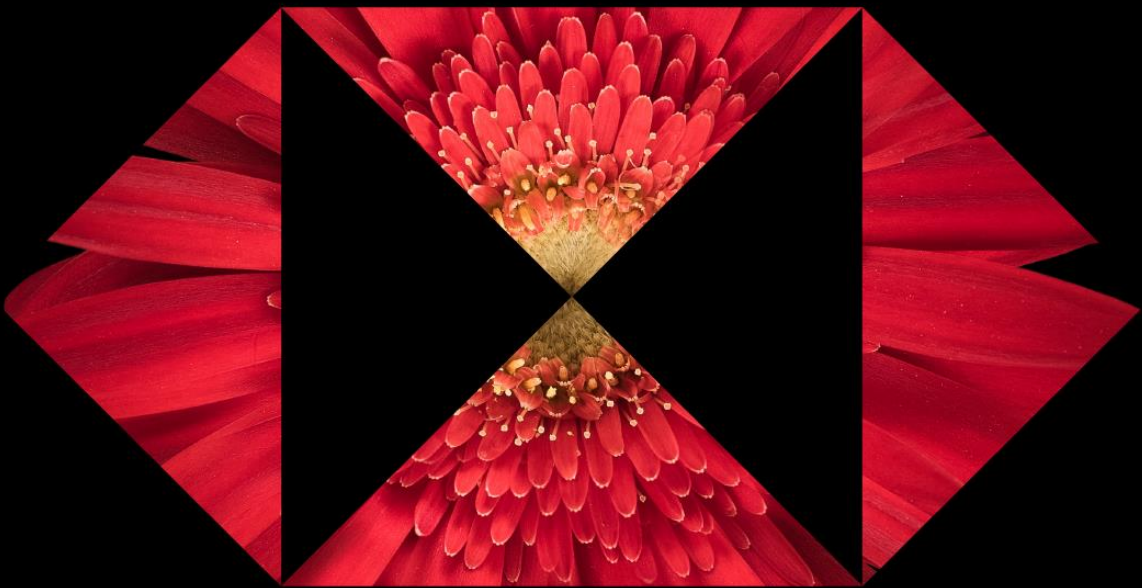
HSBC UCITS Common Contractual Fund

Pricing Adjustment

May 2025



HSBC Asset Management

HSBC Common Contractual Fund (the "HSBC CCF") – Pricing Adjustment

What is a pricing adjustment?

A pricing adjustment (also called swing pricing) is a mechanism specifically designed to protect existing investors in a fund from the transaction costs of large net subscriptions or redemptions. These transactions costs include, but are not limited to, brokerage fees and taxes on transactions.

Without a pricing adjustment, transactions costs would fall on all shareholders in the fund. Instead, when this mechanism applies, the transaction costs are borne only by those client(s) who have just subscribed or redeemed, since it is their transactions that cause the costs.

HSBC UCITS Common Contractual Fund (the "HSBC CCF") use a pricing adjustment mechanism to protect their existing investors in this way.

How does this mechanism work?

The pricing adjustment mechanism is a system of rates – expressed in % – with three main components (see the example opposite for an illustration).

1. A threshold rate

We calculate the total subscriptions minus the total redemptions in the fund on every valuation day.

If there are more subscriptions, the result will be "net subscriptions" and if there are more redemptions, the result will be "net redemptions".

If, on any given valuation day, the result of 'subscriptions – redemptions' is a larger percentage of the fund's Net Asset Value (NAV) than the threshold rate, it triggers one of the adjustment rates.

2. A buy adjustment rate

This is applied when the amount of **net subscriptions** is bigger than the threshold rate.

In this case, the fund's NAV per share is increased by the buy adjustment rate.

The effect is the same as asking investors to pay an extra fee to subscribe on that day, and then putting this fee back into the fund so the existing shareholders don't suffer the impact of the transaction costs

3. A sell adjustment rate

This rate works exactly like the buy adjustment rate, but for situations when the amount of **net redemptions** is bigger than the threshold rate.

When this happens, the fund's NAV per share is reduced by the sell adjustment rate.

The rates may be different for each fund, as shown in our table of adjustment rates on page 2.

An example

- Fund AUM: USD100 million
- Threshold rate: 1% of the AUM
- Subscriptions: USD10 million
- Redemptions: USD 8 million
- Subscriptions – Redemptions: USD2 million (net subscriptions)

In this example, the amount of net subscriptions (USD2 million) is higher than the threshold rate (1% of USD100 million, which is USD1 million).

Therefore, the fund's NAV per share will be adjusted up using the buy adjustment rate.

The table on page 3 shows the current adjustment rates (buy and sell rates) for each fund where pricing adjustment applies. We do not disclose the threshold figures.

Do threshold and adjustment rates ever change?

We review the thresholds on an annual basis and the adjustment rates on a quarterly basis.

However, we may also adjust these rates on an **ad hoc** basis, to respond to market-specific circumstances and protect our funds' investors.

Conclusion

The sole objective of a pricing adjustment is to protect shareholders.

Whenever investors are impacted by the pricing adjustment when subscribing/ redeeming, they are in fact paying for the transaction costs of dealing so existing shareholders are not disadvantaged.

In addition, they would incur these dealing costs themselves if they decided to invest directly.

HSBC CCF – Pricing Adjustment Rates

The Adjustment Rates disclosed in the table below are effective from 8 May 2025.

Investors should note that the Adjustment Rates are reviewed on a quarterly basis. However, the Adjustment Rates are also subject to be updated on an **ad hoc** basis. As a result, the Adjustment Rates may suddenly change and therefore differ from the rates provided in this document.

	Adjustment Rate	
Sub-Fund	**Buy (%)**	**Sell (%)**
HSBC UCITS Common Contractual Fund – Developed World Equity Income Factor	0.27	0.21
HSBC UCITS Common Contractual Fund – Islamic Global Equity Index Fund	0.13	0.11

Disclaimer

Investment in any sub-fund carries with it a degree of risk. The value of an investment, and any income from it, may fall as well as rise, and you may not get back the amount you originally invested.

Potential investors should review the HSBC CCF Prospectus, relevant sub-fund's Supplement in its entirety and the relevant Key Investor Information Document and consult with their legal, tax and financial advisors prior to making a decision to invest.

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