

If you have any questions

- Call us on xxxxxxxxxxxxxx
- Send an e-mail to xxxxxxxxxxxxxxxxxxxxxxxx

* Lines are open 9.00 am to 5.00 pm Monday to Friday (excluding public holidays).

28 May 2024

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION ABOUT YOUR INVESTMENT AND REQUIRES YOUR ATTENTION. IF YOU ARE IN ANY DOUBTS ABOUT THE CONTENTS OF THIS DOCUMENT, PLEASE CONSULT A FINANCIAL ADVISER.

IMPORTANT CHANGES TO HSBC INDEX TRACKER INVESTMENT FUNDS (THE “COMPANY”) AND ITS SUB-FUNDS (THE “FUNDS”)

Investor Reference:

Dear Investor,

We, HSBC Global Asset Management (UK) Limited, are writing to you as an investor in one or more Funds of the Company to advise you of some changes we are making to the Company, including Funds that you hold with us. The changes will take effect from 29 July 2024.

We have explained the key changes we are making in this letter and provided further information about the changes in the attached Questions and Answers. However, if you have any questions or require further information you can contact us using the details shown at the top of this letter.

HSBC Global Asset Management (UK) Limited is the party currently responsible for the management and operation of the Company and the Funds as the current Authorised Corporate Director (“ACD”).

In summary, the changes are:

- HSBC Asset Management (Fund Services UK) Limited is to be appointed as the new Authorised Corporate Director for the Company. From 29 July 2024, it will be the party responsible for the day-to-day management of the Company and the Funds; and
- Several companies provide administration services to the Company and the Funds. The companies charge fees for these services, and we are changing the way these fees are paid. This change will increase the fees paid by the Funds and applicable share classes.

HSBC Global Asset Management (UK) Limited
Forum One, Parkway, Whiteley, Fareham PO15 7PA
Web: www.assetmanagement.hsbc.co.uk

Registered office: 8 Canada Square, Canary Wharf, London, E14 5HQ
Registered number: 01917956
Authorised and regulated by the Financial Conduct Authority
To help improve our service and in the interest of security we may record and/or monitor your telephone calls with us

We have explained each of the changes separately in this letter.

If you have investments in any other funds for which HSBC Global Asset Management (UK) Limited is currently the ACD, you will receive a further copy of this letter relating to each of the relevant funds.

Change of Authorised Corporate Director

HSBC Global Asset Management (UK) Limited is transferring its authorised corporate director business to another HSBC Group company, HSBC Asset Management (Fund Services UK) Limited, which will become the new Authorised Corporate Director (“new ACD”) for the Company. Upon its appointment, HSBC Global Asset Management (UK) Limited will cease to be the ACD of the Company. HSBC Asset Management (Fund Services UK) Limited is authorised and regulated by the Financial Conduct Authority and is a subsidiary within the HSBC Group.

The ACD is responsible for the day-to-day management of the Company and the Funds, which includes ensuring it is managed in accordance with legal and regulatory requirements and in line with the investment objectives and policies. HSBC Asset Management undertook a review of the structure of its business in order to identify how best to continue to manage the Company and the Funds and deliver appropriate outcomes for investors as well as develop its investment management activities. The analysis concluded that separating the Authorised Corporate Director role from the investment manager role and establishing the new ACD would be beneficial to the running of the Funds. It also reflects the most commonly used model in the UK Open Ended Investment Company sector and for HSBC’s global fund ranges. The new ACD has appropriate independence from the investment manager, as well as a governance structure and operating model that is solely focused on the running of the HSBC Asset Management’s UK Open Ended Investment Companies, which includes the Company and the Funds, and oversight of the activities of the investment manager and other delegated service providers.

HSBC Global Asset Management (UK) Limited will remain as the discretionary investment manager for the Funds. The discretionary investment manager makes the day-to-day decisions about which assets each of the Funds will invest into, subject to each Fund’s investment objective and investment policy. Upon the new ACD appointment taking effect, HSBC Asset Management (Fund Services) UK Limited will need to formally appoint HSBC Global Asset Management (UK) Limited as the discretionary investment manager, but in practice there will be no difference to the investment management of the Funds.

As part of the business transfer and new ACD appointment, HSBC Asset Management (Fund Services UK) Limited will take over responsibility for the historic acts of HSBC Global Asset Management (UK) Limited while it was ACD, meaning that if any issues should arise for investors relating to the period before the transfer, HSBC Asset Management (Fund Services UK) Limited will be responsible to investors for any resolution or compensation that may be due.

How the changes affect the treatment of client money

The new ACD will continue to treat client money in the same way as the current ACD. When the new ACD receives money following an application to buy shares, or when it receives the proceeds from a Fund when shares are sold, the new ACD will continue to apply the “Delivery versus Payment” approach followed currently. Under this approach, the FCA’s Client Money Rules allow us a period of one business day before it must treat that money as client money. During this time the money does not receive the same level of protection as it would receive if it were held in a client money bank account.

However, any monthly direct debit payments made by regular savers, or money that the new ACD is unable to pay out to investors, will not follow the “Delivery versus Payment” approach and instead will be held by the new ACD as client money in a client money bank account with HSBC Bank plc and/or other financial institutions. No interest will be paid to you in respect of any client money held in the client money bank account.

Any client money held on investors’ behalf by HSBC Global Asset Management (UK) Limited at the date of transfer will be transferred to HSBC Asset Management (Fund Services UK) Limited as the new ACD, which will also hold it as client money as described in the Prospectus. You will be entitled to request the return of any client money from the new ACD if you so wish.

How the changes affect regular savers

Any existing monthly direct debit instructions from regular savers will not be transferred to the new ACD, therefore investors wishing to continue to make regular savings will need to set up a new direct debit mandate with the new ACD. We will write to those investors separately to explain how to do this.

How your information will be treated

Information that the current ACD holds about you will be transferred to the new ACD. The new ACD will be the data controller for your information. There will be no change to the way your information is used (including transferring your information overseas), who your information may be shared with or how long your information will be kept. You will continue to have a number of rights relating to your information, for example to see what information we hold about you and to ask us to update incorrect or incomplete details. Further information can be found in the data privacy notice on our website or by contacting us.

The contact details for the new ACD will not change

There will be no changes to the postal address, telephone number or email address at which you can contact the new ACD.

We are changing the way fees for administration services are paid

We are changing the way fees associated with certain administration services are paid for. These services include processing instructions from investors to buy and sell shares in the Funds, maintaining the register of investors, paying distributions of income, issuing statements to investors and performing other administrative functions for the Funds. The services are provided by third party companies who charge for these services. Currently their fees (the "Administration Fees") are paid by us but, given the importance of these services to the overall operation of the Funds, we believe it is appropriate to charge these fees directly to the Funds going forward.

The Administration Fees will be applied to all share classes of the Funds, except Accumulation T share classes which operate under different terms, and will be reflected in the daily share prices. The Accumulation T share classes are subject to a fixed or "all-in" fee structure. This means that only certain fees will be applied to Accumulation T share classes, and any other fees, such as depositary and custody fees and the Administration Fees, will be paid by the ACD instead. For this reason, the Administration Fees will not be applied to the Accumulation T share classes. We offer different share classes for our Funds. If you aren't sure which class of shares you hold you can check on statements or contract notes we have previously sent you or by contacting us.

However, the Administration Fees charged to each share class (other than the Accumulation T share classes) will be limited to 0.00124% per month (approximately equivalent to 0.0149% per annum) based on the net asset value of the share class on the last business day of each month.

While we believe these services are currently competitively priced and provide good value, we will continue to negotiate with the companies providing these services. Any future savings in the costs of these services will be applied to the Funds and therefore shared with investors.

The application of the Administration Fees will increase payments out of the Funds' assets but will not affect any other fee levels or costs in managing the Funds or result in any changes to the investment objectives or policies of the Funds, the risks that apply or other features of the Funds.

How the changes affect the Annual Management Charges of the Funds

There will be no change to the Annual Management Charges ("AMCs") as a result of the appointment of the new ACD. From 29 July 2024, HSBC Asset Management (Fund Services UK) Limited, as the new ACD, will be entitled to receive payments from the Company and the Funds of the fees and expenses payable to it, including the AMCs, instead of the current ACD.

HSBC Asset Management (Fund Services UK) Limited will pay, out of its fees, HSBC Global Asset Management (UK) Limited for its services as discretionary investment manager.

How the changes affect the overall charges of the Funds

The current and revised Ongoing Charges Figure (“OCF”) for the Funds and applicable share classes is shown in the Questions and Answers included with this letter. The OCF is a measure of the total annual charges of a Fund, including the Annual Management Charge but excluding portfolio transaction costs (the costs incurred when buying and selling assets for the Funds).

The revised OCFs shown are estimated and take account of the addition of estimated Administration Fees. Again, if you aren’t sure which class of shares you hold you can check on statements or contract notes we have previously sent you or by contacting us.

The OCF is variable and is periodically updated in the annual and half-yearly Report and Accounts, the Key Investor Information Document and, for Hong Kong investors, the Product Key Facts statements.

Any costs associated with implementing the changes described in this letter will be paid by HSBC Global Asset Management (UK) Limited or HSBC Asset Management (Fund Services UK) Limited as applicable.

Other changes

Other than the changes described in this letter, there will not be any other changes to the operation and/or manner in which the Funds will be managed. In addition, the above changes will not prejudice the rights and interests of existing investors.

You do not need to take any action

You do not need to take any action, this letter is for your information.

However, you may redeem your holdings or switch to a different Fund in line with the Prospectus as usual by contacting us. We do not currently apply a charge for investors switching or redeeming shares, however a dilution adjustment may be applied to the price of shares as set out in the Prospectus.

The view of the regulator and the depositary

The Financial Conduct Authority (FCA) has confirmed that the implementation of the changes set out in this letter will not affect the ongoing authorisation of the Company and the Funds. Additionally, the SFC has approved the relevant changes that require prior authorisation or approval. In accordance with normal market practice, State Street Trustees Limited, the Depositary of the Company and the Funds, while expressing no opinion on the merits or otherwise of the changes set out in this letter, has informed us that it has no objection to the changes.

Where you can obtain further information about these changes

If you have any questions or would like more detail about the changes you can call us on xxxxxxxxxxxxxx or you can send an e-mail to xxxxxxxxxxxxxxxxxxxxxxxxx .

For Hong Kong investors you can contact the Customer Service Department of HSBC Investment Funds (Hong Kong) Limited by telephone on xxxxxxxx , by fax on xxxxxxxx , email: at xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx or write to us at HSBC Main Building, 1 Queen’s Road Central, Hong Kong.

We accept full responsibility for the accuracy of the information stated in this notice. This letter does not constitute advice and if you have any doubts about whether this investment will continue to meet your needs you should consult a financial adviser.

Yours sincerely



Jeff Webb
Senior Product Manager
HSBC Global Asset Management (UK) Limited

Important Notes for Investors

This letter relates to HSBC Index Tracker Investment Funds, an Open Ended Investment Company that is authorised in the UK by the Financial Conduct Authority. The Authorised Corporate Director at the time of writing is HSBC Global Asset Management (UK) Limited. All applications are made on the basis of the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and most recent annual and interim Report & Accounts, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8, Canada Square, Canary Wharf, London E14 5HQ, UK, or from our website www.assetmanagement.hsbc.co.uk¹ or the local distributors where applicable. **Investors and potential investors should read and note the risk warnings in the prospectus and relevant KIID and additionally, in the case of retail clients, the information contained in the supporting Supplementary Information Documentation.**

For Hong Kong investors investing in sub-funds of HSBC Index Tracker Investment Funds:

All applications are made on the basis of the HSBC Index Tracker Investment Funds Prospectus, Hong Kong Covering Document, Product Key Facts statements and most recent annual and interim HSBC Index Tracker Investment Funds Report & Accounts, which can be obtained upon request free of charge from the Customer Service Department of HSBC Investment Funds (Hong Kong) Limited, HSBC Main Building, 1 Queen's Road Central, Hong Kong (telephone no.: xxxxxxxx and fax no.: xxxxxxxx) or the local distributors where applicable. The HSBC Index Tracker Investment Funds Prospectus, Hong Kong Covering Document and most recent annual and interim HSBC Index Tracker Investment Funds Report & Accounts are also available on our website, www.assetmanagement.hsbc.co.uk².

Note: SFC authorisation is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Investors and potential investors should read and note the risk warnings in the Company Prospectus which incorporates the Hong Kong Covering Document.

*Lines are open 9.00 am to 5.00 pm Monday to Friday (excluding public holidays). To help us to continually improve our service and in the interest of security, we may monitor and/or record your communications with us.

¹ Please note that this website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

² Please note that this website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

QUESTIONS AND ANSWERS

Will there be any other changes as a result of the change of Authorised Corporate Director?

As well as being appointed as the new ACD, HSBC Asset Management (Fund Services UK) Limited will also be appointed as the Registrar and Administrator in respect of the Company and the Funds, although these two functions will continue to be delegated to Northern Trust Global Services SE. This means there will be no changes to the postal address, telephone number or email address at which you can contact us.

HSBC Global Asset Management (UK) Limited will be appointed as a distributor for the Company and the Funds. This means for example you will still be able to find information about the Company and the Funds on the assetmanagement.hsbc.co.uk³ website, including the revised HSBC Index Tracker Investment Funds Prospectus and Key Investor Information Documents (KIIDs), and additionally for Hong Kong investors, the revised Hong Kong Covering Document reflecting the changes detailed in this letter. A copy of the revised documents described above can also be obtained by contacting us.

State Street Trustees Limited will continue to act as Depositary and KPMG LLP will continue to act as the Auditors. The other parties currently involved in the operation and management of the Company and the Funds will remain unchanged.

The appointment of the new ACD will not result in any changes to the investment objectives or policies of the Funds, the risks that apply or other features of the Funds. There will be no changes to dealing arrangements in respect of the Company or the Funds.

Which administration services are affected by the change to the way fees are paid?

Northern Trust Global Services SE is the delegated Registrar and Administrator and provides services which include processing subscription, redemption, switch and conversion instructions from investors, maintaining the register of investors, paying distributions of income, issuing statements to investors and other administrative functions. The fees that apply to each Fund and share class are variable and are based on various criteria including but not limited to the number of transactions, number of investor accounts and number of distributions processed during a charging period.

Calastone and Euroclear are currently appointed to provide Electronic Instruction Routing services (other similar providers may be added) and provide services including routing of subscription, redemption, switch and conversion instructions, together with electronic transaction and valuation confirmations. Again, the fees that apply to each Fund and share class are variable and are based on the number of transactions and number of transaction and valuation confirmations provided during a charging period.

How do the changes affect the overall charges of the Funds?

The current and revised Ongoing Charges Figure ("OCF") for the Funds and applicable share classes is shown below. The OCF is a measure of the total annual charges of a Fund, including the Annual Management Charge but excluding portfolio transaction costs (the costs incurred when buying and selling assets for the Funds).

The revised OCFs shown are estimated and take account of the addition of estimated Administration Fees. If you aren't sure which class of shares you hold you can check on statements or contract notes we have previously sent you or by contacting us.

Fund	Share Class	Current Ongoing Charges Figure	Revised Ongoing Charges Figure	Increase in Ongoing Charges Figure in £s based on example investment of £10,000*
American Index Fund	Accumulation C	0.06%	0.07%	£1.00
American Index Fund	Income C	0.06%	0.07%	£1.00

³ Please note that this website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

Asset Management

HSBC Global Asset Management (UK) Limited
Sunderland
SR43 4BF

Fund	Share Class	Current Ongoing Charges Figure	Revised Ongoing Charges Figure	Increase in Ongoing Charges Figure in £s based on example investment of £10,000*
American Index Fund	Institutional Accumulation	0.02%	0.02%	£0.00
American Index Fund	Institutional Income	0.02%	0.02%	£0.00
American Index Fund	Retail Accumulation	0.16%	0.17%	£1.00
American Index Fund	Retail Income	0.16%	0.17%	£1.00
Developed World Sustainable Equity Index Fund	Accumulation C	0.16%	0.17%	£1.00
Developed World Sustainable Equity Index Fund	Accumulation S	0.13%	0.14%	£1.00
Developed World Sustainable Equity Index Fund	Income C	0.16%	0.17%	£1.00
Developed World Sustainable Equity Index Fund	Income S	0.13%	0.14%	£1.00
Developed World Sustainable Equity Index Fund	Institutional Accumulation	0.02%	0.02%	£0.00
Developed World Sustainable Equity Index Fund	Institutional Income	0.02%	0.03%	£1.00
European Index Fund	Accumulation C	0.05%	0.06%	£1.00
European Index Fund	Income C	0.05%	0.06%	£1.00
European Index Fund	Institutional Accumulation	0.02%	0.02%	£0.00
European Index Fund	Institutional Income	0.02%	0.03%	£1.00
European Index Fund	Retail Accumulation	0.15%	0.16%	£1.00
European Index Fund	Retail Income	0.15%	0.16%	£1.00
FTSE 100 Index Fund	Accumulation C	0.11%	0.12%	£1.00
FTSE 100 Index Fund	Accumulation S	0.08%	0.09%	£1.00
FTSE 100 Index Fund	Income C	0.11%	0.12%	£1.00
FTSE 100 Index Fund	Income S	0.08%	0.09%	£1.00
FTSE 100 Index Fund	Institutional Accumulation	0.04%	0.04%	£0.00
FTSE 100 Index Fund	Retail Accumulation	0.29%	0.30%	£1.00
FTSE 100 Index Fund	Retail Income	0.29%	0.30%	£1.00
FTSE 250 Index Fund	Accumulation C	0.40%	0.41%	£1.00
FTSE 250 Index Fund	Accumulation S	0.35%	0.36%	£1.00
FTSE 250 Index Fund	Income C	0.40%	0.41%	£1.00
FTSE 250 Index Fund	Income S	0.35%	0.36%	£1.00
FTSE 250 Index Fund	Institutional Income	0.30%	0.31%	£1.00
FTSE 250 Index Fund	Retail Accumulation	0.55%	0.56%	£1.00
FTSE 250 Index Fund	Retail Income	0.55%	0.56%	£1.00
FTSE All-Share Index Fund	Accumulation C	0.12%	0.13%	£1.00
FTSE All-Share Index Fund	Income C	0.12%	0.13%	£1.00
FTSE All-Share Index Fund	Institutional Accumulation	0.08%	0.09%	£1.00
FTSE All-Share Index Fund	Institutional Income	0.08%	0.09%	£1.00
FTSE All-Share Index Fund	Retail Accumulation	0.22%	0.23%	£1.00
FTSE All-Share Index Fund	Retail Income	0.22%	0.23%	£1.00
FTSE All-World Index Fund	Accumulation C	0.12%	0.13%	£1.00
FTSE All-World Index Fund	Accumulation S	0.11%	0.12%	£1.00



Opening up a world of opportunity

Fund	Share Class	Current Ongoing Charges Figure	Revised Ongoing Charges Figure	Increase in Ongoing Charges Figure in £s based on example investment of £10,000*
FTSE All-World Index Fund	Income C	0.12%	0.13%	£1.00
FTSE All-World Index Fund	Income S	0.11%	0.11%	£0.00
FTSE All-World Index Fund	Institutional Accumulation	0.02%	0.02%	£0.00
FTSE All-World Index Fund	Institutional Income	0.02%	0.02%	£0.00
Japan Index Fund	Accumulation C	0.12%	0.13%	£1.00
Japan Index Fund	Accumulation S	0.06%	0.07%	£1.00
Japan Index Fund	Income C	0.12%	0.13%	£1.00
Japan Index Fund	Income S	0.06%	0.07%	£1.00
Japan Index Fund	Institutional Accumulation	0.04%	0.04%	£0.00
Japan Index Fund	Institutional Income	0.02%	0.03%	£1.00
Japan Index Fund	Retail Accumulation	0.27%	0.28%	£1.00
Japan Index Fund	Retail Income	0.27%	0.28%	£1.00
Pacific Index Fund	Accumulation C	0.15%	0.16%	£1.00
Pacific Index Fund	Accumulation S	0.10%	0.11%	£1.00
Pacific Index Fund	Income C	0.15%	0.16%	£1.00
Pacific Index Fund	Income S	0.10%	0.11%	£1.00
Pacific Index Fund	Institutional Accumulation	0.05%	0.06%	£1.00
Pacific Index Fund	Institutional Income	0.05%	0.05%	£0.00
Pacific Index Fund	Retail Accumulation	0.30%	0.31%	£1.00
Pacific Index Fund	Retail Income	0.30%	0.31%	£1.00
Sterling Corporate Bond Index Fund	Accumulation C	0.17%	0.18%	£1.00
Sterling Corporate Bond Index Fund	Accumulation S	0.11%	0.12%	£1.00
Sterling Corporate Bond Index Fund	Income C	0.17%	0.18%	£1.00
Sterling Corporate Bond Index Fund	Income S	0.11%	0.12%	£1.00
Sterling Corporate Bond Index Fund	Institutional Accumulation	0.07%	0.08%	£1.00
Sterling Corporate Bond Index Fund	Institutional Income	0.07%	0.08%	£1.00
UK Gilt Index Fund	Accumulation C	0.16%	0.17%	£1.00
UK Gilt Index Fund	Accumulation S	0.10%	0.11%	£1.00
UK Gilt Index Fund	Income C	0.16%	0.17%	£1.00
UK Gilt Index Fund	Income S	0.11%	0.12%	£1.00
UK Gilt Index Fund	Institutional Income	0.06%	0.07%	£1.00
UK Gilt Index Fund	Retail Accumulation	0.31%	0.32%	£1.00
USA Sustainable Equity Index Fund	Accumulation C	0.20%	0.21%	£1.00
USA Sustainable Equity Index Fund	Accumulation S	0.17%	0.18%	£1.00
USA Sustainable Equity Index Fund	Income C	0.20%	0.21%	£1.00
USA Sustainable Equity Index Fund	Income S	0.17%	0.18%	£1.00
USA Sustainable Equity Index Fund	Institutional Income	0.10%	0.11%	£1.00
USA Sustainable Equity Index Fund	Institutional Accumulation	0.10%	0.11%	£1.00

*Rounded to nearest £1