

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus<sup>1</sup>.
- It is important to read the Singapore Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Singapore Prospectus.

## HSBC Global Investment Funds (the “Fund”) - Global Equity Volatility Focused (the “Sub-Fund”)

Product Type	Investment Company	Launch Date	26 June 2014
Manager (termed as “Management Company”)	HSBC Investment Funds (Luxembourg) S.A.	Custodian / Depository Bank	HSBC Continental Europe, Luxembourg
Investment Adviser	HSBC Global Asset Management (UK)	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for FY2022 (31.03.2022) <sup>2</sup>	1.25% - 1.29%

### PRODUCT SUITABILITY

#### WHO IS THIS PRODUCT SUITABLE FOR?

This Sub-Fund is only suitable for investors who:

- ▶ Seek total return over the long term
- ▶ Are comfortable with the volatility and risks related to investing in equities from around the world
- ▶ Understand that the principal of the Sub-Fund will be at risk

*Refer to paragraph 3.1 “Investment Objectives, Focus and Approach” of the Singapore Prospectus and section 3.2 “Sub-Funds details” of the Luxembourg Prospectus for further information on product suitability.*

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

- ▶ You are investing in a Sub-Fund of the HSBC Global Investment Funds (the “Fund”), an investment company (Société d’Investissement à Capital Variable) incorporated in the Grand Duchy of Luxembourg and qualifying as an Undertaking for Collective Investment in Transferable Securities (UCITS) complying with the provisions of Part I of the 2010 Law. The Fund is structured as an umbrella fund offering Shares in the Sub-Fund for investment.
- ▶ Investment Objective  
The Sub-Fund aims to provide long term total return by investing in a portfolio of equities worldwide.
- ▶ For Distribution Share Classes of a Sub-Fund (if made available for subscription), distributions out of capital (if any) will reduce the Net Asset Value of the relevant Share Class of the Sub-Fund.

*Refer to paragraphs 1 and 3.1 “Investment Objectives, Focus and Approach” of the Singapore Prospectus and section 3.2 “Sub-Funds details” of the Luxembourg Prospectus for further information on features of the product.*

### INVESTMENT STRATEGY

The Sub-Fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies domiciled or operating in both developed markets and Emerging Markets. The Sub-Fund may also invest in eligible closed-ended Real Estate Investment Trusts (“REITS”).

The Sub-Fund aims for lower portfolio volatility relative to that of the MSCI All Country World through portfolio construction.

The Sub-Fund uses a quantitative multi-factor investment process, based on five factors (value, quality, momentum, low risk and size), to identify and rank stocks in

*Refer to section 3.2 “Sub-Funds details” of the Luxembourg Prospectus for details on the structure of the Sub-Fund.*

<sup>1</sup> The Singapore Prospectus is accessible at <http://www.assetmanagement.hsbc.com/sg>.

<sup>2</sup> The expense ratios for Share Classes offered less than 1 year are computed on an annualised basis.

its investment universe. The process makes use of proprietary systematic, defensive portfolio construction techniques aiming to maximise risk-adjusted return whilst reducing volatility and drawdowns during periods of market turbulence. Although the investment process currently uses these five factors, it is subject to ongoing research regarding the current and potential additional factors. When assessing companies, the Investment Adviser may rely on expertise, research and information provided by well-established financial data providers.

The Sub-Fund's investments in Chinese equities include, but are not limited to China A-shares and China B-shares (and such other securities as may be available) listed on stock exchanges in People's Republic of China. Investments in China A-shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect may be up to 10% of the Sub-Fund's net assets, and up to 10% of its net assets when investing through China A-shares Access Products ("CAAP"). The Sub-Fund's maximum exposure to China A-shares (through Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect or CAAP) and China B-shares is 20% of its net assets. The Sub-Fund will not invest more than 10% of its net assets in CAAPs issued by any single issuer.

The Sub-Fund normally invests across a range of market capitalisations without any capitalisation restriction. The Sub-Fund will not invest more than 10% of its net assets in a combination of participation notes and convertibles. 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 will not invest more than 10% of its net assets in REITS. Investment in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds) may be up to 10% of its net assets.

The Sub-Fund may use financial derivative instruments for hedging and cash flow management (for example, Equitisation). However, the Sub-Fund will not use financial derivative instruments extensively for investment purposes. Financial derivative instruments may also be used for efficient portfolio management purposes.

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 is actively managed and does not track a benchmark. The reference benchmark for Sub-Fund market comparison purposes is MSCI AC World.

#### PARTIES INVOLVED

##### WHO ARE YOU INVESTING WITH?

- ▶ Fund - HSBC Global Investment Funds
- ▶ Management Company - HSBC Investment Funds (Luxembourg) S.A.
- ▶ Investment Adviser - HSBC Global Asset Management (UK) Limited
- ▶ Custodian / Depositary Bank - HSBC Continental Europe, Luxembourg
- ▶ Singapore Representative - HSBC Global Asset Management (Singapore) Limited

*Refer to paragraph 2 "Management & Administration of the Company" of the Singapore Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.*

#### KEY RISKS

##### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

- ▶ The value of the Sub-Fund's assets may rise or fall due to normal market fluctuations and investors may not get back all of their investment.

*Refer to paragraph 6 "Risks" of the Singapore Prospectus and sections 1.4 "General Risk Considerations" and 3.3 "Sub-fund specific risk considerations" of the Luxembourg Prospectus for further information on risks of the product.*

#### MARKET AND CREDIT RISKS

- ▶ You are exposed to Market Risk  
The value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies around the world.

▶ You are exposed to Foreign Exchange Risk

The underlying assets of the Sub-Fund may be denominated in currencies other than the currency of the share class you have invested into. The value of your investment may rise or fall in line with movements in the relevant exchange rates.

#### LIQUIDITY RISKS

- ▶ The Sub-Fund is not listed in Singapore and there is no secondary market for its Shares. You can only redeem your investment on a Dealing Day through the Sub-Fund.
- ▶ Investment of the Sub-Fund's assets in relatively illiquid investments may restrict the ability of the Sub-Fund to dispose of its investments at a price and time that it wishes to do so. This may result in a loss to the Sub-Fund.

#### PRODUCT-SPECIFIC RISKS

▶ You are exposed to Emerging Markets Risk

Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, market volatility (such as interest rate and price volatility) and regulatory risks.

▶ You are exposed to Chinese Equity Risk

Investing in China involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, market volatility (such as interest rate and price volatility) and regulatory risks.

▶ You are exposed to risk of investing in China A-Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect

Investments through the Stock Connects are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-shares and regulatory risk.

▶ You are exposed to the risks of investing in China A-Shares Access Product ("CAAP")

Investing in CAAP linked to China A-shares in the People's Republic of China involves risks that include but limited to, the terms and conditions imposed by the CAAP issuer, liquidity of CAAPs, and credit risk of the CAAP issuer.

▶ You are exposed to the risk of investment in REITs

Insofar as the Sub-Fund directly invests in REITs, any dividend policy or dividend payout at the Sub-Fund level may not be representative of the dividend policy or dividend payout of the relevant underlying REIT. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established.

▶ You are exposed to Derivatives Risk

Financial derivative instruments may be leveraged and their prices can be very volatile. Investment in these instruments may result in losses in excess of the original amount invested. If the issuers of the derivative instruments default, or such securities or their underlying assets cannot be realized, or perform badly, investors may suffer substantial or, in certain cases, total loss of their investments. Governmental regulation and supervision of transactions on the OTC markets is generally lesser than of transactions on organised exchanges. Thus, investing in OTC derivatives involves higher counterparty risk and liquidity risk.

#### FEES AND CHARGES

##### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

Sales Charge	Up to 5.00% of the Net Asset Value per Share
Redemption Fee	Nil
Switching Fee	0.50%

Refer to paragraph 5 "Fees and Charges" of the Singapore Prospectus for further information on fees and charges.

Payable by the Sub-Fund from investment proceeds

Management Fee	Class A – 0.80%
(a) Retained by Management Company	- 30% to 75% of Management Fee
(b) Paid by Management Company to financial adviser (trailer fee) <sup>3</sup>	- 25% to 70% of Management Fee
Operating, Administrative and Servicing Expenses	Class A – 0.35%

The maximum rate for (i) the Operating, Administrative and Servicing Expenses and (ii) Operating Currency Hedged Share Class Fee is set at 1% of the net asset value of the relevant Share Class in the Sub-Fund.

Investors should note that subscriptions for Shares through any distribution agents appointed by the Singapore Representative may incur additional fees and charges.

The Singapore Representative may enter into fee sharing arrangements with the appointed distributors with respect to the Sales Charge and Management Fee.

In addition to the fees listed above, the Board of Directors of the Fund may impose a charge of up to 2.00% of the Net Asset Value per Share redeemed or exchanged where the Board of Directors reasonably believes that an investor has engaged in market timing or trading activity that is to the disadvantage of other Shareholders. This charge, if imposed, will be credited to the Sub-Fund and will not be retained for the benefit of the Fund or the Management Company.

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

- ▶ Valuations are available on each Dealing Day.

The net asset value of the Shares of the Sub-Fund for each Dealing Day is published on the Singapore Representative's website at [www.assetmanagement.hsbc.com/sg](http://www.assetmanagement.hsbc.com/sg). It is also published in The Business Times and Lianhe Zaobao on a periodic basis.

*Refer to section 2.8 "Price of Shares, Publication of Prices And NAV" of the Luxembourg Prospectus for further details.*

### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- ▶ You may request for the redemption of your Shares on any Dealing Day.
- ▶ Shares are redeemed on a forward pricing basis.
- ▶ Redemption of Shares in the Sub-Fund made to the Fund before 4.00 p.m. Singapore time on any Dealing Day will be dealt with at the Redemption Price calculated at 5.00 p.m. Luxembourg time on each Dealing Day. Any request received after the Dealing Deadline will be dealt with on the next Dealing Day.
- ▶ Redemption proceeds will be paid within 7 Business Days following the relevant Dealing Day unless the redemption of Shares has been suspended in accordance with paragraph 12 of the Singapore Prospectus.
- ▶ The following is an illustration of the redemption proceeds that an investor will receive based on a redemption of 1,000 Shares:

*Refer to paragraphs 9 "Redemption of Shares" and 12 "Suspension of Dealings" of the Singapore Prospectus for further information on valuation and exiting from the product.*

e.g.	1,000 Shares	x	SGD20.519	=	SGD20,519
	Redemption request		Redemption Price <sup>^</sup> (Net Asset Value per Share)		Redemption Proceeds

<sup>^</sup> There is no redemption charge

The Sub-Fund does not offer a cancellation period. You may wish to check with the distribution agents appointed by the Singapore Representative whether they offer a cancellation period and if they do so without incurring the Sales Charge.

## CONTACT INFORMATION

### HOW DO YOU CONTACT US?

Please contact our distributors or

HSBC Global Asset Management (Singapore) Ltd at: (+65) 6658 2900

Website: <http://www.assetmanagement.hsbc.com/sg>

<sup>3</sup> Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Management Company.

## APPENDIX: GLOSSARY OF TERMS

- ▶ “Business Day” – A day on which banks are open for normal banking business in Singapore and Luxembourg.
- ▶ “Dealing Day” – Any Business Day (other than days during a period of suspension of dealing in Shares) and which is also for the Sub-Fund, a day where stock exchanges and regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.
- ▶ “Emerging Markets” – Markets in countries that are not amongst the following groups of industrialised countries: United States and Canada, Switzerland and Members of the European Economic Area, the UK, Japan, Australia and New Zealand, and may include those countries in the preceding groups that do not have fully developed financial markets.
- ▶ “Equitisation” – Cash equitisation may be used for a Sub-Fund and involves the use of financial derivative instruments such as index futures to achieve synthetic equity exposure for the purpose of avoiding performance drag from uninvested cash which typically provides lower returns than equities whilst searching for suitable investment opportunities.
- ▶ “Other Eligible UCI” – An open-ended Undertaking for Collective Investment within the meaning of Article 1 paragraph (2) points a) and b) of Directive 2009/65/EC and complying with the following:
  - it is authorised under laws which provide that it is subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, or if cooperation between authorities is sufficiently ensured;
  - the level of protection for its unitholders is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive 2009/65/EC, as amended;
  - its business is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of its assets can, according to its management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs.

Closed-ended UCIs are not considered as other Eligible UCIs, but may qualify as transferable securities.
- ▶ “REIT” – An entity that is dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities.
- ▶ “UCITS” – An Undertaking for Collective Investment in Transferable Securities authorised pursuant to directive 2009/65/EC, as amended.