

Asset Management

If you have any questions

- Call us on 0800 358 3011*
- Send an e-mail to HSBCenquiries@ntrs.com

* Lines are open 9.00 am to 5.00 pm Monday to Friday (excluding public holidays).

25 June 2024

Investor Reference:

IMPORTANT INFORMATION ABOUT YOUR INVESTMENT IN THE GLOBAL PROPERTY FUND

Dear Investor

We, HSBC Global Asset Management (UK) Limited, are writing to all investors in the Global Property Fund (the "Fund") to advise you we are making some changes to the Fund. The changes will take effect from 27 August 2024.

Please read this letter thoroughly and keep a copy for your reference. If you have any questions or require further information you can contact us using the details shown at the top of this letter.

In summary, the changes we are making are as follows:

- We are changing the scope of the Fund such that it also invests in shares of infrastructure companies. Infrastructure is the basic facilities and services serving communities, regions or countries. Infrastructure is a type of real asset and includes, for example, water treatment facilities and transportation.
- We are increasing the Annual Management Charges that we apply. However, the overall Ongoing Charges Figures, which include the Annual Management Charges, will decrease as a result of the change to our investment approach.
- We are changing the name of the Fund to the Global Listed Real Assets Fund.

Please note that by changing the scope of the Fund, the fund manager will need to initially buy some new holdings and sell some existing holdings for the Fund. Therefore, the Fund will pay the costs associated with these transactions.

We have explained each of the changes in further detail below, which includes information about the costs and charges.

A reminder of the current investment approach

The Fund currently invests in the following assets:

1. shares of property companies, including those which qualify as Real Estate Investment Trusts (investment companies that own and manage land and buildings)
2. investment funds, including investment trusts, that hold direct property (physical buildings), shares of property companies and Real Estate Investment Trusts.

HSBC Global Asset Management (UK) Limited
Forum One, Parkway, Whiteley, Fareham PO15 7PA
Web: www.assetmanagement.hsbc.co.uk

Registered office: 8 Canada Square, Canary Wharf, London, E14 5HQ
Registered number: 01917956

Authorised and regulated by the Financial Conduct Authority

To help improve our service and in the interest of security we may record and/or monitor your telephone calls with us



HSBC

Opening up a world of opportunity

Asset Management

The revised investment approach and change to the name of the Fund

From 27 August 2024, we are changing the scope of the Fund such that it will also invest in shares of companies that own, manage and develop infrastructure. Examples of infrastructure assets include water treatment facilities, sewer lines, oil and gas storage and transportation, electricity transmission and distribution, airports, toll roads, and broadcasting and mobile towers.

Infrastructure, like property, is a type of **real asset** which means a physical or tangible asset. The Fund will invest in shares of **global** infrastructure companies and property companies, including Real Estate Investment Trusts, which are publicly **listed** and traded on a stock exchange. To better reflect this, we are changing the name of the Fund to the Global Listed Real Assets Fund.

The Fund will generally invest directly in the shares of companies as described above. From 27 August 2024 the Fund will therefore only invest in investment funds in more limited circumstances, for example where this is more efficient for the management of the Fund or to manage cash flowing in and out of Fund. In particular, the Fund will no longer invest in investment funds that hold direct property (physical buildings).

The Fund may also invest in other financial instruments called depositary receipts, which allow indirect investment to share of companies, in circumstances where this approach is more efficient for the management of the Fund.

The overall investment objective of the Fund will remain unchanged, however the investment policy and investment strategy described in the Prospectus will be amended as shown in the attached Appendix. The Key Investor Information Document ("KIID") will also be amended. The revised Prospectus and KIID will be available on our website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the Fund from the list of funds. Alternatively, this can be obtained by contacting us using the details shown at the top of this letter.

The overall risk profile of the Fund will remain unchanged. As with the current investment approach, where the Fund invests in shares of companies listed on a stock exchange it can be affected by general changes in the stock market. The value of investments can go down as well as up due to markets movements. In particular, infrastructure assets, and therefore the value of the Fund, can be affected by a number of factors, including local and national environmental laws and regulations, disruption to services being provided and natural or terrorist disasters.

Why we are making the changes

We believe that changing the investment approach has the potential to deliver improved outcomes for investors. The Fund has been decreasing in size over the last three years and has a current total value of £30m. This is because new investors are not replacing investors that are withdrawing from the Fund. There is a risk that if this trend continues certain fixed operational costs that are applied to the Fund will have a greater negative impact on the Fund's performance and ultimately if the Fund was to become too small in size for us to manage successfully then we may need to consider closing the Fund.

While this is not imminent, we are taking action to address this now by making the changes detailed in this letter. This is with the aim of attracting new investors into the Fund and reversing the trend described above.

Our view is that investing in the shares of infrastructure companies is a natural extension of the Fund's existing approach of investing in property companies. As infrastructure companies provide essential, long term services to society we believe they have the potential to provide consistent earnings and reliable dividends and that the value of infrastructure assets may be less affected by rising inflation rates. However, it is important to remember that this is not guaranteed. The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested.

Further information about the investment strategy

The investment manager will select from an initial universe of investable companies. The aim is to identify infrastructure and property companies whose underlying assets are considered to have the potential for consistent long term earnings, with strong management teams and whose shares are favourably priced. Instead of allocating to each of infrastructure and property asset classes in isolation, the investment strategy will focus on important themes that may affect the companies, as a means to assess their potential for growth. The themes we may consider in respect of potential companies include but are not limited to preservation of resources, responsiveness to technological change and facilitation of demographic change.

Asset Management

From this, the investment manager aims to construct a portfolio of holdings for the Fund that has the potential for returns in line with the investment objective and which is appropriately diversified across industry sectors and countries.

The Fund's portfolio will typically be constructed to hold the shares of 50 to 60 companies, although the investment manager may vary this depending on market conditions and the investment opportunities that are available.

The Fund will remain actively managed, which means the investment manager has discretion around which companies the Fund invests in, subject to the investment objective and investment policy of the Fund. In particular, the balance of the Fund's assets allocated to infrastructure and property and the geographic composition will vary over time. While the Fund is not managed with reference to a benchmark, the performance of the Fund will be shown against the performance of a combination of a 70% weighting to the Dow Jones Brookfield Infrastructure Index and a 30% weighting to the FTSE EPRA NAREIT Index for comparison purposes only. The weighting to the respective indices represents the number of investible infrastructure and property companies that the investment manager will select from.

Change to Annual Management Charges

The Annual Management Charge ("AMC") is a payment to us for carrying out our duties and responsibilities in managing the Fund and is reflected in the Fund's daily share prices. We are increasing the AMC for the C share classes and Institutional A share class of the Fund as shown below. This reflects the work that we will undertake to research and select the shares of infrastructure and property companies that the Fund will invest in to.

However, the Ongoing Charges Figure ("OCF") will decrease, again as shown below. The OCF is a measure of the total annual charges of a Fund, including the AMC but excluding portfolio transaction costs (the costs incurred when buying and selling assets for the Fund). The OCF will decrease because the Fund will generally no longer invest in other investment funds, as we've explained above, and therefore the costs of investing in these funds will no longer apply.

Please note that in real terms, the effect of the reduction to the OCF will be off-set for up to four years by the initial costs to implement the revised strategy (the costs are described under the 'Transaction costs' heading below).

The revised OCFs shown are estimated and take account of the AMC increase for the C share classes and the Institutional A Accumulation share class. We offer different share classes for the Fund. If you aren't sure which class of shares you hold you can check on statements or contract notes that we have previously sent you or by contacting us.

The OCF is variable and is periodically updated in the annual and half-yearly Report and Accounts and the Key Investor Information Document.

We believe that the overall charges continue to offer good value to our customers, whilst fairly compensating us for the work undertaken in managing the Fund under the revised investment approach.

Share Class	Current		Revised		Decrease in Ongoing Charges Figure in £s based on example investment of £10,000*
	Annual Management Charge	Ongoing Charges Figure	Annual Management Charge	Ongoing Charges Figure	
Accumulation C	0.30%	0.94%	0.75%	0.83%	£11.00
Income C	0.30%	0.93%	0.75%	0.82%	£11.00
Institutional A Accumulation	0.30%	0.93%	0.60%	0.67%	£26.00
Retail Accumulation	1.25%	1.89%	1.25%	1.33%	£56.00

* The figures are rounded to the nearest £1.

Asset Management

Transaction costs

To implement the revised investment strategy, the fund manager will need to initially buy some new holdings for the Fund and sell some existing holdings. The Fund will therefore pay the costs associated with these transactions, which we have estimated to be 0.36%. This is equivalent to £36.00 for an investment with a value of £10,000. In practice, the costs will depend on the amounts that are invested and the market conditions at the time the transactions are undertaken.

What you need to do

You do not need to take any action. However, if you wish to sell your investment, or switch into a different fund, before the changes become effective you can do so in accordance with the normal terms disclosed in the Prospectus. You can do this by contacting us.

If you have any questions

If you have any questions or would like more detail about the changes you can call us on 0800 358 3011** or you can send an e-mail to HSBCenquiries@ntrs.com.

If you are unsure whether the Fund will continue to meet your needs, you should contact your financial adviser.

Yours sincerely



Jeff Webb
Senior Product Manager
HSBC Global Asset Management (UK) Limited

** Lines are open 9.00 am to 5.00 pm Monday to Friday (excluding public holidays).

Important Information

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.

The Fund is a sub-fund of HSBC OpenFunds an Open Ended Investment Company that is authorised in the UK by the Financial Conduct Authority. The Authorised Corporate Director at the time of writing is HSBC Global Asset Management (UK) Limited, however we have provided notice to investors that the Authorised Corporate Director will change to HSBC Asset Management (Fund Services UK) Limited with effect from 29 July 2024. The Investment Manager is HSBC Global Asset Management (UK) Limited. All applications are made on the basis of the HSBC OpenFunds 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.

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.

Asset Management

APPENDIX

Current wording for the Global Property Fund	Revised wording for the Global Listed Real Assets Fund
<p>Investment Policy</p> <p>To achieve its objective, the Fund will invest at least 80% of its value in property-related securities and collective investment schemes that, in turn, invest in direct property (physical buildings) and property-related securities. There will be no geographical restrictions.</p> <p>The Fund may also invest up to 20% of its value in money market instruments, deposits, cash and collective investment schemes that invest in such assets to manage day-to-day cash flow requirements.</p> <p>The collective investment schemes in which the Fund may invest will, where possible, be those managed or operated by the HSBC Group.</p> <p>The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. On giving 60 days' notice to Shareholders the Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.</p>	<p>Investment Policy</p> <p>To achieve its objective, the Fund will invest at least 90% of its value in listed infrastructure securities and listed property-related securities. There will be no geographical restrictions.</p> <p>The Fund may invest up to 10% of its value in depository receipts and other assets that provide indirect exposure to listed infrastructure securities and listed property-related securities.</p> <p>The Fund may invest up to 10% of its value in collective investment schemes, which in turn invest in listed infrastructure securities, listed property-related securities and/or other assets. The collective investment schemes may be managed or operated by the HSBC Group.</p> <p>To manage day-to-day cash flow requirements, the Fund may also invest in money market instruments, deposits and cash.</p> <p>The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. On giving 60 days' notice to Shareholders the Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.</p>
<p>Investment Strategy</p> <p>The investment strategy aims to provide capital growth by investment into property-related securities in the UK and globally, and in collective investment schemes that invest in direct property (physical buildings) and shares of property-related securities. The Fund will not buy physical buildings directly. The balance between direct property (through collective investment schemes), property-related securities, and cash, and the geographic composition of the portfolio, will vary over time depending on our view of prospective returns.</p> <p>By investing in collective investment schemes that hold direct property (physical buildings) and property-related securities, the fund manager is able to access specialist, local skills. This also provides the scope to change the composition of</p>	<p>Investment Strategy</p> <p>The investment manager will select from an initial universe of listed infrastructure securities and listed property-related securities. The aim is to identify listed infrastructure securities and listed property-related securities in respect of companies whose underlying assets are considered to have the potential for consistent long term earnings, with strong management teams and whose shares are favourably priced. Instead of allocating to each of infrastructure and property asset classes in isolation, the investment strategy will focus on important themes that may affect the companies, as a means to assess their potential for growth. The themes we may consider in respect of potential companies include but are not limited to preservation of resources, responsiveness to technological change and facilitation of demographic change.</p>

Asset Management

the Fund quickly and reduce the risk of investing in any one manager.

Use of Benchmark

The Fund is **actively managed** and is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of a combination of a 20% weighting to the Investment Association UK Direct Property Sector average and an 80% weighting to the Investment Association Property Other Sector average for comparison purposes only. Prior to 1 December 2021, the performance was compared to a combination of a 50% weighting to the Investment Association UK Direct Property Sector average and a 50% weighting to the Investment Association Property Other Sector average. Prior to 1 September 2018, the performance was compared to the Investment Association Property Sector.

This has been selected to enable investors to assess the performance of the Fund because it consists of funds similar to the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

Use of Derivatives

The Fund may invest in **exchange traded** and **over-the-counter derivatives** in accordance with Part C and Part D of Appendix 3. In particular, **currency forward contracts** may be used with the aim of **hedging** against movements in the rate of exchange between Sterling and the currency in which assets of the Fund may be denominated.

From this, the investment manager aims to construct a portfolio that has the potential for **returns** in line with the investment objective and which is appropriately diversified across industry sectors and countries.

The portfolio will typically be constructed with 50 to 60 holdings, although the investment manager may vary this depending on market conditions and the investment opportunities that are available.

The allocation to listed **infrastructure securities** and listed **property-related securities** and the geographic composition will vary over time.

Use of Benchmark

The Fund is **actively managed** and is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of a combination of a 70% weighting to the Dow Jones Brookfield Global Infrastructure Index and a 30% weighting to the FTSE EPRA NAREIT Developed Index for comparison purposes only. The weighting to the respective indices represents the number of investible listed **infrastructure securities** and listed **property-related securities** that the investment manager will select from. Prior to 27 August 2024 when the strategy of the Fund was changed, the performance was compared to a combination of a 20% weighting to the Investment Association UK Direct Property Sector average and an 80% weighting to the Investment Association Property Other Sector average. Prior to 1 December 2021, the performance was compared to a combination of a 50% weighting to the Investment Association UK Direct Property Sector average and a 50% weighting to the Investment Association Property Other Sector average. Prior to 1 September 2018, the performance was compared to the Investment Association Property Sector.

A combination of the Dow Jones Brookfield Global Infrastructure Index and the FTSE EPRA NAREIT Developed Index has been selected to compare performance because they are representative of the securities in which the Fund may invest.

Use of Derivatives

The Fund may invest in **exchange traded** and **over-the-counter derivatives** in accordance with Part C and Part D of Appendix 3. In particular, **currency forward contracts** may be used with the aim of **hedging** against movements in the rate of exchange between Sterling and the currency in which assets of the Fund may be denominated.