

**HSBC Portfolios**

Société d'Investissement à Capital Variable  
4, rue Peternelchen  
L - 2370 Howald, Grand Duchy of Luxembourg  
R.C.S. Luxembourg B147223  
(the "Company")

26 April 2024

**This document contains important information about your investment in one or more of the sub-funds of the Company. If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or financial adviser.**

Dear Shareholder,

We, the board of directors of the Company (the "**Board**"), are writing to inform you of forthcoming changes to the HSBC Portfolios sub-funds listed below (the "Portfolios"), in one or more of which you own shares.

- HSBC Portfolios – World Selection 1
- HSBC Portfolios – World Selection 2
- HSBC Portfolios – World Selection 3
- HSBC Portfolios – World Selection 4
- HSBC Portfolios – World Selection 5

## Change of Settlement Period

### Background

Markets around the world are moving towards shortened standard settlement cycles to reduce costs, increase market efficiencies and reduce settlement and counterparty risk. After a recent period where the majority of global markets were on a synchronised T+2 settlement cycle, more markets are moving to T+1.

In February 2023, the US Securities and Exchange Commission (SEC) adopted an amendment which brings T+1 into the US market by 28 May 2024. The Canadian Capital Markets Association also announced Canada will transition a day earlier on 27 May 2024. It is expected Mexico will also transition to T+1 on 27 May 2024. Other markets are broadly expected to follow suit in the coming years.

### The Change

The Portfolios currently have investor settlement cycle of T+4 for subscription and T+4 for redemption. The Portfolios have a significant exposure to the US securities which from 28 May 2024 will settle on a T+1 basis. This means that the current investor settlement cycle for subscription and redemption need to be shortened to avoid settlement mismatch.

The Board in consultation with the Management Company and the Investment Advisor have therefore decided that the settlement cycle for both subscription and redemption should be shortened by one day to T+3.

### Effective Date

The above change will take effect on 28 May 2024 (the "Effective Date").

Shareholders should be aware that all subscription and redemption orders placed on or after Tuesday 28 May 2024 will settle on a T+3 basis.

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Terms not defined in this letter will have the same meaning as those defined in the current prospectus of HSBC Portfolios.

The Board accepts responsibility for the accuracy of the information contained in this letter as at the date of the mailing.

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**Impact on Shareholders**

From the Effective Date, Shareholders are expected to submit the cleared monies no later than the three Business Days after the relevant Dealing Day. Likewise, Shareholders will receive redemption proceeds within the three Business Days after the relevant Dealing Day.

The Board would like to assure Shareholders that the Portfolios' investment objectives and/or the way it is managed will not change. Management fees or any other applicable fees charged by the Portfolios or any share class will not change.

**Actions to be taken**

Shareholders should update their systems and records as appropriate as at the Effective Date to reflect the new settlement cycle to avoid any issues or confusion.

The latest prospectus, Key Information Document and/or Key Investor Information Document are available in the Fund Centre at [www.assetmanagement.hsbc.com/fundinfo](http://www.assetmanagement.hsbc.com/fundinfo) or from the registered address of the Company.

**Please take a moment to review the above information. If you still have questions, please contact your local agent or HSBC Asset Management office.**

Yours sincerely,

For and on behalf of the Board of HSBC Portfolios