

16 April 2019

**HSBC Global Liquidity Funds plc (the Company)**

Dear Shareholder,

The Company is authorised by the Central Bank as an open-ended investment company with variable capital incorporated under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the **UCITS Regulations**). The Company is organised as an umbrella fund with segregated liability between sub-funds.

The Company has been a self-managed UCITS investment company since its establishment on 20 August 1999. The purpose of this letter is to notify you that a determination has been made by the Directors to appoint HSBC Investment Funds Luxembourg S.A. (the **Management Company**) as management company of the Company in order to rationalise and enhance the governance of HSBC's Irish fund platforms. Further background to this determination is included below.

The Management Company has been established under the laws of the Grand Duchy of Luxembourg in the form of a "Société Anonyme" and having its registered office at 16, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg. The Management Company is registered under Register of Commerce number B-28 888 and is authorised as a UCITS management company under Chapter 15 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment. The Management Company will be appointed Management Company of the Company on or around 1 May 2019.

As at the appointment of the Management Company in this capacity, the Company will cease to be a self-managed UCITS investment company and become a managed UCITS investment company.

**BACKGROUND TO THE DETERMINATION**

The Board of Directors has been considering the governance framework of the Company in the context of the Central Bank of Ireland's Fund Management Companies' Guidance and the opinion issued by the European Securities and Markets Authority on outsourcing and substance.

Through engagement with HSBC Global Asset Management Limited, the Board of Directors determined that the best course of action for the Company was to appoint the Management Company. In doing so, they considered a number of important factors, including the following:

*No Impact on Investors*

It was important to ensure that any change to the governance framework would not impact investors and in particular the fees charged to investors in respect of any sub-fund of the Company. Shareholders should note that the appointment of the Management Company will not result in any change in fees.

*Future Proofing of the Company*

The Board of Directors considered the Central Bank of Ireland's Fund Management Companies Guidance and the opinion issued by the European Securities and Markets Authority on outsourcing and substance and came to the conclusion that regulators may seek significant increases to the Company's

substance in general and particularly, in Ireland. This would have led to staffing and cost implications for the Company.

*The Expertise and Capacity of the Management Company*

The Directors determined that the appointment of the Management Company would put in place a stronger governance, operational and risk management structure to the benefit of investors. It would streamline the provision of risk, compliance and delegate oversight arrangements. The Management Company has experience in acting as UCITS management company to both Luxembourg and Irish domiciled UCITS. It has substantial and growing resources with expertise in a variety of functions including investment and risk management, regulatory compliance, marketing and delegate oversight.

No further action is required from you.

The new Prospectus reflecting these changes will be published on [www.globalliquidity.hsbc.com](http://www.globalliquidity.hsbc.com) on or about the 1 May 2019.

If you have any queries, please contact your local HSBC Global Asset Management Liquidity Representative.

We thank you for your continuing support of the Company.

Yours faithfully,

The Board of Directors  
**HSBC GLOBAL LIQUIDITY FUNDS PLC**