

25 August 2022

HSBC Asset Management announces proposed changes to the HSBC BRIC Equity Fund

HSBC Global Asset Management (Canada) Limited ("AMCA"), manager of the HSBC Mutual Funds, announces proposed changes to the HSBC BRIC Equity Fund (the "Fund").

Subject to unitholder approval, AMCA proposes to change the investment objectives of the Fund to take effect on or around 2 December 2022. A special meeting of unitholders of the Fund (the "Meeting") will be held on or about 9 November 2022 to consider the change. If the change in investment objectives is approved, the investment strategies and fund name will also change.

In addition, effective on or about 2 September 2022, the Fund will be closed to all purchases by both current and new investors, including purchases made through a pre-authorized contribution plan or other pre-authorized purchase programs.

The proposed changes to the Fund are as follows:

Current investment objectives	Proposed investment objectives
The fundamental investment objective of this Fund is to provide long-term capital growth by investing primarily in equities and equity-related securities of companies in selected emerging market countries. We may only change the Fund's fundamental investment objective with the approval of a majority of the votes cast at a meeting of the investors of the Fund held to consider the change.	The fundamental investment objective of this Fund is to provide long-term capital growth by investing primarily in equities of companies of all sizes in emerging markets around the world, either directly or indirectly. We may only change the Fund's fundamental investment objective with the approval of a majority of the votes cast at a meeting of the investors of the Fund held to consider the change.

Current fund name	Proposed fund name
HSBC BRIC Equity Fund	HSBC Emerging Markets Fund II

The proposed changes are in response to the uncertainty surrounding the Fund's ability to invest in Russia (one of the four emerging market countries the Fund currently invests in) resulting from the ongoing sanctions, governmental restrictions and market liquidity.

The portfolio management team believes the proposed changes will allow unitholders to benefit from a broader, more diversified emerging markets strategy while maintaining exposure to the markets the fund currently invests in.

The Independent Review Committee of the Fund has reviewed the potential conflict of interest matters related to the proposed changes and has provided AMCA with a positive recommendation to proceed with the changes after determining that the changes, if implemented, would achieve a fair and reasonable result for the Fund.

In advance of the Meeting, a notice-and-access document will be mailed in September to unitholders of record as at 20 September 2022. The notice-and-access document will describe the various ways in which unitholders can obtain a copy of a management information circular that contains full details of the proposed changes. The notice-and-access document and management information circular will also be available on SEDAR at www.sedar.com and at assetmanagement.hsbc.ca.

Additional details regarding the changes will also be set out in Amendment No.1 to the Simplified Prospectus dated 27 June 2022 and the amended Fund Facts for the Fund, which will be available in the “Investor Resources” section of our website at assetmanagement.hsbc.ca or SEDAR at www.sedar.com.

Please consult your Advisor and read the [Simplified Prospectus](#) or [Fund Facts](#) document before investing. There may be commissions, trailing commissions, management fees and expenses associated with mutual fund investments. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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Notes to editors:

1. **HSBC Bank Canada**, a subsidiary of HSBC Holdings plc ('HSBC Group'), is the leading international bank in the country. We help companies and individuals across Canada to do business and manage their finances here and internationally through four businesses: Commercial Banking, Global Banking, Markets and Securities Services, and Wealth and Personal Banking. HSBC Group has committed to becoming net-zero in its operations and financed emissions and is working with our customers to accelerate the transition to a low carbon economy.

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2. **HSBC Holdings plc**, the parent company of HSBC Bank Canada, is headquartered in London. HSBC serves customers worldwide from offices in 63 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2.985bn as at 30 June 2022, HSBC is one of the world's largest banking and financial services organizations.
3. **HSBC Global Asset Management (Canada) Limited ('AMCA')** is a wholly-owned subsidiary of, but separate entity from, HSBC Bank Canada and is the Canadian business of HSBC Asset Management. HSBC Global Asset Management (Canada) Limited is the manager and primary investment advisor for the HSBC Mutual Funds. HSBC Investment Funds (Canada) Inc. is the principal distributor of the HSBC Mutual Funds. HSBC Mutual Funds are also distributed through authorized dealers.

4. AMCA is the manager and primary investment advisor for the HSBC Mutual Funds and the HSBC Pooled Funds (collectively, the “HSBC Funds”). HIFC is the principal distributor of the HSBC Mutual Funds, which are also distributed through authorized dealers. The HSBC Pooled Funds are sold only to investors as part of a discretionary investment management service, which requires an investor to enter into an investment management agreement with AMCA or HIFC, or another approved advisor or dealer. Commissions, trailing commissions, management fees, investment management fees and expenses all may be associated with mutual fund investments. Please read the prospectus, Fund Facts, applicable account opening documentation and any other disclosures before investing. HSBC Funds are not guaranteed or covered by the Canada Deposit Insurance Corporation, HSBC Bank Canada, or any other government deposit insurer or financial institution, their values change frequently and past performance may not be repeated. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you.
5. **HSBC Asset Management**, the global asset management business of the parent company, HSBC Holdings plc, which includes HSBC Global Asset Management (Canada) Limited, invests on behalf of HSBC’s worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled and mutual funds. HSBC Asset Management connects HSBC’s clients with investment opportunities around the world through an international network of offices in more than 20 locations, delivering global capabilities with local market insight. As at 30 June 2022, HSBC Asset Management managed assets totalling US\$595bn on behalf of its clients.

HSBC Asset Management is the marketing name for the asset management businesses of HSBC Holdings plc. For more information, see assetmanagement.hsbc.ca

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