



RMB Qualified Foreign Institutional Investors (RQFII) Scheme

For Presentation to U.S. Chamber of Commerce, CFO Advisory Council

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HSBC 
Global Banking and Markets

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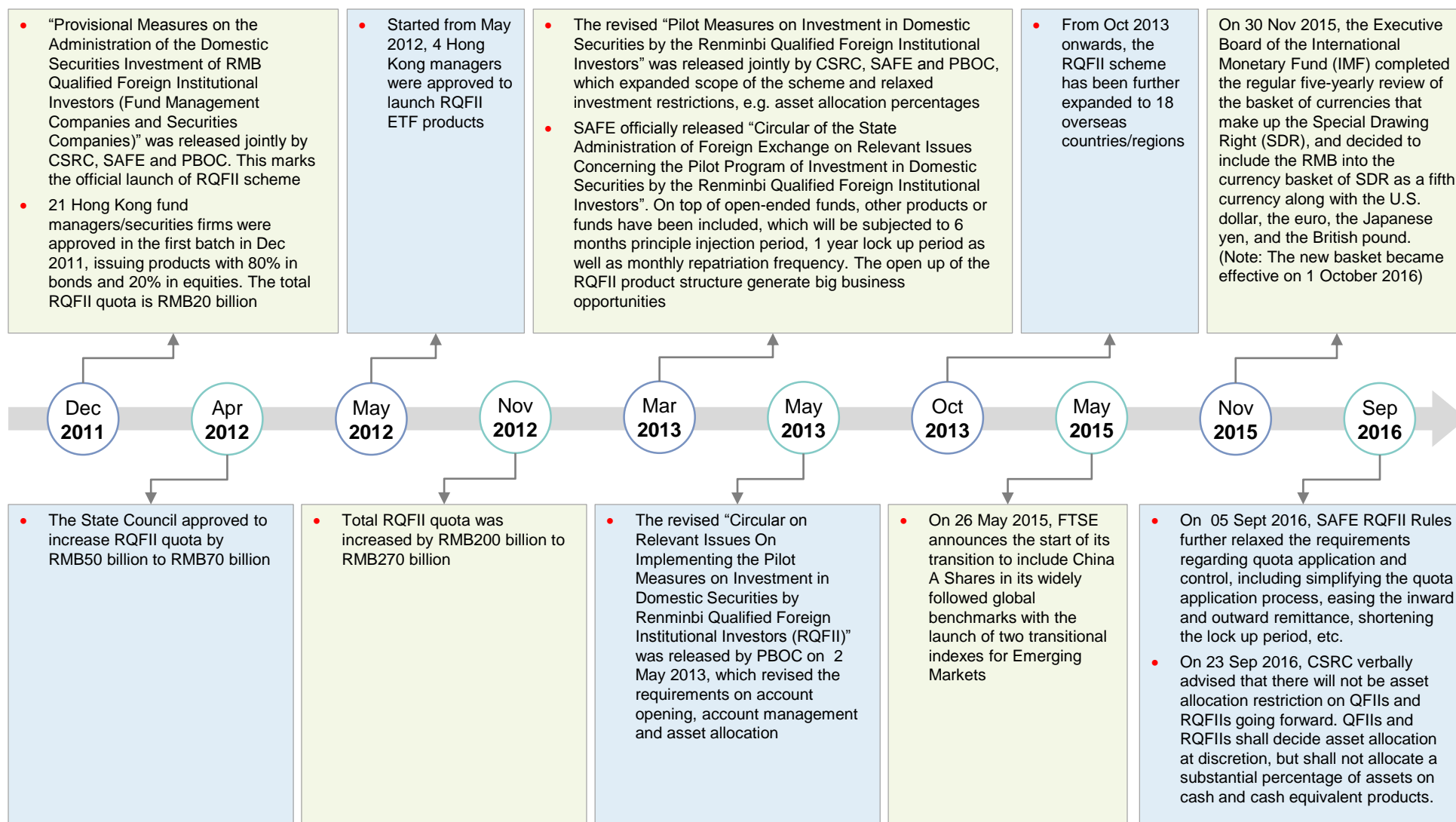
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Overview of RQFII Scheme

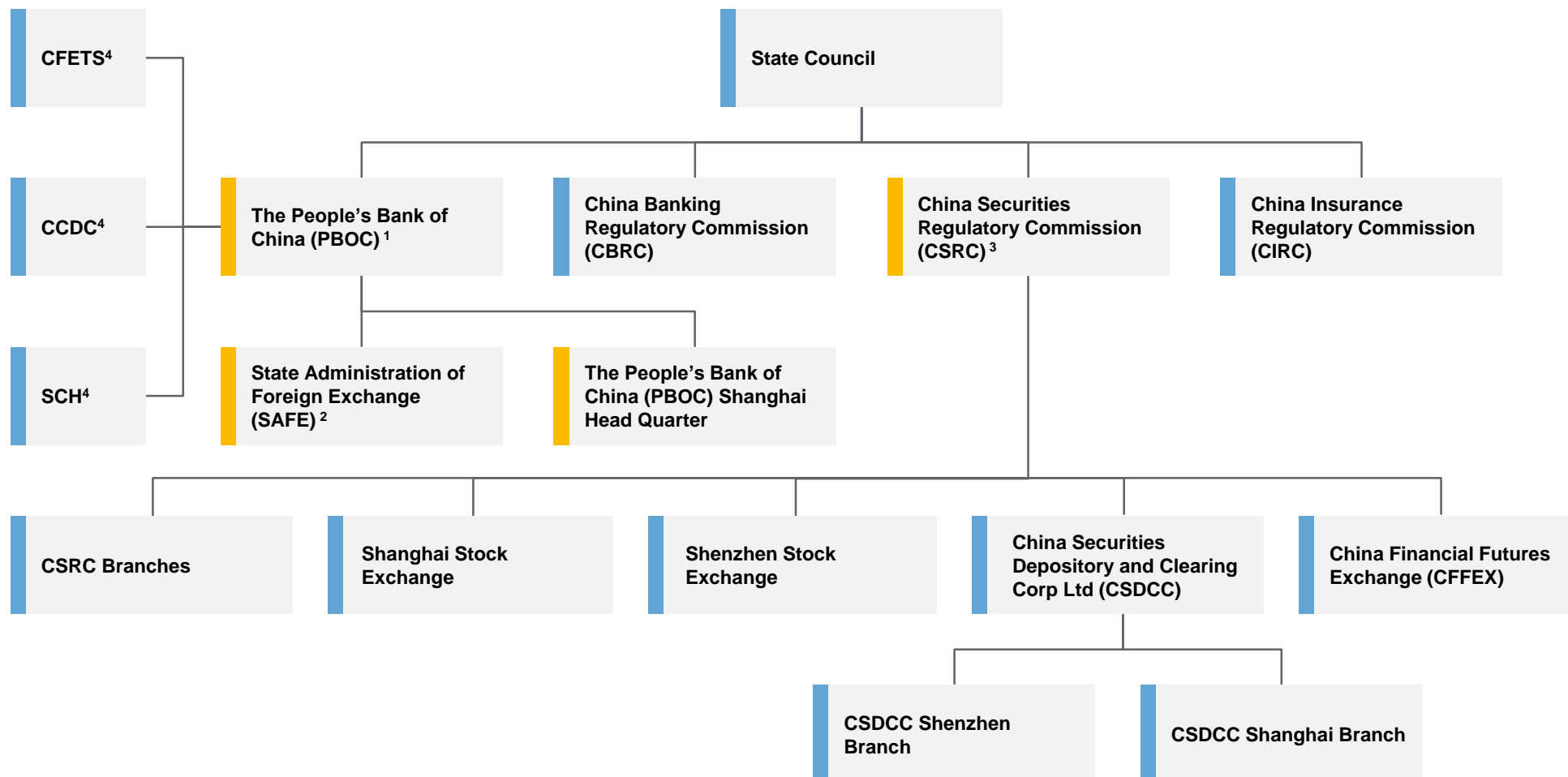


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Key milestones



China Regulatory Structure



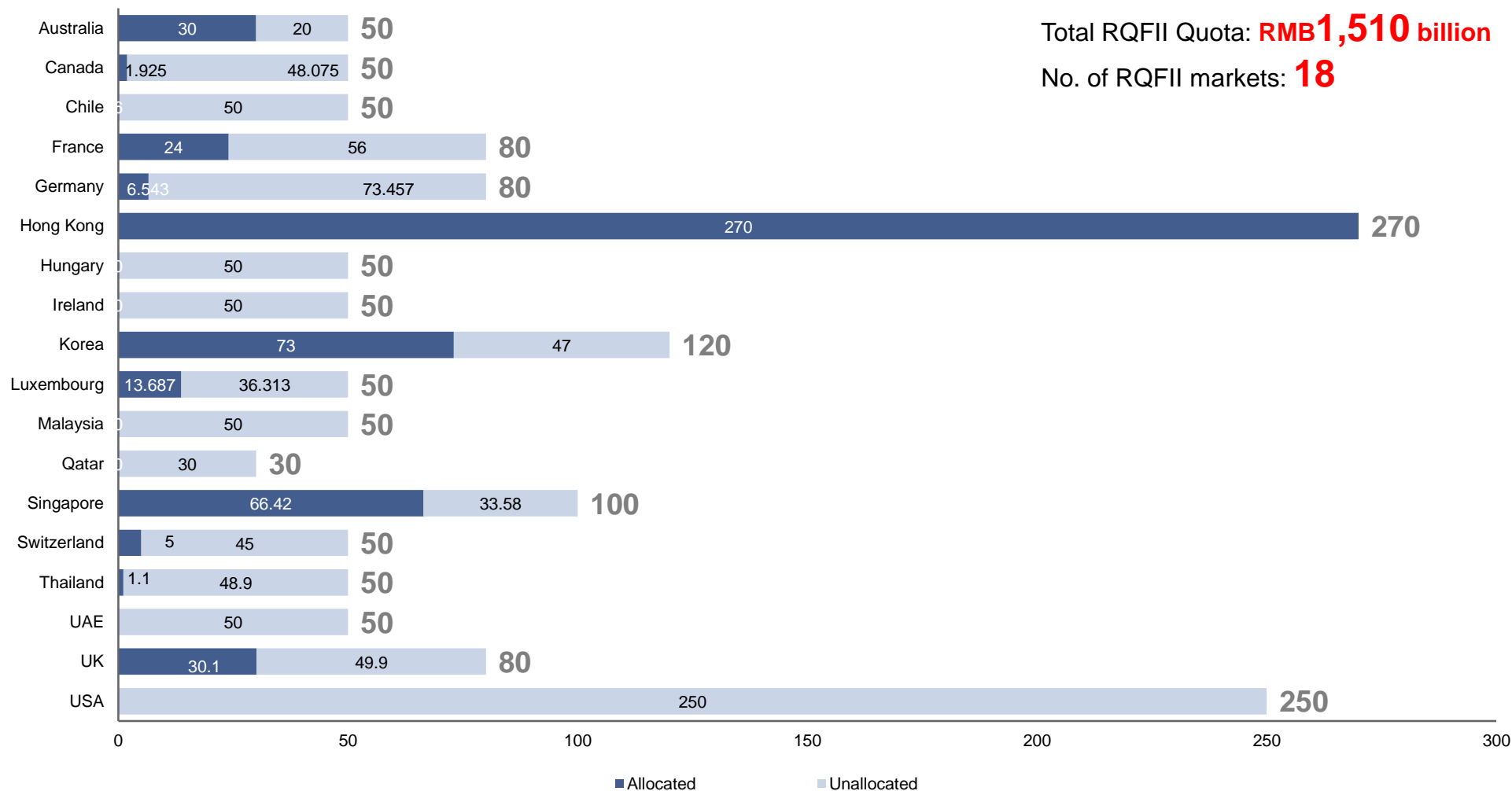
Notes:

1. PBOC: The Central Bank of the People's Republic of China
2. SAFE: Administrative authority governing foreign exchange market activities
3. CSRC: Administrative authority that regulates the Chinese securities and futures markets
4. CFETS-China Foreign Exchange Trade System; CCDC-China Central Depository & Clearing Co., Ltd.; SCH-Shanghai Clearing House

RQFII Scheme

Market overview

Allocated RQFII Quota in RMB (billion), as at December 2016



Source: CSRC and SAFE website

RQFII Scheme

Market overview

RMB Qualified Foreign Institutional Investor (RQFII) scheme

Applicable institutions	<ul style="list-style-type: none"> Qualified financial institutions registered and having its principal place of business in the approved RQFII sites with asset management license issued by the competent local securities regulator, and have already conducted relevant asset management business Total 18 RQFII sites: Australia, Canada, Chile, France, Germany, Hong Kong, Hungary, Ireland, Korea, Luxembourg, Malaysia, Qatar, Singapore, Switzerland, Thailand, UAE, UK, USA
Source funding	<ul style="list-style-type: none"> Off shore RMB
Available instruments	<ul style="list-style-type: none"> Exchange traded or transferred A-shares, bonds and warrants Fixed income products traded in interbank bond market Securities investment funds Equity index futures Subscription to IPO, additional issuance, rights issues, and convertible bond issuance Other instruments approved by CSRC
Asset allocation	<ul style="list-style-type: none"> No explicit asset allocation restriction on QFIIs and RQFIIs. QFIIs and RQFIIs shall decide asset allocation at discretion, but shall not allocate a substantial percentage of assets on cash and cash equivalent products.
Foreign ownership limit	<ul style="list-style-type: none"> 10% for individual foreign investor; 30% for all foreign investors

Latest market statistics

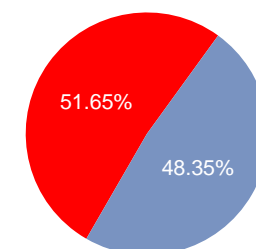
- Total number of approved RQFII (as of December 2016): **217**
- Total approved quota in market (as of December 2016): **RMB528.475bn**
- Remaining quota¹: **RMB981.525bn**
- RQFII scheme has officially expanded to 18 sites

Note:

1. Remaining quota = Total RQFII quota (RMB1,510 billion) – Total approved quota

HSBC China maintains large market shares

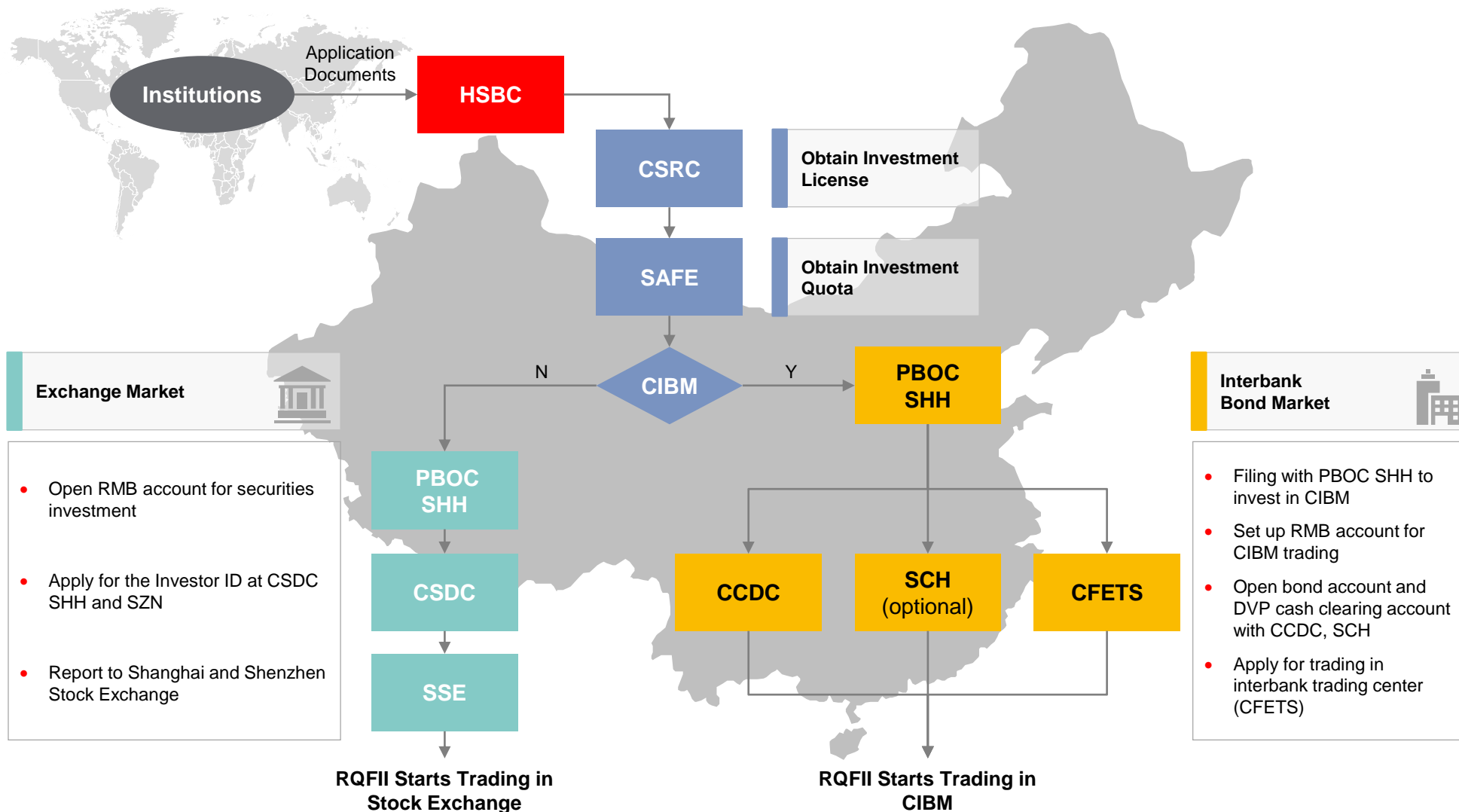
- HSBC provides integrated RMB related products and services in RQFII custody service etc., and has **51.65%**, as of December 2016, market share in terms of total approved RQFII quota



■ HSBC ■ Other

Source: CSRC and SAFE website

RQFII Application and Account Opening Process (example)



RQFII Scheme Developments



RQFII Scheme Developments

Phase I:

In 2011, 21 HK fund managers/ securities firms were approved in the first batch

- Issuing products with
 - no more than 20% of fund raised investing in equity & equity fund
 - no less than 80% of fund raised investing in fixed-income securities (including bonds & fixed-income funds)
- Most of the products (except 2) are HK SFC authorized funds, with a structure of HK domiciled Unit Trust
- The total RQFII quota is RMB20 billion
- **3 out of 21** chose HSBC as custodian – 100% market share of mandates awarded to foreign banks

Phase II:

Starting from May 2012, 4 managers were approved to issue RQFII ETF in the HK market

- Total RQFII quota was increased by RMB50 billion to RMB70 billion
- Each tracking different indices
- HSBC **won 3 out of 4** mandates to act as custodian

RQFII Scheme Developments (cont'd)

Phase III:

From 2013 onwards, RQFII scheme has further expanded to overseas countries

- On 1 March 2013, revised RQFII rules were issued by CSRC ,which expanded scope of the scheme and relaxed investment restrictions, e.g. asset allocation percentages
- As of date, RQFII scheme has officially expanded to 18 sites in total
- HSBC is the first custodian bank servicing UK, France, Korea, Germany, Australia, Switzerland, Canada, Luxembourg, Thailand, USA RQFIIs; and the first foreign custodian bank servicing Singapore RQFII

Country	Announcement Date for the RQFII scheme expansion	CSRC Approval Date for the first RQFII	Country	Announcement date for the RQFII scheme expansion	CSRC Approval Date for the first RQFII
UK	Jul-13	Jan-2014	Luxembourg	Apr-15	Nov-2015
Singapore	Jul-13	May-2014	Chile	May-15	N/A
France	Jun-14	Aug-2014	Hungary	Jun-15	N/A
South Korea	Jul-14	Oct-2014	Malaysia	Nov-15	N/A
Germany	Jul-14	Feb-2015	United Arab Emirates (UAE)	Dec-15	N/A
Qatar	Nov-14	N/A	Thailand	Dec-15	Sep-16
Canada	Nov-14	Jun-2015	United States	Jun-16	Nov-16
Australia	Nov-14	Mar-2015	Ireland	Dec-16	N/A
Switzerland	Jan-15	Jun-2015			

Recent Developments and Future Outlook



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Recent Developments

Further Expansion of RQFII markets

- The RQFII pilot scheme had expanded to the **United States** with an investment quota of RMB250 billion and **Ireland** with an investment quota of RMB50 billion in June and December 2016 respectively.

Shenzhen-Hong Kong Stock Connect

- On 25 November 2016, the CSRC and Hong Kong Securities and Futures Commission (“SFC”) jointly announced the **official launch of Shenzhen-Hong Kong Stock Connect**. Trading commenced on 5 December 2016.
- There will be **no aggregate quota** under Shenzhen-Hong Kong Stock Connect.

RMB in SDR Basket

- International Monetary Fund (IMF) decided to include RMB into the currency basket of Special Drawing Right (SDR), effective from 1 October 2016.

Clarity on CIBM Capital Gain Tax

What to Expect?

- Authorities including PBOC and CCDC have hosted a number of meetings in Q4 2016 to understand issues concerned by Overseas Institutional Investor (“OII”) and progressed on the following topics:
 - Tax: 1) Clarified that capital gains from CIBM investments are outside the scope of Corporate Income Tax, as advised by Ministry of Finance (“MOF”) and State Administration of Taxation (“SAT”) ²
2) CCDC and SCH are being evaluated by SAT as the withholding agents for 10% Corporate Income Tax²
 - ISIN: CFETS is looking into having ISIN code assigned to all bonds on CIBM²
 - Bond Repo: PBOC will look to gradually open bond repo to more investors³
 - Trading on Bloomberg: CFETS is working to enable the trading function of CIBM bonds on Bloomberg⁴
- PBOC is working with HSBC on a FAQ to address some other issues such as beneficiary ownership in CIBM.

Notes:

1. Source: PBOC website
2. According to the PBOC meeting with CIBM bond settlement agents on 20th October 2016
3. According to the CCDC conference on 22nd November 2016
4. According to the PBOC training event organized in April 2016

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Future Outlook

New CSRC QFII/RQFII Rule

- The new CSRC QFII/RQFII regulations are still under revision by CSRC, which will focus on the alignment of the QFII/RQFII scheme. CSRC aims to :
 - 1) simplify the QFII/RQFII application process
 - 2) speed up the approval turn around time for QFII/RQFII license
 - 3) enlarge the eligible investment scope
 - 4) enhance the overall supervision

Index Inclusion

- MSCI: On 15 June 2016, MSCI announced that they will delay including China A shares in the MSCI Emerging Markets Index as part of the 2016 Annual Market Classification Review. MSCI will revisit the China A shares inclusion proposal as part of their 2017 Market Classification Review.
- The potential inclusion of China debt instruments in Global Bond Indices, such as the JP Morgan EMGBI Index, the Barclays EM Local Currency Government Bond Index and the Citigroup EMGBI Index, could have a significant impact on investors in benchmarked fixed-income strategies, as they would need to restructure their portfolios to reflect the indices' realignment.
- Market is expecting the inclusion of A-shares in global equity indices sooner than bond index inclusion.

Key Rules of RQFII Scheme



RQFII scheme – Account management

Items	Rules
RMB cash accounts	<ul style="list-style-type: none">• RQFII shall engage Custodians and Settlement Agent Banks to open one RMB Basic Deposit Account and one/several RMB Special Deposit Accounts. RQFII that already has RMB Basic Deposit Account need not to open another RMB Basic Deposit Account• RQFII should open separate Special Deposit Accounts for settlement of funds for transactions at China Interbank Bond Market (CIBM) and stock exchanges with RQFII custodian and settlement agent bank(s) respectively. To trade index futures, a separate Special Deposit Account for index futures trading should be opened with Futures Margin Depository Bank• RQFII should also open separate accounts for its proprietary funds and its assets under management for its clients. For the setting up of open ended funds, each fund should also have accounts opened separately• Cash transfers between Special Deposit Accounts and other accounts, specifically, cash transfers between the RQFII's proprietary account/client's assets/Open-ended funds are not allowed. Also, cash transfers between different Open-ended funds are not allowed
Securities accounts opened with CSDC/CCDC/SCH	<ul style="list-style-type: none">• RQFII shall apply for opening one or multiple securities accounts from CSDC by its custodian• The above mentioned RQFII securities account(s) name shall be same as the approved RMB Special Deposit account(s)• RQFII shall apply for opening of bond accounts from CCDC/SCH by its settlement agent

RQFII scheme – Quota control

Items	Rules
Quota control	<ul style="list-style-type: none">• RQFIIs may obtain a Basic Quota up to a certain percentage of their asset size through filing with SAFE• When applying for the investment quota which exceeds the Basic Quota, RQFII shall obtain SAFE's approval• When applying for additional quota for existing QFIIs:<ul style="list-style-type: none">– approved quota + additional quota < Basic Quota: filing with SAFE– approved quota + additional quota > Basic Quota: shall obtain SAFE's approval• A Basic Quota will be granted according to below benchmark:<ul style="list-style-type: none">– For RQFII or its group company's asset (or assets under management) being mostly outside of mainland China: Basic Quota = USD100 million + 0.2% * average asset size or securities assets under management in the past three years - approved QFII Quota (RMB equivalent);– For RQFII or its group company's asset (or assets under management) being mostly within mainland China: Basic Quota = RMB 5 billion + 80% * asset size or securities assets under management in the past one year - approved QFII quota (RMB equivalent);– Sovereign funds, central banks, and monetary authorities may obtain corresponding investment quota based on the investment needs in domestic capital market, and not be restricted by a certain percentage of their asset size• Where a RQFII fails to effectively utilize the investment quota within 1 year after filing or approval of investment quota upon obtaining the investment quota, SAFE has reserved the right to revoke part or all of its unused Investment Quota• Adopted Balance Management regime: the accumulative net remitted-in amount by RQFIIs shall not exceed the investment quota filed with or approved by SAFE• Sell or transfer of quota is prohibited

RQFII scheme – Lock up period and Repatriation

Items	Rules
Lock-up period	<ul style="list-style-type: none">• Open-ended funds:<ul style="list-style-type: none">– No lock-up period• Other products or assets:<ul style="list-style-type: none">– The lock-up period for investment principal is 3 months. This lock-up period is counted from the date on which RQFII's cumulative remitted-in investment principal reaches equivalent RMB100 million– The above-mentioned principal lock-up period refers to the time period that restricts RQFIIs from repatriating their investment principal overseas
Repatriation	<ul style="list-style-type: none">• Open-ended funds:<ul style="list-style-type: none">– daily remittance or repatriation for net amount of subscription and redemption• Other products or assets:<ul style="list-style-type: none">– no restriction in remittance or repatriation frequency after expiration of the lock-up period¹– for principal repatriation: not required to file with SAFE– for profit repatriation: supporting documents are required¹• For all RQFIIs:<ul style="list-style-type: none">– no limitation on the monthly repatriation amount– SAFE may adjust RQFII's repatriation timing, amount and timeframe based on China's economic and financial condition, supply and demand of foreign exchange market and international balance of payment.

Note:

1. Per HSBC verbal clarification with SAFE on 2016/08/23, Q1

RQFII scheme – Investment

Items	Rules
Eligible investment products	<ul style="list-style-type: none">• Shares, bonds and warrants traded or transferred on the stock exchanges• Fixed income products traded on China Interbank Bond Market (CIBM)• Securities Investment Funds• Index Futures (RQFII can refer to QFII scheme)• Small and Medium-sized Enterprise (SMEs) Private Placement Bonds• Other financial instruments as approved by CSRC• Currently, Repo, margin trading, or securities lending are not allowed for RQFII
Multiple brokers	<ul style="list-style-type: none">• Up to 3 brokers in each market
Settlement	<ul style="list-style-type: none">• A-shares are settled on T and cash movement on T+1. Failed trade is not allowed• Bonds in CIBM are settled on T or T+1. Failed trade is allowed in CIBM
Trading restrictions	<ul style="list-style-type: none">• Buy/sell the same stock on the same day that might lead to unfair transaction or transfer of interest is prohibited• Short-selling is prohibited• Same-day turnaround trade is prohibited in exchange market except for bonds and warrants• Repurchase transactions, derivatives/structured products and leveraged trading are not allowed in CIBM market

RQFII scheme – Taxation

Corporate Income Tax (CIT) on Dividends and Coupon Interest

- **10% CIT withholding tax:**
 - For exchange traded securities: coupon interest and stock/cash dividends
 - Withholding party: paying agent (i.e., issuer)
 - Listed companies pay net amount to RQFIIs and HSBC credits to RQFII's account on payment date
 - When listed companies only pay bonus issue without cash dividend, HSBC will deduct the 10% tax from RQFII's RMB cash account and pay it to listed companies on the payment date of the bonus shares
 - For CIBM bonds: coupon interest
 - Except for government bonds (issued by MOF) and local government bonds, coupon interest of PBOC bill and other bonds are subject to 10% CIT withholding, but there is no standard WHT practice in CIBM market. Hence, coupon interest is paid in gross amount to foreign investors¹
 - Deposit Interest (including interest from RMB cash balance, Clearing Reserve Fund, Warrant Collateral Fund)
 - HSBC (as the paying agent) withholds 10% CIT on the quarterly interest payment date for RQFII's interest income derived from the cash balance in RQFII's Special RMB account and FCY account, as applicable
 - HSBC arranges the withholding tax payment for RQFII's interest income derived from the clearing reserve fund placed with CSDC on the same day
 - RQFII only receives net amount on interest payment date
- **Exemption:**
 - Coupon Interest of Government Bond (issued by MOF) and local government bonds (issued by municipal government and approved by the State Council) is CIT exempt
- **Tax relief:**
 - RQFII who are eligible for a lower tax rate under a Double Tax Treaty can apply for tax-relief-at source/reclaim from the paying agent's domicile tax bureau
 - For RQFII's deposit interests, HSBC is willing, through our domicile tax bureau, to help eligible RQFIIs to file the application to claim tax treaty benefit..
 - Shanghai Tax Bureau reviews the tax-relief-at source/reclaim application on a case-by-case basis
 - If RQFII's situation change, the RQFII is liable to advise HSBC of the change.

Note:

1. CCDC is investigating internally on withholding tax at source, and will further discuss with MOF and SAT

RQFII scheme – Taxation (cont'd)

Corporate Income Tax on Capital gain

- On 14 November 2014, MOF, SAT and CSRC jointly issued a notice regarding the tax treatment on capital gains for QFII and RQFII
- It was advised that QFII and RQFII will be temporarily exempted from CIT for the capital gains derived from transferring stocks and other equity investment in Mainland China effective from 17 November 2014, and the capital gains derived before 17 November 2014 shall pay corporate income tax
- For securities traded on CIBM, theoretically capital gain realized from bond sales is out of the scope of CIT. As advised by MOF and SAT on the PBOC meeting with CIBM bond settlement agents on 20th October 2016, the framework for CIBM capital gain CIT is close to finalization, by which CIT shall be exempted.

Value-Added Tax (VAT)

According to Caishui [2016] No. 36 (released on 23 March 2016) and Caishui [2016] No. 70 (released on 30 June 2016), MOF and SAT stipulate that:

- Items outside VAT scope: interest from deposit
- Interest income of Government bonds issued by MOF and local government bonds are exempted from VAT
- Income derived from securities trading through domestic companies entrusted by QFIIs and RQFIIs are exempted from VAT
- Trading Income derived from investments in CIBM by overseas institutional investors, which are recognized by PBOC, is exempted from VAT

RQFII scheme – Reporting

Items	Rules
Regulatory reporting	<ul style="list-style-type: none"> • Arranged/acknowledged by RQFII: quarterly report and annual report • Prepared by custodian: <ul style="list-style-type: none"> – Regulatory report to CSRC, SAFE and PBOC upon required frequency. e.g., weekly and monthly – Report business details within 5 working days after occurrence to the RMB Cross-border Payment Management Information System (RCPMIS), e.g. account opening/closure, cross-border remittance/repatriation, and etc. • Within 10 WDs from obtaining the initial investment quota, RQFII shall apply for the Special Corporate Institution Code and register its entity's information, via the Master Reporting Bank, with local SAFE bureau • CSRC and SAFE confirmed that there will not be regulatory requirement on annual audit for RQFII, However, for non open-ended funds, the audit report on investment profit is still required for the repatriation of the realized profit
Foreign ownership limit (FOL)	<ul style="list-style-type: none"> • Shareholding by a foreign investor in a single listed company shall not exceed 10% of the total number of shares of the listed company • Aggregate shareholding of A shares by all foreign investors in a single listed company shall not exceed 30% of the total number of shares of the listed company • Foreign ownership limitation shall be monitored at combined QFII and RQFII level
Substantial shareholding	<ul style="list-style-type: none"> • Substantial shareholding disclosure requirement – 5% threshold and any subsequent 5% change applies at end investor level, including shareholdings in A-shares, B-shares, H-shares, and convertible securities <ul style="list-style-type: none"> – Note 1: Calculation shall be aggregated by the investor and its concerted parties – Note 2: Short Swing Profit penalty – Note 3: The investor and its concerted parties have the disclosure obligation
CIBM investor's information disclosure	<ul style="list-style-type: none"> • Investors should promptly disclose the required information through CFETS in the following circumstances within the 5 working day of the following month: <ul style="list-style-type: none"> – Conduct repurchase transaction using bonds issued by the investor itself as the underlying assets; – An investor conducts bond trading with its parent company or other subsidiaries (branch offices) of its parent company; – An asset manager conducts bond trading between its proprietary account and its account(s) under its management; – The same asset manager conducts bond trading between its accounts under its management; – Other circumstances as specified by PBOC • If a single investor holds over 30% of the issuance quantity of the bond during the course of bond trading and circulation, the investor should report and disclose the required information to CFETS

HSBC Securities Services and Key Differentiators



HSBC Securities Services – to form strong partnership in China

Widely recognized prestige

Best Subcustodian – China

- The Asset Triple A Asset Servicing, Investor and Fund Management Awards from 2012 to 2016

Source:
<http://www.theasset.com/awards/asset-servicing-investor-fund-management>

Best QFII Custodian

- The Asset Triple A Asset Servicing, Investor and Fund Management Awards 2014, 2015 and 2016

Source:
<http://www.theasset.com/awards/asset-servicing-investor-fund-management>

Best RQFII Custodian

- The Asset Triple A Asset Servicing, Investor and Fund Management Awards 2014, 2015 and 2016

Source:
<http://www.theasset.com/awards/asset-servicing-investor-fund-management>

Best Settlement Agent for Foreign Institutions

- China Foreign Exchange Trade System 2015 and 2014

Source:
<http://www.chinamoney.com.cn>

Best QFII Custodian Best RQFII Custodian

- The Asia Asset Management Best of the Best Awards 2013

Source:
<http://www.asiaasset.com/winners2013.aspx>

Best Direct Custody

- Asian Investor Service Provider Awards 2012

Source:
<http://www.asianinvestor.net/News/319954.day-1-asianinvestor-2012-service-provider-awards.aspx>

Ranked No. 1 Sub-custodian in China

- Global Investor Sub-Custody Survey 2012, 2013 and 2014

Source:
Global Investor's Sub-Custody Survey

Top Rated by Leading Clients 2009-2012

- Global Custodian Magazine

Source:
Global Custodian Magazine

HSBC Securities Services – to form strong partnership in China

Achievements



Key differentiators as of date

- **Large market share** in cross-border businesses
- The **first** foreign bank providing wide range **service** for B-share, QFII, RQFII, CIBM, futures margin depository
- **Deep understanding** of overseas investors, local regulations and China market
- Regulators' **consistent choice** for consultation on issues related to market/regulatory development
- The **large** and **well experienced** team of people servicing X-border investments
- Average management experience of **10 years**, with an operations team working on day/night shifts
- **100%** success rate in QFII application

Our Milestones

- | | |
|------|--|
| 1992 | • Offered direct custody services in China since 1992 |
| 2003 | • One of the first foreign custodians to offer QFII custody |
| 2005 | • The first and only foreign bank to obtained special approval from PBOC to provide custodian services for a SWF's investment in CIBM |
| 2009 | • One of the first two foreign banks to offer QFII cash clearing services |
| 2010 | • The first foreign bank to support participating banks to invest in CIBM under PBOC Pilot Program |
| 2011 | • The first QFII custodian bank to clear the ETF creation/redemption
• The first foreign custodian bank to offer RQFII custody |
| 2012 | • The only foreign bank introducing foreign insurance companies into CIBM |
| 2013 | • One of the first QFII custodians to facilitate QFII trading into index futures
• The first custodian bank supporting QFII into the CIBM
• First foreign bank in mainland China to offer futures margin depository services to its own QFII/RQFII clients |
| 2014 | • First custodian bank servicing London, France, Korea RQFII
• Custodian bank for the first London-Listed RQFII ETF, first HK-Listed RQFII Bond ETF |
| 2015 | • First custodian bank servicing Germany RQFII, Australia RQFII, Switzerland RQFII, Canada RQFII and Luxembourg RQFII
• Custodian bank for the first RQFII money market ETF listed in London |
| 2016 | • Assist RQFII to obtain the largest initial RQFII quota granted by SAFE
• Facilitated the first overseas financial institution registered under the new direct access program as the appointed settlement agent
• First custodian bank servicing Thailand and USA RQFII |

HSBC Securities Services

Key Highlights

Provide **award winning securities services** to the world's leading institutional investors including global custodians, fund managers, broker-dealers, central bank, and sovereign funds

1

We are the **voice of our clients**:

- Regulators' consistent choice for consultation on issues related to market / regulatory development
- Asked by regulator to provide industry reports where needed
- Provide comments to regulators in clients' best interests

2

Well connected and experienced custody management team onshore

- Front office, middle office, and back office teams report to a single head of HSBC Securities Services – seamless team work and interaction between teams
- Average experience of management: 10 years

3

HSBC Securities Services

Client Services

- Having the **large and well experienced client services team** in China, a dedicated Client Service Manager will be assigned as your **single contact point**
- **Timely and proactively** provide news broadcast and QFII/RQFII monthly newsletters to keep our clients abreast of any market developments
- Being the **“eyes and ears”** of our clients on the ground, we partner with clients and **lobby for the best of their interest** in the China market, in the meanwhile aiming to promote the market development
- At a relationship level, the Relationship Managers based in regional offices are your **principal point of contact** for discussions regarding overall service issues as well as legal documentation, pricing, and general strategic discussions

QFII/RQFII Monthly Market Development Update February 2016



Highlights of this month

- SAFE officially released the Revised QFII Rules
- 2016.02.22 Liu Shiyu replaces Xiao Gang as head of China's securities watchdog
- PBOC released a Notice on Issues Concerning Investment of Overseas Institutional Investors in the Inter-bank Bond Market

Regulatory News

SAFE officially released the Revised QFII Rules

On 04 February 2016, the State Administration of Foreign Exchange (SAFE) officially released the revised "Provision on Foreign Exchange Administration of Domestic Securities Investment by Qualified Foreign Institutional Investors" (the "2016 SAFE QFII Rules"), which further relaxes the requirements regarding quota application and control. The key highlights are summarized as below:

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QFII Rules," which further relaxes the requirements regarding quota application and securities investment by Qualified Foreign Institutional Investors. (the "2016 SAFE QFII Rules") released the revised "Provision on Foreign Exchange Administration of Domestic Securities Investment by Qualified Foreign Institutional Investors" (the "2016 SAFE QFII Rules"). On 04 February 2016, the State Administration of Foreign Exchange (SAFE) officially

HSBC Securities Services

Operation and Middle Office Support

We are the custodian bank in China having:

- A **dedicated middle office support team** focusing on product management and market advocacy
- **Day and night shifts** for both settlement and corporate action teams

We were the leading custodian banks in China to:

- Appoint a **second corporate action information vendor** to ensure consistency in the timeliness and accuracy
- Offer an **internal sub-account structure**, to assist QFIIs for identification purpose

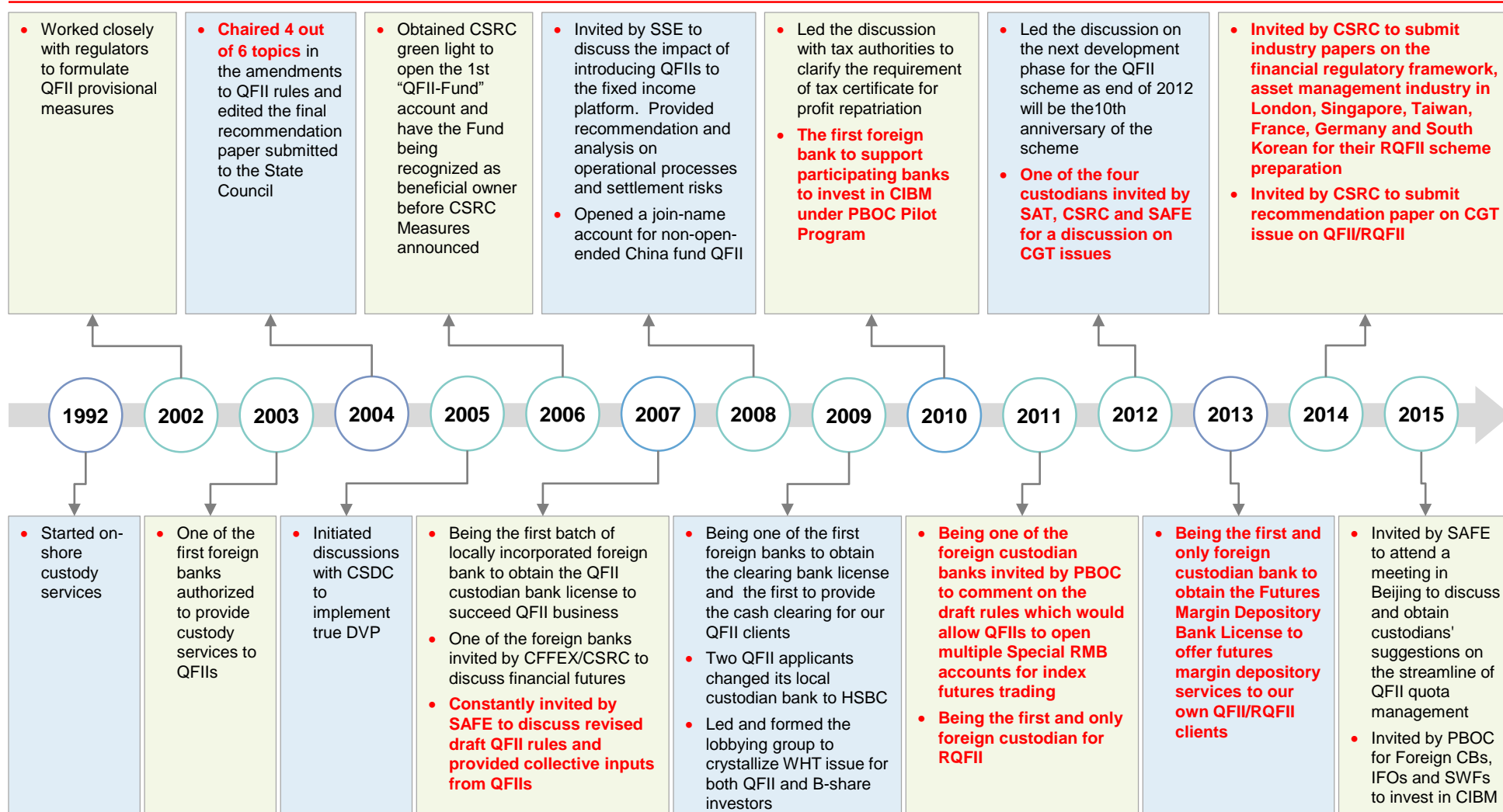
Proxy Voting

- We provide a **wide range of proxy voting services** to our QFII clients which are not standard services offered in the market

Market Advocacy

Our Milestones

Market Advocacy Milestones and Influences



Appendix I: Overview of China Securities Market

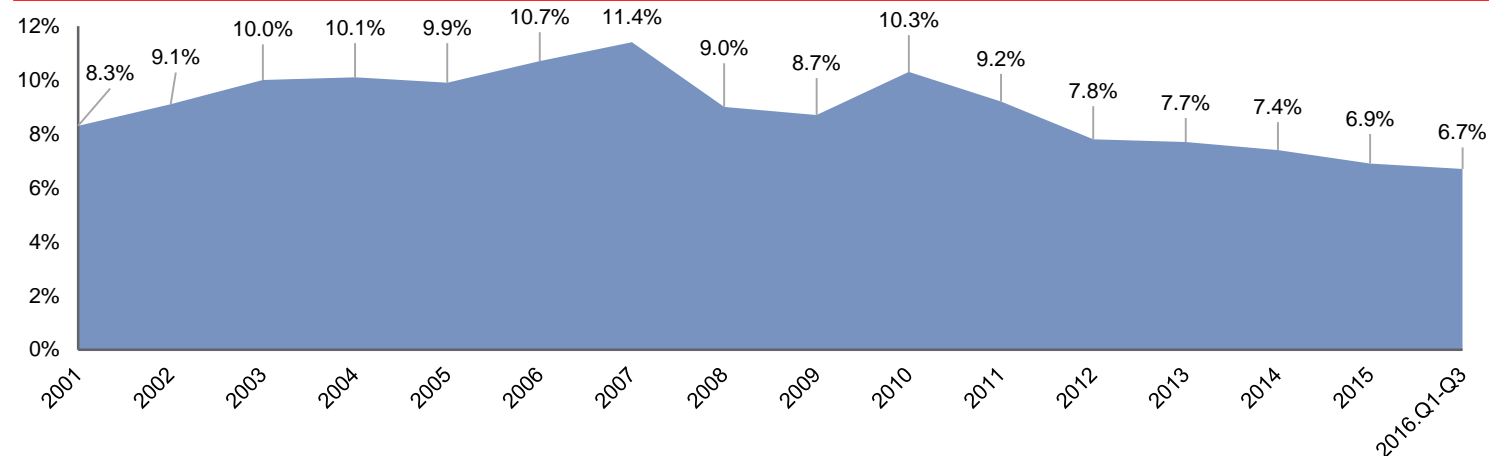


China economy in a resilient mode in terms of GDP growth...

...along with increasing pressure on CPI

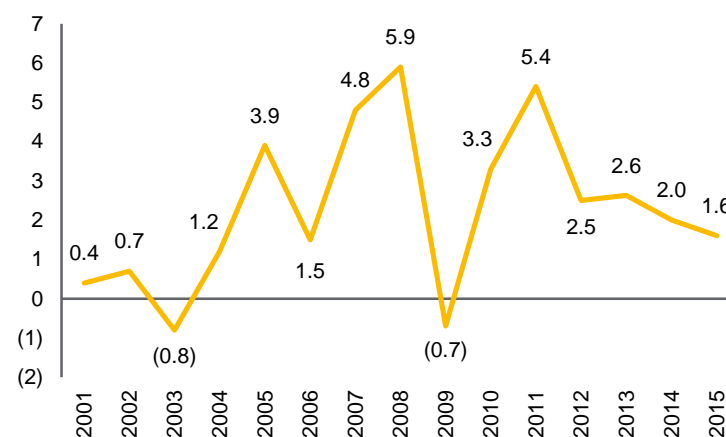
...along with rising forex reserves

Sustainable GDP Growth



CPI

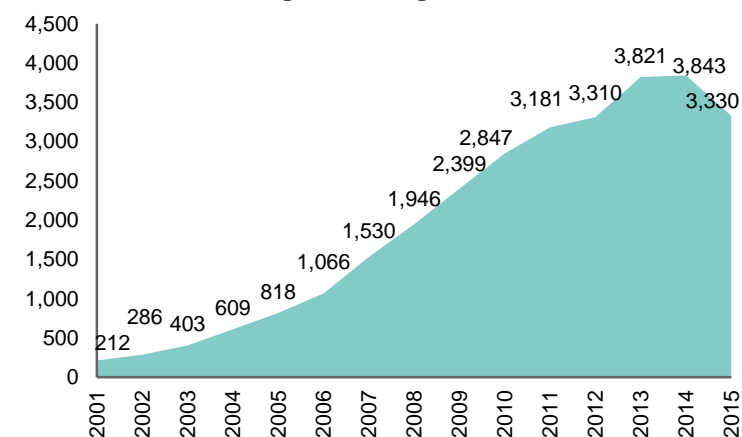
Inflation Rate (%)



Strong Forex Reserves

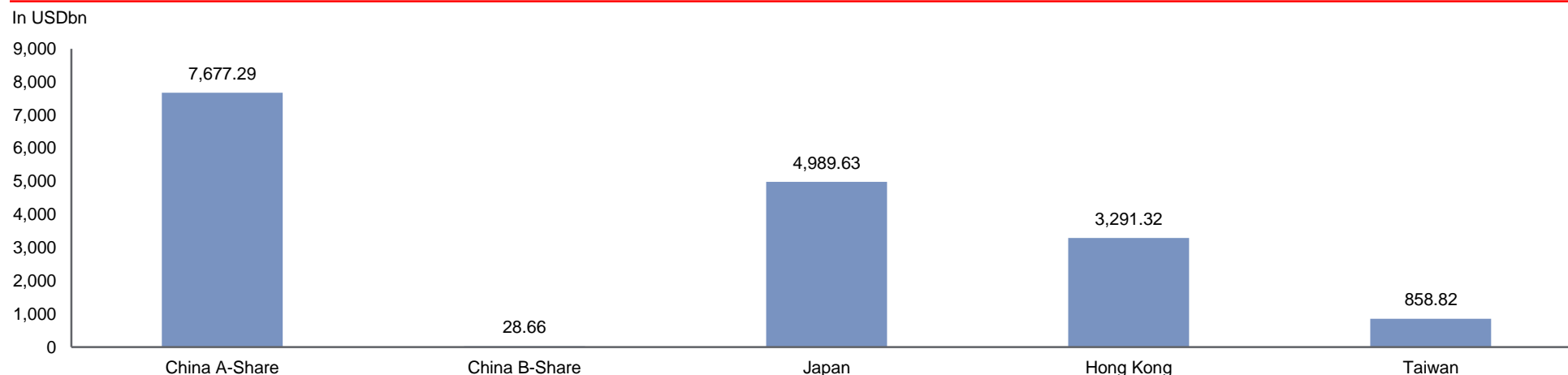
Value (USDbn)

Foreign Exchange Reserve

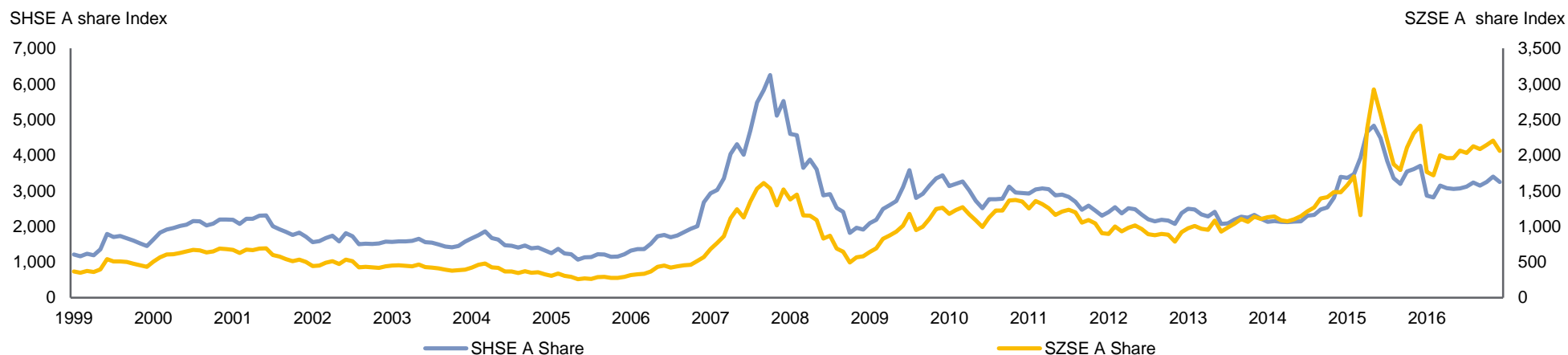


Source: National Bureau of Statistics of China, State Administration of Foreign Exchange

Market Cap (as of November 2016)



A-share Market Performance (as of December 2016)



Source: Shanghai/Shenzhen Stock Exchange, Japan Stock Exchange, Hong Kong Exchange and Clearing Limited, Bombay Stock Exchange Limited, Korea Exchange, Taiwan Stock Exchange

Exchange Listed

China B share Market (USD/HKD Investment)

- Product: Equities only
- Dying market – No IPO since 2000
- Average daily trading volume (Dec 16): 54.95m shares

- Entry for foreign investors: easy access, simple account opening process; minimal approval required

China A share and Equity Index future Market + CIBM (RMB Investment)

- Product: (1) Shares, bonds and warrants traded or transferred on the stock exchange; (2) Fixed income products traded on the inter-bank bond market; (3) Securities investment funds; (4) Equity Index future and (5) Other financial instruments as approved by CSRC
- Main board, Fast growing market
- Average daily trading volume (Dec 16): 34.62bn shares

- Entry for foreign investors: may through QFII/RQFII scheme; approval required

Source: Shanghai/Shenzhen Stock Exchange, China Central Depository & Clearing Co. Ltd

	B-share Market	A-Share Market							
	B-share	A-share	Gov't bond	Enterprise bond/ Corporate bond	CB	Close ended fund	ETF	LOF	Warrant
Market Cap (USDbn) SHH	15.17	4,087.57	2,468.54	996.36	4.42	28.30	23.08	–	–
Market Cap (USDbn) SZN	12.40	3,203.37	2,453.78	69.76	1.45	1.04	6.14	3.28	–
Average daily turnover (USDm) SHH	32.11	29,072.69	335.62	3,188.90	43.84	34.67	8,411.54	–	–
Average daily turnover (USDm) SZN	21.08	35,277.13	0.42	238.38	21.59	4.31	892.76	29.36	–
No of Issue SHH	51	1,175	1,620	6,457	9	58	103	–	–
No of Issue SZN	49	1,859	1,620	445	8	4	48	202	–

Source: Shanghai Stock Exchange and Shenzhen Stock Exchange (as of December 2016)

Appendix II: Approved RQFII Quota List



Appendix II – Approved RQFII Quota List

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
1 南方东英资产管理有限公司 CSOP Asset Management Limited	HK	2014.09.22	461.00	11 上投摩根资产管理(香港)有限公司 CIFM Asset Management (Hong Kong) Limited	HK	2012.12.26	8.00
2 嘉实国际资产管理有限公司 Harvest Global Investments Limited	HK	2014.09.22	147.40	12 广发国际资产管理有限公司 GF International Investment Management Limited	HK	2014.05.30	39.00
3 华夏基金（香港）有限公司 China Asset Management (Hong Kong) Limited	HK	2013.07.26	218.00	13 国投瑞银资产管理（香港）有限公司 UBS SDIC Asset Management (Hong Kong) Company Limited	HK	2014.06.30	28.00
4 大成国际资产管理有限公司 Da Cheng International Asset Management Company Limited	HK	2014.04.30	37.00	14 富国资产管理（香港）有限公司 Fullgoal Asset Management (HK) Ltd	HK	2014.07.30	38.00
5 汇添富资产管理（香港）有限公司 China Universal Asset Huitianfu Asset Management Company Limited	HK	2013.05.15	31.00	15 诺安基金（香港）有限公司 Lion Fund Management (Hong Kong) Co., Limited	HK	2014.05.30	10.00
6 博时基金（国际）有限公司 Bosera Asset Management (International) Company Limited	HK	2014.08.26	96.00	16 工银亚洲投资管理有限公司 ICBC (Asia) Investment Management Company Limited	HK	2014.03.28	23.00
7 海富通资产管理（香港）有限公司 HFT Investment Management (Hong Kong) Limited	HK	2014.05.30	44.00	17 申银万国（香港）有限公司 Shenyin Wanguo (Hong Kong) Limited	HK	2014.04.30	39.00
8 华安资产管理（香港）有限公司 HuaAn Fund Management (Hong Kong) Limited	HK	2013.05.30	39.00	18 安信国际金融控股有限公司 Essence International Financial Holdings Limited	HK	2014.07.30	24.00
9 易方达资产管理（香港）有限公司 E Fund Management (Hong Kong) Company Limited	HK	2014.05.30	272.00	19 中国国际金融（香港）有限公司 China International Capital Corporation (Hong Kong) Limited	HK	2013.06.24	17.00
10 工银瑞信资产管理（国际）有限公司 ICBC Credit Suisse Asset Management (International) Co., Limited	HK	2014.06.30	28.00	20 国信证券（香港）金融控股有限公司 Guosen Securities (Hong Kong) Financial Holdings Limited	HK	2013.06.24	17.00

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.

Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
21 光大证券金融控股有限公司 Everbright Securities Financial Holdings Limited	HK	2014.05.30	35.00	31 粤海证券有限公司 Guangdong Securites Limited	HK	2014.01.22	10.00
22 华泰金融控股（香港）有限公司 Huatai Financial Holdings (Hong Kong) Limited	HK	2014.03.28	29.50	32 建银国际资产管理有限公司 Ccb International Asset Management Ltd	HK	2014.08.26	43.00
23 国泰君安金融控股有限公司 Guotai Junan Financial Holdings Limited	HK	2014.05.30	69.00	33 泰康资产管理（香港）有限公司 Taikang Assets Management (Hong Kong) Co., Limited	HK	2014.08.26	74.00
24 海通国际控股有限公司 Hai Tong International Holdings Limited	HK	2014.08.26	107.00	34 中国人寿富兰克林资产管理有限公司 China Life Franklin Asset Management Co., Limited	HK	2014.08.26	65.00
25 广发控股（香港）有限公司 GF Holdings (Hong Kong) Limited	HK	2014.04.30	27.00	35 农银国际资产管理有限公司 ABCI ASSET MANAGEMENT LIMITED	HK	2014.07.30	53.00
26 招商证券国际有限公司 China Merchants Securities International Limited	HK	2014.03.28	27.00	36 恒生投资管理有限公司 HANG SENG INVESTMENT MANAGEMENT LIMITED	HK	2013.07.26	10.00
27 中信证券国际有限公司 CITIC Securities International Limited	HK	2014.06.30	14.00	37 信达国际资产管理有限公司 Cinda International Asset Management Limited	HK	2013.08.28	8.00
28 国元证券（香港）有限公司 Guoyuan Securities (Hong Kong) Limited	HK	2014.08.26	73.00	38 兴证（香港）金融控股有限公司 Industrial Securities (HK) Financial Holdings Limited	HK	2014.04.30	13.00
29 中投证券（香港）金融控股有限公司 CHINA INVESTMENT SECURITIES (HONG KONG) FINANCIAL HOLDINGS LIMITED	HK	2014.05.30	11.00	39 太平资产管理（香港） TAIPING ASSETS MANAGEMENT (HK) COMPANY LIMITED	HK	2014.03.28	13.00
30 长江证券控股（香港）有限公司 Changjiang Securities Holdings (HK) Limited	HK	2013.11.27	2.00	40 中银香港资产管理有限公司 BOCHK Asset Management Limited	HK	2013.08.28	8.00

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.

Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)		RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
41	中国平安资产管理（香港）有限公司 Ping An of China Asset Management (Hong Kong) Company Limited	HK	2013.08.28	10.00	51	永丰金资产管理（亚洲）有限公司 SinoPac Asset Management (Asia) Ltd.	HK	2014.06.30	10.00
42	汇丰环球投资管理（香港）有限公司 HSBC Global Asset Management (Hong Kong) Limited	HK	2013.09.26	8.00	52	未来资产环球投资（香港）有限公司 Mirae Asset Global Investments (Hong Kong) Limited	HK	2014.04.30	13.00
43	丰收投资管理（香港）有限公司 Income Partners Asset Management (HK) Limited	HK	2013.09.26	8.00	53	中信建投（国际）金融控股有限公司 China Securities (International) Finance Holding Company Limited	HK	2014.06.30	20.00
44	交银国际资产管理有限公司 BOCOM International Asset Management Limited	HK	2013.09.26	8.00	54	中国光大资产管理有限公司 China Everbright Assets Management Limited	HK	2014.05.30	19.00
45	惠理基金管理香港有限公司 Value Partners Hong Kong Limited	HK	2014.04.30	13.00	55	香港沪光国际投资管理有限公司 Shanghai International Asset Management (HK) Co., Ltd.	HK	2014.01.22	8.00
46	南华资产管理（香港）有限公司 Nanhua Asset Management (Hong Kong) Corporation Limited	HK	2014.09.22	8.00	56	JF资产管理有限公司 JF Asset Management Limited	HK	2014.01.22	10.00
47	中国东方国际资产管理有限公司 China Orient International Asset Management Limited	HK	2014.06.30	25.00	57	创兴银行有限公司 Chong Hing Bank Limited	HK	2014.09.22	13.00
48	东亚银行有限公司 The Bank of East Asia, Limited	HK	2013.10.30	10.00	58	中国银河国际金融控股有限公司 China Galaxy International Financial Holdings Limited	HK	2014.09.22	11.00
49	东方金融控股（香港）有限公司 ORIENT FINANCE HOLDINGS (HONG KONG) LIMITED	HK	2013.10.30	5.00	59	瑞银环球资产管理（香港）有限公司 UBS Global Asset Management (Hong Kong) Limited	HK	2014.03.28	10.00
50	柏瑞投资香港有限公司 PineBridge Investments Hong Kong Limited	HK	2013.11.27	8.00	60	景林资产管理香港有限公司 Greenwoods Asset Management Hong Kong Limited	HK	2014.08.26	20.00

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.
Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
61 华宝兴业资产管理（香港）有限公司 Fortune SG Asset Management (Hong Kong) Co., Limited	HK	2014.03.28	10.00	71 道富环球投资管理亚洲有限公司 State Street Global Advisors Asia Limited	HK	2014.08.26	10.00
62 润晖投资管理香港有限公司 Cephei Capital Management (Hong Kong) Limited	HK	2014.05.30	13.00	72 新华资产管理（香港）有限公司 New China Asset Management (Hong Kong) Limited	HK	2014.08.26	10.00
63 贝莱德资产管理北亚有限公司 BlackRock Asset Management North Asia Limited	HK	2014.05.30	20.00	73 齐鲁国际控股有限公司 Qilu International Holdings Limited	HK	2014.08.26	8.00
64 施罗德投资管理（香港）有限公司 Schroder Investment Management (Hong Kong) Limited	HK	2014.05.30	10.00	74 辉立资本管理(香港)有限公司 Phillip Capital Management (HK) Ltd	HK	2014.08.26	1.00
65 麦格理基金管理（香港）有限公司 Macquarie Funds Management Hong Kong Limited	HK	2014.09.22	15.00	75 联博香港有限公司 AllianceBernstein Hong Kong Limited	HK	2014.09.22	5.00
66 招商资产管理（香港）有限公司 CMS Asset Management (HK) Co., Limited	HK	2014.06.30	10.00	76 嘉理资产管理有限公司 Galaxy Asset Management (H.K.) Limited	HK	2014.09.22	5.00
67 越秀资产管理有限公司 Yue Xiu Asset Management Limited	HK	2014.06.30	10.00	77 国泰君安基金管理有限公司 Guotai Junan Fund Management Limited	HK	2014.09.22	4.00
68 赤子之心资本亚洲有限公司 Pureheart Capital Asia Limited	HK	2014.09.22	4.50	78 元富证券（香港）有限公司 Masterlink Securites (Hong Kong) Corporation Limited	HK	2014.09.22	1.60
69 易亚投资管理有限公司 Enhanced Investment Products Limited	HK	2014.07.30	3.00	79 高泰盆景资产管理（香港）有限公司 Gottex Penjing Asset Management (HK) Limited	HK	2014.09.22	5.00
70 交银施罗德资产管理（香港）有限公司 BOCOM Schroder Asset Management (Hong Kong) Company Limited	HK	2014.08.26	10.00	Total approved quota under HK RQFII scheme			2,700.00

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Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
80 富敦资产管理有限公司 Fullerton Fund Management Company Ltd	Singapore	2014.06.30	12.00	90 摩根资产管理（新加坡）有限公司 JPMorgan Asset Management (Singapore) Limited	Singapore	2015.03.26	20.00
81 日兴资产管理亚洲有限公司 NIKKO Asset Management Asia Limited	Singapore	2014.06.30	10.00	91 纽伯格曼新加坡 Neuberger Berman Singapore Pte. Limited	Singapore	2015.03.26	8.00
82 毕盛资产管理有限公司 APS Asset Management Pte Ltd	Singapore	2014.08.26	15.00	92 英杰华投资亚洲私人有限公司 Aviva Investors Asia Pte. Limited	Singapore	2015.04.28	10.00
83 新思路投资有限公司 New Silk Road Investment Pte. Ltd.	Singapore	2014.08.26	15.00	93 达杰资产管理有限公司 Target Asset Management Pte Ltd	Singapore	2015.04.28	2.00
84 安本亚洲资产管理有限公司 Aberdeen Asset Management Asia Limited	Singapore	2016.11.28	73.00	94 大华资产管理有限公司 UOB Asset Management Ltd	Singapore	2015.04.28	12.00
85 星展银行有限公司 DBS Bank Limited	Singapore	2014.10.30	30.00	95 新加坡政府投资有限公司 GIC Private Limited	Singapore	2015.04.28	50.00
86 利安资金管理公司 Lion Global Investors Ltd	Singapore	2014.11.27	10.00	96 CSAM资产管理有限公司 CSAM Asset Management Pte Ltd	Singapore	2015.05.29	7.00
87 加拿大丰业（亚洲）银行 The Bank of Nova Scotia Asia Limited	Singapore	2015.01.30	15.00	97 德盛安联资产管理新加坡有限公司 Allianz Global Investors Singapore Limited	Singapore	2015.05.29	10.00
88 施罗德投资管理（新加坡）有限公司 Schroder Investment Management (Singapore) Ltd	Singapore	2015.01.30	10.00	98 华侨银行有限公司 OVERSEA-CHINESE BANKING CORPORATION LIMITED	Singapore	2015.06.29	10.00
89 KKR新加坡有限公司 KKR Singapore Pte. Ltd.	Singapore	2015.03.26	35.00	99 东方汇理资产管理新加坡有限公司 Amundi Singapore Limited	Singapore	2015.10.29	28.00

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Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
100 瑞银资产管理（新加坡）有限公司 UBS Asset Management (Singapore) Ltd	Singapore	2016.04.28	25.00	109 贝莱德顾问（英国）有限公司 BlackRock Advisors (UK) Limited	UK	2014.08.26	21.00
101 贝莱德（新加坡）有限公司 BlackRock (Singapore) Limited	Singapore	2016.05.30	200.00	110 汇丰环球投资管理英国有限公司 HSBC Global Asset Management (UK) Limited	UK	2014.08.26	30.00
102 Avanda投资管理私人有限公司 Avanda Investment Management Pte. Ltd.	Singapore	2016.05.30	7.00	111 天达资产管理有限公司 Investec Asset Management Limited	UK	2014.10.30	15.00
103 太平洋投资管理公司亚洲私营有限公司 PIMCO Asia Pte Ltd	Singapore	2016.06.29	18.00	112 赛德堡资本（英国）有限公司 Cederberg Capital UK LLP	UK	2014.12.28	3.00
104 辉立资金管理有限公司 Phillip Capital Management (S) Ltd	Singapore	2015.07.27	4.20	113 百达资产管理有限公司 Pictet Asset Management Limited	UK	2014.12.28	10.00
105 新加坡科技资产管理有限公司 ST Asset Management Ltd.	Singapore	2016.08.30	6.50	114 威灵顿投资管理国际有限公司 Wellington Management International Limited	UK	2016.01.27	38.00
106 海汇通资产管理有限公司 Harveston Asset Management Pte.Ltd	Singapore	2016.10.27	6.50	115 兴元投资管理有限公司 Genesis Investment Management LLP	UK	2015.04.28	30.00
107 东吴证券中新（新加坡）有限公司 Soochow Securities CSSD (Singapore) Pte. Ltd	Singapore	2016.11.28	15.00	116 GAM国际管理有限公司 GAM International Management Limited	UK	2015.05.29	18.00
Total approved quota under Singapore RQFII scheme			664.20	117 嘉实国际资产管理(英国)有限公司 Harvest Global Investments (UK) Limited	UK	2015.05.29	30.00
108 安石投资管理有限公司 Ashmore Investment Management Limited	UK	2014.02.25	30.00	118 Insight投资管理（环球）有限公司 Insight Investment Management (Global) Limited	UK	2015.06.29	12.00

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.
Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
119 蓝海资产管理公司 BlueBay Asset Management LLP	UK	2015.09.28	16.00	128 法国工商信贷银行有限公司 Credit Industriel et Commercial S.A.	France	2016.04.28	8.00
120 广发国际资产管理（英国）有限公司 GF International Asset Management(UK)Company Limited	UK	2015.12.25	30.00	129 安盛投资管理有限公司（巴黎） AXA Investment Managers Paris	France	2016.06.29	34.00
121 保宁资本有限公司 Polunin Capital Partners Limited	UK	2016.04.28	8.00	Total approved quota under FRANCE RQFII scheme			240.00
122 广发金融交易（英国）有限公司 GF Financial Markets (UK) Limited	UK	2016.06.29	10.00	130 新韩法国巴黎资产运用株式会社 Shinhan BNP Paribas Asset Management Co., Ltd.	South Korea	2015.04.28	80.00
Total approved quota under UK RQFII scheme			301.00	131 未来资产环球投资有限公司 Mirae Asset Global Investment Co., Ltd.	South Korea	2015.01.30	-
123 凯敏雅克资产管理公司 Carmignac Gestion	France	2015.06.29	60.00	132 东洋资产运用（株） Tong Yang Asset Management Corp.	South Korea	2015.02.13	20.00
124 法国巴黎投资管理 BNP Paribas Asset Management	France	2014.10.30	30.00	133 NH-CA资产管理有限公司 NH-CA Asset Management Co., Ltd	South Korea	2015.02.13	15.00
125 领先资产管理 Lyxor Asset Management	France	2015.05.29	60.00	134 东部资产运用株式会社 Dongbu Asset Management Co., Ltd	South Korea	2015.02.13	20.00
126 UBI资产管理公司 Union Bancaire Gestion Institutionnelle (France) SAS	France	2015.10.29	20.00	135 韩国投资信托运用株式会社 Korea Investment Management Co., Ltd.	South Korea	2015.02.13	15.00
127 东方汇理 Amundi	France	2015.12.25	28.00	136 MY Asset投资管理有限公司 MY Asset Investment Management Co., Ltd.	South Korea	2015.03.26	15.00

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Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
137 瑞银韩亚资产运用株式会社 UBS Hana Asset Management Co., Ltd.	South Korea	2015.03.26	15.00	147 迈睿思资产管理有限公司 Meritz Asset Management Co., Ltd.	South Korea	2015.06.29	30.00
138 TRUSTON资产管理有限公司 TRUSTON Asset Management Co., Ltd.	South Korea	2015.03.26	10.00	148 华宜资产运用株式会社 HI Asset Management	South Korea	2015.07.29	15.00
139 大信资产运用株式会社 Daishin Asset Management Co., Ltd.	South Korea	2015.03.26	20.00	149 三星生命保险株式会社 Samsung Life Insurance Co., Ltd.	South Korea	2015.07.29	20.00
140 三星资产运用株式会社 Samsung Asset Management Co., Ltd.	South Korea	2015.04.28	25.00	150 东部证券股份有限公司 Dongbu Securities Company Limited	South Korea	2015.08.28	25.00
141 兴国资产管理公司 Heungkuk Asset Management	South Korea	2015.04.28	30.00	151 KB资产运用有限公司 KB Asset Management Co., Ltd	South Korea	2015.08.28	20.00
142 新韩金融投资公司 Shinhan Investment Corporation	South Korea	2015.04.28	20.00	152 韩国产业银行 Korea Development Bank	South Korea	2015.08.28	10.00
143 韩亚大投证券株式会社 Hana Daetoo Securities Co., Ltd	South Korea	2015.04.28	10.00	153 IBK投资证券株式会社 IBK Securities Co., Ltd.	South Korea	2015.09.28	20.00
144 三星证券株式会社 Samsung Securities Co., Ltd	South Korea	2015.05.29	30.00	154 韩华资产运用株式会社 Hanwha Asset Management Co., Ltd.	South Korea	2015.09.28	30.00
145 大宇证券（株） Daewoo Securities Co., Ltd	South Korea	2015.05.29	20.00	155 韩国投资证券株式会社 Korea Investment & Securities Co., Ltd.	South Korea	2015.10.29	10.00
146 教保安盛资产运用（株） Kyobo AXA Investment Managers Co., Ltd	South Korea	2015.05.29	15.00	156 Multi Asset 基金管理公司 Multi Asset Global Investments Co. Ltd	South Korea	2015.10.29	20.00

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Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
157 Kiwoom投资资产管理有限公司 Kiwoom Asset Management Co., Ltd	South Korea	2015.11.27	30.00	166 安联环球投资有限公司 Allianz Global Investors GmbH	Germany	2016.12.28	40.00
158 元大证券株式会社 Yuanta Securities Korea Co., Ltd.	South Korea	2015.11.27	25.00	Total approved quota under Germany RQFII scheme			105.43
159 大信证券（株） Daishin Securities Co., Ltd	South Korea	2015.11.27	25.00	167 领航投资澳洲有限公司 Vanguard Investment Australia Ltd	Australia	2016.01.27	300.00
160 三星火灾海上保险公司 Samsung Fire & Marine Insurance Co., Ltd.	South Korea	2015.11.27	30.00	Total approved quota under Australia RQFII scheme			300.00
161 爱斯普乐基金管理公司 ASSETPLUS Investment Management Co.,Ltd	South Korea	2015.12.25	20.00	168 瑞士再保险股份有限公司 Swiss Reinsurance Company Ltd	Switzerland	2016.09.29	70.00
162 现代投资公司（株） Hyundai Investments Co., Ltd	South Korea	2016.01.27	30.00	Total approved quota under Switzerland RQFII scheme			70.00
163 有进投资证券公司 Eugene Investment & Securities Co., Ltd.	South Korea	2016.12.28	7.00	169 CI投资管理公司 CI Investments Inc.	Canada	2015.10.29	2.25
Total approved quota under South Korea RQFII scheme			737.00	170 安大略退休金管理委员会 Ontario Pension Board	Canada	2016.02.23	16.00
164 德意志资产及财富管理投资有限公司 Deutsche Asset & Wealth Management Investment GmbH	Germany	2015.03.26	60.00	171 加拿大年金计划投资委员会 Canada Pension Plan Investment Board	Canada	2016.11.28	1.00
165 野村资产管理德国有限公司 Nomura Asset Management Deutschland KAG mbH	Germany	2016.05.30	5.43	Total approved quota under Canada RQFII scheme			19.25

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.
Source: SAFE website as of 28 December

Appendix II – Approved RQFII Quota List (cont'd)

	RQFII Name	Domicile	SAFE Approval Date	Accumulative Quota (RMB100 million)
172	中国工商银行（欧洲）有限公司 Industrial and Commercial Bank of China (Europe) S.A.	Luxembourg	2015.11.27	40.00
173	中国银行（卢森堡）有限公司 Bank of China (Luxembourg) S.A.	Luxembourg	2015.11.27	10.00
174	忠利投资卢森堡有限公司 Generali Investments Luxembourg S.A.	Luxembourg	2016.04.28	50.00
175	荷宝卢森堡股份有限公司 Robeco Luxembourg S.A.	Luxembourg	2016.10.27	30.00
176	凯恩国际基金管理股份有限公司（卢森堡） Carne Global Fund Managers (Luxembourg) S.A.	Luxembourg	2016.11.28	6.87
Total approved quota under Luxembourg RQFII scheme				136.87
177	开泰基金管理有限公司 Kasikorn Asset Management Co., Ltd	Thailand	2016.11.28	1.1
Total approved quota under Thailand RQFII scheme				1.1
合计 Total approved quota				5284.75

Note: Those highlighted in red above are RQFIIs with product(s) under HSBC's custody.
Source: SAFE website as of 28 December

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