HSBC Specialist Investment Funds

Annual Report and Accounts

15 September 2021

ENTER

HSBC
Asset Management

Company Information

Company

HSBC Specialist Investment Funds Registered in England with Company Number IC000074

Registered Office

8 Canada Square
London E14 5HQ

Directors

The Authorised Corporate Director (the "ACD") is HSBC Global Asset Management (UK) Limited which is the sole director.

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of The Investment Association (IA).

HSBC Global Asset Management (UK) Limited - Directors

R.E.W. Apenbrink

P.G.P. Dew

M.G. McDonald (resigned 28 June 2021)

T.J. Palmer

J.R. Paterson

S. White

Contents

Director's Report

We are pleased to present the Annual Report and Financial Statements for HSBC Specialist Investment Funds Open Ended Investment Company (OEIC), ("the Company"), covering the year from 16 September 2020 to 15 September 2021.

HSBC OEICs are investment companies with variable capital under regulation 12 (Authorisation) of the OEIC Regulations. The Fund within the OEIC is classed as a securities fund.

The ACD, HSBC Global Asset Management (UK) Limited, is incorporated in England and Wales under number 1917956 and authorised and regulated by the Financial Conduct Authority.

The Company is an umbrella company comprising of one Fund, which is operated as a distinct Fund, with its own portfolio of investments.

The Fund has the investment powers equivalent to those of a securities company.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

The last remaining fund within the OEIC, the European Growth Fund, merged with the Europe Ex UK Equity Fund with effect from 10 September 2021 and the intention is to wind the OEIC up at a later date.

S. White

Director

T.J. Palmer

Director

For and on behalf of HSBC Global Asset Management (UK) Limited
ACD

11 January 2022

Market Review

Welcome to the Annual Report for the HSBC Specialist Investment Funds Open-Ended Investment Company (OEIC). The report covers the period 16 September 2020 to 15 September 2021.

Please do take the time to look through the report and if you have any questions, contact our Customer Services on 0800 358 3011*.

To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

***Lines are open 9am to 5pm Monday to Friday (excluding public holidays). If you also have shares in another HSBC OEIC, you will receive a separate statement and report when it is due.**

UK Equities

UK equities recovered over the period but underperformed European and global markets. The weaker relative performance was largely due to the UK being harder hit than most other countries by the pandemic, in terms of higher death rates and economic impact. Uncertainty about the UK's future relationship with the EU was another factor impacting the market. The UK government and the Bank of England (BoE) continued to provide support to the economy.

After a recession in the first half of 2020, GDP recovered strongly in the third quarter, rising by 16.9% on a quarter-on-quarter basis. Growth flattened in the fourth quarter, before falling mildly in the first quarter of 2021, which coincided with another national lockdown. Second quarter 2021 GDP saw a recovery of 4.8%. While unemployment picked up during the period, the UK's furlough scheme ensured that it never spiked higher. It peaked at 5.2% in December, before falling back to 4.6% in July. UK inflation, which had remained subdued through 2020, jumped in the early months of 2021, rising to 3.2% in August, the highest level since March 2012, largely driven by base effects. The BoE tried to calm investors with its view that the rise in inflation was driven predominantly by temporary factors.

Brexit talks, which had fallen into the background during the height of the coronavirus, became a much greater factor behind market movements in the final weeks of 2020, as negotiations became more tense and positions on each side seemed to become more entrenched. A deal was finally announced on Christmas Eve. However, tensions with the EU persisted over a number of issues, not least as the EU threatened to ban vaccines exports to the UK after a dispute with supplier AstraZeneca, and over the Northern Ireland Protocol.

The good news on vaccines in the US and, subsequently, the approval of the UK's Oxford/AstraZeneca vaccine cheered investors in the final months of 2020. The UK became the first country to administer a Covid vaccine in December. UK equities rallied strongly in the final two months of the year, recovering some of the relative ground lost to global equity markets. This rally continued into 2021, despite the renewed rise in coronavirus cases and deaths, and the re-imposition of a nationwide lockdown in early January. Restrictions were close to being fully lifted by the summer of 2021, and while new case numbers related to the Delta variant rose, the rise in death and hospitalisation rates was relatively subdued.

UK Fixed Income

There was a diversion in returns over the period, as while the government bond market weakened, corporate bonds, specifically the investment grade and high yield sectors, rose, taking their cue from rising equity markets and greater risk tolerance from investors. The weakness in the government bond market was largely confined to 2021, which saw a substantial rise in bond yields owing to fears about rising long-term inflation, reflecting rising commodity and other input prices, as well as global economic recovery from the pandemic.

UK bonds had been supported during the final months of 2020 by the prevailing loose monetary policy and the widespread uncertainty caused by the global pandemic. The uncertainties over the UK's future trading relationship with the EU also kept yields low.

From early 2021, the bond market weakened, while yields rose substantially, owing to rising long-term inflationary expectations. This rise reflected higher commodity prices and the growing belief in a strong economic recovery in 2021, supported by the rollout of Covid vaccines as well as the huge amount of fiscal spending pledged by the UK and other nations to mitigate the effects of the pandemic. The UK 10-year gilt yield peaked above 0.85% in May, its highest level since late 2019 and more than triple its rate at the beginning of 2021.

In November, the BoE increased its bond-purchasing programme by a further £150 billion per month to £895 billion. Media reports also suggested that the BoE was seriously considering introducing negative interest rates. However, by the end of the period, this prospect appeared to be less likely as bond yields rose.

The UK fell into recession in the second quarter of 2020 as GDP dropped by a record 19.5%, on a quarterly basis, in the second quarter of 2020 – the worst performance of any major developed economy – before recovering by 16.9% in the third quarter. Growth flattened in the fourth quarter, with just 1.3% growth achieved. GDP was marginally weak in the first quarter of 2021, coinciding with another national lockdown, but rose 4.8% in the second quarter of the year. Annual consumer price inflation rose significantly through 2021, peaking at 3.2% annual growth in August, the highest rate for over nine years.

US Equities

US equities rose strongly over the period, as the economy continued to recover from many of the initial problems posed by the Covid pandemic. While the Delta variant meant that many states were still registering record case levels in the summer of 2021, business and social activity across the US had largely returned to normal by September. Major indices such as the S&P 500, the Dow Jones Industrial Average and the Nasdaq Composite frequently established new all-times during the period.

In the autumn of 2020, there were worries about rising new cases of Covid-19 across the US, fuelling concern that a second lockdown might be required. However, the announcement of the Pfizer and Moderna Covid vaccines at the beginning of November radically boosted sentiment, and equities rallied markedly. Joe Biden's successful bid for the US presidency and the announcement of a further $900 billion of fiscal stimulus at the end of the 2020 were additional positive factors. A further fiscal package was unveiled in early 2021, totalling $1.9 trillion and featuring a $1400 cheque sent out to millions of people across the country. More spending initiatives, centering around the environment, social care and infrastructure were announced in the summer of 2021.

Regarding economic data, the US recovered from recession in the second half of 2020, with GDP rising by 33.8% in the third quarter, a record quarterly growth rate. Thereafter, the economy grew at a more modest single-digit rate, advancing by 6.6% in the second quarter of 2021, the latest GDP release. In terms of the labour market, there was a big improvement through the period, with substantial job creation and falling unemployment. Unemployment fell steadily from a peak of 14.8% in April 2020 to 5.2% in August.

Inflation fears arose in the early months of 2021, as inflation increased to levels not seen in more than a decade. Consumer inflation touched 5.4% in June and July, a thirteen-year high. The rise reflected a combination of factors: base effects, the substantial economic recovery and bottlenecks in supply chains. Despite this, US Federal Reserve (Fed) Chairman Jerome Powell maintained current monetary support measures, insisting that the rise in inflation was driven mainly by transitory factors, and was reflective of base effects that would soon wash through the system. He suggested that interest rate rises would be unlikely before 2024, although this forecast was adjusted following the Fed's June policy meeting, to one of two interest rate hikes in 2023. Market expectations grew that some sort of tapering of monetary policy was likely before year-end.

European Equities

European equities enjoyed a strong rally through the period. Signs of economic recovery in the second half of 2020 boosted markets, as did the continuing support measures of the EU and the European Central Bank (ECB). The ECB raised the level of spending in its pandemic emergency purchase programme by a further €500 billion in December, to bring the total amount pledged to €1.85 trillion, and extended the programme by a further nine months to March 2022.

However, Europe remained gripped by the pandemic. A second wave returned in the autumn of 2020. More troubling was the third wave in early 2021, featuring variant strains (predominantly the Delta variant) of the virus, forcing several countries to re-impose tight lockdown restrictions as new Covid cases and death rates rose again. While vaccines were gradually administered throughout the continent, the rate of vaccination was initially slower in EU countries compared to the UK, which caused friction and some recriminations.

The European economy fell into recession as the severe economic implications of the coronavirus were felt across the region. Eurozone GDP was down by 11.7% in the second quarter of 2020 – the steepest drop since records began. Italy, France and Germany all fell into recession. Third-quarter GDP showed a rise of 12.6% over the quarter, the steepest rise since 1995, although growth weakened thereafter. The eurozone economy fell back into recession in 2021, which was only ended in the second quarter of 2021, when GDP rose 2.2%.

Inflation, which had been negative in through much of 2020, picked up notably in 2021, rising by 3.0% year on year in August, the highest rate for almost 10 years. The seasonally adjusted unemployment rate fell marginally from 8.7% in September to 7.6% in July, albeit still above the pre-pandemic rate of 7.1% in March 2020.

UK-EU trade negotiations simmered in the background, with the likelihood of a no-deal growing in the final months of 2020 as positions appeared to harden on both sides. However, a deal was announced on Christmas Eve, to the palpable relief of all those concerned.

Asia-Pacific Equities

Asian ex-Japan equities rose over the period although they underperformed world indices (both FTSE and MSCI), largely owing to weakness in the Mainland China market. Equities were buoyed early in the period by ongoing support measures implemented by governments across the region as well as increasingly accommodative monetary policy. Markets rallied strongly into 2020's year-end and through 2021, following the announcement of Covid vaccines and their subsequent rollout, and in anticipation of a strong global and regional economic recovery in 2021, despite some volatility at times when Covid-19 cases reignited in certain countries.

The Indian and Taiwanese markets were the strongest performers. ASEAN markets such as Malaysia and Indonesia, which were more badly affected by Covid-19, were relatively weaker over the period. Meanwhile, Mainland China fell as concerns mounted about slowing economic growth, rising new cases of Covid-19, the government's tighter legislation over media and technology companies, and concerns about the financial viability of the large real estate developer, Evergrande.

Mainland China was the first into the crisis and the first to emerge from it. It was one of the few countries to achieve any growth in 2020, albeit growth of only 2.3%, the lowest figure since the mid-70s. GDP grew 18.3% in the first quarter of 2021, as economic activity largely returned to normal, although it rose by a more modest 7.9% in the second quarter. Hong Kong's economy recovered from its slump in 2019 and 2020 owing to the pro-democracy and Mainland China's crackdown.

Nearly all Asian markets suffered Covid-driven economic falls of varying magnitude. However, GDP recovered for most countries towards the end of 2020 and into 2021. In India, GDP expanded by 23.1% in the third quarter, a further 9.3% in the fourth quarter of 2020, and 2.1% in the first quarter of 2021. The waning economic growth in the first quarter of 2021 reflected the high number of Covid-19 cases across the country, given the country's vast population and difficulty in enforcing social distancing. GDP in Taiwan rose 5.0% in the third quarter and continued to grow in the following two quarters, before falling 1.1% in the second quarter of 2021.

Central bank policy remained generally accommodative across the Asia Pacific region. The People's Bank of China kept liquidity abundant in the money markets while keeping banks' reserve requirements unchanged over the period. The growing risk of default at Evergrande towards the end of the period saw Mainland China's central bank continuing to pump large amounts of liquidity into the system.

Japanese Equities

The Japanese market increased over the period but underperformed most other developed global markets. The market followed a similar pattern to other major markets, drifting through the autumn of 2020 as lockdown restrictions were tightened again, before bouncing strongly on the announcement of the Covid vaccines at the end of 2020 and into early 2021. The benchmark Nikkei index rose to a 30-year high of over 30,000 in February, a level it had regained by the end of the period. However, Japan had to contend with an unexpected and sudden rise in coronavirus cases in Tokyo and neighbouring districts, which led to more lockdowns which persisted, on and off, until the end of the period.

Japan went ahead and hosted both the Olympic and Paralympic Games despite the state of emergency and a majority of the population not wanting the events to go ahead, with the events themselves being played in front of no spectators.

Regarding the economy, GDP recovered in the second half of 2020, growing by 23.2% in the third quarter, and by 11.9% in the fourth quarter, on an annualised basis. While it fell by 4.2% in the first quarter of 2021, a further recession was avoided when it grew 1.9% in the second quarter. The much-followed Bank of Japan (BoJ) Tankan survey – a quarterly indicator of economic sentiment across the economy – recovered during the period. Having fallen to an 11-year low of -34 in the second quarter of 2020, the headline large manufacturing diffusion index improved to +14 in the second quarter of 2021.

The BoJ maintained its loose monetary policy, targeting -0.1% short-term interest rates, while stating that the long-term inflation target of 2.0% was unlikely to be met in the near future. However, in March, the BoJ slightly widened its permitted range of interest rate movements and pulled back from its commitment to purchase ¥6 trillion of exchange-traded fund purchases on a monthly basis. Japan continued to be gripped by deflation, facing very different problems on that front to other countries. Consumer price deflation peaked at -1.2% in December, before recovering to -0.3% in July. However, in May, core inflation rose for the first time in more than 12 months, with a 0.1% year-on-year gain. At its June meeting, the Bank of Japan indicated that it was optimistic about the country's economic recovery, although deflationary pressures persisted. The central bank left its monetary policy unchanged.

Outlook

Equity markets are trading close to all-time high levels in many countries which reflects optimism towards future economic growth and the still prevailing loose monetary policy of the major central banks. Earnings growth continues to be supportive albeit it may be peaking. However, the Delta variant of Covid-19 is still rampant in many countries while vaccine protection is still not close to adequate levels in plenty of mainly emerging or developing countries. There are also increasing signs that the prevailing loose monetary environment is really not for ever, with some countries having begun to tighten and others seriously considering it. These contrasting factors make it difficult to forecast where the market is heading.

While we do expect markets to make further headway if the recovery strengthens and broadens, we recognise that a lot of good news is already reflected in prevailing valuations. A key signpost this year will be long-term inflation expectations, which are rising. Recent volatility in both equity and bond markets is a reminder that higher inflation could be a significant headwind to markets in the medium to long term. The extreme fiscal and monetary expansion seen last year, on top of pretty generous levels in the preceding several years, dating back to the global financial crisis, cannot go on forever. There will need to be some consolidation and gradual withdrawal of this support.

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns. Information provided by HSBC Global Asset Management (UK) Limited 15 September 2021.

Notes to the Company Financial Statements

for the year ended 15 September 2021

Accounting Policies

a. Basis of Accounting

On 10 September 2021 the European Growth Fund merged into Europe Ex-UK Equity Fund. This is the final Sub-fund within the Specialist OEIC and therefore the OEIC is no longer a going concern. Unless otherwise stated all accounting policies are consistent with those of the prior year.

In the prior year, the financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in compliance with FRS102 and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association ("IA") in May 2014.

b. Revenue

Dividends on equities are recognised when the security is quoted ex-dividend. Dividends on investment funds are accounted for on an accruals basis at an estimated rate based on available information. Interest on deposits is accounted for on an accruals basis. Other revenue is accounted for on a receipts basis. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue but does not form part of the distribution. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

Any reported revenue from an offshore fund in excess of any distributions is recognised as revenue after the end of the reporting period, no later than the date when the reporting fund makes this information available.

c. Expenses

All expenses, other than those relating to the purchase and sale of investments, are charged to revenue when incurred.

For purposes of the distribution, transaction charges are transferred to capital. Where a Fund has more than one share class, each share class may suffer different expenses. Consequently, the level of net revenue attributable to each share class will differ.

d. Taxation

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

Where overseas tax has been deducted from overseas revenue, that tax can, in some instances, be set off against corporation tax payable by the Fund by way of a double taxation refund.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not that there will be taxable profits from which the underlying timing differences can be deducted.

e. Investments

Investments are initially recognised at fair value on the date the contract is entered into. The listed investments of the Company have been valued at bid prices at the closing valuation point on 15 September 2021. The valuation of unlisted investments is based on the ACD's assessment of their estimated realisable value. Suspended securities are valued initially at the suspended price but are subject to constant review. Revaluation gains or losses are recognised in the Statement of Total Return. Investments cease to be recognised on the date a contract for sale is entered into or when the Company’s interest in the investment is extinguished or terminated.

f. Exchange Rates

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 15 September 2021.

Any gains or losses as a result of foreign currency transactions are applied to the capital of the Funds.

g. Distributions

Where the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue, there will be no distribution and the shortfall will be transferred to capital.

Stock dividends are excluded for the purposes of calculating the distribution. A reconciliation of the net distribution to the net revenue of the Fund as reported in the Statement of Total Return is shown in note 7 of the sub-fund accounts.

The policies of the Fund is to determine the amount available for distribution, with distributions to shareholders paid annually on 15 November each year.

h. Derivatives

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured at fair value at 15 September 2021. Where the fair value of the derivative is positive, it is carried as a derivative asset and where negative as a derivative liability. The gain or loss on remeasurment to fair value is taken to capital gains or losses.

The ACD monitors that any exposure is covered globally to ensure adequate cover from within the sub-fund is available to meet the sub-fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions. The ACD has adopted the commitment approach to determine the global market risk exposure in relation to the futures held.

General Risk Management Process

The Risk Management Process is managed by the ACD and oversight of the investment managed functions is also carried out by the Depositary, State Street. There is an increased regulatory focus on the role of the ACD and how it protects the interests of investors by delivering good quality fairly priced products. The ACD protects investors by ensuring that it has oversight of key factors such as breaches, complaints and pricing whilst also challenging client initiatives and investment strategy.

The ACD manages conflicts and any investment management issues through the ACD Governance Committee (ACDGC) and the ACD Investment Sub Committee (ACDISC). Both the main ACDGC and the ACDISC have regular opportunities to challenge the appointed investment manager in order to demonstrate that no undue commercial pressure has been applied. Both the main ACDGC and the ACDISC meet quarterly and have been tasked with the responsibilities to challenge the biggest areas of risk. Operational Resilience plans are presented at annually alongside Best Execution Policy and Conflicts Policy.

The ACD has appointed HSBC Global Asset Management (UK) Limited (AMEU) as the investment manager. AMEU is organised by function with distinct separation of responsibilities between the investment teams, dealers, risk, compliance, product, sales and investment administration personnel. Risks specific to each of the underlying funds are primarily managed by the relevant Fund Manager. In addition, these teams are supported by a series of Executive Committees which are responsible for oversight and monitoring of the AMEU risk management process, the investment process, performance and operational processes. Those committees and their responsibilities are discussed below.

AMEU Board Risk Committee and the Risk Management Meeting (RMM)

The most senior risk management forum for the business is the AMEU Board Risk Committee; this meets quarterly. The Executive senior risk committee is the Risk Management Meeting (RMM), chaired by the AMEU Chief Risk Officer, and normally meets monthly. The RMM is responsible for all aspects of AMEU risk policy and control supported by a number of specialist committees. The RMM monitors and controls key business risks, including reviewing the internal control and assurance framework and risk profile, and considering the activities of Business Risk Internal Audit. In addition, the RMM considers reports from other committees that assess the nature and extent of risks.

Operational Risk Framework - Three Lines of Defence

AMEU operates a three lines of defence model. The first line (Business, Operations & Functional Management) owns the risk and is responsible for identifying, recording, reporting and managing risks, and ensuring that the right controls and assessments are in place to mitigate these risks. The second line includes Risk and Compliance specialists who set policy and guidelines for managing risk, and who provide challenge and guidance on effective risk management. The third line is Internal Audit which independently assures that the business is managing its risks effectively.

Pricing Valuation Committee (PVC)

The PVC normally meets on a monthly basis and its role is to ensure robust pricing policies across the Fund range are adhered to by the fund pricing agents and to provide oversight of any exception to these policies that might arise from time to time. The Committee reports into the RMM.

New Business Committee (NBC)

The NBC normally meets monthly and provides independent oversight of product development to ensure that the investment guidelines and risks in new products, or significant changes to existing products have been reviewed and challenged from the perspective of customers, the investment teams, the systems and risk management processes used to deal and monitor positions and the wider business strategy. This includes considering whether a product is consistent with the concept of 'Treating Customers Fairly'.

The same approach applies where the use of new instruments is proposed (including derivatives), whether for a new or an existing product. All new products will in the first instance be considered by AMEU. Proposed changes to existing products will be considered significant when they materially alter the product characteristics. This may occur due to changes in the market or due to changing internal or external risks.

The following details the broad categories of risk covered by both the ACDGC and ACDISC as well as the above mentioned AMEU executive committees:

Market Price Risk

Market price risk is the risk that the value of the investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments any underlying fund holds. It represents the potential loss the funds might suffer through holding market positions in the face of price movements. The fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACDISC with support from AMEU in pursuance of the Investment Objective and Policy as set out in the Instrument of Incorporation.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and the rules of the FCA's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

There are inherent risks in investing in securities markets. Security prices are subject to market fluctuations and can move irrationally and be unpredictably affected by many and various factors including political and economic events, pandemics and market rumours. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may go down as well as up and investors may receive back less than the original amount invested.

Foreign Currency Risk

Foreign currency risk is the risk that the value of the investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of the underlying funds can be invested in overseas securities and the balance sheet can be affected by movements in foreign exchange rates. The AMEU investment management team may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to sterling on the date of receipt. Where applicable, the assets by value denominated in foreign currencies is disclosed in the Fund Financial Statements.

Interest Rate Risk

Interest rate risk is the risk that the value of the investment holdings will fluctuate as a result of changes in interest rates. The investment manager can invest in fixed and floating rate securities. The value of the underlying funds may be affected by changes to interest rates relevant to particular securities or as a result of AMEU not being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. Where applicable, the value of interest bearing assets is disclosed in the Fund Financial Statements.

Liquidity Risk

The fund's assets comprise mainly of readily realisable securities. The main liability of the underlying funds is the redemption of any shares that investors wish to sell. Assets of the fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit Risk

Certain transactions in securities that the fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the fund has fulfilled its responsibilities. The funds only buys and sells investments through brokers which have been approved by the ACD as acceptable counterparties.

In current market conditions exposure to cash within the Fund could be at risk if the counter party fails. All cash is held at HSBC (HSBC is rated AA- by Standard and Poor's) and exposure is limited to a maximum 10% of the value of the Fund. All assets held within the Depositary are ring-fenced. The banks and Depositary used by the Company and the ACD are subject to regular review.

European Growth Fund

Investment Objective

The Fund aims to provide growth over the long term, which is a period of five years or more. The Fund intends to provide higher returns than the FTSE Developed Europe Excluding UK Index plus 2% per year over three-year periods before charges and tax are deducted from the Fund.

Investment Policy*

To achieve its objective, the Fund will invest at least 80% of its value in the shares (equities) of European companies, including preference shares. European companies are those that are based in Europe excluding the UK or earn at least 80% of their revenue from Europe.

The Fund may invest up to 20% of its value in other assets, such as shares of non-European companies and cash.

The Fund may invest up to 10% of its value in other funds, which may be managed or operated by the HSBC Group.

Typically the Fund will invest in the shares of 40 to 60 companies.

Investment Strategy

The Fund is actively managed and is managed with reference to the FTSE Developed Europe Excluding UK Index.

The Fund Manager aims to generate returns in excess of the FTSE Developed Europe Excluding UK Index plus 2% per year over three-year periods before charges and tax are deducted from the Fund, based on our current view of returns the Fund may potentially achieve, which may change.

The FTSE Developed Europe Excluding UK Index is also considered as part of our investment risk monitoring process, to check that the overall level of risk taken by the Fund Manager is not inconsistent with the European equities market. To enable investors to assess the performance of the Fund, it is shown against the performance of the FTSE Developed Europe Excluding UK Index plus 2% per year.

*For details of the full Investment Policy and Strategy please refer to the HSBC Specialist Investment Funds prospectus. We have also published a glossary of key terms used which you may wish to refer to. Both documents can be found at https://www.assetmanagement.hsbc.co.uk/en/individual-investor/fund-centre.

Portfolio Activity

From 16 September 2020 to 10 September 2021, the Fund strongly outperformed its benchmark. The anticipation of a large economic recovery based on accelerated vaccination and unprecedented global monetary and fiscal support explain this relative progression.

The Fund's relative return was positively impacted by industry positioning. Our overexposures to banking, automobile, capital goods and transportation contributed to the relative performance as did our underweightings in defensive sectors such as food, pharmaceuticals, retailing and real estate. Our under-exposure to semi-conductors and IT services only partially detracted from performance.

Stock selection contributed very positively to relative performance over the considered period. Our selection in material (Arcelor), media (Publicis), utilities (Veolia), telecommunication (Iliad), energy (OMV), Insurance (Axa), automobile (Stellantis), banks (Erste Bank), business services (Teleperformance), capital goods (Saint Gobain) and food and beverages (Heineken) had a positive impact on performance. Moreover, our positions in CapGemini, ING, Signify, Santander, Crédit Agricole, Repsol, Poste Italiane, KBC and Smurfit all had a large positive impact on relative performance.

Our choices in pharmaceuticals (Grifols), transportation (BPost), Health Care Equipment (Fresenius) detracted from performance.

Between 16 September 2020 and 31 August 2021, we sold or trimmed our positions in outperforming companies such as Enel, Stellantis, Siemens, Arcelor, Deutsche Post, Saint Gobain, Cap Gemini, DSM and Inditex. Those were found either in defensive sectors with limited earnings sensitivity to the ongoing economic recovery or in cyclical names trading at extended valuation levels. We reinvested into either higher-quality companies with attractive valuation such as Bpost, Novartis, Grifols, Engie, Carrefour, Orange, SEB, KPN or into attractively valued cyclicals such as Metso-Outotec, Faurecia, Solvay, Siemens Energy, Alstom, Galp, ACS or TotalEnergies.

At the end of August, we implemented a new investment approach into the Fund which favours companies with attractive growth prospects and at reasonable valuation. We are now therefore overexposed to semi-conductors, IT services, business services, durable consumer goods, materials, cosmetics, health care equipment and food. We are underweighted in banks, automobiles, telecommunication, utilities, insurance, real estate, pharmaceuticals, media and food retail.

Comparative Tables

for the year ended 15 September 2021

Retail Income Change in net assets per share	***15.9.21#***	***15.9.20***	***15.9.19***
Opening net asset value per share	716.80p	705.10p	696.70p
Return before operating charges*	103.00p	27.07p	32.20p
Operating charges**	(11.00p)	(11.74p)	(11.35p)
Return after operating charges*	(92.00p)	15.33p	20.85p
Distributions on income shares	-	(3.63p)	(12.45p)
Cancellation price	(808.80p)	-	-
Closing net asset value per share	-	716.80p	705.10p
*after direct transaction costs of:***	1.06p	0.45p	0.41p
Performance			
Return after charges	12.83%	2.17%	2.99%
Other information			
Closing net asset value	N/A	£2,120	£1,000,421
Closing number of shares	N/A	296	141,892
Operating charges - OCF	N/A	1.66%	1.69%
Direct transaction costs	N/A	0.06%	0.06%
Prices			
Highest share price	830.00p	721.70p	723.20p
Lowest share price	579.10p	470.60p	618.30p

Retail Accumulation Change in net assets per share	***15.9.21#***	***15.9.20***	***15.9.19***
Opening net asset value per share	801.40p	841.10p	816.70p
Return before operating charges*	186.00p	(26.52p)	37.74p
Operating charges**	(13.40p)	(13.18p)	(13.34p)
Return after operating charges*	172.60p	(39.70p)	24.40p
Distributions on accumulation shares	-	(4.01p)	(14.70p)
Retained distributions on accumulation shares	-	4.01p	14.70p
Cancellation price	(974.00p)	-	-
Closing net asset value per share	-	801.40p	841.10p
*after direct transaction costs of:***	1.26p	0.51p	0.48p
Performance			
Return after charges	21.54%	(4.72%)	2.99%
Other information			
Closing net asset value	N/A	£38,150,470	£87,153,294
Closing number of shares	N/A	4,760,301	10,361,780
Operating charges - OCF	N/A	1.66%	1.70%
Direct transaction costs	N/A	0.06%	0.06%
Prices			
Highest share price	989.40p	860.90p	847.70p
Lowest share price	690.80p	561.30p	724.80p

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.
**The operating charges include all costs borne by the Fund, except for direct transaction costs.
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

for the year ended 15 September 2021

Institutional A Accumulation **Change in net assets per share**	***15.9.21#***	***15.9.20***	***15.9.19***
Opening net asset value per share	757.50p	788.00p	758.50p
Return before operating charges*	175.51p	(24.72p)	35.50p
Operating charges**	(5.91p)	(5.78p)	(6.00p)
Return after operating charges*	169.60p	(30.50p)	29.50p
Distributions on accumulation shares	-	(10.23p)	(20.14p)
Retained distributions on accumulation shares	-	10.23p	20.14p
Cancellation price	(927.10p)	-	-
Closing net asset value per share	-	757.50p	788.00p
*after direct transaction costs of:***	1.11p	0.47p	0.45p
Performance			
Return after charges	22.39%	(3.87%)	3.89%
Other information			
Closing net asset value	N/A	£9,560,185	£10,879,301
Closing number of shares	N/A	1,262,080	1,380,659
Operating charges - OCF	N/A	0.79%	0.82%
Direct transaction costs	N/A	0.06%	0.06%
Prices			
Highest share price	941.70p	809.50p	793.00p
Lowest share price	653.50p	528.20p	674.80p

Income C **Change in net assets per share**	***15.9.21#***	***15.9.20***	***15.9.19***
Opening net asset value per share	661.10	697.20p	688.80p
Return before operating charges*	141.22p	(21.94p)	32.19p
Operating charges**	(6.22p)	(6.08p)	(6.46p)
Return after operating charges*	135.00p	(28.02p)	25.73p
Distributions on income shares	-	(8.08p)	(17.33p)
Cancellation price	(796.10p)		
Closing net asset value per share	-	661.10p	697.20p
*after direct transaction costs of:***	1.06p	0.41p	0.41p
Performance			
Return after charges	20.42%	(4.02%)	3.74%
Other information			
Closing net asset value	N/A	£54,219,877	£59,502,098
Closing number of shares	N/A	8,201,306	8,535,007
Operating charges - OCF	N/A	0.94%	0.97%
Direct transaction costs	N/A	0.06%	0.06%
Prices			
Highest share price	821.90p	715.70p	719.20p
Lowest share price	570.10p	467.00p	612.50p

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.
**The operating charges include all costs borne by the Fund, except for direct transaction costs.
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

for the year ended 15 September 2021

Accumulation C **Change in net assets per share**	***15.9.21#***	***15.9.20***	***15.9.19***
Opening net asset value per share	848.50p	883.90p	852.10p
Return before operating charges*	198.50p	(27.90p)	39.79p
Operating charges**	(8.00p)	(7.50p)	(7.99p)
Return after operating charges*	190.50p	(35.40p)	31.80p
Distributions on accumulation shares	-	(11.09p)	(21.47p)
Retained distributions on accumulation shares	-	11.09p	21.47p
Cancellation price	(1,039.00p)	0.00p	0.00p
Closing net asset value per share	-	848.50p	883.90p
*after direct transaction costs of:***	1.36p	0.51p	0.50p
Performance			
Return after charges	22.45%	(4.00%)	3.73%
Other information			
Closing net asset value	N/A	£46,237,781	£13,729,565
Closing number of shares	N/A	5,449,209	1,553,232
Operating charges - OCF	N/A	0.94%	0.97%
Direct transaction costs	N/A	0.06%	0.06%
Prices			
Highest share price	1,055.00p	907.50p	889.80p
Lowest share price	732.00p	592.10p	757.80p

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.
**The operating charges include all costs borne by the Fund, except for direct transaction costs.
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the year ended 15 September 2021

	Notes	15.9.21# £'000	15.9.21# £'000	15.9.20 £'000	15.9.20 £'000
Income					
Net capital gains/(losses)	2		24,706		(9,467)
Revenue	3	3,908		3,537	
Expenses	4	(1,380)		(1,758)	
Interest payable and similar charges		(11)		(22)	
Net revenue before taxation		2,517		1,757	
Taxation	5	(259)		(230)	
Net revenue after taxation			2,258		1,527
Total return/(deficit) before distributions			26,964		(7,940)
Distributions	6		(2,208)		(1,589)
Change in net assets attributable to shareholders from investment activities			24,756		(9,529)

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 September 2021

	15.9.21# £'000	15.9.21# £'000	15.9.20 £'000	15.9.20 £'000
Opening net assets attributable to shareholders		148,170		172,265
Amounts receivable on creation of shares	7,381		4,549	
Amounts payable on cancellation of shares	(181,389)		(20,047)	
		(174,008)		(15,498)
Dilution adjustment		50		8
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		24,756		(9,529)
Retained distributions on accumulation shares		1,032		924
Closing net assets attributable to shareholders		-		148,170

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

Balance Sheet

as at 15 September 2020

	Notes	15.9.21# £'000	15.9.21# £'000	15.9.20 £'000	15.9.20 £'000
Assets					
Investments			-		145,673
Current assets					
Debtors	8	12,864		1,622	
Cash and bank balances		-		2,011	
Total current assets			12,864		3,633
Total assets			12,864		149,306
Liabilities					
Creditors					
Bank Overdrafts		(10,663)			
Distribution payable on income shares		(992)		(663)	
Other creditors	9	(1,209)		(473)	
Total liabilities			(12,864)		(1,136)
Net assets attributable to shareholders			-		148,170

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

Distribution Table (pence per share)

for the year ended 15 September 2021

Group 1: Shares purchased prior to 16 September 2020
Group 2: Shares purchased from 16 September 2020 to 10 September 2021#

	Net income	*Equalisation*	*Distribution payable 10.11.21*	*Distribution paid 15.11.20*
Retail Income				
Group 1	8.305132	-	8.305132	3.627696
Group 2	8.305132	0.000000	8.305132	3.627696
Retail Accumulation				
Group 1	8.467516	-	8.467516	4.010574
Group 2	6.450383	2.017133	8.467516	4.010574
Institutional A Accumulation				
Group 1	3.703779	-	3.703779	10.234168
Group 2	1.356506	2.347273	3.703779	10.234168
Income C				
Group 1	13.066693	-	13.066693	8.077827
Group 2	11.941440	1.125253	13.066693	8.077827
Accumulation C				
Group 1	16.752618	-	16.752618	11.087590
Group 2	8.883793	7.868825	16.752618	11.087590

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

Notes to the Financial Statements

for the year ended 15 September 2021

	15.9.21# £'000	15.9.20 £'000
1. Accounting Policies		
The accounting policies are set out on pages 9 and 10.		
2. Net Capital Gains/(Losses)		
The net capital gains/(losses) during the year comprise:		
Currency gains	**-**	49
Transaction charges	**(6)**	(6)
Capital special dividends	**182**	-
Losses on forward foreign currency contracts	**(62)**	-
Gains/(losses) on non-derivative securities	**24,592**	(9,510)
Net capital gains/(losses)	**24,706**	(9,467)
3. Revenue		
UK dividends (net)	**35**	39
Overseas dividends	**3,820**	3,415
Bank interest	**-**	3
Stock dividends	**53**	80
Total revenue	**3,908**	3,537
4. Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's charge	**1,302**	1,553
Registration fee	**6**	153
Safe custody fee	**10**	19
Administration fee	**17**	-
	1,335	1,725
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	**16**	18
Other expenses:		
Audit fee	**7**	5
Legal fee	**15**	-
Report and accounts fee	**7**	10
	29	15
Total expenses	**1,380**	1,758

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

	15.9.21# £'000	15.9.20 £'000
5. Taxation		
a) Analysis of charge in year:		
Overseas tax	**259**	234
Windfall overseas tax recoveries	**-**	(4)
Total tax for the year (note 5b)	**259**	230
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%). The differences are explained below:		
Net revenue before taxation	**2,517**	1,757
Corporation tax at 20%	**503**	351
Effects of:		
Revenue not subject to taxation	**(770)**	(695)
Current year expenses not utilised	**266**	346
Irrecoverable overseas tax	**257**	234
Windfall overseas tax recoveries	**-**	(4)
Irrecoverable overseas tax on capital special dividends	**2**	-
Tax relief on overseas tax suffered	**(2)**	(2)
Expenses not deductible for tax purposes	**3**	-
Current tax charge for the year (note 5a)	**259**	230

c) Provision for deferred taxation

At 15 September 2021, there is a potential deferred tax asset of £6,396,036 (15.09.20: £6,130,234) in relation to surplus management expenses of £31,942,450 (15.09.20: £30,624,000) and non-trading deficits of £37,730 (15.09.20: £27,172). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.

	15.9.21# £'000	15.9.20 £'000
6. Distributions		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Final dividend distribution	**2,024**	1,587
Add: Amounts deducted on cancellation of shares	**252**	12
Deduct: Amounts received on issue of shares	**(68)**	(10)
Net distribution for the year	**2,208**	1,589
7. Movement Between Net Revenue and Distributions		
Net revenue after taxation	**2,258**	1,527
Equalisation on conversions	**-**	142
Stock dividends treated as capital	**(53)**	(80)
Corporation tax on taxable items in capital	**3**	-
Net distribution for the year	**2,208**	1,589
8. Debtors		
Amounts owed from merger fund	**11,297**	-
Accrued revenue	**17**	55
Overseas tax recoverable	**1,550**	1,567
Total debtors	**12,864**	1,622
9. Other Creditors		
Amounts payable for cancellation of shares	**1,033**	254
Accrued expenses	**176**	219
Total other creditors	**1,209**	473

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

10. Reconciliation of Shares

	Retail Income	*Retail Accumulation*	*Institutional A Accumulation*	*Income C*	*Accumulation C*
Opening shares issued at 16.9.20	296	4,760,301	1,262,080	8,201,306	5,449,209
Share movements 16.9.20 to 15.9.21					
Shares issued	-	51,343	1,702	123,609	605,493
Shares cancelled	(94)	(2,760,047)	(1,168,757)	(734,318)	(954,743)
Shares converted	-	-	(395)	-	352
Shares In-Specie	(202)	(2,051,597)	(94,630)	(7,590,597)	(5,100,311)
Closing shares issued at 15.9.21	-	-	-	-	-

11. Ultimate Controlling Party and Related Party Transactions

The ACD is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	Retail Income	*Retail Accumulation*	*Institutional A Accumulation*	*Income C*	*Accumulation C*
	%	*%*	*%*	*%*	*%*
As at 15.9.21	-	-	-	-	-
As at 15.9.20	-	91.21	89.12	94.53	3.93

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders.

The balance due from/to the ACD (including amounts due to associates and agents) at the year end was £10,122,439 (15.9.20: £458,567), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £nil (15.9.20: £nil) in Authorised Investment Funds managed by HSBC and/or HSBC Holdings, the parent company of the ACD. During the period, transactions in Authorised Investment Funds managed by HSBC and/or HSBC Holdings totalled £nil (15.9.20: £nil).

12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

Foreign Currency Risk

A substantial portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements.

Net currency monetary assets and liabilities consist of:

	Portfolio of investments		*Net other assets/(liabilities)*		*Net assets/(liabilities)*	
	15.9.21 £'000	*15.9.20 £'000*	***15.9.21 £'000***	*15.9.20 £'000*	***15.9.21 £'000***	*15.9.20 £'000*
Sterling*	**-**	-	**(1,555)**	(649)	**(1,555)**	(649)
Danish krone	**-**	-	**96**	101	**96**	101
Euro	**-**	128,306	**520**	1,922	**520**	130,228
Swiss franc	**-**	15,168	**926**	1,111	**926**	16,279
Swedish krona	**-**	2,199	**-**	5	**-**	2,204
United States dollar	**-**	-	**13**	7	**13**	7
Total	**-**	145,673	**-**	2,497	**-**	148,170

*No currency risk as base currency.

Interest Rate Risk

At the year end, nil (15.9.20: 1.36%) of the Fund's assets by value were interest-bearing.
Interest rates are based upon LIBOR (London Interbank Offered Rate).

13. Shareholders' Funds

This Fund has a retail share class, an institutional A share class and a C share class.

The annual ACD charge on the retail share class is 1.50%, 0.75% on the institutional A share class and 0.80% on the C share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 16 to 18. The distribution per share class is given in the Distribution Table on page 20. All share classes within the OEIC have the same rights on winding up.

14. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.9.20: none).

15. Portfolio Transaction Costs

For the year ended 15 September 2021	Purchases	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total purchases costs							
Equity transactions	126,050	66	0.05	108	0.09	-	-
Pooled investment vehicles	10,255	3	0.03	-	-	-	-
Corporate actions	246	-	-	-	-	-	-
Total purchases before transaction costs	136,551	69		108		-	
Transaction costs	177						
Total purchases after commission, tax and fees	136,728						

	Sales	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total sales costs							
Equity transactions	162,427	23	0.01	-	-	-	-
Pooled investment vehicles	11,864	3	0.03	-	-	-	-
In-specie transactions	132,678	-	-	-	-	-	-
Corporate actions	103	-	-	-	-	-	-
Total sales before transaction costs	307,072	26		-		-	
Transaction costs	(26)						
Total sales after commission, tax and fees	307,046						

The Fund had paid £nil as commission on purchases and sales derivative transactions for the year ended 15.9.21.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.07%
Taxes	0.07%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was nil, being the difference between the respective bid and offer prices for the Fund's investments.

For the year ended 15 September 2020	Purchases	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total purchases costs							
Equity transactions	35,253	40	0.11	43	0.12	-	-
Corporate actions	282	-	-	-	-	-	-
Total purchases before transaction costs	35,535	40		43		-	
Transaction costs	83						
Total purchases after commission, tax and fees	35,618						

	Sales	Commissions		Taxes		Other Expenses	
	£'000	£'000	%	£'000	%	£'000	%
Analysis of total sales costs							
Equity transactions	47,781	13	0.03	-	-	-	-
Pooled investment vehicles	885	-	-	-	-	-	-
Corporate actions	2,117	-	-	-	-	-	-
Total sales before transaction costs	50,783	13		-		-	
Transaction costs	(13)						
Total sales after commission, tax and fees	50,770						

The Fund had paid £nil as commission on purchases and sales derivative transactions for the year ended 15.9.20.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.03%
Taxes	0.03%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.05%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

Direct transaction costs: Broker commissions, fees and taxes.
Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

16. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the year ended 15 September 2020#

Category	***1***	***2***	***3***	***Total***
Investment Assets	***£'000***	***£'000***	***£'000***	***£'000***
Equities	144,433	-	-	144,433
Pooled investment vehicles	1,240	-	-	1,240
	145,673	-	-	145,673

#The Fund merged into Europe Ex-UK Equity Fund on 10 September 2021.

17. Sensitivity Analysis

Price risk sensitivity:

If the price of investments at 15 September 2021 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by nil (15.9.20: £14,567,309).

Currency risk sensitivity:

If the exchange rate at 15 September 2021 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £155,581 (15.9.20: £14,881,841).

Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.9.20: no significant exposure).

Employee Remuneration Disclosure

Remuneration Policy

HSBC Specialist Investment Funds are managed by HSBC Global Asset Management (UK) Limited, which is a wholly owned subsidiary of HSBC Holdings plc.

The firm's remuneration practices and polices are governed by the HSBC Group Remuneration Committee in compliance with the relevant regulatory requirements. For details please refer to the HSBC Group Remuneration Policy as published on our website (http://www.hsbc.com/our-approach/remuneration).

HSBC Global Asset Management (UK) Limited's remuneration requirements as specified by the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive are covered in the specific remuneration policy published in the HSBC Global Asset Management website (http://www.global.assetmanagement.hsbc.com/about-us/governance-structure).

Remuneration Disclosures

The following tables show the remuneration details, including fixed and variable remuneration, made by HSBC Global Asset Management (UK) Limited to its employees and UCITS Identified staff (Material Risk Takers) for performance year 2020. Individuals have been identified as Material Risk Takers based on the criteria set out in the Financial Conduct Authority's (FCA) UCITS Remuneration Code. The disclosures reflect the requirements of the FCA's COLL Sourcebook.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
HSBC Global Asset Management (UK) Ltd Employees	409	44,122,000.00	17,646,000.00
HSBC Specialist Investment Funds - Material risk takers	16	5,953,000.00	3,537,000.00
of which executive and non-executive members of the management body of the management company	4	1,472,000.00	811,000.00
Senior management	8	1,830,000.00	1,119,000.00
Control functions, and staff responsible for heading the administration and marketing	6	1,447,000.00	314,000.00
Other significant influence functions and other risk takers	7	3,840,000.00	2,872,000.00
European Growth Fund*			
Material risk takers	16	5,953,000.00	3,537,000.00
of which executive and non-executive members of the management body of the management company	4	1,472,000.00	811,000.00
Senior management	8	1,830,000.00	1,119,000.00
Control functions, and staff responsible for heading the administration and marketing	6	1,447,000.00	314,000.00
Other significant influence functions and other risk takers	7	3,840,000.00	2,872,000.00

*the individual funds figures have been calculated using the net asset value as at 10 September 2021.

Statement of ACD’s Responsibilities

Responsibilities in Relation to the Financial Statements of the Company

The Collective Investment Schemes sourcebook published by the FCA, (“the COLL Rules”) require the ACD to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Company and of the net income and net gains or losses on the property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. For the reasons stated in the ACD's report, the financial statements of the European Growth sub-fund have been prepared on a break up basis as the sub-fund is not a going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-fund or to cease operations, or have no realistic alternative but to do so. As above, the financial statements of the European Growth sub-fund have been prepared on a break up basis as the sub-fund is not a going concern;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the HSBC Specialist Investment Funds OEIC ("the Company")

For the Year 16 September 2020 to 15 September 2021

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Scheme documents and Regulations in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited
Quartermile 3,
10 Nightingale Way
Edinburgh
EH3 9EG

11 January 2022

Ewan Gillies (Officer)

Faron Jackson (Assistant Vice President)

Independent Auditor's Report to the Shareholders of the HSBC Specialist Investment Funds OEIC ('the Company')

Opinion

We have audited the financial statements of the Company for the year ended 15 September 2021 which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Shareholders, the Balance Sheet, the Related Notes and Distribution Table and the accounting policies set out on pages 9 and 10.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Company as at 15 September 2021 and of the net revenue and the net capital gains on the property of the Company for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of Matter – non going concern basis of preparation

In respect of the HSBC Specialist Investment Funds OEIC, we draw attention to the disclosure made in accounting policy 1a. "Basis of accounting" to the financial statements which explains that the financial statements of this fund have not been prepared on a going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the ACD, the Depositary, the Administrator and the Investment Manager;
- Reading ACD board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the ACD and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the ACD and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The ACD is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the ACD's Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

ACD's (HSBC Global Asset Management (UK) Limited) responsibilities

As explained more fully in their statement set out on page 28, the ACD is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

11 January 2022

General Information

How to Buy, Sell or Switch your Investment

- Call our Dealers on 0800 358 3011*

  or

- Write to our Administration Office at: HSBC Global Asset Management (UK) Ltd, Sunderland, SR43 4BF (w.e.f 6/4/21).

Switching your Investment

- Some discounts are available for switching between our OEIC Funds.
- Switching from one OEIC Fund to another may create a capital gains tax liability.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current KIID (in conjunction with the Supplementary Information Document (SID)) and Prospectus accompanied by the latest Annual Report and the most recent Interim Report, if published thereafter. Further details of our switching discounts may be obtained by:-

- Telephoning our Customer Services, on 0800 358 3011*

Minimum Additional Subscription

- The minimum additional subscription is £500 for Retail and C share classes and £1,000 for Institutional A Accumulation.

Selling your Investment

You can sell or make a withdrawal at any time.

- You must take at least £100 each time.
- We reserve the right to request that you leave the minimum investment of £1,000 or close the investment.
- Settlement is normally made within 3 business days from the receipt of your instructions.

When we will Buy or Sell your Investment

Share prices are calculated at 12 noon each business day. The price at which shares are bought or sold depends on when we receive your instructions.

- Before 12 noon. That day's share prices will be used.
- After 12 noon. The following business day's prices will be used.

We will send you a contract note within 24 hours of the transaction. This confirms the transaction was made.

Cancellation Rights

- In certain circumstances we will send you a cancellation notice. If so this will be sent within 7 days of making your investment.
- Return this notice to us within 30 days if you do not wish to proceed with your investment.
- It is possible to receive back less than your original investment, if the value of your shares has fallen.

Publication of Prices

The prices of shares are updated daily on the following website: www.assetmanagement.hsbc.com/uk.

Alternatively you can call our Investments Helpline on 0800 358 3011*.

Prospectus

The Prospectus provides further details on our OEICs. For a copy of the latest Prospectus (available free of charge):-

- Telephone our Customer Services on 0800 358 3011*
- Write to our Administration Office

Income

Income is distributed or accumulated in the following way:-

- If you hold income shares, income will be distributed to you on payment dates shown in the table on page 45.
- If you hold accumulation shares, income will be retained within the Fund. No additional shares will be bought. The price of shares will reflect the net income received.

We must disclose details of such distributions to HM Revenue and Customs (HMRC). The distribution also needs to be disclosed on your tax return.

Income Tax

A tax voucher is sent to all shareholders when distributions are paid or accumulated which will aid completion of tax returns.

Interest Distributions:

Income that is distributed as interest is paid or accumulated gross of tax to all shareholders.

A Personal Savings Allowance currently applies for UK individual taxpayers. This means that no tax is payable on savings income, which includes interest distributions, of up to £1,000 for basic rate taxpayers and up to £500 for higher rate taxpayers. This allowance is not available for additional rate taxpayers. UK taxpayers, including basic rate taxpayers, are liable to pay UK tax on savings income above the allowance, subject to the starting rate of tax for savings.

For UK corporate shareholders, interest distributions will be paid without the deduction of tax. Such shareholders will be subject to corporation tax on the gross amount of the distribution or accumulation.

For non-UK resident shareholders, interest distributions will be paid without the deduction of tax. Tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

Dividend Distributions:

A dividend allowance applies for UK resident individual shareholders which charges the first £2,000 of dividends received in the tax year at 0%. A UK resident individual shareholder will have to pay income tax at the applicable basic, higher or additional rate (depending on the shareholder's individual tax position) on dividend income in excess of the £2,000 allowance. Note that dividend income within the £2,000 allowance will still count towards basic, higher and additional rate bands and may therefore affect the rate of income tax that a shareholder pays on dividends they receive in excess of the £2,000 allowance.

Where a corporate shareholder receives a dividend distribution from a Fund, such a shareholder should apportion the amount of the distribution (by way of a formula) between that part representing the Fund's income subject to corporation tax and that part representing the Fund's other income. Only that part which represents the income subject to corporation tax in the Fund will be liable to corporation tax (in the hands of the corporate shareholder) and will be treated as an annual payment received after deduction of income tax at the basic rate. That deemed income tax will be available to offset against the corporation tax liability of the shareholder or may be repaid subject to certain restrictions.

For non-UK resident shareholders, tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

This information is based on our understanding of current UK law and HM Revenue & Customs practice which may be subject to retrospective change. The future basis and rates of taxation may change without warning. Shareholders are recommended to consult their professional advisers if they are in any doubt as to their individual tax position.

Capital Gains Tax

You will not need to pay capital gains tax unless your net gains from all sources exceed the annual exemption limit. The limit for the 2021/2022 tax year is £12,300.

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*To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

Lines are open Monday to Friday from 9am to 5pm (excluding public holidays).

Important Notes

The Annual Report covers the year 16 September 2020 to 15 September 2021.

The material contained herein is for information only and does not constitute legal, tax or investment advice or a recommendation to any reader of this material to buy or sell investments. You must not, therefore, rely on the content of this document when making any investment decisions.

This document is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe to any investment.

Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.

Past performance should not be seen as an indication of future returns.

Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Stock market investments should be viewed as a medium to long term investment and should be held for at least five years. Any performance information shown refers to the past and should not be seen as an indication of future returns.

Markets in some countries are described as 'emerging markets'. Some of these may involve a higher risk than where investment is within a more established market. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered. Emerging markets are generally, but not exclusively, those that are not within the United States, Canada, Switzerland and members of the European Economic Area, Japan, Australia and New Zealand.

Please note any reference to "Fund" or "Funds" means a sub fund of the Company.

There are risks involved in investing in HSBC Specialist Investment Funds. Please refer to the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and most recent annual and semi annual report, 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 the local distributors. 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 SID.

The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 15 September 2021. Both law and practice may of course change.

Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection or target. No liability can be accepted for recipients acting independently on its content.

The Company is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella company, in that the Company proposes to issue shares linked to different Funds which have been established. The Company is a UCITS scheme.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

To help improve our service and in the interests of security we may record and/or monitor your communication with us. HSBC Global Asset Management (UK) Limited provides information to Institutions, Professional Advisers and their clients on the investment products and services of the HSBC Group.

Approved for issue in the UK by HSBC Global Asset Management (UK) Limited, who are authorised and regulated by the Financial Conduct Authority.

HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities provided through our local regulated entity, HSBC Global Asset Management (UK) Limited.

www.assetmanagement.hsbc.com/uk

Important Changes to the Company and/or Fund Documentation

The following changes to the Company have resulted in the ACD making changes to the Company's Instrument of Incorporation and its Prospectus.

Amendments to the Company's Instrument of Incorporation

The Instrument of Incorporation was updated on 1 October 2020 to reflect the removal of the Asian Growth Fund and Chinese Equity Fund as they are no longer available for investment.

The Instrument was updated on 7 January 2021 to reflect the changes due to Brexit or the departure of the United Kingdom from the EU.

Amendments to the Company Prospectus

The Company Prospectus was updated on 1 October 2020 to reflect the removal of the Asian Growth Fund and the Chinese Equity Fund as they are no longer available for investment and updates to significant activities not connected to the ACD for the directors.

The Company Prospectus was updated on 7 January 2021 to reflect the removal of the UK Freestyle Fund as this is no longer available for investment and to reflect the changes due to Brexit or the departure of the United Kingdom from the EU and addition of European Benchmark Regulation disclosure and an update to eligible securities markets and eligible derivatives markets.

The Company Prospectus was updated on 10 March 2021 to reflect the change in fund administration fee and inserting a new section 'integration of sustainability risks into investment decisions' as required under SFDR. The Prospectus was updated to reflect the change in Administrator address.

The European Growth Fund merged with the Europe Ex UK Equity Fund with effect from 10 September 2021.

Other Information

Equalisation

Revenue received by the Fund during the distribution period is reflected in the price of shares until the revenue is distributed. The cost of Group 2 shares bought during a distribution period will therefore include an element of revenue.

Equalisation represents the average amount of accrued revenue included in the purchase price of all Group 2 shares sold in the year, which is refunded as part of a shareholder's first distribution. This amount is treated as a capital repayment for tax purposes. It is not liable to income or corporation tax and is deducted from the original cost of the shares for capital gains tax purposes.

Corporate Shareholders

The Fund in this OEIC has a 100% franked distribution on their annual consolidated tax voucher.

Risk and Reward Profile

Fund	Rating*
European Growth Fund†	6

Lower risk						Higher risk
Typically lower rewards						Typically higher rewards
1	2	3	4	5	6	7

†The European Growth Fund merged into the Europe Ex UK Equity Fund on effective date 10 September 2021.

***More About this Rating**

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit www.assetmanagement.hsbc.com/uk.

Directory

The Company

HSBC Specialist Investment Funds, 8 Canada Square, London, E14 5HQ

ACD and Head Office

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

Investment Manager

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

Depositary

State Street Trustees Limited, Quartermile 3, 10 Nightingale Way, Edinburgh, EH3 9EG

Regulator

Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN

Auditor

KPMG LLP, 15 Canada Square, London E14 5GL

Registrar

HSBC Global Asset Management (UK) Limited (delegated to Northern Trust Global Services SE)

50 Bank Street, Canary Wharf, London, E14 5NT

Telephone: 0800 358 3011*
+44 800 358 3011 (Overseas)*

*Lines are open 9am to 5pm Monday to Friday (excluding public holidays).

Administrator (delegated to Northern Trust Global Services SE) - postal address

HSBC Global Asset Management (UK) Ltd, Sunderland, SR43 4BF (w.e.f 6/4/21)

Website

www.assetmanagement.hsbc.com/uk

To help us continually improve our services, and in the interests of security, we may monitor and/or record your communications with us.

Quick Reference Guide to HSBC Specialist Investment Funds

Name of OEIC Fund	European Growth†
Number of distributions per year	1
Distribution dates	15 Nov
Lump sum minimum investment level	£1,000
Regular saver minimum investment level	£50
ACD charge % *	1.50
Available as an ISA	Yes
In ISA can income be paid	No
Income shares available	Yes
Accumulation shares available	Yes

*The above information relates only to retail share classes or C share classes as applicable. Other share classes may differ.
†The European Growth Fund merged into the Europe Ex UK Equity Fund on effective date 10 September 2021.

Issued by HSBC Global Asset Management (UK) Limited.
Authorised and regulated by the Financial Conduct Authority.

www.assetmanagement.hsbc.com/uk

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