



**HSBC Global Asset Management
(Singapore) Limited**
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26 April 2021

Dear Shareholder,

We, HSBC Global Asset Management (Singapore) Limited, are the Singapore Representative of HSBC Global Investment Funds - Global Lower Carbon Bond, which is registered as a **Recognised and Restricted^ Scheme in Singapore**.

We are writing to inform you that the investment objective, as described in the prospectus for HSBC Global Investment Funds – Global Lower Carbon Bond, a sub-fund in which you own shares (the “Sub-Fund”), was updated on 10th March 2021 to better reflect the investment strategy.

For this update the core investment objective, strategy and risk weighting of the Sub-Fund is not changing. The continuing aim is to provide long-term total return by investing in a portfolio of corporate bonds with a lower carbon footprint than its reference benchmark (the Bloomberg Barclays Global Aggregate Corporate Diversified Index Hedged USD).

In addition to the update described above, the minimum investment will change from 90% to 70%, as detailed below and effective from 26th May 2021. The “Change Implementation Date” referred to below relates to this change.

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

Please take a moment to review the important information given below. If you have any questions, please contact your local agent or HSBC Global Asset Management office.

The Changes

Current Investment Objective	New Investment Objective
<p>The sub-fund aims to provide long term total return by investing in a portfolio of corporate bonds seeking a lower carbon footprint than its reference benchmark (Bloomberg Barclays Global Aggregate Corporates Diversified Index Hedged USD).</p> <p>The sub-fund invests (normally a minimum of 90% of its net assets) in:</p> <ul style="list-style-type: none">Investment Grade and Non-Investment Grade rated fixed income and other similar securities issued by companies with consideration of the	<p>The sub-fund aims to provide long term total return by investing in a portfolio of corporate bonds, while promoting ESG characteristics within the meaning of Article 8 of SFDR.</p> <p>The sub-fund aims to do this with a lower carbon intensity calculated as a weighted average of the carbon intensities of the sub-fund’s investments, than the weighted average of the constituents of the Bloomberg Barclays Global Aggregate Corporate Diversified Index Hedged USD (the “Reference Benchmark”).</p>

issuers' carbon footprint and/or "Green Bonds" (fixed income securities whose proceeds are invested in projects with climate or other environmental sustainability purposes). The sub-fund will invest in both developed markets and Emerging Markets. These investments will be denominated in developed market and Emerging Market currencies.

- Asset Backed Securities ("ABS") and Mortgage Backed Securities ("MBS").

As of 13th January 2020, the sub-fund will not invest in companies involved in the production of tobacco or related activities.

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

- Investment Grade and Non-Investment Grade rated fixed income and other similar securities issued by companies meeting certain lower carbon criteria ("Lower Carbon Criteria"). The sub-fund will invest in both developed markets and Emerging Markets. Investments will be denominated in developed market and Emerging Market currencies.

Lower Carbon Criteria may include, but are not limited to:

- excluding companies with a carbon intensity above the weighted average of the constituents of the Reference Benchmark; and
- excluding companies with high carbon intensity relative to their sector; and
- excluding companies with insufficient data to establish their carbon intensity; and
- including "green bonds" meeting the Green Bond Principles of the International Capital Market Association. Such green bonds are not subject to the aforementioned exclusions.

Lower Carbon Criteria are proprietary to HSBC, subject to ongoing research and may change over time as new criteria are identified.

In addition, the sub-fund will not invest in companies involved in the production of tobacco or related activities.

After identifying the eligible investment universe, the Investment Adviser aims to construct a portfolio with lower carbon intensity, calculated as a weighted average of the carbon intensities of the sub-fund's investments, than the weighted average of the constituents of the Reference Benchmark. When assessing companies' carbon intensity, the Investment Adviser may rely on expertise, research and information provided by well-established financial data providers.

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The sub-fund may invest up to 10% of its net assets in ABS and MBS.

## Reasons for the changes

The Sub-Fund launched in September 2017 and since then environmental, social and governance (ESG) financial product strategies and disclosure requirements have developed. Based on such, we reviewed the Sub-Fund's investment strategy to ensure that it is being given the best opportunity to not only fulfil its investment aim but also meet investor's ESG expectations. The changes to the investment objective facilitate

this by better defining the methodology by which the Sub-Fund's investment universe is determined and carbon footprint (now referred to as carbon intensity) is measured.

Reducing the minimum 90% of the Sub-Fund invested in the defined universe of instruments brings it into line with market standards. Exposure of 70% adequately reflects the underlying investment strategy.

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## Your Options

1. **Take no action.** Your investment will remain as it is today.
2. **Convert your investment to another HSBC Global Investment Funds sub-fund.** If you wish to ensure the switch is completed before the changes become effective, instructions must be received before the implementation date as given in the right-hand column. Please ensure you read 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 the implementation 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 switch or redemption fees by HSBC.** Please note that some distributors, paying agents, correspondent banks or intermediaries might charge switching and/or transaction fees or expenses at their own discretion.

### **CHANGE IMPLEMENTATION DATE:**

For minimum investment change 26<sup>th</sup> May 2021

**THE SUB-FUND:** HSBC Global Investment Funds - Global Lower Carbon Bond

### **THE FUND**

HSBC Global Investment Funds

**Registered Office** 16 boulevard d'Avranches, L-1160 Luxembourg, grand duchy of Luxembourg

**Registration Number** B 25 087

**Management Company** HSBC Investment Funds (Luxembourg) S.A.

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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.

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

On behalf of HSBC Global Asset Management (Singapore) Limited



Patrice Conxicoeur  
CEO and Head of South East Asia

^ Restricted scheme may not be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 304 of the SFA, in accordance with the conditions specified in that section, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Units are subscribed or purchased under Section 305 of the SFA by a relevant person which is (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within 6 months after that corporation or that trust has acquired the Units pursuant to an offer made under Section 305 of the SFA except (1) to an institutional investor or to a relevant person as defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; or (4) as specified in Section 305A(5) of the SFA