



Notice to Participating Employers and Members of the HSBC Mandatory Provident Fund – SuperTrust Plus (each, the ‘Scheme Participant’, and collectively, the ‘Scheme Participants’)

The Hongkong and Shanghai Banking Corporation Limited and HSBC Provident Fund Trustee (Hong Kong) Limited have prepared and accepted responsibility of this notice. The contents in this notice are accurate as of the date of its issuance.

May 2019

Important: If you are in any doubt about the contents of this notice, you should seek independent professional advice.

HSBC Mandatory Provident Fund – SuperTrust Plus

Various changes are being made to the HSBC Mandatory Provident Fund – SuperTrust Plus (‘**HSBC SuperTrust Plus**’) and are outlined in the box below.

Terms not defined in this notice have the same meanings as in the ‘Principal Brochure’ of the HSBC SuperTrust Plus.

This box summarises the key changes to the HSBC SuperTrust Plus, which are elaborated in the main body of this notice:

Key changes

The following changes (collectively, the ‘Change’) will be made to the HSBC SuperTrust Plus:

(a) With effect from 1 July 2019 (the ‘Effective Date’) the following six new Constituent Funds (the ‘New CFs’) will be set up:

- ValueChoice Balanced Fund
- Global Equity Fund
- ValueChoice US Equity Fund
- ValueChoice European Equity Fund
- ValueChoice Asia Pacific Equity Fund
- Hang Seng China Enterprises Index Tracking Fund

(b) Kindly note that the Change is subject to the HSBC Mandatory Provident Fund – ValueChoice being successfully merged with the HSBC SuperTrust Plus from 1 July 2019, the Effective Date (the ‘Merger’). Should the Merger not take place on the Effective Date, the Change may not go ahead. We will issue further notice informing you should this be the case.

Impacts

(c) As a result of the addition of the New CFs, the constituent fund offering under the HSBC SuperTrust Plus will be diversified such that the number of constituent funds under the HSBC SuperTrust Plus will increase from 14 to 20. Further, the management fees of the New CFs are as low as 0.79% pa of NAV. The establishment of the New CFs, together with the Balanced Fund, the North American Equity Fund and the European Equity Fund, which are actively managed and already included in the HSBC SuperTrust Plus, will offer the Scheme Participants a set of actively managed funds and funds with preference towards ITCIS(s) on one platform in the same asset classes. The HSBC SuperTrust Plus will provide a platform with more comprehensive choices to the Scheme Participants to meet their own preference and risk profile.

(d) The Trustee therefore confirms that the Change will not have any adverse impact on the HSBC SuperTrust Plus or the interests of the Scheme Participants. The Trustee confirms that the Change will be in the interests of the Scheme Participants and the interests of the Scheme Participants will be adequately protected and will not be prejudiced by the Change.

Actions required of Scheme Participants

(e) No particular action is required of the Scheme Participants.

If you have any questions in relation to the Change set out in this notice, please contact the HSBC MPF Employer Hotline (852) 2583 8033 or HSBC MPF Member Hotline (852) 3128 0128.

1. Change to the HSBC SuperTrust Plus

1.1 Establishment of six new Constituent Funds

Subject to the precondition that the Merger has been successfully completed on the Effective Date, the following New CFs will be established and launched under the HSBC SuperTrust Plus pursuant to Rule 20 of the 'Master Trust Deed':

- ValueChoice Balanced Fund
- Global Equity Fund
- ValueChoice US Equity Fund
- ValueChoice European Equity Fund
- ValueChoice Asia Pacific Equity Fund
- Hang Seng China Enterprises Index Tracking Fund

Relevant information regarding each New CF is set out in **Appendix 1** to this notice.

Should the Merger not take place on the Effective Date, the Change may not go ahead. We will issue further notice informing you should this be the case.

2. Impacts on the HSBC SuperTrust Plus and Scheme Participants

2.1 The management fees of the New CFs are generally lower than the management fees of most of the Constituent Funds on the HSBC SuperTrust Plus platform. The addition of these New CFs will give Scheme Participants of the HSBC SuperTrust Plus access to these low-fee funds.

2.2 The Trustee therefore confirms that the Change will not have any adverse impact on the HSBC SuperTrust Plus or the interests of the Scheme Participants. The Trustee confirms that the Change will be in the interests of the Scheme Participants and the interests of the Scheme Participants will be adequately protected and will not be prejudiced by the Change.

3. Actions required of Scheme Participants

3.1 No particular action is required of the Scheme Participants.

Supplement to the 'Principal Brochure' of the HSBC SuperTrust Plus will be issued in July 2019 to reflect the Change and the consequential changes (including the addition of risk factors and information on the New CFs and certain editorial changes) associated with the Change set out in this notice. You may refer to the relevant supplement for further details of the Change. The 'Principal Brochure' and its supplement will be available on our HSBC MPF website at www.hsbc.com.hk/mpf or you may request copies of them by contacting the HSBC MPF Employer Hotline (852) 2583 8033 or HSBC MPF Member Hotline (852) 3128 0128.

For further information, please feel free to contact the above HSBC MPF Employer Hotline or HSBC MPF Member Hotline.

Issued by The Hongkong and Shanghai Banking Corporation Limited and HSBC Provident Fund Trustee (Hong Kong) Limited

Note: Investment involves risks. Past performance is not indicative of future performance. The value of financial instruments, in particular stocks and shares, and any income from such financial instruments, may go down as well as up. For further details including the product features and risks involved, please refer to the relevant 'Principal Brochure'.

Appendix 1

The New CFs to be established on the Effective Date

Subject to the precondition that the Merger has been successfully completed on the Effective Date, six New CFs will be established and launched on the HSBC SuperTrust Plus platform from the Effective Date. Please see below a summary of the key highlights for each New CF.

Description of New CFs

ValueChoice Balanced Fund

Fund Name	ValueChoice Balanced Fund
Type of Fund	Mixed Assets Fund
Investment Objective	To achieve medium to high capital growth with medium volatility through a diversified portfolio that normally comprises global bonds and equities with heavier weighting in equities.
Investment Policies	<p>This Fund will be invested in an APIF (HSBC MPF 'A' – VC Balanced Fund), which in turn invests in two or more underlying approved ITCIS(s) and/or APIF(s) as allowed under the General Regulation. It is expected that preference will be given to ITCIS(s) when making investments. Through such underlying investments, this Fund invests in a diversified portfolio that normally comprises global bonds and equities with heavier weighting in equities.</p> <p>The Investment Adviser of the APIF in which the ValueChoice Balanced Fund invests is responsible to allocate the assets to the underlying investments in such proportions as it shall, at its discretion, determine.</p> <p>Around 55 per cent to 85 per cent of the portfolio of this Fund will be indirectly invested in equities and equity-related investments. The remainder of the assets will be invested in deposits, debt securities and other investments as allowed under the General Regulation. The intended asset allocation aforesaid is for indication only and may be changed as and when the relevant investment adviser considers appropriate.</p> <p>For efficient portfolio management, the APIF and its underlying investments may acquire financial futures contracts and financial option contracts, engage in securities lending, enter into repurchase agreements, and invest in other investments, as allowed under the applicable laws and regulations.</p> <p>Investments in this Fund are subject to market fluctuations and investment risks, in particular, the risks associated with investments in global bonds and equities. As a result of a heavier weighting in equities, the volatility of this Fund is higher than investments spread equally between global bonds and equities.</p>
Management Fee	0.79% pa of NAV

Global Equity Fund

Fund Name	Global Equity Fund
Type of Fund	Equity Fund
Investment Objective	To achieve long-term capital growth through a portfolio of carefully selected shares traded on different global markets.
Investment Policies	<p>This Fund will be invested in an APIF (HSBC MPF 'A' – Global Equity Fund), which in turn invests in two or more underlying approved pooled investment fund(s) and/or ITCIS(s) as allowed under the General Regulation. Through such underlying investments, this Fund primarily invests in a portfolio of carefully selected shares traded on different global markets. The investment adviser(s) and investment sub-adviser(s) appointed to manage the investments of the APIF(s) held by this Fund directly or indirectly are members of the HSBC Group.</p> <p>The investment portfolio indirectly held by this Fund will comprise mainly of equities and equity-related investments traded on stock exchanges in global markets. The portfolio may also include deposits, debt securities and other permitted investments up to 30 per cent of the net asset value of this Fund. The intended asset allocation aforesaid is for indication only and may be changed as and when the Investment Manager considers appropriate.</p> <p>For efficient portfolio management, the APIF and its underlying APIFs and/or ITCIS may engage in securities lending, enter into repurchase agreements, and invest in other investments to the extent permitted by the General Regulation. The approved pooled investment fund and its underlying APIFs and/or ITCIS may also acquire financial futures contracts and financial option contracts as allowed under the General Regulation.</p> <p>Investments in this Fund are subject to market fluctuations and investment risks, in particular, the risks associated with equity investments. The value of equity investments are affected by many factors, including but not limited to the business, performance and activities of individual companies as well as general market and economic conditions. This Fund may invest in both developed and emerging markets globally. Investment in emerging markets may be subject to higher volatility.</p>
Management Fee	0.79% pa of NAV

ValueChoice US Equity Fund

Fund Name	ValueChoice US Equity Fund
Type of Fund	Equity Fund
Investment Objective	To achieve long-term capital growth through a diversified portfolio that mainly comprises US equities and equity-related investments.
Investment Policies	<p>This Fund will be invested in an APIF (HSBC MPF 'A' – VC US Equity Fund), which in turn invests in two or more underlying approved ITCIS(s) and/or APIF(s) as allowed under the General Regulation. It is expected that preference will be given to ITCIS(s) when making investments. Through such underlying investments, this Fund invests in a diversified portfolio that mainly comprises US equities and equity-related investments.</p> <p>The portfolio may also include deposits, debt securities and other permitted investments up to 30 per cent of the net asset value of this Fund. The Investment Adviser of the APIF in which the ValueChoice US Equity Fund invests is responsible to allocate the assets to the underlying investments in such proportions as it shall, at its discretion, determine. The intended asset allocation aforesaid is for indication only and may be changed as and when the Investment Adviser considers appropriate.</p> <p>For efficient portfolio management, the APIF and its underlying investments may acquire financial futures contracts and financial option contracts, engage in securities lending, enter into repurchase agreements, and invest in other investments, as allowed under the applicable laws and regulations.</p> <p>Investments in this Fund are subject to market fluctuations and investment risks, in particular, the risks associated with investments in US equities and equity-related investments. Despite a number of US companies having significant operations outside the US, the volatility of this Fund may be higher than that of more diversified funds which invest in a number of continents or geographic regions.</p>
Management Fee	0.79% pa of NAV

ValueChoice European Equity Fund

Fund Name	ValueChoice European Equity Fund
Type of Fund	Equity Fund
Investment Objective	To achieve long-term capital growth through a diversified portfolio that mainly comprises European equities and equity-related investments.
Investment Policies	<p>This Fund will be invested in an APIF (HSBC MPF 'A' – VC European Equity Fund), which in turn invests in two or more underlying approved ITCIS(s) and/or APIF(s) as allowed under the General Regulation. It is expected that preference will be given to ITCIS(s) when making investments. Through such underlying investments, this Fund invests in a diversified portfolio that mainly comprises European equities and equity-related investments.</p> <p>The portfolio may also include deposits, debt securities and other permitted investments up to 30 per cent of the net asset value of this Fund. The Investment Adviser of the APIF in which the ValueChoice European Equity Fund invests is responsible to allocate the assets to the underlying investments in such proportions as it shall, at its discretion, determine. The intended asset allocation aforesaid is for indication only and may be changed as and when the Investment Adviser considers appropriate.</p> <p>For efficient portfolio management, the APIF and its underlying investments may acquire financial futures contracts and financial option contracts, engage in securities lending, enter into repurchase agreements, and invest in other investments, as allowed under the applicable laws and regulations.</p> <p>Investments in this Fund are subject to market fluctuations and investment risks, in particular, the risks associated with investments in European securities. The volatility of this regional Fund is higher than that of funds which invest in a number of continents or regions.</p>
Management Fee	0.79% pa of NAV

ValueChoice Asia Pacific Equity Fund

Fund Name	ValueChoice Asia Pacific Equity Fund
Type of Fund	Equity Fund
Investment Objective	To achieve long-term capital growth primarily through an actively managed portfolio of carefully selected quoted securities on the regulated stock markets in the economies of Asia Pacific, excluding Japan.
Investment Policies	<p>This Fund will be invested in an APIF (HSBC MPF 'A' – VC Asia Pacific Equity Fund), which in turn invests in an underlying APIF. Through such underlying investments, this Fund invests primarily in an actively managed portfolio of carefully selected quoted securities on the regulated stock markets in the economies of Asia Pacific, excluding Japan. The main markets of investment include, but not limited to, Australia, China, Hong Kong, India, Korea, Malaysia, New Zealand, Singapore, Taiwan and Thailand.</p> <p>The investment portfolio indirectly held by this Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other permitted investments up to 30 per cent of the net asset value of this Fund. The intended asset allocation aforesaid is for indication only and may be changed as and when the Investment Adviser considers appropriate.</p> <p>For efficient portfolio management, the APIF and its underlying investments may engage in securities lending, enter into repurchase agreements, and invest in other investments as allowed under the General Regulation. The underlying investments may also acquire financial futures contracts and financial option contracts as allowed under the General Regulation.</p> <p>Investments in this Fund are subject to market fluctuations and investment risks, in particular, the risks associated with investments in securities of Asia Pacific markets. In general, the volatility of this Fund is higher than that of funds which invest in developed markets. Further, the volatility of this Fund, being a regional fund, is higher than that of funds which invest in a number of continents or regions.</p>
Management Fee	0.79% pa of NAV

Hang Seng China Enterprises Index Tracking Fund

Fund Name	Hang Seng China Enterprises Index Tracking Fund
Type of Fund	Equity Fund
Investment Objective	To match as closely as practicable the performance of the Hang Seng China Enterprises Index by investing directly in an approved ITCIS (Hang Seng China Enterprises Index ETF) with a similar investment objective.
Investment Policies	<p>For efficient portfolio management, the approved ITCIS held by the Hang Seng China Enterprises Index Tracking Fund may gain exposure to the Hang Seng China Enterprises Index or its constituent stocks through investing in financial instruments, engaging in borrowings, securities lending and entering into repurchase agreements, as allowed under the applicable laws and regulations.</p> <p>Whilst the investment objective of the Hang Seng China Enterprises Index Tracking Fund and the underlying approved ITCIS is to track the Hang Seng China Enterprises Index, there can be no assurance that the performance of the Hang Seng China Enterprises Index Tracking Fund and the underlying approved ITCIS will at any time be identical to the performance of the Hang Seng China Enterprises Index.</p>
Management Fee	Up to 0.79% pa of NAV