
HSBC Global Funds ICAV (the “ICAV”)
25/28 North Wall Quay
Dublin 1, Ireland

Dear Shareholder,

We are writing to inform you of the introduction of securities lending for the ICAV, of which, you own shares in one or more sub-funds. A securities lending agent will be appointed to manage the lending process.

The ICAV's prospectus is in the process of being updated to allow each sub-fund the flexibility to engage in securities lending. You will be advised of the date that securities lending commences, in writing, once this date has been determined.

The introduction of securities lending does not signify a change to the core investment objective of any sub-funds and will not lead to any portfolio turnover. All sub-funds will be managed in the same way they are today. Fees paid by shareholders will not change.

Please take a moment to review the important information given below. If you have any questions, please contact your local agent or HSBC Global Asset Management office.

For and on behalf of the Board of **HSBC Global Funds ICAV**

Rationale and benefit of engaging in securities lending

Securities lending, through a lending agent, is standard market practice for collective investment schemes such as the ICAV.

Borrowers are charged a fee by the sub-funds which, after deducting the lending agent's fee, increases a sub-fund's income. This additional income increases a sub-fund's net assets and thus makes a positive contribution to the sub-fund's performance.

Shareholders should note, that the level of securities lending for each sub-fund will depend upon the assets held and the demand from borrowers. There is no guarantee that a specific sub-fund will engage in securities lending, or to what extent if it does participate. As such the benefit of securities lending will vary between sub-funds.

Risks and mitigation associated with securities lending

Engaging in securities lending leads to credit risk exposure to the borrowers. In order to mitigate this exposure, borrowers are required to provide high quality and liquid collateral to cover more than 100% of the value of the securities loaned.

However, the risk remains that a borrower may not return the securities when due or may not provide additional collateral when required. A default of this nature by the borrower, combined with a fall in the value of the collateral below that of the value of the securities loaned, may result in a reduction in the net asset value of a sub-fund.

In addition, less than 30% of a sub-fund's net assets may be subject to securities lending arrangements at any one time, however the amount subject to securities lending arrangements is generally expected to range from 0% to 25% of a sub-fund's net assets.

Terms not defined in this letter will have the same meaning as those defined in the current prospectus of the ICAV.
The Board accepts responsibility for the accuracy of the information contained in this letter as at the date of the mailing.