a Hedged Currency Unit Class and is an Accumulating Unit Class:

A	1	C	HCHF
Class A	Treaty eligible	Accumulating Unit Class	Denominated in Swiss Franc and Hedged Currency Unit Class.

The Directors of the Manager (upon written confirmation to the Administrator) reserve the right to differentiate between Unitholders and to waive or reduce the Minimum Unitholding, Minimum Initial Investment Amount, and Minimum Additional Investment Amount for any such Unitholders or to refuse an application for any such Units in their absolute discretion.

The Manager may issue Units of any class and create new classes of Units on such terms as the Manager may from time to time determine and which may be differentiated by different charging structures and fee arrangements, or any other provisions determined by the Manager.

Additional classes of Units may be created in accordance with the requirements of the Central Bank.

## Initial Offer Period & Issue Price

The Initial Offer Period for Units in each Unit Class will commence at 9am (Irish time) on 11 February 2025 and end at 5pm (Irish time) 8 August 2025 or such earlier or later time as the Directors of the Manager of the Fund may decide and notify to the Central Bank.

With the exception of A2CGBP, A3CGBP and D3CGBP, the Issue Price for the Unit Classes during the Initial Offer Period will be 10 per unit in the denomination of the unit class other than JPY which will be 10,000.

After the Initial Offer Period, Units will be continuously open for subscriptions at the Net Asset Value per Unit of the relevant Unit Class on the relevant Dealing Day.

## Minimum Fund Size

US\$100 million

## Currency of Payment

Subscription and redemption monies are payable in the denominated currency of the relevant Unit Class in respect of which Units are being subscribed for or redeemed.

## Anti-Dilution Mechanism

The Manager may, where there are Net Subscriptions or Net Redemptions, apply a Swing Pricing adjustment or an Anti-Dilution Levy as further described in the Prospectus. The amount of the adjustment or levy may be reduced or waived at the absolute discretion of the Manager, either generally or in any specific case, to take account of actual expected costs.

## Business Day

A day other than a Saturday or Sunday on which commercial banks are open for business in the UK (excluding any day on which a Significant Market in respect of the Fund is closed) or such other days as may be determined by the Manager and notified in advance to Unitholders.

A “Significant Market” is any market and/or exchange or combination of markets and/or exchanges where the value of the Fund’s investments in those markets and/or exchanges exceeds 30% of the Net Asset Value of the Fund, calculated on a yearly basis unless the Manager determines that a different percentage and/or date should apply which it believes to be more appropriate.

## Dealing Day

The Dealing Day of the Fund is every Business Day.

## Dealing Deadline

The Dealing Deadline is 12pm (Irish time) on the Dealing Day.

## Valuation Point

The Valuation Point is close of business in the relevant market that closes last on the relevant Dealing Day.

Applications for Units and requests for the redemption of Units must be received by the Administrator on or prior to the Dealing Deadline for the relevant dealing Day in accordance with the process detailed in the Prospectus. The Manager, in consultation with the Administrator, may however in its sole and absolute discretion accept applications for Units and/or requests for redemptions received after the Dealing Deadline provided that they are received before the close of business in the relevant market that closes first in respect of the relevant Dealing Day and before the relevant Valuation Point.

## Settlement Date

The Settlement Date for the receipt of monies for subscription for Units shall be the third Business Day following the relevant Dealing Day. The Settlement Date for the dispatch of monies for the redemption of Units will be the third Business Day after the relevant Dealing Day, unless the third Business Day is a day on which the banks in the principal financial centre for the settlement currency are closed for business, in which case payment of the Redemption Proceeds will be the next Business Day where the banks in the principal financial centre for the settlement currency are open for business, provided that all the required documentation has been furnished to and received by the Administrator.

## 9. How to Subscribe for Units

Requests for the subscription for Units should be made in accordance with the provisions set out in the section entitled **Subscription for Units** in the Prospectus.

## 10. How to Redeem Units

Requests for the redemption of Units should be made in accordance with the provisions set out in the section entitled **Redemption of Units** in the Prospectus.

## 11. How to Exchange Units

Requests for the exchange of Units should be made in accordance with the provisions set out in the section entitled **Exchange of Units** in the Prospectus.

## 12. Listing

An application may be made to Euronext Dublin for the Units of the Fund to be admitted to listing on the Official List and traded on the Main Securities Market of Euronext Dublin immediately following the closing of the Initial Offer Period. The Prospectus of the CCF and this Supplement, including all information required to be disclosed by the listing requirements of Euronext Dublin, shall constitute the listing particulars for the purpose of listing of the Units on Euronext Dublin. No application has been made to list the Units of the Fund on any other stock exchange.

## 13. Fees and Expenses

The following sections on fees should be read in conjunction with the section entitled **Fees and Expenses** in the Prospectus.

The cost of establishing the Fund, obtaining authorisation from any authority, where applicable listing the Fund on Euronext Dublin, filing fees, the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to it, including tax and legal advice, incurred by the Fund will be borne by the Fund and amortised over a period of five years on a pro-rata basis. The costs and expenses involved in establishing the Fund are expected to amount to €30,000 (plus VAT where applicable).

The costs of obtaining subsequent tax advice for the CCF will be applied on a pro rata basis to the Fund. The costs of obtaining tax advice for the establishment of Unit Classes for Applicant's with different tax treaty benefits may be borne by the relevant Unit Class and may be amortised over such period as the Manager considers reasonable.

The Manager will instruct the Administrator to pay out of the assets of the Fund all fees, charges and expenses payable to the Depositary, the Administrator, the Manager and other service providers to the Fund including, but not limited to auditor fees, legal adviser fees and any financial index licensing fee, which will be capped at 0.12% of the Net Asset Value of, with the exception of D Unit Classes, each Unit Class of the Fund (the **"Capped Administration Fee"**). Such fees and expenses will be accrued on each Valuation Day and paid monthly in arrears.

In addition, the Manager will instruct the Administrator to pay out of the assets of the Fund all fees, charges and expenses payable to the Investment Manager and Distributor, which will be incurred at a fixed percentage of 0.18% of the Net Asset Value of, with the exception of D Unit Classes and Z Unit Classes, each Unit Class of the Fund (the **"Fixed Management Fee"**). Such fees and expenses will be accrued on each Valuation Day and paid monthly in arrears. The Investment Manager will be responsible for the payment of Shariah Committee fees.

The Investment Manager and the Distributor may, with the agreement of the Directors and with prior notification to the Administrator, waive or reduce all or part of the investment management fee charged to certain Unitholders and accordingly may differentiate between Unitholders in the Fund in that regard. Any such waiver or reduction shall be made by way of a rebate paid by or on behalf of the Investment Manager and the Distributor to the relevant Unitholder's account. The Investment Manager and the Distributor will determine the rebate amount in each case, which will not exceed the combined Capped Administration Fee and Fixed Management Fee (the **"Combined Fixed Fee"**) based on the assets invested in the Fund or a Unit Class thereof, and accordingly, the investment management fee and the distribution fee charged to certain Unitholders may be reduced in accordance with the amount of fees rebated to the relevant Unitholders, subject to the prevailing Combined Fixed Fee applicable to Unitholders generally in the relevant Unit Class.

## 14. Miscellaneous

At the date of this Supplement, the other Funds of the CCF are:

HSBC UCITS Common Contractual Fund – Developed World Equity Income Factor

HSBC UCITS Common Contractual Fund – Economic Scale Worldwide Equity

