

HSBC OpenFunds

Global Sustainable Multi-Asset Conservative Portfolio

Marketing communication | Monthly report 31 March 2025 | Share class Inc C



Investment objective

The Fund aims to provide growth in line with its risk profile in the long term, which is a period of five years or more. The Fund's risk profile is rated as 2 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies which aim to consider financial returns alongside environmental, social and governance factors. Please see the Prospectus for an explanation of the HSBC risk levels and sustainable investment strategies.



Investment strategy

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. The exposure to each asset class may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The focus on sustainable investment strategies is taken into consideration when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. The Fund is not managed with reference to a benchmark.



Main risks

- 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 cause the value of such investments to go down as well as up.
- The Fund invests in bonds whose value generally falls when interest rates rise. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless. The value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.

Share class details

Key metrics	
NAV per share	GBP 1.16
Performance 1 month	-2.68%
Sharpe ratio 3 years	-0.51
Fund facts	
UCITS V compliant	No
UK reporting fund status (UKRS)	Yes
ISA eligible	Yes
Dividend treatment	Distributing
Distribution frequency	Semi-Annually
Dividend ex-date	16 October 2024
Dividend yield ¹	1.92%
Last paid dividend	0.012900
Dealing frequency	Daily
Valuation time	12:00 United Kingdom
Share class base currency	GBP
Domicile	United Kingdom
Inception date	24 October 2018
Fund size	GBP 324,635,670
Managers	Camilla Searle Justin Turner
Fees and expenses	
Minimum initial investment ²	GBP 1,000,000
Ongoing charge figure ³	0.620%
Codes	
ISIN	GB00BF1H4G82
Bloomberg ticker	HSGSMCI LN
SEDOL	BF1H4G8

¹Dividend Yield: represents the ratio of distributed income over the last 12 months to the fund's current Net Asset Value.

²Please note that initial minimum subscription may vary across different distributors

³Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

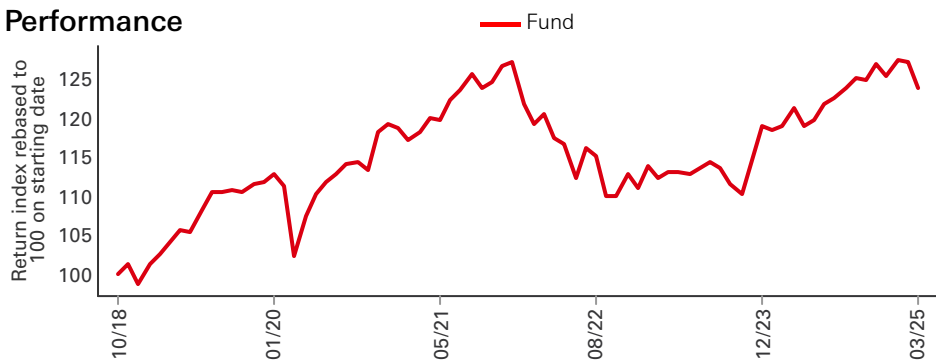
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

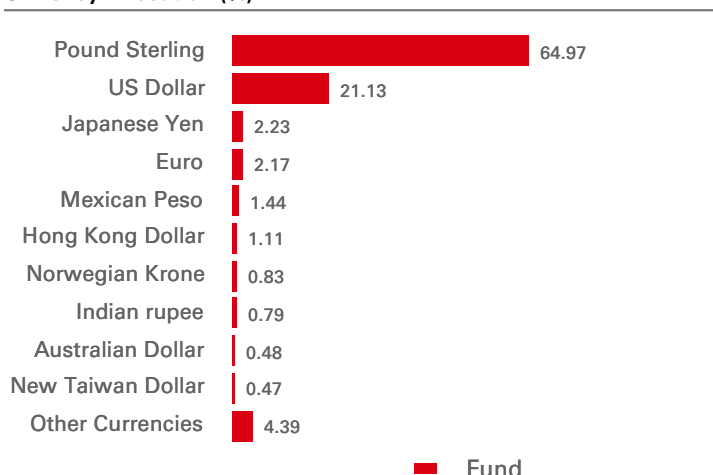
Source: HSBC Asset Management, data as at 31 March 2025

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann	
Inc C	-1.28	-2.68	-1.28	-1.16	2.17	0.90	3.86	--	3.36	
Rolling performance (%)	31/03/24-31/03/25	31/03/23-31/03/24	31/03/22-31/03/23	31/03/21-31/03/22	31/03/20-31/03/21	31/03/19-31/03/20	31/03/18-31/03/19	31/03/17-31/03/18	31/03/16-31/03/17	31/03/15-31/03/16
Inc C	2.17	7.09	-6.10	1.99	15.36	-1.70	--	--	--	--

Currency Allocation (%)



Sustainable investment style (%)

Sustainable investment style (%)	Fund
Equities - Positive Screening	24.37
Equities - Sustainable Thematic	8.07
Bonds - Positive Screening	47.32
Bonds - Sustainable Thematic	15.43
Alternatives - ESG Integration	1.30
Cash	1.20
Alternatives - Sustainable Thematic	2.29

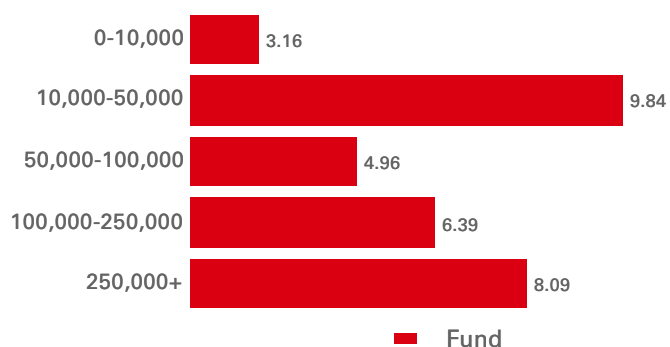
Top 10 holdings

Top 10 holdings	Weight (%)
HSBC GFI-GSGB UCS ETF-ZOHUSD	29.00
HSBC-GLOBAL ESG CORP-ZQ1USDI	11.81
HSBC-SUS DV BN UCIT E-ZQ1	7.55
HSBC RIF SRI Global Equity JC	7.08
HSBC USA Sustainable Equity ETF	5.49
HSBC GIF-GLB GR FD-ZQ1USDINC	3.95
HSBC GIF Global Lower Carbon Bd ZQ1	3.94
HSBC Developed World Sustainable Eq ETF	3.37
HSBC GIF GEM ESG Local Debt ZQ1USD	3.15
UBS ETF Fac MSCI USA Qul Scrn USD A-dis	2.45

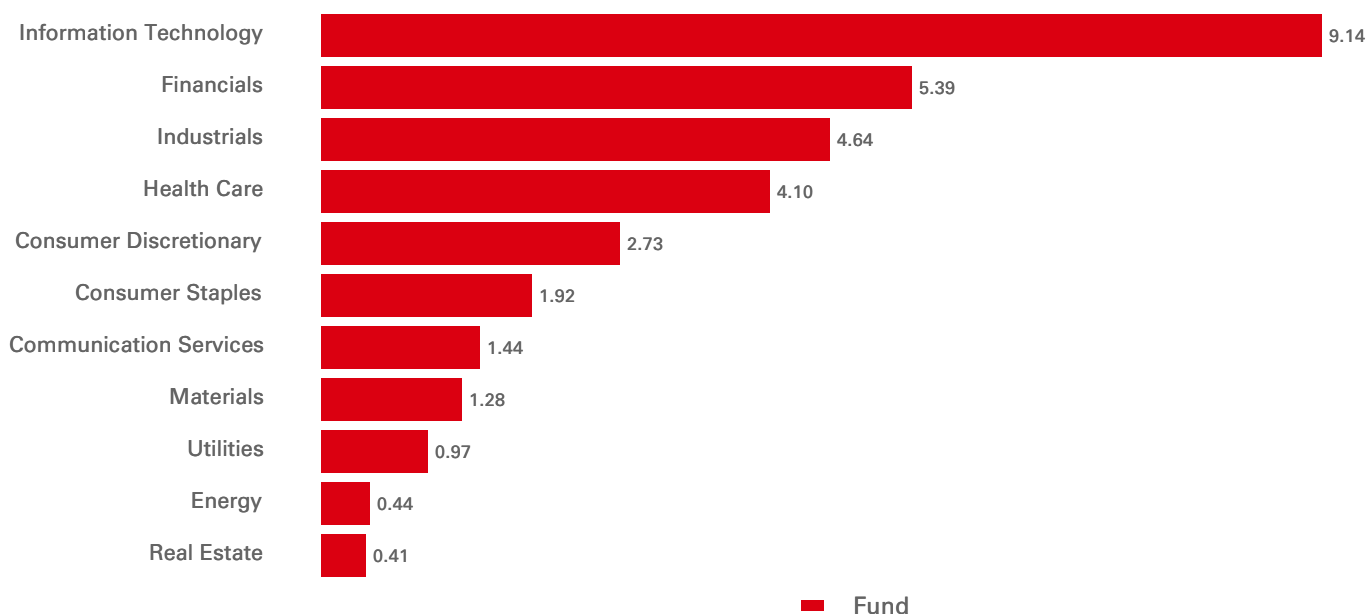
Equity top 10 holdings	Location	Sector	Weight (%)
NVIDIA Corp	United States	Information Technology	1.44
Apple Inc	United States	Information Technology	1.19
Visa Inc	United States	Financials	0.85
Microsoft Corp	United States	Information Technology	0.84
Johnson & Johnson	United States	Health Care	0.64
Cisco Systems Inc	United States	Information Technology	0.50
Amazon.com Inc	United States	Consumer Discretionary	0.38
Alphabet Inc	United States	Communication Services	0.34
Taiwan Semiconductor Co Ltd	Taiwan	Information Technology	0.33
Trane Technologies PLC	United States	Industrials	0.31

Equity characteristics	Fund	Reference Benchmark
Average market cap (GBP Mil)	376,065	--
Price/earning ratio	18.17	--
Portfolio yield	1.95%	--

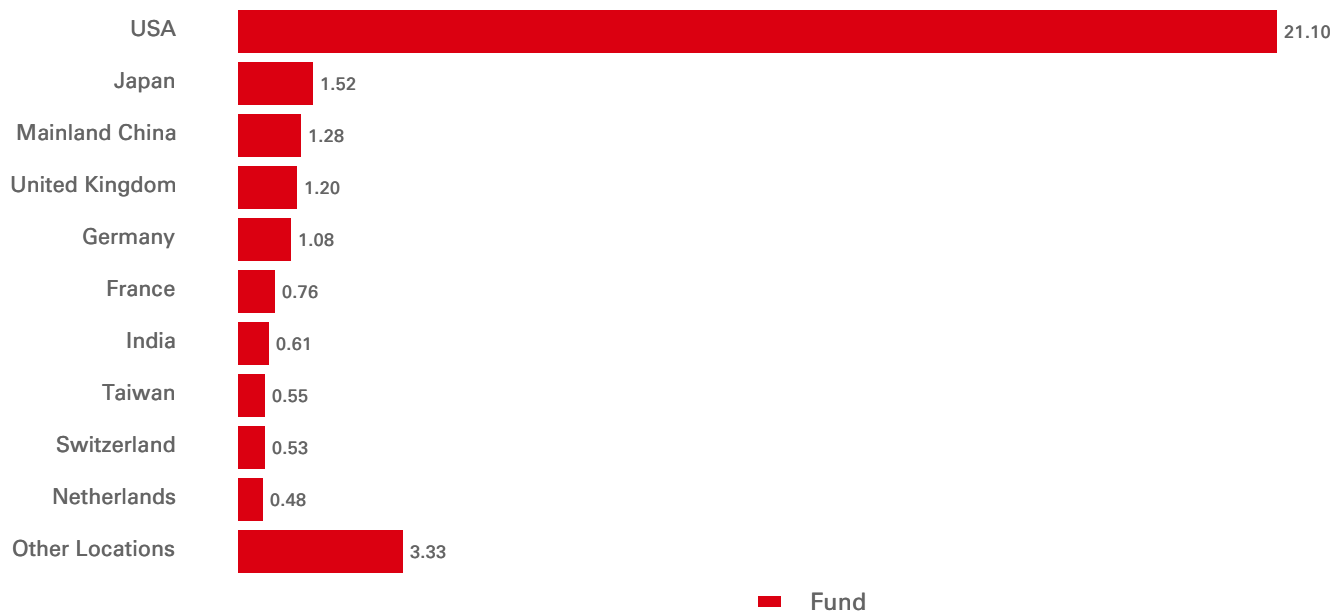
Market cap allocation (GBP Mil %)



Equity sector allocation (%)



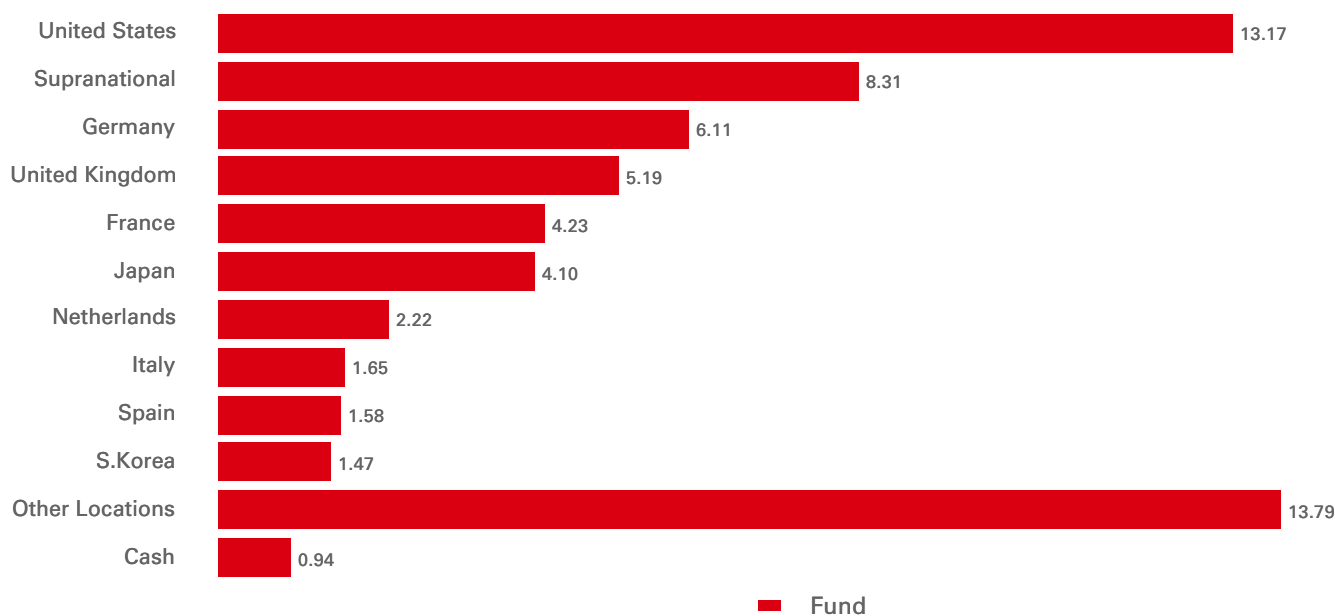
Equity geographical allocation (%)



Fixed Income Characteristics	Reference			Credit rating (%)	Reference		
	Fund	Benchmark	Relative		Fund	Benchmark	Relative
Yield to worst	5.05%	--	--	AAA	17.96	--	--
Yield to maturity	5.09%	--	--	AA	15.87	--	--
Modified duration	6.30	--	--	A	12.32	--	--
Rating average	AA-/A+	--	--	BBB	12.82	--	--
				BB	2.07	--	--
				B	0.58	--	--
				CCC	0.18	--	--
				CC	0.01	--	--
				NR	0.02	--	--
				Cash	0.94	--	--

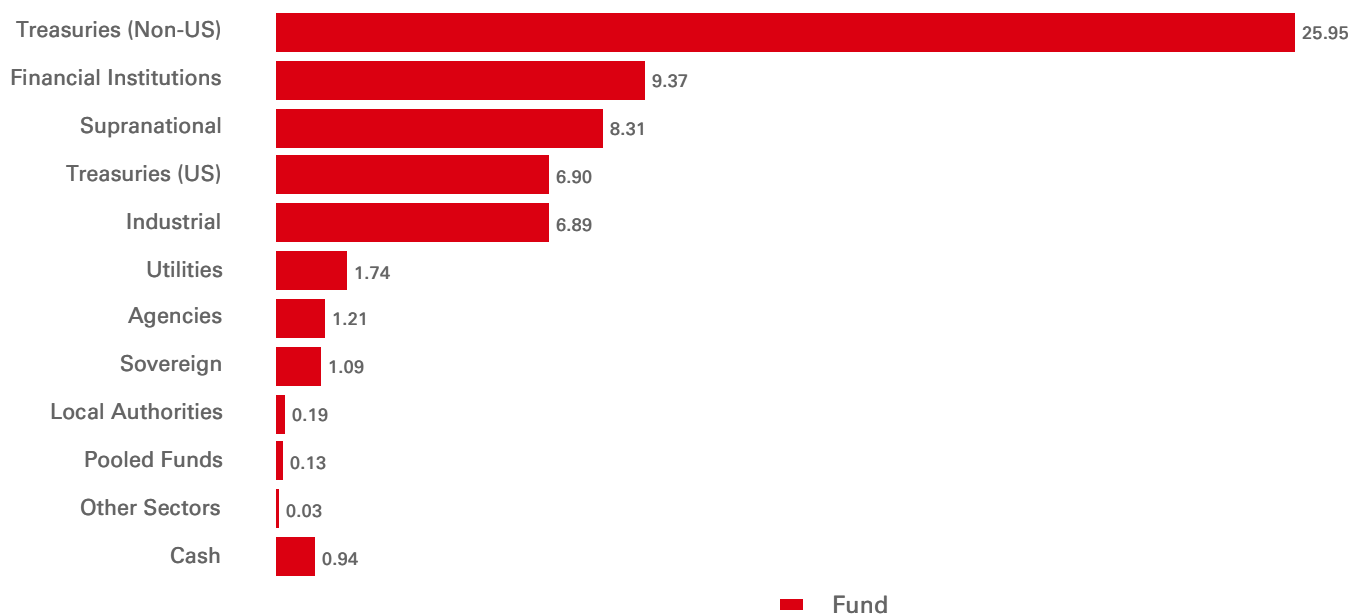
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
US TREASURY N/B 4.500 15/11/2054 USD	United States	Government Bond	0.28
ASIAN DEVELOPMENT BANK 4.375 14/01/2028 USD	SUPRANATIONAL	Government Bond	0.22
INTER-AMERICAN DEVEL BK 4.125 15/02/2029 USD	SUPRANATIONAL	Government Bond	0.21
BUNDESREPUB. DEUTSCHLAND 0.000 15/08/2026 EUR	Germany	Government Bond	0.19
INTER-AMERICAN DEVEL BK 1.500 13/01/2027 USD	SUPRANATIONAL	Government Bond	0.18
US TREASURY N/B 1.500 15/08/2026 USD	United States	Treasury Note	0.17
UNITED KINGDOM GILT 4.625 31/01/2034 GBP	United Kingdom	Government Bond	0.17
BUNDESREPUB. DEUTSCHLAND 2.100 15/11/2029 EUR	Germany	Government Bond	0.17
INTL DEVELOPMENT ASSOC 4.375 11/06/2029 USD	SUPRANATIONAL	Government Bond	0.17
United Kingdom Gilt 0.875% 22/10/2029 GBP 0.01	United Kingdom	Government Bond	0.17

Fixed income geographical allocation (%)



Geographical allocation (Option adjusted duration)	Fund	Reference Benchmark	Relative
United States	1.37	--	--
Germany	0.67	--	--
United Kingdom	0.61	--	--
Japan	0.58	--	--
Supranational	0.51	--	--
France	0.41	--	--
S.Korea	0.26	--	--
Netherlands	0.25	--	--
Italy	0.18	--	--
Spain	0.14	--	--
Other Locations	1.37	--	--
Cash	0.00	--	--

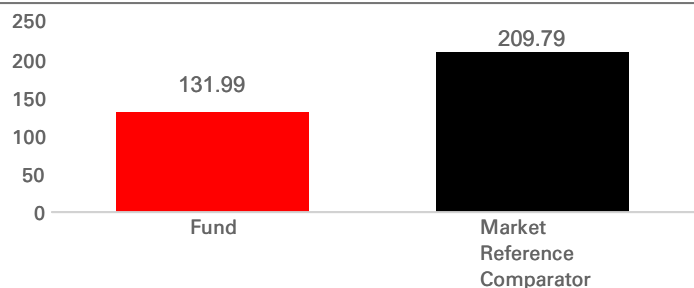
Fixed income sector allocation (%)



	3 year total return (%)	Amount based on GBP 1000 invested	3 Year Volatility (%)
Global Sustainable Multi-Asset Conservative Portfolio Accumulation C	0.91	1,027.51	6.72
Peer Group Average - EAA Fund GBP Moderately Cautious Allocation	1.32	1,040.13	6.40
Lowest Returning Fund in Peer Group	-3.30	904.23	3.69
Highest Returning Fund in Peer Group	6.30	1,201.16	10.21
Cash	4.18	1,130.71	0.43

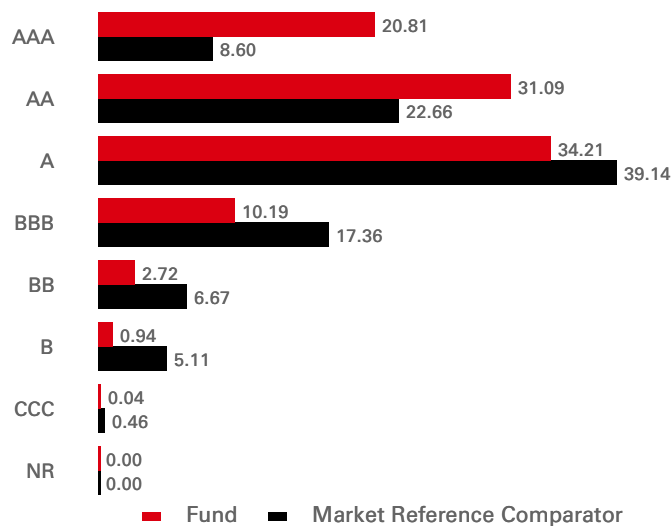
HSBC OpenFunds offer a choice of five different risk levels, to be selected by investors depending on factors like their financial goals, time horizon and capacity for loss. Typically, the more risk investors take, the more return they would expect to see. At HSBC Asset Management, we measure risk by volatility – how sharply a Portfolio’s share price moves in any given time period (up or down). The higher the volatility, the higher the risk. The table above shows the Portfolio’s return (for the primary share class or hedged currency share class) per year over the last three years (known as annualised) and the level of volatility over the same period. This can be compared against other funds in the peer group, as defined by an independent research company*. An example of a good outcome would be that the HSBC Portfolio return is higher than the peer group’s average return and the volatility (risk taken) is lower. However investors should consider their own priorities when it comes to returns and the risk taken to achieve them. *Morningstar Categories are used to define the peer group comprising funds they deem similar based on fund objectives and holdings. The average is a median.

Carbon intensity emissions (%)



Over the month, the average carbon intensity of the market benchmark was measured at 209.8 tCO₂e. Our investment approach resulted in a reduction of 37%, meaning the carbon intensity of the portfolio was measured at 132 tCO₂e.

ESG score distribution (%)



86% of the underlying issuers held by the fund are rated AAA-A, compared to 70% of those in the reference benchmark. The average ESG score for the underlying issuers held by the fund is 7.23, while that of the reference benchmark securities was 6.32.

Fund vs reference comparator (%)

Fund	Weight	ESG score	Carbon intensity emissions	Index	Weight	ESG score	Carbon intensity emissions
Global Government Bond	29.00%	2.05	71.04	Bloomberg Global Agg Treasuries	29.00%	1.74	89.05
Global Corporate Bond	27.27%	2.10	11.80	Bloomberg Barclays Global Agg Corporates	27.25%	1.87	35.02
Developed Equity	24.74%	2.05	12.29	FTSE World	17.67%	1.23	20.20
Global Equity	5.70%	0.46	4.54	MSCI ACWI	12.78%	0.88	16.46
Global Property	3.59%	0.09	1.20	FTSE EPRA NAREIT	3.59%	0.23	3.29
GEM Debt - Local Currency	3.15%	0.18	17.86	JPM GBI-EM Global Diversified	3.15%	0.14	23.59
Emerging Market Equity	2.00%	0.13	4.48	FTSE Emerging Markets	2.00%	0.11	8.05
GEM Debt - Hard Currency	1.72%	0.08	7.46	JPM EMBI Global Diversified	1.72%	0.07	10.60

To demonstrate the performance of the fund against its sustainable investment aim the ESG and carbon intensity scores of the fund are shown compared to the scores of a reference comparator. The reference comparator represents the ESG and carbon intensity scores the fund might have achieved if it did not have a sustainable investment aim.

The reference comparator is a combination of market indices that represent the asset classes held by the fund and in the same proportions (weighting) as the fund, as shown in the table above. The composition of the reference comparator varies over time in line with the asset classes and proportions held by the fund.

The table above shows the top 8 asset classes contribute differently to the ESG and carbon intensity scores although it is important to consider the weighted average scores of the overall fund and those of the reference comparator.

Stewardship

Stewardship in Action – Proactive engagement with a Chinese multinational.

Background - At the time of our first engagement in 2022, the company had only published a short ESG report several years before and had provided limited updates since then. We had also found it hard to access the company's management to discuss our concerns about technology ethics, governance, increasing regulatory pressure on the internet and e-commerce sector and workplace controversies reported in the media.

Engagement process - We have been engaging with the company since 2022 and provided input into their first full ESG report. We highlighted material ESG issues relating to the company's activities including anti-competitive practices, anti-trust, data privacy and security, artificial intelligence (AI) ethics and governance, worker rights and reports of long working hours issues, sexual harassment and poor business culture.

Voting process - In 2023, we voted against the longest serving non-executive male director due to insufficient gender diversity on the board.

Outcome & Next Steps - Since our engagement started, the company has formed a technology committee with six guiding principles to steer the research and development of artificial intelligence ethics. It has also published more comprehensive ESG disclosures. In 2023, as part of its corporate restructuring, the company separated the Chair and CEO roles, which we view as a positive step to better board governance.

Risk disclosures

- Investing in other funds involves certain risks an investor would not face if investing in markets directly. Governance of underlying assets can be the responsibility of third-party managers.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Liquidity is a measure of how easily the Fund's holdings can be quickly converted to cash. The value of the Fund's holdings may be significantly impacted by liquidity risk during adverse market conditions.

Important information

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This fund is a sub-fund of HSBC OpenFunds, an Open Ended Investment Company that is authorised in the UK by the Financial Conduct Authority. From 29 July 2024, the Authorised Corporate Director is HSBC Asset Management (Fund Services UK) Limited and 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 (KID), 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 KID and additionally, in the case of retail clients, the information contained in the supporting SID.

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This fund is Sustainably Invested in line with one or more of the Global Sustainable Investment Alliance (GSIA) sustainable investment styles (positive/best-in-class screening, norms-based screening, sustainability themed investing, impact/community investing). It does not invest in companies involved in the manufacture of cluster munitions or anti-personnel mines. The fund is not guaranteed to outperform those which do not meet sustainability criteria.

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.

www.assetmanagement.hsbc.co.uk

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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at www.assetmanagement.hsbc.co.uk

Source: HSBC Asset Management, data as at 31 March 2025

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Wholesale.clientservices@hsbc.com.

www.assetmanagement.hsbc.com/uk

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

Glossary



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