

## HSBC Global Investment Funds

# GLOBAL EMERGING MARKETS ESG BOND

Marketing communication | Monthly report 31 July 2025 | Share class ZQ1

This product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.



## Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of investment grade and non-investment grade bonds and other similar securities issued by issuers that are based in emerging markets anywhere in the world or issued by governments, government-related entities, supranational entities of emerging markets, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.



## Investment strategy

The Fund is actively managed. The Fund will invest at least 80% of its assets in investment grade and non-investment grade bonds and other similar securities issued by companies with consideration of their meeting certain minimum ESG and E, and S, and G scores and lower carbon intensity criteria. Issuers considered for inclusion within the Fund's portfolio will be subject to Excluded Activities in accordance with HSBC Asset Management's Responsible Investment Policies. The Fund invests mostly in bonds which are denominated in US dollars and may invest more than 10% and up to 30% in securities issued by a single sovereign issuer with a non-investment grade credit rating and up to 10% in total return swaps. The Fund may invest up to 10% in onshore Chinese bonds, up to 10% in convertible bonds and up to 15% in contingent convertible securities. See the Prospectus for a full description of the investment objectives and derivative usage.



## Main risks

- The Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.

## Share class details

### Key metrics

NAV per share	<b>USD 8.42</b>
Performance 1 month	<b>1.31%</b>
Yield to maturity	<b>6.73%</b>

### Fund facts

UCITS V compliant	<b>Yes</b>
UK reporting fund status (UKRS)	<b>Yes</b>
ISA eligible	<b>Yes</b>
Dividend treatment	<b>Distributing</b>
Distribution frequency	<b>Quarterly</b>
Dividend ex-date	<b>26 June 2025</b>
Dividend yield <sup>1</sup>	<b>6.49%</b>
Last paid dividend	<b>0.130649</b>
Dealing frequency	<b>Daily</b>
Valuation time	<b>17:00 Luxembourg</b>
Share class base currency	<b>USD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>9 December 2021</b>
Fund size	<b>USD 113,702,374</b>
Reference benchmark	<b>100% JPM ESG EMBI Global Diversified (USD TR)</b>
Managers	<b>Scott Davis Jaymeson Paul Kumm</b>

### Fees and expenses

Minimum initial investment <sup>2</sup>	<b>USD 1,000,000</b>
Ongoing charge figure <sup>3</sup>	<b>0.234%</b>

### Codes

ISIN	<b>LU2410361385</b>
Bloomberg ticker	<b>HSMEBZU LX</b>
SEDOL	<b>BMFTSH8</b>

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

<sup>2</sup>Please note that initial minimum subscription may vary across different distributors

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

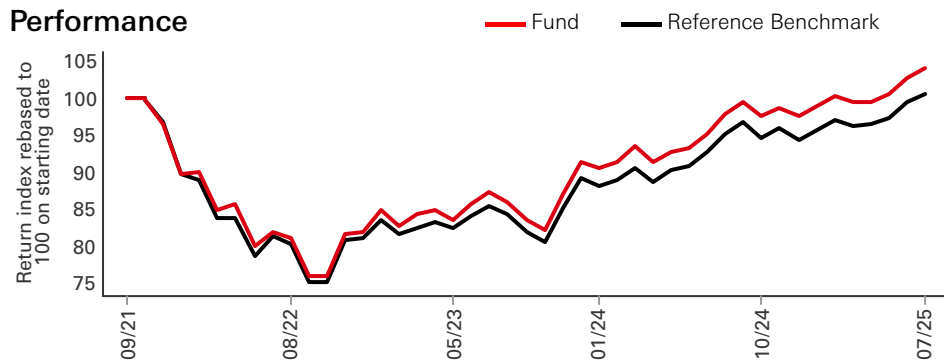
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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

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

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

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
<b>ZQ1</b>	<b>6.79</b>	<b>1.31</b>	<b>4.57</b>	<b>5.16</b>	<b>9.53</b>	<b>8.29</b>	--	<b>1.07</b>
Reference Benchmark	6.51	1.08	4.17	5.14	8.46	7.35	--	0.11

Rolling performance (%)	31/07/24-31/07/25	31/07/23-31/07/24	31/07/22-31/07/23	31/07/21-31/07/22	31/07/20-31/07/21
<b>ZQ1</b>	<b>9.53</b>	<b>8.80</b>	<b>6.57</b>	--	--
Reference Benchmark	8.46	8.38	5.24	--	--

3-Year Risk Measures	ZQ1	Reference Benchmark	5-Year Risk Measures	ZQ1	Reference Benchmark
Volatility	8.85%	8.67%	Volatility	--	--
Sharpe ratio	0.40	0.30	Sharpe ratio	--	--
Tracking error	0.89%	--	Tracking error	--	--
Information ratio	1.06	--	Information ratio	--	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	216	808	--
Average coupon rate	5.71	5.38	0.33
Yield to worst	6.69%	6.36%	0.32%
Option adjusted duration	7.06	6.80	0.26
Modified duration to worst	7.06	6.75	0.30
Option adjusted spread duration	6.41	6.67	-0.26
Average maturity	11.30	11.09	0.21
Average Credit Quality	BBB-/BB+	BBB-/BB+	--

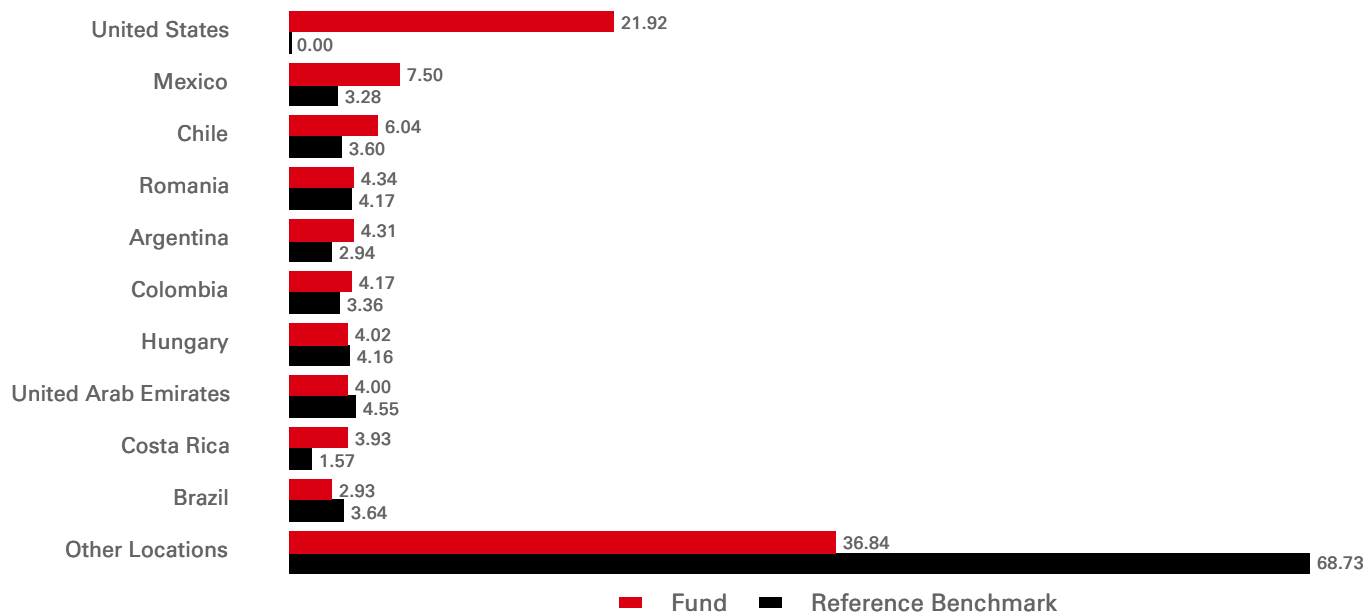
Credit rating (%)	Fund	Reference Benchmark	Relative	Maturity Breakdown (%)	Fund	Reference Benchmark	Relative
AAA	15.62	0.00	15.62	0-2 years	7.69	7.70	-0.01
AA	4.49	5.39	-0.90	2-5 years	18.61	25.17	-6.55
A	8.50	14.61	-6.10	5-10 years	36.68	31.99	4.69
BBB	31.40	33.55	-2.15	10+ years	37.01	35.14	1.87
BB	33.42	28.72	4.70	<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>
B	4.22	8.24	-4.02				
CCC	10.50	8.92	1.58				
CC	0.00	0.17	-0.17				
C	0.00	0.10	-0.10				
D	0.54	0.16	0.38				
NR	-0.60	0.13	-0.73				
Cash	5.75	0.00	5.75				
Cash Offset	-13.84	--	-13.84				

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

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

Currency Allocation (%)	Fund	Reference Benchmark	Relative
USD	99.03	100.00	-0.97
EGP	0.45	--	0.45
PYG	0.38	--	0.38
MXN	0.11	--	0.11
BRL	0.04	--	0.04
EUR	0.00	--	0.00
GBP	0.00	--	0.00
ZAR	0.00	--	0.00

#### Geographical allocation (%)



Sector allocation (%)	Fund	Reference Benchmark	Relative
Government	87.24	90.12	-2.88
Financial	9.35	3.97	5.38
Basic Materials	2.99	1.63	1.36
Industrial	2.88	0.53	2.35
Utilities	1.77	1.06	0.71
Consumer Non-cyclical	1.71	0.59	1.12
Energy	1.70	2.03	-0.33
Communications	0.78	0.00	0.78
Consumer Cyclical	0.27	0.06	0.21
CDX	-0.60	0.00	-0.60
Other Sectors	-13.84	--	-13.84
Cash	5.75	0.00	5.75

Top 10 holdings	Weight (%)
COSTA RICA GOVT 7.300 13/11/54	1.87
CHILE 4.340 07/03/42	1.73
URUGUAY 5.750 28/10/34	1.30
KAZAKH DEVELOPME 5.625 07/04/30	1.26
DOMINICAN REPUBL 6.600 01/06/36	1.25
SBSN INDO III 5.500 02/07/54	1.20
ARGENTINA 0.750 09/07/30	1.14
ABU DHABI GOVT 5.500 30/04/54	1.09
OMAN INTRNL BOND 7.375 28/10/32	1.07
BANCO MERC NORTE 5.875	1.07

MSCI ESG Score	ESG score	E	S	G
Fund	4.6	5.2	5.7	5.5
Reference benchmark	3.8	4.9	5.6	5.0

The MSCI ESG Key Issue Score is the numerical, weighted average of MSCI's E, S, and G pillar scores. A higher number indicates a more favourable ESG profile in the view of MSCI.

The weighted averages of the Key Issue Scores are aggregated and companies' scores are normalized by their industries. After any overrides are factored in, each company's Final Industry-Adjusted Score corresponds to a rating.

For more information, see MSCI ESG Ratings Methodology @ <https://www.msci.com/esg-and-climate-methodologies>

Risk disclosures

- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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UK Investor/Adviser E-mail: [wholesale.clientservices@hsbc.com](mailto:wholesale.clientservices@hsbc.com)

Lines are open 9am to 5pm Monday to Friday (excluding public holidays). To help the ACD and the Administrator continually improve their services and in the interests of security, they may monitor and/or record your communications with them.

Glossary



[www.assetmanagement.hsbc.co.uk/en/api/v1/download/document/gb00b80qg615/gb/en/glossary](https://www.assetmanagement.hsbc.co.uk/en/api/v1/download/document/gb00b80qg615/gb/en/glossary)

Index disclaimer

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Benchmark disclosure

The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark.

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

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Further information about the Company including the Prospectus, the most recent annual and semi-annual reports of the Company and the latest share prices, may be obtained free of charge, in English, from the Registrar and Transfer Agent by emailing [amgtransferagency@lu.hsbc.com](mailto:amgtransferagency@lu.hsbc.com) , or by visiting [www.global.assetmanagement.hsbc.com](http://www.global.assetmanagement.hsbc.com).

The most recent Prospectus is available in English and German. Key Investor Information Document (KID) are available in the local language where they are registered.

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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at [www.assetmanagement.hsbc.co.uk](http://www.assetmanagement.hsbc.co.uk)

Term: The management company cannot terminate the Fund unilaterally. The Board of Directors may furthermore decide to liquidate the Fund in certain circumstances set out in the prospectus and articles of incorporation of the Fund. Further additional and complete information (including but not limited to) investor rights, costs and charges, please refer to the prospectus.

Detailed information for article 8 and 9 sustainable investment products, as categorised under the Sustainable Finance Disclosure Regulation (SFDR), including; description of the environmental or social characteristics or the sustainable investment objective; methodologies used to assess, measure and monitor the environmental or social characteristics and the impact of the selected sustainable investments and; objectives and benchmark information, can be found at: <https://www.assetmanagement.hsbc.co.uk/en/intermediary/investment-expertise/sustainable-investments/sustainable-investment-product-offering>