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).

5 March 2025

IMPORTANT INFORMATION ABOUT YOUR INVESTMENT IN THE GLOBAL SUSTAINABLE MULTI-ASSET PORTFOLIOS

Dear Investor,

We, HSBC Asset Management (Fund Services UK) Limited, are writing to let you know that we are making some changes to our range of Global Sustainable Multi-Asset Portfolios listed below (in this letter each Portfolio is referred to as a "Fund" and the Portfolios together are referred to as the "Funds"):

- Global Sustainable Multi-Asset Cautious Portfolio
- Global Sustainable Multi-Asset Conservative Portfolio
- Global Sustainable Multi-Asset Balanced Portfolio
- Global Sustainable Multi-Asset Dynamic Portfolio
- Global Sustainable Multi-Asset Adventurous Portfolio

We have explained the changes we are making in this letter and provided further information about the changes in the attached Questions and Answers document that follows at the end of this letter. However, if you have any questions or require further information you can contact us using the details shown at the top of this letter.

HSBC Asset Management (Fund Services UK) Limited is the party responsible for the management and operation of the Funds as their Authorised Corporate Director ("ACD"). In this letter we refer to HSBC Asset Management (Fund Services UK) Limited as "we", "us", "our" or the "ACD".

In summary, the changes are:

- We are making changes to the investment objective and investment policy wording and we are also introducing more information about the sustainability characteristics of the Funds. These changes aim to provide greater clarity to investors and to meet new regulatory requirements. However, these changes will not affect the overall way the Funds are currently managed.

- We are renaming the Funds to meet new regulatory requirements.
- We are enhancing how we provide information on the Funds. We are doing this by introducing a new information document to help investors understand the key sustainability characteristics of the Funds and, from 2026 onwards, we will provide investors with new reports on the progress of the Funds in meeting their aims.
- We are expanding the range of asset classes that the Funds may invest in.
- We are increasing the fees paid to us as ACD for managing and operating the Funds. We are also introducing discounts to these fees, which apply when each Fund reaches a certain size.

We have explained each of the changes separately in this letter. We need to provide you with a period of notice before making the changes detailed above. However, the amount of notice we need to provide is dependent on the type of change therefore the effective date for each change is specified separately.

While we appreciate that an increase in charges is never welcomed, given the sophistication and nature of the Funds, the revised charges are necessary to fairly compensate us for the work we undertake in managing them. The discounts we are introducing will enable us to pass on economies of scale that we can achieve as the Funds grow in size and, although we are making these changes, we firmly believe that the Funds will continue to offer good value to our customers.

We are making changes to the investment objective, investment policy and introducing more information about the Funds' sustainability characteristics

We are making changes to the investment objective, investment policy and investment strategy wording detailed in the Prospectus for these Funds. We are also introducing a new section of wording to the Prospectus, known as the sustainability-related pre-contractual disclosures. This replaces the existing sustainable investment strategies section of the Prospectus. These changes will be effective from 1 April 2025.

The changes are necessary in the first instance to meet the requirements of the new Sustainability Disclosure Requirements ("SDR") regulations introduced by the Financial Conduct Authority ("FCA") in the UK. Importantly too, we want to provide investors with greater clarity about what each Fund aims to achieve.

The SDR is a new set of regulations intended to help investors navigate the market for sustainable investment products. It introduces voluntary sustainability labels that funds can use if they meet certain standards set out in the rules. The Funds were launched before the SDR regulations were introduced so they were not designed to meet the standards required to use one of the sustainability labels. Therefore, it is currently not our intention to use one of the sustainability labels.

Although we are not intending to use a label, the Funds will continue to have sustainability characteristics and, importantly, the overall purpose of the Funds will not change. Each Fund will still aim to provide growth in line with its risk profile. The changes to their investment objectives will not affect the overall way the Funds are managed (changes to their investment policies and investment strategies are necessary to reflect the additional asset classes the Funds may invest in, as described further below). The Funds will continue to be managed according to their risk profiles.

The description of the sustainable investment strategies currently set out in the Prospectus are based on definitions that were put forward by the Global Sustainable Investment Alliance. We are replacing the description of sustainable investment strategies with a new sustainability-related pre-contractual disclosures section in the Prospectus. This is in part to meet the requirements of the new SDR regulations but also in recognition of the progression of how sustainable investments have evolved over time. This new section will describe the sustainability characteristics of the Funds and other related information as summarised below. It will:

- Explain what each of the Funds will invest in, that is, assets such as other funds that contribute to one or more of the following responsible investment aims:

  Aim 1. The Fund aims to invest in assets that contribute to a lower carbon intensity level. The Fund will seek to deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe.

  Aim 2. The Fund aims to invest in assets that invest in companies and/or issuers that demonstrate better management of their key environmental, social and governance risks through their products and services, as well as their practices and policies. The Fund will seek to deliver an overall Environmental, Social and Governance ('ESG') score that is higher than the broader investment universe.

Aim 3. The Fund will invest in Assets focused on themes ('Thematic Assets') that seek to contribute towards positive environmental and/or social outcomes. Thematic Assets will fall under one or more of the following themes:

- Circular Economy and Green Infrastructure
- Climate and Energy Transition
- Natural Resources and Water
- Evolving Society

The Fund will invest at least 20% of its value into Thematic Assets.

In the Questions and Answers document included below we have explained the above aims in more detail.

- Clarify the percentage of each Fund that will be invested in assets that contribute to its responsible investment aims. Each Fund will invest at least 70% of its value into such assets.
- Provide information about assets we select for the Funds and the types of assets that the Fund will generally not invest into e.g. companies involved in excluded activities, such as the production of banned weapons.
- Explain how the investment approach of the Funds may affect their performance and risks that apply. For example, as the Funds will not invest in companies involved in certain excluded activities, then the Funds will not benefit from the investment performance of those companies if they are performing well financially.
- Describe the metrics that will be presented to investors to demonstrate how the Funds are meeting their responsible investment aims.
- Inform investors about how stewardship activity contributes to the achievement of the responsible investment aims.
- Explain what happens if our regular monitoring highlights that some of the assets held by the Funds do not demonstrate sufficient contribution to the achievement of the responsible investment aims. Should this occur, we will investigate to understand the causes and where necessary, determine action to ensure the Funds continue to be aligned to their responsible investment aims.

A comparison of the current and revised investment objective, investment policy and investment strategy for each of the Funds, together with the new sustainability-related pre-contractual disclosures that applies across all of the Funds, is shown in full in the Questions and Answers document. We're also amending the Key Investor Information Document ("KIID") for each of the Funds to reflect the changes. The revised Prospectus and KIID will be available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the relevant Fund from the list of funds. Alternatively, this can be obtained by contacting us using the details shown at the top of this letter.

We are renaming the Funds

The SDR regulations also introduce new naming and marketing rules for funds. Funds that do not use a sustainability label are no longer allowed to use words such as "sustainable", "sustainability", "impact" or any other variation of those terms in their names. As indicated above, it is currently not our intention to use one of the sustainability labels, therefore we are renaming the Funds with effect from 1 April 2025 as shown below:

Current Name	Revised Name
Global Sustainable Multi-Asset Cautious Portfolio	Global Responsible Multi-Asset Cautious Portfolio
Global Sustainable Multi-Asset Conservative Portfolio	Global Responsible Multi-Asset Conservative Portfolio
Global Sustainable Multi-Asset Balanced Portfolio	Global Responsible Multi-Asset Balanced Portfolio
Global Sustainable Multi-Asset Dynamic Portfolio	Global Responsible Multi-Asset Dynamic Portfolio
Global Sustainable Multi-Asset Adventurous Portfolio	Global Responsible Multi-Asset Adventurous Portfolio

Please note that we have continued to refer to the Funds by their current names in the remainder of this letter.

We are enhancing how we provide information on the Funds

We are introducing a new information document, known as the SDR Consumer Facing Disclosure. This aims to help investors understand the key sustainability characteristics of the Funds and compare them to similar investment products.

The SDR Consumer Facing Disclosure provides a concise summary of the information found in the more detailed Prospectus and also provides brief information about how the Funds are progressing towards the achievement of their responsible investment aims.

The SDR Consumer Facing Disclosure will be available on the HSBC Asset Management website from 1 April 2025. The documents will be available by visiting assetmanagement.hsbc.co.uk, selecting Funds and then choosing your Fund from the list.

Additionally, from 2026 onwards, we will provide new reports for the Funds. The reports will provide more detailed information on the progress of the Funds towards meeting their responsible investment aims. We will provide you with more information about these reports closer to the time.

We are expanding the range of asset classes

The Funds currently invest in a range of asset classes, including company shares (equities), bonds and property. From 6 May 2025, the Funds will also be able to invest in the additional asset classes described below, as set out in the Prospectus. We expect this will allow further diversification of the assets held by the Funds and provide additional flexibility to respond to market conditions. These changes are intended to help the Funds achieve their investment objectives and to manage their investment risks.

The additional asset classes include but are not limited to infrastructure, commodities and private equity. Along with property we refer to these as alternative asset classes. In general terms, infrastructure encompasses physical structures and commodities including raw materials such as gold and agricultural products like wheat. Private equity includes funds, organised as limited partnerships, that buy and restructure companies that are not publicly traded.

We anticipate the Funds will initially invest in renewables infrastructure, which includes infrastructure projects that invest in wind and solar farms for example, and allocations to other alternative asset classes will follow over time. Investments in alternative asset classes will be held indirectly via other funds or other financial instruments.

As a result of the expanded investment in alternative asset classes, the investment policy and investment strategy described in the Prospectus will be amended.

The overall risk profiles of the Funds will remain unchanged. However, there are different investment risks associated with alternative asset classes. The Prospectus will be updated to reflect these risks but, in summary:

- Alternative asset classes may be less liquid than other types of investment which means they may be difficult to sell in a timely manner or at a reasonable price;
- It may also be more difficult to obtain reliable information about their value and there may be greater potential for significant price movements with these asset classes.

While it’s important to understand the risks involved in investing, the Funds will continue to be well diversified so we would not expect the risks above to affect your ability to sell your shares in the Funds or our ability to accurately value the Funds.

Transaction costs when we initially invest in alternative asset classes

When we add alternative asset classes to the Funds, the fund manager will initially invest, through other funds, in renewables infrastructure. To raise money to invest in this asset class, the fund manager will need to sell other existing holdings. There will be costs associated with these transactions, paid for by the Funds, which we have estimated as shown below. In practice, the costs will depend on the amount that is invested into the alternative asset classes and the market conditions at the time of the investment.

Fund	**Transaction costs for initial investment into alternative asset classes**	**Transaction costs in £s based on example investment of £10,000****
Global Sustainable Multi-Asset Cautious Portfolio	0.01%	£1.00
Global Sustainable Multi-Asset Conservative Portfolio	0.03%	£3.00
Global Sustainable Multi-Asset Balanced Portfolio	0.06%	£6.00

Fund	Transaction costs for initial investment into alternative asset classes	Transaction costs in £s based on example investment of £10,000**
Global Sustainable Multi-Asset Dynamic Portfolio	0.07%	£7.00
Global Sustainable Multi-Asset Adventurous Portfolio	0.08%	£8.00

** The figures are rounded to the nearest £1.

We are increasing the fees paid to us

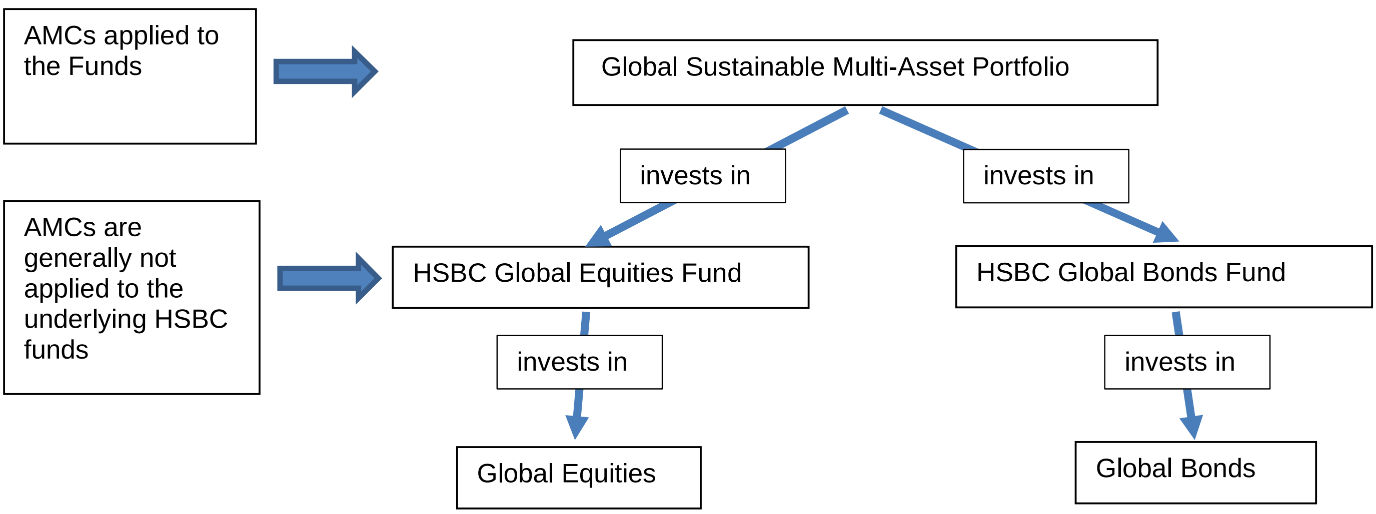
The Annual Management Charge ("AMC") is a payment to us for carrying out our duties and responsibilities in managing the Funds and is reflected in the Funds' daily share prices. We are increasing the AMC of the Funds, with effect from 6 May 2025, as shown below:

- From 0.45% per year (current) to 0.55% per year (revised) for the C share classes;
- From 0.23% per year (current) to 0.25% per year (revised) for the P share classes.

We offer different share classes for our Funds, to which different eligibility criteria apply as described in the Prospectus. 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 Funds invest in a range of asset classes and sustainable strategies, largely through investment in other underlying HSBC funds. When the Funds were launched, their ability to invest in certain asset classes was limited by the availability of suitable underlying funds that apply sustainable strategies. At the time we reflected this by charging a lower AMC compared to other similar multi-asset funds that we offer. Over time, we have been able to increase the range of asset classes that the Funds invest into, which going forward will also include alternative asset classes.

We have achieved this mainly through the launch of new HSBC funds that invest in desirable asset classes and meet one or more of the sustainable strategies. In addition, the Funds will continue to have the ability to invest in funds offered by other providers where this is appropriate. This means that the Funds now have the potential to benefit from investment in a wider range of asset classes. However, with some exceptions, AMCs are generally not applied to the underlying funds the Funds invest in, as shown in the simplified diagram below. This means that the costs to HSBC Asset Management of managing new underlying funds is not necessarily covered by the investment made by the Funds.



We are introducing discounts to our fees based on the size of a Fund

We are also introducing discounts to the revised AMC with effect from 6 May 2025. The discounts are designed to benefit the investors in each Fund by passing on some of the economies of scale savings that are achieved when a Fund increases significantly in size. These savings may arise, for example, when certain fixed costs that are incurred by us and/or the service providers in managing and operating a Fund, remain broadly the same as the Fund grows.

The operation of the discounts is described in more detail in the Questions and Answers included, but in summary discounts are applied to the AMC, for certain share classes of each Fund, when the value of the whole Fund reaches a certain size, rather than the value of your individual holding or the share class you are invested in. Where discounts are applied, this has the effect of reducing the overall charges paid by investors in the applicable share classes of that Fund.

Based on the current size of the Funds, we expect discounts to apply to the revised AMC of the applicable share classes of the Global Sustainable Multi-Asset Balanced Portfolio from 6 May 2025. Discounts may not initially apply to the revised AMC of the Global Sustainable Multi-Asset Adventurous Portfolio, the Global Sustainable Multi-Asset Cautious Portfolio, the Global Sustainable Multi-Asset Conservative Portfolio and the Global Sustainable Multi-Asset Dynamic Portfolio again given the current size of the Funds. However, the Funds will be able to benefit from the discounts if and when they reach the applicable size.

How the changes affect the overall charges of the Funds

The current and revised AMC and Ongoing Charges Figure ("OCF") for the C share classes and P share classes of each of the Funds is shown below. Again, if you aren't sure which class of shares you hold you can check on statements or contract notes we have previously sent you or by contacting us.

The OCF is a measure of the total annual charges of a Fund, including the AMC but excluding portfolio transaction costs (these are costs incurred when buying and selling assets for the Funds). The revised OCFs shown are estimated and take account of the AMC increases and any discounts that may apply.

The OCF is variable and is periodically updated in the annual and half-yearly Report and Accounts and the KIID.

		Current		Revised		Increase in Ongoing Charges Figure in £s based on example investment of £10,000*
Fund	**Share Class**	**Annual Management Charge**	**Ongoing Charges Figure**	**Annual Management Charge**	**Ongoing Charges Figure**	
Global Sustainable Multi-Asset Cautious Portfolio	Accumulation C	0.45%	0.74%	0.55%	0.85%	£11.00
	Income C	0.45%	0.74%	0.55%	0.85%	£11.00
	Accumulation P	0.23%	0.52%	0.25%	0.55%	£3.00
Global Sustainable Multi-Asset Conservative Portfolio	Accumulation C	0.45%	0.61%	0.55%	0.72%	£11.00
	Income C	0.45%	0.62%	0.55%	0.73%	£11.00
	Accumulation P	0.23%	0.39%	0.25%	0.42%	£3.00
Global Sustainable Multi-Asset Balanced Portfolio	Accumulation C	0.45%	0.59%	0.55%	0.71%	£12.00
	Income C	0.45%	0.59%	0.55%	0.71%	£12.00
	Accumulation P	0.23%	0.36%	0.25%	0.40%	£4.00
Global Sustainable Multi-Asset Dynamic Portfolio	Accumulation C	0.45%	0.64%	0.55%	0.77%	£13.00
	Income C	0.45%	0.64%	0.55%	0.77%	£13.00
	Accumulation P	0.23%	0.41%	0.25%	0.46%	£5.00
Global Sustainable Multi-Asset Adventurous Portfolio	Accumulation C	0.45%	0.68%	0.55%	0.81%	£13.00
	Income C	0.45%	0.68%	0.55%	0.81%	£13.00
	Accumulation P	0.23%	0.45%	0.25%	0.50%	£5.00

* The figures are rounded to the nearest £1.

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. We've explained how you can do this in the attached Questions and Answers.

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[1] or you can send an e-mail to HSBCenquiries@ntrs.com.

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

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

Yours sincerely

Matthew Higginbotham
Chief Executive Officer
HSBC Asset Management (Fund Services UK) Limited

Important Information

To help improve our service and in the interests of security we may record and/or monitor your communication with us. HSBC Asset Management (Fund Services 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 Asset Management (Fund Services UK) Limited, who are authorised and regulated by the Financial Conduct Authority.

The Funds are sub-funds of HSBC OpenFunds an Open Ended Investment Company that is authorised in the UK by the Financial Conduct Authority. 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 (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 Asset Management (Fund Services UK) Limited.

www.assetmanagement.hsbc.com/uk

QUESTIONS AND ANSWERS

What is meant by carbon intensity and ESG scores and how are these calculated for a Fund?

Carbon intensity considers how much a company or government contributes to global greenhouse gas emissions relative to its economic output, for example relative to the revenues a company generates. Carbon intensity is measured using Scope 1 and 2 emissions only (these are described in more detailed in the Sustainability-related Pre-contractual Disclosures section further below).

Environmental, Social and Governance ('ESG') scores seek to measure how well a company or government is managing its key environmental, social and governance risks as well as, where appropriate, its opportunities relating to products and services that have positive social or environmental contribution. This takes account of a number of factors under each of the environmental, social and governance themes.

The overall carbon intensity and ESG score for each of the Funds are calculated based on the weighted average of the carbon intensity and ESG score respectively for the assets held by each Fund. A weighted average takes account of the proportions in which the assets are held within the Fund.

The reference comparator is a combination of market indices, such as the FTSE World Index, and represents the carbon intensity and ESG score each Fund might have achieved if it did not have a sustainable investment aim. The overall carbon intensity and ESG score of the reference comparator is again calculated based on a weighted average of the carbon intensity and ESG score respectively of the assets that make up the indices.

The latest carbon intensity and ESG score for each Fund and its reference comparator are shown on the monthly Fund Factsheets. The Fund Factsheets are available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the relevant Fund from the list of funds.

To determine carbon intensity and ESG score, we may rely on expertise, research and information provided by well-established financial data providers and/or our own research. However, we may not always have complete data for the assets held by a Fund or index. This may be because such data is unavailable, for example because a company does not disclose certain information. We aim to provide as much information as possible but where data is missing for assets held by a Fund or index, we will exclude these assets from the overall calculations described above.

Additionally, there may be times when it is not possible represent an asset class held by the Fund within the reference comparator, for example when there is not an appropriate index to represent the asset class or due to a lack of suitable data. In such cases, the allocation to this asset class held by the Fund will not be included in the overall comparison of carbon intensity and ESG score.

What is meant by the broader investment universe as referred to in Aims 1 and 2?

The broader investment universe provides a comparison to what each of the Funds might have achieved if they did not have responsible investment aims. The broader investment universe is represented by a reference comparator, which is a combination of market indices, such as the FTSE World Index.

The reference comparator represents the ESG score and carbon intensity each Fund might have achieved if it did not have a responsible investment aim. The overall carbon intensity and ESG score of the reference comparator is again calculated based on a weighted average of the carbon intensity and ESG score of the assets that make up the indices.

What are the themes referred to in Aim 3?

The Thematic Assets that the Funds invest into fall within the following broader themes:

Circular Economy and Green Infrastructure	Climate and Energy Transition	Natural Resources and Water	Evolving Society
Investments that support (1) the promotion of a circular economy, which is an economy model that involves sharing, reusing and recycling existing materials and products for as long as possible or (2) green infrastructure, which aim to solve urban and climatic challenges by building in conjunction with nature	Investments that focus on supporting climate transition either through decarbonisation (lowering carbon emissions) and/or solutions that enable the transition	Investments that seek to support sustainable outcomes related to water and other environmental resource management activities	Investments related to the promotion of more equitable social outcomes including healthcare and other societal areas

What are United Nations Sustainable Development Goals (UN SDGs) referred to in the Sustainability-related Pre-contractual Disclosures and what is meant by alignment to the themes the Fund invests in?

There are 17 UN SDGs, that were introduced at the United Nations Conference on Sustainable Development in Rio de Janeiro in 2012. The aim was to produce a set of universal goals that meet the urgent environmental, political and economic challenges facing our world. Examples of the UN SDGs are:

- UN SDG 3 – Good Health and Wellbeing
- UN SDG 4 – Quality Education
- UN SDG 5 – Gender Equality
- UN SDG 8 – Decent Work and Economic Growth
- UN SDG 10 – Reduced Inequalities

We have identified the UN SDGs that are typically relevant for each theme referred to in Aim 3. The UN SDGs provide a framework to support investors in how they articulate and assess themes. Alignment to the themes (and the underlying UN SDGs as relevant) will be assessed either:

- directly, for example by considering the extent to which the revenue of the companies and issuers held by a Thematic Asset is aligned with UN SDGs; or
- indirectly, through another thematic metric reflective of the theme or UN SDG

How have the new names been chosen?

UK based funds that do not use a sustainability label are no longer allowed to use words such as “sustainable” in their names. We are therefore replacing the word “sustainable” with the word “responsible” in the name of the Funds. “Responsible” is a widely used term that reflects a broad range of investment approaches and activities, such as those employed by the Funds. These include the Funds’ aim of providing a lower carbon intensity and higher ESG score versus the broader investment universe, investment in assets that focus on specific climate and social themes and the application of exclusions. Together these form the sustainability characteristics of the Funds.

Why were the Funds originally called “sustainable”?

The Global Sustainable Multi-Asset Balanced Portfolio and Global Sustainable Multi-Asset Conservative Portfolio were launched in 2018, with the Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Cautious Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio launching in 2020. All the Funds were authorised by the FCA and launched prior to the introduction of the SDR regulations and its naming requirements.

The Funds included the word “sustainable” in their names because it was deemed an appropriate reflection of the Funds’ sustainability characteristics however, under the SDR, the word ‘sustainable’ in a fund name is now reserved for use only by those UK funds that will use a sustainability label.

How much of a Fund's value will be invested in alternative asset classes?

We expect that up to 15% of the value of the Global Sustainable Multi-Asset Cautious Portfolio and Global Sustainable Multi-Asset Conservative Portfolio may be held in alternative asset classes, including property. We expect that up to 20% of the values of the Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Balanced Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio may be held in alternative asset classes, including property. We may vary these proportions at our discretion. All the Funds will, however, continue to be well diversified and managed in line with their risk profiles.

When might Annual Management Charges ("AMCs") also be applied to underlying HSBC funds?

Generally, our approach is to apply AMCs to the Funds and not to the underlying HSBC funds that they invest into. However, there may be exceptions to this, for example if an underlying HSBC fund only offers one type of shares to which an AMC applies. Where there are charges applied to the underlying funds, including both HSBC and third party funds, the charges associated with this will be included in the Ongoing Charges Figure for the Funds.

How are the discounts to the Annual Management Charges ("AMCs") applied?

The discounts to the AMC that apply to each Fund are based on the size of the Fund, as measured by its total value. We refer to the total value of the Fund as its Net Asset Value. Where they apply, discounts are only made to the AMC of the Income C and Accumulation C share classes of the Fund and no other share classes are affected. The discounts are applied in tiers with the rates determined by the proportion of the Fund's Net Asset Value that falls within the ranges shown in the table below. A weighted average of the overall discount rate that applies is then calculated and applied to the AMC. This means that only the proportion of the Fund's Net Asset Value that falls within each range receives the applicable discount for that tier.

Fund's Net Asset Value Range	**Discount applied based on the proportion of Fund's Net Asset Value falling within the range shown**
£0 – up to £0.75 billion	0.00%
In excess of £0.75 billion – up to £1.50 billion	0.02%
In excess of £1.50 billion – up to £2.25 billion	0.04%
In excess of £2.25 billion – up to £3.00 billion	0.06%
In excess of £3.00 billion – up to £3.75 billion	0.08%
In excess of £3.75 billion – up to £4.50 billion	0.10%
In excess of £4.50 billion – up to £5.25 billion	0.12%
In excess of £5.25 billion – up to £6.00 billion	0.14%
In excess of £6.00 billion – up to £6.75 billion	0.16%
In excess of £6.75 billion	0.18%

We have included a worked example below to illustrate how the discounts may apply. Further detail on the methodology is included in the Prospectus of the Funds.

<u>Example</u>

In this example, the fund has a Net Asset Value of £1.90 billion with an AMC of 0.55%.

A discount of 0% applies in relation to the proportion of the Net Asset Value up to £0.75 billion.

A discount of 0.02% applies in relation to the proportion of the Net Asset Value in excess of £0.75 billion, up to £1.50 billion.

A discount of 0.04% applies in relation to the proportion of the Net Asset Value in excess of £1.50 billion, up to £1.90 billion (the total Net Asset Value for the fund).

The weighted average discount rate calculated from the above is 0.02%*.

The discounted AMC is therefore 0.53%*.

This means that an investor who holds Income C / Accumulation C shares with a value of £10,000 in the fund will effectively pay an AMC of £53.37 per year, instead of £55 per year.

* For illustrative purposes the weighted average discount rate and AMC quoted here have been rounded to two decimal places. In practice the discount rate and AMC are calculated and applied without rounding, as reflected in the monetary example.

How can I find out the Net Asset Value of the Funds?

The Net Asset Value for each of the Funds is shown on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Funds" and locate and select the relevant Fund from the list of funds. Alternatively, this can be obtained by contacting us using the details shown at the top of the letter.

How can I find out the discounts that apply going forward?

Information about the discounts that apply will be shown on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Funds", locate and select the relevant Fund from the list of funds. Under "Documents", select "Discounts to the Annual Management Charge". The discount information on the website will be updated every six months. Alternatively, this can be obtained by contacting us using the details shown at the top of the letter.

The AMCs that have been applied, allowing for any discounts, will also be shown in the Report and Accounts for the relevant reporting period.

What will happen to the discounts if a Fund decreases in size?

Although the discounts are designed to pass on economies of scale savings where each Fund increases in size, discounts will cease to apply where a Fund is decreasing in size and its Net Asset Value falls below the level required to benefit from the applicable discount.

How can I sell my investment or switch funds if I wish to?

Individual investors wishing to switch or sell their shares in the Fund(s) may call us on the telephone number shown at the top of this letter. Joint investors wishing to switch or sell shares in the Fund(s) must provide written instructions to us signed by all registered investors. Joint investors should send their written instructions to HSBC Asset Management (Fund Services UK) Limited, Sunderland SR43 4BF.

Before choosing to switch to another fund, you should note in particular the different objectives of the funds and the different charges and expenses which apply to these funds, as these may well be different to those of the Funds. Information about other funds we offer is available on the HSBC Asset Management website. Visit www.assetmanagement.hsbc.co.uk and select "Funds". In particular, you should read the Key Investor Information Document (KIID) for other funds before making your decision.

If I sell my investment or switch funds will this create a tax liability?

The sale of your shares in the Fund(s) will be treated as a disposal for Capital Gains Tax ("CGT") purposes. If the price of the shares when they are sold is greater than the price of the shares when you originally purchased them, then you may need to pay CGT on this gain. CGT is only payable if your total gain, less any allowable losses, from all sources, for the whole tax year, is more than your annual CGT allowance. Other exemptions may also apply for example, if shares are held within an Individual Savings Account.

The information here is based on current UK legislation and HM Revenue & Customs ("HMRC") practice in force at the time of writing and does not constitute legal or tax advice and applies only to UK investors holding shares in the Funds as investments.

Investors should consult their own professional advisers as to the implications of switching or selling their shares in the Fund(s) under the laws of the jurisdiction in which they may be subject to tax.

What is the current and revised investment objective, investment policy and investment strategy wording for each of the Funds?

The tables below show the current and revised investment objective, investment policy and investment strategy wording for each of the Funds, as described in the Prospectus. The revised wording applies from 1 April 2025, with the exception of the wording shown in red text which applies from 6 May 2025.

We include descriptions of the words and phrases shown in bold italic text in the Prospectus and in our Glossary document, which is available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the relevant Fund from the list of funds. Alternatively, this can be obtained by contacting us using the details shown at the top of the letter.

<table>
<tr><th colspan="2">Global Sustainable Multi-Asset Adventurous Portfolio</th></tr>
<tr><th>Current Wording</th><th>Revised Wording</th></tr>
<tr><td>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 5 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.</td><td>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 5 where 1 is a lower level of risk and 5 is a higher level of risk.

[Note: see HSBC Risk Level Explanation section in the prospectus]

[Note: see the Sustainability-related Pre-contractual Disclosures section below for details of the sustainability characteristics and aims of the Fund. Investing in assets that align with its aims in respect of its sustainability characteristics may have an impact on the Fund's financial risks and returns, as set out in more detail below in the Sustainability-related Pre-contractual Disclosures section.]</td></tr>
<tr><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 80% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 20% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. The Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not</td><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 80% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and alternative asset classes such as commodities, infrastructure, private debt, private equity and property securities. The Fund may also invest up to 20% directly in bonds and equities and may invest in other financial instruments to gain exposure to alternative asset classes where the investment objective can be more efficiently achieved. The Fund will be invested across global markets.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. The Fund may also use derivatives for broader</td></tr>
</table>

intend to use ***derivatives*** extensively and their use will be consistent with the risk profile of the Fund.	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. The Fund will also incorporate sustainability characteristics as set out in the Sustainability-related Pre-contractual Disclosures section below. As part of its investment approach the Fund will invest in assets that support at least one of the following three responsible investment aims: • To deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe. • To deliver an overall Environmental, Social and Governance ('ESG') score that is higher than the broader investment universe. • To invest in assets focused on themes that contribute towards positive environmental and/or social outcomes.
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 of 5, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund. The starting point for the Global Sustainable Multi-Asset Portfolios is the ***asset allocation*** for each risk level. The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios' allocations to reflect the Fund manager's views on the current market environment. The final stage in the investment process is deciding how best to take exposure to each asset class. This 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 at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in ***collective investment schemes*** where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the ***asset allocation*** to enable the Fund to meet its aim.	**Investment Strategy** This is one of a range of ***actively managed*** Global Responsible 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 of 5, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund. The starting point for the Global Responsible Multi-Asset Portfolios is the ***asset allocation*** for each risk level. The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios' allocations to reflect the Fund manager's views on the current market environment. The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in ***collective investment schemes***, investing directly in asset classes and investing in ***derivatives*** and other financial instruments. The focus on sustainability characteristics is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in ***collective investment schemes*** where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the ***asset allocation*** to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equity Global ***Equity***	75% - 100%
Bonds Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	0% - 25%
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 80%+ Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 80%+ Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index

Asset class	Exposure as a percentage of the Fund
Equities Global ***Equities***	65% - 100%
Bonds Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	0% - 35%
Alternative asset classes ***Infrastructure*** Property securities Other alternative asset classes including ***commodities***, ***private debt*** and ***private equity***	0% - 20%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 80%+ Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 80%+ Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, 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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***. ***Currency forward contracts*** will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global ***Developed Market*** Government ***Bonds***	Bloomberg Barclays Global Aggregate Treasuries Index
Global Corporate ***Bonds***	Bloomberg Barclays Global Aggregate Corporates Diversified Index
Global ***High Yield Bonds***	ICE BofA Global High Yield BB-B Constrained Index
Emerging Market Bonds – Hard Currency	JPM EMBI Global Diversified Index
Emerging Market Bonds – Local Currency	JPM GBIEM Global Diversified Index
Property securities	FTSE EPRA Nareit Developed Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

<table>
<tr><th colspan="2">Global Sustainable Multi-Asset Balanced Portfolio</th></tr>
<tr><th>Current Wording</th><th>Revised Wording</th></tr>
<tr><td>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 3 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.</td><td>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 3 where 1 is a lower level of risk and 5 is a higher level of risk.

[Note: see HSBC Risk Level Explanation section in the prospectus]

[Note: see the Sustainability-related Pre-contractual Disclosures section below for details of the sustainability characteristics and aims of the Fund. Investing in assets that align with its aims in respect of its sustainability characteristics may have an impact on the Fund's financial risks and returns, as set out in more detail below in the Sustainability-related Pre-contractual Disclosures section.]</td></tr>
<tr><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 70% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 30% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. 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.</td><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 70% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and alternative asset classes such as commodities, infrastructure, private debt, private equity and property securities. The Fund may also invest up to 30% directly in bonds and equities and may invest in other financial instruments to gain exposure to alternative asset classes where the investment objective can be more efficiently achieved. The Fund will be invested across global markets.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. 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.

The Fund will also incorporate sustainability characteristics as set out in the Sustainability-related Pre-contractual Disclosures section below. As part of its investment approach the Fund will invest in assets that support at least one of the following three responsible investment aims:</td></tr>
</table>

- To deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe.
- To deliver an overall Environmental, Social and Governance (‘ESG’) score that is higher than the broader investment universe.
- To invest in assets focused on themes that contribute towards positive environmental and/or social outcomes.

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 of 3, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund.

The starting point for the Global Sustainable Multi-Asset Portfolios is the ***asset allocation*** for each risk level.

The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.

The final stage in the investment process is deciding how best to take exposure to each asset class. This 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 at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the ***asset allocation*** to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equity Global Equity	45% - 70%
Bonds	20% - 55%

Investment Strategy

This is one of a range of ***actively managed*** Global Responsible 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 of 3, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund.

The starting point for the Global Responsible Multi-Asset Portfolios is the ***asset allocation*** for each risk level.

The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.

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Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the ***asset allocation*** to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equities Global Equities	30% - 70%
Bonds Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency***	25% - 70%

Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 40-60% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 40-60% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index

Emerging Market Bonds – Local Currency ***Asset-Backed Securities***	
Alternative asset classes ***Infrastructure*** Property securities Other alternative asset classes including ***commodities***, ***private debt*** and ***private equity***	0% - 20%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 40-60% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 40-60% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, 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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global ***Developed Market*** Government ***Bonds***	Bloomberg Barclays Global Aggregate Treasuries Index
Global Corporate ***Bonds***	Bloomberg Barclays Global Aggregate Corporates Diversified Index
Global ***High Yield Bonds***	ICE BofA Global High Yield BB-B Constrained Index
Emerging Market Bonds – Hard Currency	JPM EMBI Global Diversified Index
Emerging Market Bonds – Local Currency	JPM GBIEM Global Diversified Index
Property securities	FTSE EPRA Nareit Developed Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global Sustainable Multi-Asset Cautious Portfolio	
Current Wording	**Revised Wording**
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 1 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.	**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 1 where 1 is a lower level of risk and 5 is a higher level of risk. [Note: see HSBC Risk Level Explanation section in the prospectus] [Note: see the Sustainability-related Pre-contractual Disclosures section below for details of the sustainability characteristics and aims of the Fund. Investing in assets that align with its aims in respect of its sustainability characteristics may have an impact on the Fund's financial risks and returns, as set out in more detail below in the Sustainability-related Pre-contractual Disclosures section.]
Investment Policy To achieve its objective the Fund will invest a minimum of 40% in ***collective investment schemes***, which in turn invest in ***bonds***, shares of companies (***equities***) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 60% directly in ***bonds*** where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances. The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers. The Fund may also invest in ***money market instruments,*** deposits and cash to manage day-to-day cash flow requirements. 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***. 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.	**Investment Policy** To achieve its objective the Fund will invest a minimum of 40% in ***collective investment schemes***, which in turn invest in ***bonds***, shares of companies (***equities***) and alternative asset classes such as ***commodities***, ***infrastructure***, ***private debt***, ***private equity*** and property securities. The Fund may also invest up to 60% directly in ***bonds*** and ***equities*** and may invest in other financial instruments to gain exposure to alternative asset classes where the investment objective can be more efficiently achieved. The Fund will be invested across global markets. The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the ***HSBC Group***. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers. The Fund may also invest in ***money market instruments,*** deposits and cash to manage day-to-day cash flow requirements. 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***. 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. The Fund will also incorporate sustainability characteristics as set out in the Sustainability-related Pre-contractual Disclosures section below. As part of its investment approach the Fund will invest in assets that support at least one of the following three responsible investment aims:

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To deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe.
To deliver an overall Environmental, Social and Governance (‘ESG’) score that is higher than the broader investment universe.
To invest in assets focused on themes that contribute towards positive environmental and/or social outcomes.

</td>
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<td>
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 of 1, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
The starting point for the Global Sustainable Multi-Asset Portfolios is the asset allocation for each risk level.
The asset allocation positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.
The final stage in the investment process is deciding how best to take exposure to each asset class. This 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 at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.
Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>10% - 40%</td></tr>
<tr><td>Bonds</td><td>60% - 90%</td></tr>
</table>
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<td>
Investment Strategy
This is one of a range of actively managed Global Responsible 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 of 1, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
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Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equities
Global Equities</td><td>0% - 30%</td></tr>
<tr><td>Bonds
Global Developed Market Government Bonds
Global Corporate Bonds
Global High Yield Bonds
Emerging Market Bonds – Hard Currency</td><td>70% - 100%</td></tr>
</table>
</td>
</tr>
</table>

Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 0-20% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 0-20% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index

Emerging Market Bonds – Local Currency ***Asset-Backed Securities***	
Alternative asset classes ***Infrastructure*** Property securities Other alternative asset classes including ***commodities***, ***private debt*** and ***private equity***	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 0-20% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 0-20% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, 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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global ***Developed Market*** Government ***Bonds***	Bloomberg Barclays Global Aggregate Treasuries Index
Global Corporate ***Bonds***	Bloomberg Barclays Global Aggregate Corporates Diversified Index
Global ***High Yield Bonds***	ICE BofA Global High Yield BB-B Constrained Index
Emerging Market Bonds – Hard Currency	JPM EMBI Global Diversified Index
Emerging Market Bonds – Local Currency	JPM GBIEM Global Diversified Index
Property securities	FTSE EPRA Nareit Developed Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

<table>
<tr><th colspan="2">Global Sustainable Multi-Asset Conservative Portfolio</th></tr>
<tr><th>Current Wording</th><th>Revised Wording</th></tr>
<tr><td>

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.

</td><td>

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.

[Note: see HSBC Risk Level Explanation section in the prospectus]

[Note: see the Sustainability-related Pre-contractual Disclosures section below for details of the sustainability characteristics and aims of the Fund. Investing in assets that align with its aims in respect of its sustainability characteristics may have an impact on the Fund's financial risks and returns, as set out in more detail below in the Sustainability-related Pre-contractual Disclosures section.]

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Investment Policy

To achieve its objective the Fund will invest a minimum of 60% in ***collective investment schemes***, which in turn invest in **bonds**, shares of companies (***equities***) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 40% directly in ***bonds*** where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the ***HSBC Group***. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers.

The Fund may also invest in ***money market instruments***, deposits and cash to manage day-to-day cash flow requirements.

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***. 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.

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Investment Policy

To achieve its objective the Fund will invest a minimum of 60% in ***collective investment schemes***, which in turn invest in **bonds**, shares of companies (***equities***) and alternative asset classes such as ***commodities***, ***infrastructure***, ***private debt***, ***private equity*** and property securities. The Fund may also invest up to 40% directly in ***bonds*** and ***equities*** and may invest in other financial instruments to gain exposure to alternative asset classes where the investment objective can be more efficiently achieved. The Fund will be invested across global markets.

The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the ***HSBC Group***. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers.

The Fund may also invest in ***money market instruments***, deposits and cash to manage day-to-day cash flow requirements.

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***. 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.

The Fund will also incorporate sustainability characteristics as set out in the Sustainability-related Pre-contractual Disclosures section below. As part of its investment approach the Fund will invest in assets that support at least one of the following three responsible investment aims:

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To deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe.
To deliver an overall Environmental, Social and Governance (‘ESG’) score that is higher than the broader investment universe.
To invest in assets focused on themes that contribute towards positive environmental and/or social outcomes.

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<tr>
<td>
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 of 2, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
The starting point for the Global Sustainable Multi-Asset Portfolios is the asset allocation for each risk level.
The asset allocation positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.
The final stage in the investment process is deciding how best to take exposure to each asset class. This 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 at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.
Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>25% - 50%</td></tr>
<tr><td>Bonds</td><td>40% - 75%</td></tr>
</table>
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<td>
Investment Strategy
This is one of a range of actively managed Global Responsible 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 of 2, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
The starting point for the Global Responsible Multi-Asset Portfolios is the asset allocation for each risk level.
The asset allocation positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.
The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives and other financial instruments.
The focus on sustainability characteristics is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.
Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equities
Global Equities</td><td>10% - 45%</td></tr>
<tr><td>Bonds
Global Developed Market Government Bonds
Global Corporate Bonds
Global High Yield Bonds
Emerging Market Bonds – Hard Currency</td><td>45% - 90%</td></tr>
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Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 20-40% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 20-40% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index

Emerging Market Bonds – Local Currency ***Asset-Backed Securities***	
Alternative asset classes ***Infrastructure*** Property securities Other alternative asset classes including ***commodities***, ***private debt*** and ***private equity***	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 20-40% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 20-40% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, 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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global ***Developed Market*** Government ***Bonds***	Bloomberg Barclays Global Aggregate Treasuries Index
Global Corporate ***Bonds***	Bloomberg Barclays Global Aggregate Corporates Diversified Index
Global ***High Yield Bonds***	ICE BofA Global High Yield BB-B Constrained Index
Emerging Market Bonds – Hard Currency	JPM EMBI Global Diversified Index
Emerging Market Bonds – Local Currency	JPM GBIEM Global Diversified Index
Property securities	FTSE EPRA Nareit Developed Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

<table>
<tr><th colspan="2">Global Sustainable Multi-Asset Dynamic Portfolio</th></tr>
<tr><th>Current Wording</th><th>Revised Wording</th></tr>
<tr><td>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 4 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.</td><td>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 4 where 1 is a lower level of risk and 5 is a higher level of risk.

[Note: see HSBC Risk Level Explanation section in the prospectus]

[Note: see the Sustainability-related Pre-contractual Disclosures section below for details of the sustainability characteristics and aims of the Fund. Investing in assets that align with its aims in respect of its sustainability characteristics may have an impact on the Fund's financial risks and returns, as set out in more detail below in the Sustainability-related Pre-contractual Disclosures section.]</td></tr>
<tr><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 70% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 30% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. 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.</td><td>Investment Policy

To achieve its objective the Fund will invest a minimum of 70% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and alternative asset classes such as commodities, infrastructure, private debt, private equity and property securities. The Fund may also invest up to 30% directly in bonds and equities and may invest in other financial instruments to gain exposure to alternative asset classes where the investment objective can be more efficiently achieved. The Fund will be invested across global markets.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

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. 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.

The Fund will also incorporate sustainability characteristics as set out in the Sustainability-related Pre-contractual Disclosures section below. As part of its investment approach the Fund will invest in assets that support at least one of the following three responsible investment aims:</td></tr>
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To deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe.
To deliver an overall Environmental, Social and Governance (‘ESG’) score that is higher than the broader investment universe.
To invest in assets focused on themes that contribute towards positive environmental and/or social outcomes.

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<tr>
<td>
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 of 4, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
The starting point for the Global Sustainable Multi-Asset Portfolios is the asset allocation for each risk level.
The asset allocation positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.
The final stage in the investment process is deciding how best to take exposure to each asset class. This 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 at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.
Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>60% - 90%</td></tr>
<tr><td>Bonds</td><td>10% - 40%</td></tr>
</table>
</td>
<td>
Investment Strategy
This is one of a range of actively managed Global Responsible 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 of 4, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.
The starting point for the Global Responsible Multi-Asset Portfolios is the asset allocation for each risk level.
The asset allocation positions are regularly monitored in order to make timely adjustments to the portfolios’ allocations to reflect the Fund manager’s views on the current market environment.
The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives and other financial markets.
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<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equities
Global Equities</td><td>50% - 90%</td></tr>
<tr><td>Bonds
Global Developed Market Government Bonds
Global Corporate Bonds
Global High Yield Bonds</td><td>10% - 50%</td></tr>
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Global ***Developed Market*** Government ***Bonds*** Global Corporate ***Bonds*** Global ***High Yield Bonds*** ***Emerging Market Bonds – Hard Currency*** ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	
Property securities	0% - 15%

Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 60-80% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 60-80% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings

To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index

Emerging Market Bonds – Hard Currency ***Emerging Market Bonds – Local Currency*** ***Asset-Backed Securities***	
Alternative asset classes ***Infrastructure*** Property securities Other alternative asset classes including ***commodities***, ***private debt*** and ***private equity***	0% - 20%

Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Allocation 60-80% Equity category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Allocation 60-80% Equity category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, 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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Global ***Developed Market*** Government ***Bonds***	Bloomberg Barclays Global Aggregate Treasuries Index
Global Corporate ***Bonds***	Bloomberg Barclays Global Aggregate Corporates Diversified Index
Global ***High Yield Bonds***	ICE BofA Global High Yield BB-B Constrained Index
Emerging Market Bonds – Hard Currency	JPM EMBI Global Diversified Index
Emerging Market Bonds – Local Currency	JPM GBIEM Global Diversified Index
Property securities	FTSE EPRA Nareit Developed Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

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, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

What are the new Sustainability-related Pre-contractual Disclosures that apply to the Funds?

The new Sustainability-related Pre-contractual Disclosures section, as described in the Prospectus, is shown below. The wording shown applies equally to all Funds from 1 April 2025:

Sustainability-related Pre-contractual Disclosures
This section provides investors with information regarding the Fund's sustainability characteristics and responsible investment aims. This Fund does not have a UK sustainable investment label, as defined by the FCA's Sustainability Disclosure Requirements ('SDR'), although it has sustainability characteristics as described further below. Sustainable investment labels help investors find products that have a specific sustainability goal. The use of sustainability labels is voluntary and requires funds to meet specific requirements set out by the FCA. The Fund does not have a UK sustainable investment label since it was launched prior to the SDR and its investment approach has not been designed to meet the FCA's specific label requirements. While the Fund does not pursue specific sustainability goals as defined by SDR, it does incorporate sustainability characteristics as part of its investment approach, as further described here. **<u>Sustainability characteristics</u>** **1. What are the Fund's sustainability characteristics?** The Fund intends to achieve the three responsible investment aims below by investing into a range of collective investment schemes and other assets (collectively referred to as "Assets") that support at least one of these aims. **Aim (1)** The Fund aims to invest in Assets that contribute to a lower carbon intensity level. The Fund will seek to deliver an overall carbon intensity level that is at least 25% lower than the carbon intensity of the broader investment universe. **Aim (2)** The Fund aims to invest in Assets that invest in companies and/or issuers that demonstrate better management of their key environmental, social and governance risks through their products and services, as well as their practices and policies. The Fund will seek to deliver an overall Environmental, Social and Governance ('ESG') score that is higher than the broader investment universe. **Aim (3)** The Fund will invest in Assets focused on themes ('Thematic Assets') that seek to contribute towards positive environmental and/or social outcomes. Thematic Assets will fall under one or more of the following themes: • Circular Economy and Green Infrastructure • Climate and Energy Transition • Natural Resources and Water • Evolving Society The Fund will invest at least 20% of its Net Asset Value (NAV) into Thematic Assets. **2. What percentage of the Fund's Assets will contribute towards its responsible investment aims?** The Fund will invest at least 70% of its Net Asset Value (excluding cash and derivative Assets) into Assets that contribute to the above responsible investment aims. Given the nature of a multi-asset strategy, exposure to Thematic Assets under Aim (3) will evolve over time to reflect asset allocation decisions taken by the Investment Manager, therefore allocations to the themes will fluctuate and alignment to themes is expected to vary over time.

The Fund may invest up to 30% in Assets that do not necessarily contribute to the Fund's responsible investment aims. As well as cash and derivatives, this includes Assets where data is unavailable to assess carbon intensity levels or ESG scores under Aims 1 and 2.

The Fund may hold cash for liquidity management purposes, including to enable it to issue and redeem shares.

The Fund may also hold derivatives for the purposes of efficient portfolio management, including hedging. The derivatives which may be used include currency forward contracts and exchange traded index futures. Where the Fund invests in exchange traded index futures, whose value is derived from a financial index, the Investment Manager will favour, where available, a financial index that has characteristics materially aligned with HSBC Asset Management's responsible investing policies. For more information investors should refer to our responsible investing policies available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "About Us" and then "Responsible investing".

3. Are there any types of assets that the Fund will not invest in?

The entire portfolio of the Fund will be subject to the application of investment exclusions. These are set out in HSBC Asset Management's responsible investing policies. The exclusions that apply to HSBC funds include, but are not limited to, companies and issuers we consider to be involved in the development and production of banned weapons, the production of controversial weapons and their key components and the production of tobacco and companies and issuers that have revenues generated from thermal coal power generation or extraction or that we consider to be non-compliant with United Nations Global Compact (UNGC) Principles.

Please note that minimum thresholds are applied in respect of certain excluded activities to determine whether a company or issuer should be excluded. Please also note that some exclusions may not be relevant for all asset classes and that data needed to determine involvement in the excluded activities may not be available in all cases. The description of exclusions above is meant as a summary of the exclusions that apply to HSBC funds and for more information investors should refer to our responsible investing policies available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "About Us" and then "Responsible investing".

Where the Fund does not invest in companies or issuers involved in or carrying out excluded activities, this means that the Fund will not benefit from, or be impacted by, the investment performance of such companies or issuers.

The Fund may also invest into Third Party Funds. Where the Fund invests into Third Party Funds, we will ensure that they align with HSBC Asset Management's responsible investing policies. However, we recognise that the method of assessment and maximum thresholds of such exclusions may differ. Where the differences are considered to be material, the Fund will not be permitted to invest in the relevant Third Party Funds. For example, some Third Party Funds may set their tobacco production revenues exclusion at 5% while we set ours at 0%. We would consider this to be an acceptable difference and therefore the Fund would be permitted to invest.

4. Could the Fund's strategy have an impact on its financial risks and returns?

The Fund will invest in Assets that align with its responsible investment aims.

This means that the Fund cannot benefit from the investment performance of certain companies or sectors which may cause it to underperform the market. The Fund may need to sell investments that cease to meet its sustainability characteristics requirements even if those investments are performing well financially.

Other similar funds with similar financial goals, but without sustainability characteristics, may be able to invest more widely. This may allow them to have a wider spread of financial risk and means that they may achieve a different financial return which could be higher or lower than a fund that has sustainability characteristics.

The Fund is managed within its prescriptive volatility / risk band and the ACD would not expect the Fund to fall outside its indicated risk profile because of its sustainability characteristics.

5. How are Assets selected to meet the sustainability characteristics of the Fund?

Assets selected for the Fund will be assessed by the Investment Manager to ensure they contribute to its responsible investment aims. Aims (1) and (2) are assessed relative to the broader investment universe, as explained in section 1 above. The broader investment universe is represented by a reference comparator, which is a composite benchmark that represents the outcomes the Fund might have achieved if it did not have sustainable investment aims. It is a combination of benchmarks that together represent the Assets held by the Fund and in the same proportions (weighting) as the Fund.

Carbon Intensity – Aim (1)

Each Asset will also be assessed to determine the extent to which it contributes to the overall Fund carbon intensity aim to achieve a weighted average carbon intensity ('WACI') that is at least 25% lower than the reference comparator.

WACI is the sum of carbon intensity of all companies and issuers, weighted by the allocation to that specific issuer. This is generally determined using Scope 1 and Scope 2 emissions as described further below.

Carbon intensity is a measure of the quantity of carbon emissions per million dollars of economic output of a company or issuer of a financial instrument. It is a measure of a company's or an issuer's current carbon efficiency, measuring their carbon emissions, relative to their economic output (for example turnover for companies or Gross Domestic Product (GDP) for sovereigns). The Greenhouse Gas Protocol differentiates between 3 scopes of emissions of a company or an issuer:

- Scope 1: direct emissions from owned or controlled sources
- Scope 2: indirect emissions from the generation of purchased energy
- Scope 3: all indirect emissions, not included in Scope 2, that occur in the value chain of the reporting company.

Emissions will be measured using Scope 1 and 2 Greenhouse Gas (GHG) emissions primarily, which are generally more under the control of the company or issuer. Although we believe that Scope 1 and 2 emissions are a good indicator of a company's or issuers carbon emissions, we recognise that Scope 3 indirect emissions are also important and often represent larger levels of emissions due to the fact that they typically represent company/issuer and/or sector value chains. Scope 3 emissions have generally not been considered as data for this type of emissions is currently not widely available. However, where Paris Aligned Benchmark or Climate Transition Benchmark Strategies are used, and as data becomes more widely available, Scope 1, 2 and 3 emissions will be used in the assessment.

Carbon intensity data will be provided by third-party data providers.

This metric is commonly used to demonstrate a fund's carbon performance and disclosure on it is now a regulatory requirement under the UK's Taskforce for Climate Related Financial Disclosures since 2023.

Environmental, Social and Governance Scores – Aim (2)

Each Asset will also be assessed to determine the extent to which it contributes towards the overall Fund aim to achieve a weighted average ESG score that is higher than the respective score of the reference comparator. The weighted average ESG score is the sum of the scores of all companies and issuers, weighted by the allocation to that specific issuer.

ESG scores measure how well a company or issuer is managing its key environmental, social and governance risks and, where appropriate, its positioning to meet market demand for the provision of products and services that have a positive environmental or social contribution. Each company is assessed on numerous environmental criteria, which may include but will not be limited to, biodiversity, land use, raw material sources, electronic waster, product carbon footprint as well as social criteria such as, but not limited to, health and safety, privacy and data security, community relations. Additionally, where appropriate, a company may be assessed on environmental or social opportunities which may include opportunities in clean technology, green buildings and renewable energy and/or access to finance, healthcare and opportunities in nutrition and health. Each company is scored across sector-relevant factors of a scale of 1-10. A score of 10 demonstrates a company or government is an industry leader in managing its key environmental, social and governance risks and taking advantage of market demand opportunities. Conversely, a company with a score of 1 will typically be an industry laggard in managing such risks and not taking advantage of market demand opportunity. ESG scores are adjusted by industry.

ESG scores are therefore commonly used to evaluate how well a company or issuer is managing its key environmental, social and governance risks as well as, where appropriate, its market demand opportunities relating to products and services that have positive social or environmental contribution. Good scores may indicate resilience to environmental and/or social disruptions and may also indicate a company has very strong positioning to meet market demand for the provision of products and services that have a positive environmental or social contribution.

To determine the ESG score, data will be obtained from MSCI or other third-party data providers. As part of its methodology, MSCI evaluates each company or issuer on a selection of two to seven environmental and/or social key issues. The environmental and/or social key issues relevant for a given company or issuer are selected based on the company's exposure to potentially material environmental and/or social risks and market demand opportunities, which are driven by industry-specific and market-specific factors. Example key issue areas include climate change, pollution & waste, natural capital, human capital and product liability, among others. MSCI's ESG scores are calculated based on the weight of key issue scores specific to the environmental, social and governance themes.

Thematic Assets – Aim (3)

Each Asset that is classified under one or more of the themes will be assessed in a way that is appropriate for the theme or themes relevant to that Asset. Assets held may contribute to more than one theme.

In addition, the Investment Manager has mapped out the United Nations Sustainable Development Goals (UN SDGs) that are typically relevant for each theme (other UN SDGs may be considered as relevant for some Assets). There are 17 UN SDGs, that were introduced at the United Nations Conference on Sustainable Development in 2012. The aim was to produce a set of universal goals that meet the urgent environmental, political and economic challenges facing our world. The UN SDGs are also used as a framework to support investors in how they articulate and assess themes and may measure each theme directly or indirectly depending on the relevant Asset and available data point(s). We recognise that to achieve the UN SDGs, companies must play a role and as such we have chosen to target Thematic Assets which help contribute to 15 of the UN SDGs as set out in the table below.

Theme	**Circular Economy and Green Infrastructure**	**Climate and Energy Transition**	**Natural Resources and Water**	**Evolving Society**
Relevant UN SDGs to support the assessment of the theme (direct via UNSDG revenue metric and/or indirect via another related metric as summarised in section 6)	UN SDG 9 – Industry, Innovation and Infrastructure UN SDG 11 – Sustainable Cities and Communities UN SDG 12 – Responsible Consumption and Production	UN SDG 7 – Affordable and Clean Energy UN SDG 13 – Climate Action	UN SDG 6 – Clean Water and Sanitation UN SDG 14 – Life Below Water UN SDG 15 – Life on Land	UN SDG 1 – No Poverty UN SDG 2 – Zero Hunger UN SDG 3 – Good Health and Wellbeing UN SDG 4 – Quality Education UN SDG 5 – Gender Equality UN SDG 8 – Decent Work and Economic Growth UN SDG 10 – Reduced Inequalities

An Asset focused on a theme will align with one or more of the relevant UN SDGs e.g. an Asset focused on the Climate and Energy Transition theme will typically have an appropriate level of alignment with UN SDG 7 and/or 13. Alignment to the themes (and the underlying UN SDGs as relevant) will be assessed either:

(i) directly (i.e. via revenues, for example UN SDG revenue alignment); or
(ii) indirectly (i.e. via another thematic metric reflective of the theme/UN SDG).

6. How will investors know if the Fund is achieving its responsible investment aims?

The ACD and Investment Manager have controls and processes in place to monitor the performance of the Fund in achieving its aims. These aim to both reduce the likelihood of the Fund failing to meet its aims and also to identify where escalation is necessary should issues arise.

The Risk function of the Investment Manager provides a further level of monitoring and oversight. As part of this, the Risk function determines levels of performance, for the measures specified in the aims, which the Fund is reasonably expected to operate within. Although these are not set limits, the levels of anticipated performance are used as an early warning indicator to highlight where deviations are happening. Where this occurs, the Risk function discusses this with the Investment Manager to understand the causes and where necessary, determines any subsequent action to ensure the Fund remains aligned to its aims.

The ACD also receives regular reporting from the Investment Manager, to ensure it has oversight of the performance of the Fund in achieving its aims and will challenge the Investment Manager if any potential issues are identified.

To demonstrate that the aims are being met the following key metrics will be considered and monitored on an ongoing basis by the Investment Manager. These will be published so that investors can track how the Fund is meeting its aims.

Aim (1)

Carbon Emissions:

1. WACI of the overall Fund; and
2. WACI of the reference comparator.

As a weighted average, WACI takes account of the proportions in which companies and issuers are invested in by Assets and also the proportions in which Assets are held within the Fund. The calculation excludes any Assets for which data is unavailable. Information regarding data coverage will be disclosed in the ACD's regular reporting.

Aim (2)

Environmental and Social quality scores (1-10 scale):

1. Weighted average ESG score of the Fund; and
2. Weighted average ESG score of the reference comparator.

As weighted average scores, these take account of the proportions in which companies and issuers invested in by the Assets and also the proportions in which Assets are held within the Fund.

The calculation excludes any Assets for which data is unavailable. Full details regarding data coverage will be disclosed in the ACD's regular reporting.

Aim (3)

Thematic Assets:
The Thematic Assets are mapped against one or more themes and we will report the Fund's allocations to these themes.

We will use and report on other metrics which may change over time. These metrics are applied to any other funds held by the Fund, rather than the underlying assets of those other funds. They may include, but are not limited to, the following:

1. **Products & Services (measured via revenues)** – Revenues associated with activities linked to the Asset theme and/or specific UN SDG. This can be in the form of UN SDG revenue alignment, green revenues and/or revenue mapped through a proprietary approach for the Asset theme. Typically, at least 20% of revenues in respect of an Asset considered must be aligned to the Asset theme and/or specific UN SDG.

2. **Climate Strategic Business Alignment** – Climate thematic strategies which focus on metrics that support overall alignment to the goals of the Paris Agreement via current and forward-looking climate considerations. Metrics to measure the theme can include HSBC Asset Management's Net-Zero Investment Framework (NZIF) classification, which is a proprietary classification that takes into account qualitative and quantitative current and forward-looking climate alignment considerations. Under this, investments are classified into one of the following categories: 1. Achieving net-zero 2. Aligned 3. Aligning 4. Committed to Aligning. 5. Not Aligned or Insufficient Information. For Thematic Assets that are considered climate transition strategies, the majority (typically at least 80%) of the assets must fall within the Aligned, Aligning or Committed to Aligning categories. Other current and forward-looking metrics may be considered, such as those that apply upfront and year on year decarbonisation targets and/or temperature alignment targets.

3. **Sustainable use of proceeds** – Assets that have a minimum commitment (typically at least 50% of value) to investment in Green, Social and Sustainability (GSS) bonds and/or debt issued by multilateral development banks (MDBs), which is used to fund projects that support social and economic development. GSS bonds and/or MDB bonds are both issuances which support environment and/or social projects and/or the UN SDGs. Specifically, in the case of GSS bonds, issuances will be considered eligible provided they meet key criteria. For example, this may include, but is not limited to, the Green Bond Principles and the Climate Bonds Initiative. In the case of MDBs' bonds, the key criteria may include, but are not limited to, the following: issuers must have a mission statement that state the intent to promote sustainable economic development in developing countries, and publicly disclose they have safeguard policies in place to mitigate and reduce environmental and social risks.

Reliance on data

To determine carbon intensity, environmental and social quality ratings and metrics used in respect of Thematic Assets, we may rely on expertise, research and information provided by well-established third party financial data providers and/or our own research. However, we may not always be able to access complete data for the assets held by a fund or index, as the data may not be available. This might be, for example, because a company does not disclose certain information. We will always aim to provide as much information as possible but where data is missing for assets held by a fund or index, we will either use an appropriate proxy or we will exclude these assets from the overall calculations described above.

Additionally, there may be times when it is not possible to represent an asset class held by the Fund within the reference comparator, for example when there is not an appropriate index to represent the asset class or due to a lack of suitable data. In such cases, the allocation to this asset class held by the Fund will not be included in the overall comparison of the KPIs. We generally expect however that, for the Fund as a whole, data will be available for the majority of the Assets held by the Fund.

Publication of metrics

The Fund's performance with reference to the above metrics will be reported in periodic factsheets, the SDR Consumer Facing Disclosure and, from 2026, the SDR Product Report. These are available on the HSBC Asset Management website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the Fund from the list of funds.

7. How will the Manager use Stewardship to support the Fund in achieving its aims?

Stewardship is the responsible allocation, management and oversight of investors' capital and seeks to enhance long-term value for investors and mitigate risks. Stewardship has the potential to contribute to positive outcomes for the economy, the environment and society, notably by influencing the environmental and social performance of assets through active engagement, the exercise of voting and other rights, shareholder activism or through participation in system-wide initiatives.

The ACD has an approach to undertaking stewardship of the assets, which includes activities such as engagement with companies and voting at company meetings. Scope 3 emissions will be considered indirectly as part of HSBC Asset Management's overall approach to Stewardship.

Engagement, whether through direct discussion with companies or collaborative engagement with other investors, is important for providing valuable insights for more informed investment decision making and encouraging appropriate corporate practices, through voting at company meetings.

HSBC Asset Management sets out stewardship policies and practices which apply to the HSBC entities operating and managing HSBC's funds, including the ACD and the Investment Manager. Where the Fund invests into HSBC funds, those funds will follow HSBC Asset Management's stewardship policies and practices. In respect of the HSBC funds, this includes both proxy voting and engagement and focuses on core themes including climate change (which includes consideration of Scope 3 emissions), biodiversity and nature, human rights, corporate governance, diversity, equity and inclusion, inclusive growth and shared prosperity and trusted technology and data. HSBC Asset Management's approach to stewardship can help to ensure the Fund's Assets are aligned to their aims and can also be used as a useful escalation tool. More information can be found in our annual Stewardship Plan, available on the HSBC Asset Management website: www.assetmanagement.hsbc.co.uk, select "About Us" and then "Responsible investing" and "Stewardship".

Internally, HSBC Asset Management has a dedicated stewardship team which provides subject matter and regional expertise. Engagement and investment teams work in collaboration to support thematic as well as specific fund/issuer engagement priorities.

Where the Fund invests into Third Party Funds, the Investment Manager will select funds which are managed by asset managers it considers have robust stewardship policies and practices. As part of its due diligence process the Investment Manager will review ESG and sustainable assets to ensure that their stewardship policies and practices materially reflect HSBC Asset Management's stewardship policies and practices.

Similarly, where the Investment Manager invests directly into Assets other than funds, the Investment Manager will carry out its own stewardship activity which is aligned to HSBC Asset Management's stewardship policies and practices as set out above.

The Investment Manager is a signatory to the UK Stewardship Code 2020 published by the Financial Reporting Council.

8. What happens if any of the Fund's Assets do not demonstrate sufficient performance against its responsible investment aims?

The Fund's aims mean that even if Assets are performing well financially, the Fund may need to sell them in the event that they:

- do not demonstrate sufficient performance against the Fund's aims; or
- no longer meet the Fund's aims; or
- do not perform as expected nor in accordance with the specified metrics.

The Fund will be subject to regular ongoing monitoring with controls and processes in place that aim to reduce the likelihood of Assets failing to contribute towards the Fund's goals. This includes early warning indicators that highlight where the Fund may be deviating from the levels it is expected to achieve in order to meet its investment objective and its aims. Should this occur, the Investment Manager will investigate to understand the causes and where necessary, determine remedial action to ensure the Fund continues to be aligned to its investment objective and its aims.