

13 June 2025

**This document contains important information about the sub-fund in which you are invested. If you are in any doubt as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or financial adviser.**

Dear Shareholder,

We, the board of directors of the Company (the "**Board**"), are writing to you to advise of the following changes to HSBC Global Investment Funds – Euro Bond Total Return (the "**Sub-Fund**"), in which you own share(s):

The changes affecting the Sub-Fund are summarised as follows:

- Uplift of the Sub-Fund to an Article 8 categorisation under the Sustainable Finance Disclosure Regulation (SFDR).
- Enhancements to the Investment Objective in line with Article 8 SFDR Requirements.
- Incorporation of a Pre-Contractual Disclosure (PCD) document in line with Article 8 SFDR Requirements.

Further information in respect of these changes is detailed below.

This Notice is to inform you that with effect from 1 August 2025 (the "**Effective Date**"), the Sub-Fund's investment objective, as set out in the Prospectus, will be enhanced to reflect that it will be managed as an Article 8 sub-fund under the SFDR instead of as an Article 6 SFDR sub-fund).

Article 8 SFDR sub-funds promote environmental, social and governance (ESG) factors as an integral part of their investment strategy and decision-making process. This could be accomplished by focusing, for example, on companies with a better than average ESG rating, companies following strong corporate governance practices or companies which are actively operating in areas which reduce ESG risk, such as green energy firms. Section 1.5. "Integration of sustainability risks into investment decisions and SFDR principles", of the Prospectus provides an outline of these policies and which include banned weapons, controversial weapons, thermal coal, tobacco and non-compliance with United Nations Global Compact (UNGC) Principles. More information on the HSBC's Responsible Investment Policies applicable to the sub-funds of the Company, which may be amended from time to time, are available on our website at: [www.assetmanagement.hsbc.com/about-us/responsible-investing](http://www.assetmanagement.hsbc.com/about-us/responsible-investing).

In addition, for the purposes of Article 8 SFDR funds, a restriction on investing in companies with exposure to specific excluded activities ("**Excluded Activities**"), such as banned weapons, controversial weapons, thermal coal extraction, tobacco production and non-compliance with United Nations Global Compact (UNGC) Principles will apply. The specific Excluded Activities applicable to the Sub-Fund will be disclosed in its Investment Objective.

The Pre-Contractual Disclosure document for the Sub-Fund will be added to "Appendix 6. SFDR regulatory technical standards (RTS) Disclosure Requirements" to the Prospectus in line with Article 8 SFDR sub-funds Requirements.

## The Investment Objective Enhancement

### Current Investment Objective

The sub-fund invests for long term total return in a portfolio allocated across the full spectrum of Euro denominated bonds and other similar securities or instruments.

The Total Return strategy aims to capture the majority of the upside in the Euro credit universe while limiting the downside risk. The Total Return strategy has a flexible allocation across the fixed income market. Returns are mainly generated through duration management, yield curve positioning, rating and sector breakdowns and the selection of individual securities within the investment universe. By seeking multiple sources of return, the Total Return strategy aims to provide over an investment cycle risk-adjusted returns above the investment universe of the sub-fund without reference to a benchmark. However, the Total Return strategy does not imply there is any protection of capital or guarantee of a positive return over time. The sub-fund is subject to market risks at any time.

The sub-fund invests in normal market conditions primarily in Euro denominated Investment Grade and Non-Investment Grade rated fixed income and other similar securities issued by companies which are domiciled in, based in, or carry out the larger part of their business in developed markets or which are issued or guaranteed by governments, government agencies and supranational bodies of developed markets. The Investment Adviser may reduce the sub-fund's exposure to the aforementioned assets at any time and invest up to 49% of the sub-fund's net assets in cash, cash instruments and/or money market instruments.

Issuers considered for inclusion within the sub-fund's portfolio will be subject to Excluded Activities in accordance with HSBC Asset Management's Responsible Investment Policies, which may change from time to time. More information is provided in section 1.5. "Integration of sustainability risks into investment decisions and SFDR principles" subsection HSBC Asset Management Responsible Investment Policies.

The sub-fund may also invest up to 10% of its net assets in securities issued or guaranteed by governments or government agencies or supranational bodies of Emerging Markets or issued by companies which are based in Emerging Markets denominated in hard currency, Euro or hedged into Euro.

### New Investment Objective (amendments shown in red)

The sub-fund ~~invests for~~ **aims to provide** long term total return **by investing** in a portfolio allocated across ~~the full spectrum~~ Euro denominated bonds and other similar securities or instruments, **while promoting ESG characteristics within the meaning of Article 8 of SFDR.**

The Total Return strategy aims to capture the majority of the upside in the Euro ~~credit~~ **bond** universe while limiting the downside risk. The Total Return strategy has a flexible allocation across the fixed income market. Returns are mainly generated through duration management, yield curve positioning, rating and sector breakdowns and the selection of individual securities within the investment universe. By seeking multiple sources of return, the Total Return strategy aims to provide over an investment cycle risk-adjusted returns above the investment universe of the sub-fund without reference to a benchmark. However, the Total Return strategy does not imply there is any protection of capital or guarantee of a positive return over time. The sub-fund is subject to market risks at any time.

**The sub-fund aims to have, in respect of each of the asset classes that the sub-fund may invest in ("Asset Class") as listed below, a higher ESG score, calculated as the weighted average of the ESG scores given to the issuers in which the sub-fund has invested, than the weighted average of the constituents of the relevant reference benchmark which is representative of the Asset Class ("Asset Class Reference Benchmark)."**

<b>Asset Class</b>	<b>Asset Class Reference Benchmark</b>
Euro Investment Grade Corporates	Iboxx Euro Corporate Index
Euro High Yield Corporates	ICE BOFA BB-B Euro High Yield Index
Euro Government Bonds	FTSE EMU Government Bond Index EUR

The sub-fund invests in normal market conditions primarily in Euro denominated Investment Grade and Non-Investment Grade rated fixed income and other similar securities issued by companies which are domiciled in, based in, or carry out the larger part of their business in developed markets or which are issued or guaranteed by governments, government agencies and supranational bodies of developed markets. ~~The Investment Adviser may reduce the sub-fund's exposure to the aforementioned assets at any time and~~

The sub-fund may invest up to 10% of its net assets in Asset Backed Securities (“ABS”) and Mortgage Backed Securities (“MBS”).

The sub-fund may invest up to 10% of its net assets in convertible bonds (excluding contingent convertible securities).

The sub-fund may invest up to 15% of its net assets in contingent convertible securities, however this is not expected to exceed 10%.

The sub-fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).

The sub-fund may hold equity securities (including but not limited to warrants, common stock and preferred stock) received as a result of or in connection with a corporate action (including but not limited to bankruptcy or restructuring) affecting existing portfolio holdings.

The sub-fund may also invest in bank deposits, money market instruments or money market funds for treasury purposes.

The sub-fund may use financial derivative instruments for hedging purposes. The sub-fund may also use, but not extensively, financial derivative instruments for investment purposes. The financial derivative instruments the sub-fund is permitted to use include, but are not limited to, futures, options, swaps (such as credit default swaps) and foreign exchange forwards (including non-deliverable forwards). Financial derivative instruments may also be embedded in other instruments in which the sub-fund may invest. Financial derivative instruments may also be used for efficient portfolio management purposes,

The sub-fund's primary currency exposure is to the Euro. On an ancillary basis (normally up to 10% of its net assets), the sub-fund may also have exposure to other developed markets currencies.

The sub-fund is actively managed and is not constrained by a benchmark.

invest up to 40% of the sub fund's net assets in cash, cash instruments and/or money market instruments.

The sub-fund includes the identification and analysis of an issuer's environmental and social factors and corporate governance practices as an integral part of the investment decision making process.

Issuers considered for inclusion within the sub-fund's portfolio will be subject to Excluded Activities in accordance with HSBC Asset Management's Responsible Investment Policies, which may change from time to time.

- **Banned Weapons** - The sub-fund will not invest in issuers HSBC considers to be involved in the development, production, use, maintenance, offering for sale, distribution, import or export, storage or transportation of Banned Weapons.
- **Controversial Weapons** - The sub-fund will not invest in issuers HSBC considers to be involved in the production of controversial weapons or their key components. Controversial weapons include but are not limited to anti-personnel mines, depleted uranium weapons and white phosphorous when used for military purposes.
- **Thermal Coal 1 (Expanders)** - The sub-fund will not participate in initial public offerings (“IPOs”) or primary fixed income financing by issuers HSBC considers to be engaged in the expansion of thermal coal production.
- **Thermal Coal 2 (Revenue threshold)** - The sub-fund will not invest in issuers HSBC considers having more than 10% revenue generated from thermal coal power generation or extraction and which, in the opinion of HSBC, do not have a credible transition plan.
- **Tobacco** – The sub-fund will not invest in issuers HSBC considers to be directly involved in the production of tobacco.
- **UNGC** - The sub-fund will not invest in issuers that HSBC considers to be non-compliant with United Nations Global Compact (UNGC) Principles. Where instances of potential violations of UNGC principles are identified, companies may be subject to proprietary ESG due diligence checks to determine their suitability for inclusion in a sub-fund's portfolio.

More information is provided in section 1.5. “Integration of sustainability risks into investment decisions and SFDR

principles” sub-section HSBC Asset Management Responsible Investment Policies.

Notwithstanding the Excluded Activities as detailed above, the inclusion of an issuer in the sub-fund’s investment universe is at the discretion of the Investment Adviser, following the completion of ESG due diligence. Issuers with improving environmental and social factors and corporate governance practices may be included.

Environmental and social factors, corporate governance practices and Excluded Activities and the need for ESG due diligence may be identified and analysed by using, but not exclusively, HSBC’s proprietary ESG Materiality Framework and scores, fundamental qualitative research and corporate engagement. When assessing issuers’ ESG scores or their involvement in Excluded Activities, the Investment Adviser may rely on expertise, research and information provided by financial and non-financial data providers.

The sub-fund may also invest up to 10% of its net assets in securities issued or guaranteed by governments or government agencies or supranational bodies of Emerging Markets or ~~issued by companies~~ issuers which are based in Emerging Markets denominated in hard currency, Euro or hedged into Euro.

The sub-fund may invest up to 10% of its net assets in Asset Backed Securities (“ABS”) and Mortgage Backed Securities (“MBS”).

The sub-fund may invest up to 10% of its net assets in convertible bonds (excluding contingent convertible securities).

The sub-fund may invest up to 15% of its net assets in contingent convertible securities, ~~however this is not expected to exceed 10%~~<sup>1</sup>.

The sub-fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).

The sub-fund may hold equity securities (including but not limited to warrants, common stock and preferred stock) received as a result of or in connection with a corporate action (including but not limited to bankruptcy or restructuring) affecting existing portfolio holdings.

The sub-fund may also invest in bank deposits, money market instruments or money market funds for treasury purposes.

The sub-fund may use financial derivative instruments for hedging purposes. The sub-fund may also use, but not extensively, financial derivative instruments for investment purposes. The financial derivative instruments the sub-fund is permitted to use include, but are not limited to, futures,

options, swaps (such as credit default swaps) and foreign exchange forwards (including non-deliverable forwards). Financial derivative instruments may also be embedded in other instruments in which the sub-fund may invest. Financial derivative instruments may also be used for efficient portfolio management purposes,

The sub-fund's primary currency exposure is to the Euro. On an ancillary basis (normally up to 10% of its net assets), the sub-fund may also have exposure to other developed markets currencies.

The sub-fund is actively managed and is not constrained by a benchmark.

<sup>1</sup> The removal of these disclosures will already become effective as of the date of the e-Identified prospectus of the Company which is expected to be around mid-June 2025.

### **Reason for the Investment Objective Enhancement**

Over recent years ESG factors and sustainability have become an increasingly important part of investment management decision making. SFDR was introduced as part of a package of legislative measures arising from the European Commission's Sustainable Finance Action Plan.

SFDR formalises the categorisation of funds based on their approach to ESG factors and sustainability. There are three categories:

- Article 6 - a fund for which ESG factors and sustainability are not part of the investment process;
- Article 8 - a fund for which ESG factors and sustainability are an integral part of the investment process and which promotes the same; and
- Article 9 - a fund that has ESG factors and sustainability as its primary investment objective.

HSBC has had the capability to integrate ESG factors and sustainability into its investment process for a considerable time and has a number of long established funds that could qualify as Article 8 SFDR sub-funds. Euro Bond Total Return has been identified as a Sub-Fund for which ESG factors and sustainability can readily be integrated as part of the investment process.

### **Impact on Shareholders**

The enhancement in the Investment Objective and the additional restrictions as well as the other changes detailed above will have no material impact on the Sub-Fund's overall investment approach or its portfolio's composition. There will be no change to the Sub-Fund's risk rating nor on the charges and expenses relating to the Sub-Fund following these changes.

**You do not need to take any action. However, you do have three options that are explained below.**

The latest Prospectus, Key Information Document (UK only) and/or Key Investor Information Documents for all Share Classes of the Sub-Fund will be available in the Fund Centre at [www.assetmanagement.hsbc.com/fundinfo](http://www.assetmanagement.hsbc.com/fundinfo) or from the registered address of the Company, from the Effective Date.

**Please take a moment to review the above information. If you still have questions, please contact your local agent or HSBC Asset Management office.**

For and on behalf of the Board of HSBC Global Investment Funds

## Your Options

- 1. Take no action.** Your investment(s) will continue with the changes as outlined above.
- 2. Convert your investment to another HSBC Global Investment Funds sub-fund.** If you wish to ensure the conversion is completed before the changes become effective, instructions must be received before 10.00 a.m. Luxembourg time on the Dealing Day prior to the Effective Date as given in the right-hand column. Please ensure you read the Key Information Document (or for investors in the United Kingdom, the Key Investor Information Document) of the sub-fund you are considering.
- 3. Redeem your investment.** If you wish to ensure your redemption is completed before the changes become effective, instructions must be received before 10.00 a.m. Luxembourg time on the Dealing Day prior to the Effective Date as given in the right-hand column.

**Options 2. and 3. may have tax consequences.** You may want to review these options with your tax adviser and your financial adviser.

**Regardless of which option you choose, you will not be charged any conversion or redemption fees by HSBC for options 2. or 3.** However, please note that some distributors, paying agents, correspondent banks or intermediaries might charge switching and/or transaction fees or expenses at their own discretion.

### **EFFECTIVE DATE:**

1 August 2025

### **THE SUB-FUND:**

Euro Bond Total Return

### **THE COMPANY**

HSBC Global Investment Funds

### **REGISTERED OFFICE**

4, rue Peternelchen L-2370 Howald,  
Luxembourg, Grand Duchy of  
Luxembourg

**Registration Number** B 25 087

### **MANAGEMENT COMPANY**

HSBC Investment Funds  
(Luxembourg) S.A.