

31 January 2024

**This document contains important information about the sub-fund(s) 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 are writing to inform you forthcoming adjustments to the Investment Objective wording as described in the prospectus for HSBC Global Investment Funds – US Short Duration High Yield Bond, a sub-fund in which you own shares (the "Sub-Fund").

The changes relate to clarifications of the investment policy of the Sub-Fund. They provide more detail on the Sub-Fund's duration targets, as well as the Sub-Fund's exposure to securities with longer durations.

The investment process and the risk weighting of the Sub-Fund are not changing. Fees paid by shareholders will not change.

The changes made to the Investment Objective of the Sub-Fund, as reflected in the table below, will be effective as of the date of the next visa-stamped prospectus.

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

**You do not need to take any action.**

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

# The Change

## Previous Investment Objective

The sub-fund invests for long term total return in a portfolio of high yield securities that are related to the USA whilst maintaining low interest rate risk.

The sub-fund invests (normally a minimum of 70% of its net assets) in

- Non-Investment Grade and unrated fixed income securities and other higher yielding bonds issued by issuers which are domiciled in, based in, or carry out the larger part of their business in the USA and denominated in or hedged back into US dollars (USD).
- Asset Backed Securities ("ABS") and Mortgage Backed Securities ("MBS") up to a maximum of 10% of its net assets.

However, for liquidity and/or risk management purposes, the sub-fund may also invest up to 30% of its net assets in Investment Grade fixed income securities.

The sub-fund may invest up to 10% of its net assets in fixed income securities issued by issuers which are domiciled in, based in, or carry out the larger part of their business in Emerging Markets.

The sub-fund will not invest more than 10% of its net assets in securities issued by or guaranteed by any single sovereign issuer with a credit rating below investment grade.

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 achieve its investment policy and limits by investing up to 10% of its net assets in units or shares of UCITS and/or other open-ended funds (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.

## New Investment Objective

The sub-fund invests for ~~long term~~ total return in a portfolio of high yield securities that are related to the USA **with an expected average duration of between 1 and 3 years**, whilst maintaining low interest rate risk.

The sub-fund invests (normally a minimum of 70% of its net assets) in Non-Investment Grade and unrated fixed income securities and other higher yielding bonds **which are issued by ~~issuers~~ companies** which are domiciled in, based in, or carry out the larger part of their business in the USA and denominated in or hedged back into US dollars (USD).

- ~~Asset Backed Securities ("ABS") and Mortgage Backed Securities ("MBS") up to a maximum of 10% of its net assets.~~

However, for liquidity and/or risk management purposes, the sub-fund may also invest up to 30% of its net assets in Investment Grade fixed income securities.

The sub-fund may invest up to 10% of its net assets in fixed income securities issued by issuers which are domiciled in, based in, or carry out the larger part of their business in Emerging Markets.

The sub-fund will not invest more than 10% of its net assets in securities issued by or guaranteed by any single sovereign issuer with a credit rating below investment grade.

**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 fixed income and other similar securities which have a maturity longer than five years.**

The sub-fund may achieve its investment policy and limits by investing up to 10% of its net assets in units or shares of UCITS and/or other open-ended funds (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 and efficient portfolio management 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 (for example, ABS).

The sub-fund can enter into Securities Lending transactions for up to 29% of its net assets, however, it is expected that this will not exceed 25%.

The sub-fund's primary currency exposure is to the US dollar. However, the sub-fund may also have (up to 10% of its net assets) exposure to non-USD currencies including Emerging Markets local currencies to enhance return.

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

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Terms not defined in this letter will have the same meaning as those defined in the current prospectus of HSBC Global Investment Funds.

**The Board accepts responsibility for the accuracy of the information contained in this letter as at the date of the mailing.**