Important information:

- The Fund invests mainly in fixed income securities.
- The Fund is subject to emerging market risks when investing in such markets.
- Because the Fund's base currency, investments and classes may be denominated in different currencies, investors may be affected adversely by exchange controls and exchange rate fluctuations. There is no guarantee that the currency hedging strategy applied to the relevant classes will achieve its desired result.
- The Fund may pay dividends out of capital or gross of expenses. Dividend is not guaranteed and may result in capital erosion and reduction in net asset value.
- The Fund may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Fund's investments may involve substantial credit, currency, volatility, liquidity, interest rate, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Unit trusts are NOT equivalent to time deposits. Investors should not invest in the Fund solely based on the information provided in this document and should read the offering document of the Fund for details.

HSBC Global Investment Funds – Global Lower Carbon Bond

HSBC
Global Asset
Management

Why consider the Fund?

1 Climate changes pose risks and opportunities to global economies and companies

- Carbon dioxide (CO_2) emission leads to greenhouse effect, causing global warming and climate changes
- Governments have set up different regulations and plans to control CO_2 emission. This poses risks and opportunities for companies

For example:

European Commission proposed a regulation on reducing CO_2 emissions from new passenger cars and vans in November 2017

Risks

Automobile manufacturers failing to meet the requirements need to invest or they will suffer from loss of market share

Opportunities

Automobile manufacturers that already meet the requirement enjoy market advantage and lower R&D costs

2 Capture benefits of lower carbon companies while avoiding climate-related risks

- Carbon efficient companies enjoy benefits over carbon inefficient companies during the transition to a lower carbon economy
- Investing in carbon efficient companies also reduces risks associated with global climate changes

Reduce risks

Transition risks

Reputation damage, loss of investors, credit rating downgrade etc. for companies that cannot keep up with the low carbon economy transition

Physical risks

Physical impact of drought, floods, fires, storms, and other extreme weather events

Regulatory risks

Additional costs to meet regulatory requirements

Capture Opportunities

Cost efficiency

Attract capital

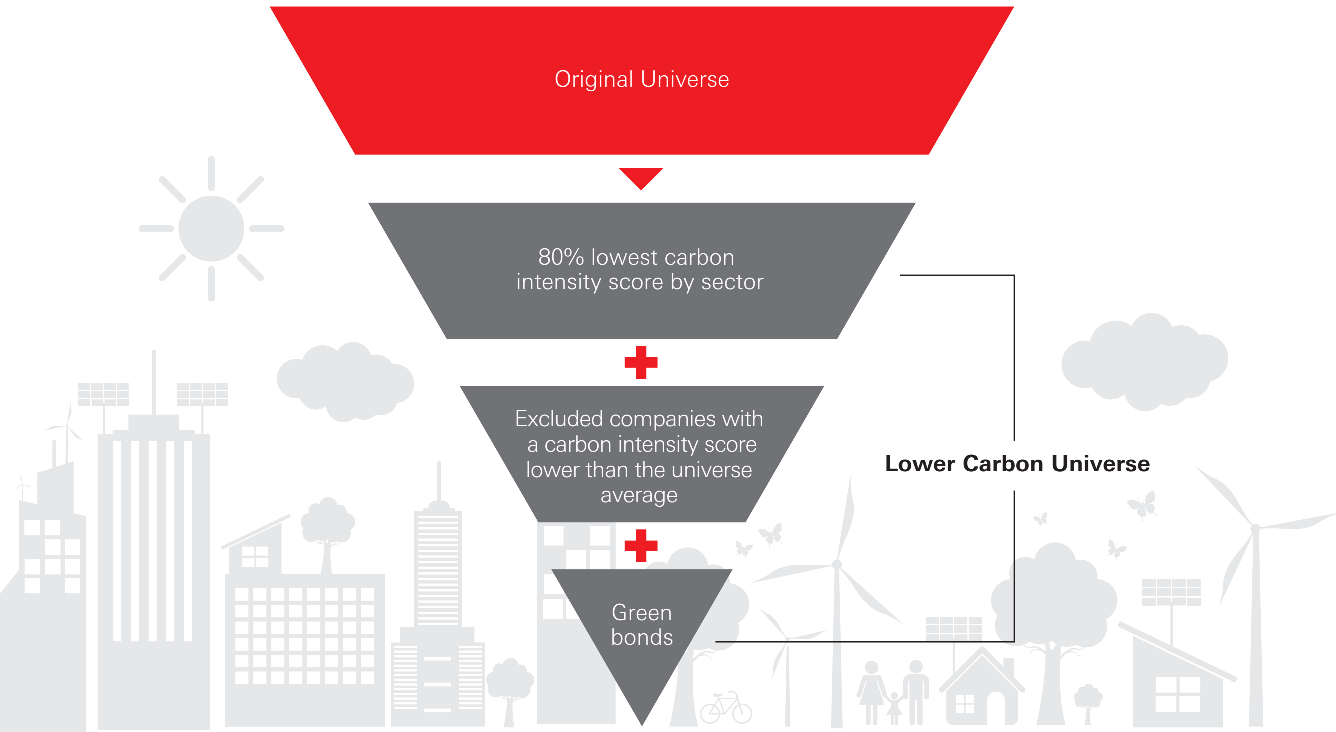
Resilient to regulatory requirement

Market differentiation

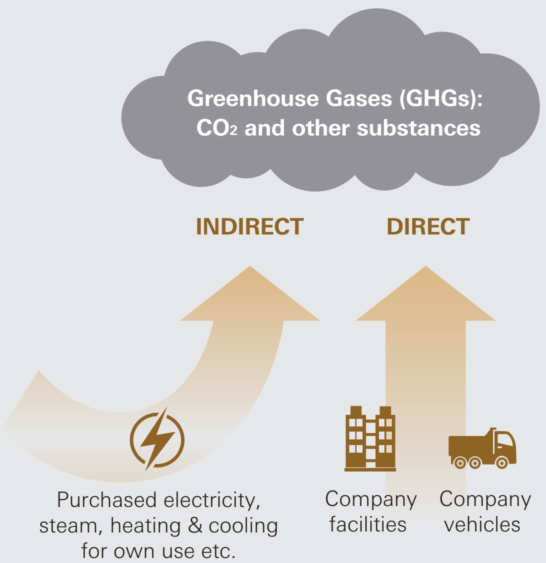
Better stakeholder management

3 Maximise potential returns while reducing portfolio carbon intensity

- Carbon intensity data is used in creation of sector-neutral and lower carbon investment universe for portfolio construction
- Dynamic top-down and bottom-up investment process to maximise long term return



What is carbon emission? How is it measured?



The fundamental cause of climate change is carbon emission, which comprise CO_2, and other greenhouse gases (GHGs) that can be measured in terms of CO_2 emissions.

To control carbon emissions from business, they must first be accurately measured. The two key measurements are:

Carbon footprint is a simple measure of the total amount of a company's GHGs emissions, both direct and indirect, over a 12-month period.

Carbon intensity measures how efficient a company is in generating revenue based on the amount of GHGs it emits. Carbon intensity is expressed as the amount of carbon emitted per USD1 million of revenue (the lower the better). One of the fund objectives is seeking a lower portfolio carbon intensity than its benchmark.

Investment objective

The 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).

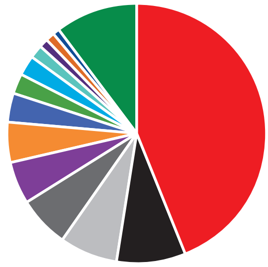
Suitable investors

- Investors who seek exposure to a portfolio of corporate bonds with a lower carbon footprint, and who can bear the risk of the underlying investments.

Potential risks

- Investment risk: the Fund is an investment fund. There is no guarantee that the Fund's investment objective can be achieved
- Risks relating to debt securities: the Fund is subject to credit risk, downgrading risk, interest rate risk, liquidity risk, volatility risk, valuation risk, credit rating risk, and sovereign debt risk
- Foreign exchange risk: because the Fund's assets and liabilities and classes of shares may be denominated in currencies different from the reference currency, the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the reference currency and other currencies
- Risk associated with distribution out of capital: any distributions involving payment of dividends out of the Fund's capital or effectively out of the Fund's capital will result in an immediate reduction in the net asset value
- Other risks: emerging market risk, derivative instrument risk, and risks relating to hedging and the currency hedged share classes

Sector allocation (%)



Financial institutions	44.0
Consumer non cyclical	8.7
Communications	7.2
Energy	6.4
Utility	5.3
Consumer cyclical	4.9
Treasuries	3.7
Basic industry	2.5
Technology	2.4
Transportation	1.8
Capital goods	1.2
Agencies	1.0
Others	0.9
Cash	10.0

Fund performance

Cumulative performance (%, in USD)

	YTD	3M	1Y	3Y	5Y
Class AM2	3.1	3.8	-	-	-
Reference benchmark	2.4	3.5	-	-	-

Calendar year performance (%, in USD)

	2018	2017	2016	2015	2014
Class AM2	-0.1	-	-	-	-
Reference benchmark	1.2	-	-	-	-

Fund details

Fund inception date:	27 September 2017
Fund size:	USD 82.71 million
Share class:	AM2 / AM2HKD
Base currency:	USD
Share class currency:	USD / HKD
Minimum investment:	USD1,000 / HKD10,000
Management fee:	0.8% per annum
Switching fee:	1%
Dealing:	Daily
Dividend policy[1]:	Monthly, if any
Fund manager:	Jerry Samet, Beatrice de Saint Leve
Reference benchmark:	Bloomberg Barclays Global Aggregate Corporates Diversified Hedged USD
Investment adviser:	HSBC Global Asset Management (USA) Inc.

Unless stated otherwise, all data is as of 28 February 2019.

1. Dividend is not guaranteed and may be paid out of capital which will result in capital erosion and reduction in net asset value.