3 December 2021

IMPORTANT : THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

Capitalised terms not defined in this letter will have the same meaning as those defined in the Information for Hong Kong Investors read together with the current prospectus of HSBC Global Investment Funds (collectively, the "**HK Prospectus**").

HSBC Global Investment Funds (the "Fund")
Société d'Investissement à Capital Variable
16, boulevard d'Avranches
L-1160 Luxembourg
Grand-Duchy of Luxembourg
R.C.S. Luxembourg B 25.087

Dear Shareholder,

We are writing to inform you that the following changes to the HSBC Global Investment Funds (the "**Fund**") and its sub-funds authorised by the SFC (each a "**Sub-Fund**", collectively, the "**Sub-Funds**"). Please take a moment to review the important information given below. The changes will be reflected in the HK Prospectus and product key facts statements ("**KFS**") of the Sub-Funds.

A. Changes to the HSBC Global Investment Funds – Global Equity Dividend

The investment objective, strategy and name of HSBC Global Investment Funds – Global Equity Dividend, a sub-fund in which you own shares, will be changed on 3 January 2022 (the "**Implementation Date**") to reflect that the Sub-Fund will be managed to a new sustainable long term investment strategy.

From the Implementation Date, the Sub-Fund aims to provide income from dividends and long term capital growth by investing in companies that may benefit over the long term from the transition to a more sustainable global economy ("**Sustainable Companies**"). The Sub-Fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of Sustainable Companies. The Fund will not invest in equities and equity equivalent securities of companies or REITs that have material exposure, exceeding a revenue exposure threshold, to specific excluded activities ("**Excluded Activities**"). These Excluded Activities are proprietary to HSBC and may include, but are not limited to, coal, unconventional oil and gas extraction and tobacco and may change over time. The Investment Adviser's proprietary research will also consider each Sustainable Company's cash profitability and overall financial profile as it might evolve over the long-term under multiple scenarios, which may include but are not limited to fundamental scenarios, macro scenarios, and sustainability-driven scenarios (e.g. demographic, resource scarcity, pollution and climate change scenarios).

As a result of the changes, the Sub-Fund will be renamed as "HSBC Global Investment Funds – Global Sustainable Long Term Dividend" and the Sub-Fund's performance benchmark will be changed to the MSCI AC World High Dividend. The Sub-Fund will also be marketed as a green or ESG fund in Hong Kong pursuant to the SFC's Circular to management companies of SFC-authorized unit trusts and mutual funds – Green or ESG funds.

Please refer to the table below for further details of changes to the Sub-Fund.

Save as described above, the core investment objective and risk weighting of the Sub-Fund is not changing. The continuing aim is to provide income and long term capital growth (total return) by investing in the equity of companies globally. Fees paid by Shareholders will not change.

(i) The changes

Name of the Sub-Fund prior to the changes	**New Name of the Sub-Fund from Implementation Date**
HSBC Global Investment Funds - Global Equity Dividend	HSBC Global Investment Funds - Global ~~Equity~~ Sustainable Long Term Dividend
Investment Objective and Strategy prior to the changes	**Investment Objective and Strategy from Implementation Date**
The sub-fund aims to provide long term total return in a portfolio of equities worldwide.	The sub-fund aims to provide income from dividends and long term capital growth ~~total return~~ by investing in companies that may benefit over the long term from the transition to a more sustainable global economy (“Sustainable Companies”) ~~in a portfolio of equities worldwide.~~, thereby promoting ESG characteristics within the meaning of Article 8 of SFDR.
The sub-fund aims to invest in a portfolio that offers a dividend yield above the MSCI All Country World Index.	~~The sub-fund aims to invest in a portfolio that offers a dividend yield above the MSCI All Country World Index.~~
The sub-fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, or carry out the larger part of their business activities in, any country including both developed markets and Emerging Markets. The sub-fund may also invest in eligible closed-ended Real Estate Investment Trusts (“REITs”).	The sub-fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of Sustainable Companies~~companies~~ which are domiciled in, based in, or carry out the larger part of their business activities in, any country including both developed markets and Emerging Markets. The sub-fund may also invest in eligible closed-ended Real Estate Investment Trusts (“REITs”). The sub-fund will not invest in equities and equity equivalent securities of companies or REITs that have material exposure, exceeding a revenue exposure threshold, to specific excluded activities (“Excluded Activities”). These Excluded Activities are proprietary to HSBC and may include, but are not limited to coal, unconventional oil and gas extraction and tobacco and may change over time. The revenue exposure threshold will depend on the specific Excluded Activity but will not be higher than 30% of the relevant company’s total revenue. The Investment Adviser may rely on expertise, research and information provided by well-established financial data providers to identify companies exposed to these Excluded Activities. After excluding ineligible investments as mentioned above, the Investment Adviser conducts proprietary research to assess and grade certain sustainability criteria according to a 3-point scale, or similar grading scale. Sustainability criteria are subject to ongoing research and may change over time but may include sustainability of practices and culture, sustainability of business model, sustainability of products. The Investment Adviser will then consider a company’s sustainability criteria grades and its alignment with UN Sustainable Development Goals to come to an initial conclusion as to whether a company is considered a Sustainable Company. The company will need to align with at least one UN Sustainable Development Goal and will typically have achieved top grades for the majority of its sustainability criteria for the Investment Adviser to give such an initial conclusion that it is a Sustainable Company. Finally, the Investment Adviser will compare its initial conclusion to ESG scores provided by well-established financial data providers. Where ESG scores corroborate the Investment Adviser’s initial conclusion, the conclusion will be considered final. Where ESG scores do not corroborate the Investment Adviser’s initial conclusion, then the Investment Adviser will consider the reasons but may still finally conclude it is a Sustainable Company if it considers that ESG scores do not accurately reflect a company’s sustainability profile.

	More information on HSBC Asset Management's responsible investing policies is available at https://www.assetmanagement.hsbc.com.hk/en/individual-investor/about-us/responsible-investing/policies The Investment Adviser's proprietary research will also consider each Sustainable Company's cash profitability and overall financial profile as it might evolve over the long-term under multiple scenarios, which may include but are not limited to fundamental scenarios, macro scenarios, and sustainability-driven scenarios (e.g. demographic, resource scarcity, pollution and climate change scenarios). The Investment Adviser will then construct a concentrated portfolio of Sustainable Companies aiming for dividend income as well as long-term growth.
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 the People's Republic of China ("PRC"). The Sub-Fund may directly invest in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the Sub-Fund may gain exposure to China A-shares indirectly through China A-shares Access Products ("CAAP") such as, but not limited to, participation notes linked to China A-shares.	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 the People's Republic of China ("PRC"). The Sub-Fund may directly invest in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the Sub-Fund may gain exposure to China A-shares indirectly through China A-shares Access Products ("CAAP") such as, but not limited to, participation notes linked to China A-shares.
The Sub-Fund may invest up to 10% of its net assets in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect and up to 10% of its net assets in CAAPs. The Sub-Fund's maximum exposure to China A-shares (through the Shanghai-Hong Kong Stock Connect, the 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 of CAAPs. The Sub-Fund will not invest more than 10% of its net assets in REITs. The Sub-Fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds). 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. The financial derivative instruments the Sub-Fund is permitted to use include, but are not limited to, futures 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. Financial derivative instruments may also be used for efficient portfolio management purposes.	The Sub-Fund may invest up to 10% of its net assets in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect and up to 10% of its net assets in CAAPs. The Sub-Fund's maximum exposure to China A-shares (through the Shanghai-Hong Kong Stock Connect, the 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 of CAAPs. The Sub-Fund will not invest more than 10% of its net assets in REITs. The Sub-Fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds). 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. The financial derivative instruments the Sub-Fund is permitted to use include, but are not limited to, futures 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. 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 Fund market comparison purposes is MSCI AC World Net. The Investment Adviser 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 Sub-Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark.	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 Fund market comparison purposes is MSCI AC World ~~Net~~High Dividend. The Investment Adviser 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 Sub-Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark.
Reference Performance Benchmark prior to the changes	**New Reference Performance Benchmark from Implementation Date**
MSCI AC World Net	MSCI AC World ~~Net~~High Dividend

Reason for the Changes

Over recent years ESG factors and sustainability have become an increasingly important part of investment management decision making. SFDR was introduced as part of a package of legislative measures arising from the European Commission's Action Plan on Sustainable Finance.

SFDR formalises the categorisation of funds based on their approach to ESG factors and sustainability. There are three categories:

Article 6 - a fund for which ESG factors and sustainability are not part of the investment process;

Article 8 - a fund for which ESG factors and sustainability are an integral part of the investment process and which promotes the same; and

Article 9 - a fund that has ESG factors and sustainability as its primary investment objective.

HSBC has had the capability to integrate ESG factors and sustainability into its investment process for a considerable time and has a number of long established funds that could qualify as Article 8 SFDR funds. Based on this and the introduction of SFDR we have reviewed all sub-funds of the Fund with a view of re-categorising them from Article 6 to Article 8 of SFDR.

Changing the Sub-Fund's investment objective and strategy as detailed above facilitates the re-categorisation from Article 6 to Article 8 of SFDR and gives it the best opportunity to meet client's ESG expectations. Introducing Excluded Activities focuses the Sub-Fund on market recognised ESG investment practices. This focus will be strengthened through the partnerships with ESG financial data providers.

Modifying the Sub-Fund's investment strategy, as mentioned above, will give the Investment Advisor the best opportunity to fulfill the Sub-Fund's investment aim, through the analysis of how companies' financial profiles will evolve in a global economy that will become increasingly focused on sustainability.

As a result of the above changes, the Sub-Fund will be subject to sustainable investment policy risk and investment strategy risk relating to long term equity.

(ii) Your Options

1. **Take no action.** Your investment will remain as it is today.
2. **Switch your investment to another SFC-authorised HSBC Global Investment Funds Sub-Fund[1].** If you wish to ensure the switching is completed before the changes become effective, instructions must be received by the Hong Kong Representative before 4:00 pm (Hong Kong time) on the dealing day prior to the Implementation Date as given in the right-hand column. Please ensure you read the HK Prospectus and the KFS 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 by the Hong Kong Representative before 4:00pm (Hong Kong time) on the dealing day prior to the Implementation Date as given in the right-hand column.

INVESTMENT OBJECTIVE, STRATEGY AND NAME CHANGE IMPLEMENTATION DATE:
3 January 2022

THE SUB-FUND: HSBC Global Investment Funds - Global Equity Dividend

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.

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, the Fund does not charge redemption fees and switching fees will not be charged by the Fund or the Hong Kong Distributor if the switching instruction is received by the Hong Kong Representative before 4:00pm (Hong Kong time) on the dealing day prior to the Implementation Date. Please note that some sub-distributors, paying agents, correspondent banks or intermediaries might charge redemption, switching and/or transaction fees or expenses directly at their own discretion.

(iii) Implication of the changes

Save for the changes described above, there is no change in the operation and/or manner in which the Sub-Fund is being managed and there will be no impact on the features and risk profile of the Sub-Fund. The changes will not materially prejudice the Shareholders' rights or interests. There will be no change to the fee level / cost in managing the Sub-Fund.

The transaction costs associated with the transition to the new investment objective and strategy will be borne by the Sub-Fund, and are estimated to be 0.18% of the net asset value of the Fund as of 20 August 2021.

The costs associated with the implementation of the changes such as legal or administrative expenses will be paid out of the operating, administrative and servicing expenses applied to the Sub-Fund, the amounts of which are fixed, (please refer to sub-section headed "Fees and Expenses" under section 3.2 Sub-Fund Details: HSBC GLOBAL INVESTMENT FUNDS – GLOBAL EQUITY DIVIDEND of the Prospectus and the "Administrative Fee" section of the sub-section headed "Ongoing fees payable by the Fund" under section "What are the fees and charges?" of the Sub-Fund's KFS for the amount) and any excess of expenses would be borne directly by the Management Company or its affiliates.

B. Re-categorisation of sub-funds from Article 6 to Article 8 of Sustainable Finance Disclosure Regulation ("SFDR")

1. Re-categorisation of certain equity sub-funds

The investment objective and strategy as described in the Hong Kong offering documents of the sub-funds of the Fund listed below (each an "**In-Scope Equity Sub-Fund**", collectively, the "**In-Scope Equity Sub-Funds**"), have been enhanced. The enhancements reflect that they are managed as Article 8 SFDR funds.

[1] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean that the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

In addition, for the purposes of Article 8, a restriction on investing in companies with exposure to specific excluded activities (“**Excluded Activities**”), such as thermal coal extraction will come in to force from 3 January 2022 (the “**Excluded Activities Implementation Date**”).

Article 8 funds promote environmental, social and governance (“**ESG**”) factors as an integral part of their investment strategy and decision making process. This could be accomplished by focusing, for example, on companies with a better than average ESG rating, companies following strong corporate governance practices or companies which are actively operating in areas which reduce ESG risk, such as green energy firms.

The enhancement of the investment objective and strategy and the addition of restrictions regarding Excluded Activities do not signify a change to the core investment objective, strategy or risk ratings of each In-Scope Equity Sub-Fund. Fees paid by shareholders of the In-Scope Equity Sub-Funds will not change.

(i) In-Scope Equity Sub-Funds

- HSBC Global Investment Funds - Asia Ex Japan Equity
- HSBC Global Investment Funds - Asia Ex Japan Equity Smaller Companies
- HSBC Global Investment Funds - Euroland Equity Smaller Companies
- HSBC Global Investment Funds - Euroland Value
- HSBC Global Investment Funds - Europe Value
- HSBC Global Investment Funds - Global Emerging Markets Equity

(ii) The investment objective and strategy enhancements

The following enhancements have been made to the investment objective and strategy of the In-Scope Equity Sub-Funds:

- The investment objective of the In-Scope Equity Sub-Funds are enhanced to clarify that the respective In-Scope Equity Sub-Fund aims to achieve its investment objective while promoting ESG characteristics within the meaning of Article 8 of SFDR.

- The In-Scope Equity Sub-Funds includes the identification and analysis of a company’s ESG credentials (“ESG Credentials”) as an integral part of the investment decision making process to reduce risk and enhance returns.

- ESG Credentials may include, but are not limited to:
  - environmental and social factors, including but not limited to physical risks of climate change and human capital management, that may have a material impact on a security issuer’s financial performance and valuation.
  - corporate governance practices that protect minority investor interests and promote long term sustainable value creation.

- From the Excluded Activities Implementation Date, the In-Scope Equity Sub-Funds will not invest in equities issued by companies with exposure to specific excluded activities (“Excluded Activities”). Excluded Activities are proprietary to HSBC and may include, but are not limited to weapons, thermal coal extraction, coal-fired power generation and tobacco.

- The In-Scope Equity Sub-Funds conducts enhanced due diligence on equities that are considered to be non-compliant with the UN Global Compact Principles, or are considered to be high risk as determined by the HSBC’s proprietary ESG ratings.

- ESG Credentials, Excluded Activities and the need for enhanced due diligence may be identified and analysed by using, but not exclusively, HSBC’s proprietary ESG Materiality Framework and ratings, fundamental qualitative research and corporate engagement. The Investment Adviser may rely on expertise, research and information provided by financial and non-financial data providers.

- More information on HSBC Asset Management’s responsible investing policies is available at https://www.assetmanagement.hsbc.com.hk/en/individual-investor/about-us/responsible-investing/policies.

2. Re-categorisation of certain bond sub-funds

The investment objective and strategy as described in the Hong Kong offering documents of the sub-funds of the Fund listed below (each an "**In-Scope Bond Sub-Fund**", collectively, the "**In-Scope Bond Sub-Funds**"), have been enhanced. The enhancements reflect that they are managed as Article 8 SFDR funds.

In addition, for the purposes of Article 8, a restriction on investing in companies with exposure to Excluded Activities, such as thermal coal extraction, will come in to force on the Excluded Activities Implementation Date.

Article 8 funds promote ESG factors as an integral part of their investment strategy and decision making process. This could be accomplished by focusing, for example, on companies with a better than average ESG rating, companies following strong corporate governance practices or companies which are actively operating in areas which reduce ESG risk, such as green energy firms.

The enhancement of the investment objective and strategy and the addition of restrictions regarding Excluded Activities do not signify a change to the core investment objective, strategy or risk ratings of each In-Scope Bond Sub-Fund. Fees paid by shareholders of the In-Scope Bond Sub-Funds will not change.

(i) In-Scope Bond Sub-Funds

- HSBC Global Investment Funds - Euro Bond
- HSBC Global Investment Funds - Euro High Yield Bond
- HSBC Global Investment Funds - Global Corporate Bond

(ii) The investment objective and strategy enhancements

The following enhancements have been made to the investment objective and strategy of the In-Scope Bond Sub-Funds:

- The investment objective of the In-Scope Bond Sub-Funds are enhanced to clarify that the respective In-Scope Bond Sub-Fund aims to achieve its investment objective while promoting ESG characteristics within the meaning of Article 8 of SFDR. The respective In-Scope Bond Sub-Funds aim to do this with a higher ESG rating, calculated as a weighted average of the ESG ratings given to the issuers of the relevant In-Scope Bond Sub-Fund's investments, than the weighted average of the constituents of the reference benchmark adopted by each In-Scope Bond Sub-Fund.

- The In-Scope Bond Sub-Funds includes the identification and analysis of a company's ESG credentials ("ESG Credentials") as an integral part of the investment decision making process to reduce risk and enhance returns.

- ESG Credentials may include, but are not limited to:
  - environmental and social factors, including but not limited to physical risks of climate change and human capital management, that may have a material impact on a security issuer's financial performance and valuation
  - corporate governance practices that protect minority investor interests and promote long term sustainable value creation.

- From the Excluded Activities Implementation Date, the In-Scope Bond Sub-Funds will not invest in bonds issued by companies with exposure to specific excluded activities ("Excluded Activities"). Excluded Activities are proprietary to HSBC and may include, but are not limited to weapons, thermal coal extraction, coal-fired power generation and tobacco.

- The In-Scope Bond Sub-Funds conduct enhanced due diligence on bond issuers that are considered to be non-compliant with the UN Global Compact Principles, or are considered to be high risk as determined by the HSBC's proprietary ESG ratings.

- ESG Credentials, Excluded Activities and the need for enhanced due diligence may be identified and analysed by using, but not exclusively, HSBC's proprietary ESG Materiality Framework and ratings, fundamental qualitative research and corporate engagement. The Investment Adviser may rely on expertise, research and information provided by well-established financial data providers.

- More information on HSBC Asset Management's responsible investing policies is available at https://www.assetmanagement.hsbc.com.hk/en/individual-investor/about-us/responsible-investing/policies.

3. Re-categorisation of HSBC Global Investment Funds – Global Investment Grade Securitised Credit Bond (“Securitised Credit Bond”)

The investment objective and strategy, as described in the Hong Kong offering documents of Securitised Credit Bond, have been enhanced. The enhancements reflects that they are managed as Article 8 SFDR funds.

Article 8 funds promote ESG factors as an integral part of their investment strategy and decision making process. This could be accomplished by focusing, for example, on companies with a better than average ESG rating, companies following strong corporate governance practices or companies which are actively operating in areas which reduce ESG risk, such as green energy firms.

The enhancement of the investment objective and strategy does not signify a change to the Securitised Credit Bond’s core investment objective, strategy or risk ratings. It is for clarification purposes only. Fees paid by shareholders of the Securitised Credit Bond will not change.

(i) The investment objective and strategy enhancements

The following enhancements have been made to the investment objective and strategy of the Securitised Credit Bond:

- The investment objective of the Securitised Credit Bond is enhanced to clarify that the Sub-Fund aims to provide long term total return by investing in a portfolio of Investment Grade securitised credit (“Securitised Credit”), while promoting ESG characteristics within the meaning of Article 8 of SFDR.
- The Securitised Credit Bond includes the identification and analysis of issuers’ ESG credentials (“ESG Credentials”) as an integral part of the investment decision making process to reduce risk and enhance returns.
- ESG Credentials may include, but are not limited to:
  - environmental and social factors, including but not limited to physical risks of climate change and fair servicing and origination policies and practices, that may have a material impact on a security issuer’s financial performance and valuation
  - corporate governance practices that ensure transparent allocation of collateral cash flows and promote long term sustainable value creation.
- The Securitised Credit Bond targets investment in securities with a low and medium, HSBC proprietary, Securitised Credit ESG risk assessment rating (“ESG Risk Assessment Rating”). A lower ESG Risk Assessment Rating signifies lower ESG driven investment risk. It is determined through a combination of ESG Credentials as mentioned above, ESG factors most relevant to each Securitised Credit subsector and structural features of the specific security. For example, securities backed by auto loans have a higher environmental score due to environmental risks of certain engine types. However, this score can be reduced by superior ESG Credentials and structural features.
- More information on HSBC Asset Management’s responsible investing policies is available at https://www.assetmanagement.hsbc.com.hk/en/individual-investor/about-us/responsible-investing/policies.

Reason for the investment objective and strategy enhancements

Over recent years ESG factors and sustainability have become an increasingly important part of investment management decision making. SFDR was introduced as part of a package of legislative measures arising from the European Commission’s Action Plan on Sustainable Finance.

SFDR formalises the categorisation of funds based on their approach to ESG factors and sustainability. There are three categories:

Article 6 - a fund for which ESG factors and sustainability are not part of the investment process;

Article 8 - a fund for which ESG factors and sustainability are an integral part of the investment process and which promotes the same; and

Article 9 - a fund that has ESG factors and sustainability as its primary investment objective.

HSBC has had the capability to integrate ESG factors and sustainability into its investment process for a considerable time and has a number of long established funds that could qualify as Article 8 SFDR funds. Based on this and the introduction of SFDR we have reviewed all sub-funds of the Fund with a view of re-categorising them from Article 6 to Article 8. The In-Scope Equity Sub-Funds, In-Scope Bond Sub-Funds and Securitised Credit Bond were identified as those for which ESG factors and sustainability are already an integral part of the investment process.

Enhancing the investment objective and strategy of the In-Scope Equity Sub-Funds, In-Scope Bond Sub-Funds and Securitised Credit Bond as detailed above facilitates their re-categorisation from Article 6 to Article 8 and gives them the best opportunity to not only fulfil their investment aims but also meet client's ESG expectations.

In addition, for the In-Scope Equity Sub-Funds, incorporating ESG Credentials in the investment decision making process and introducing Excluded Activities, focuses the In-Scope Equity Sub-Funds on market recognised ESG investment practices. This focus will be strengthened through the partnerships with ESG financial data providers.

As for the In-Scope Bond Sub-Funds, incorporating an ESG performance target and ESG Credentials in the investment decision making process and introducing Excluded Activities, focuses the In-Scope Bond Sub-Funds on market recognised ESG investment practices. This focus will be strengthened through the partnerships with ESG financial data providers.

For the avoidance of doubt, none of the re-categorised Sub-Funds described in section B. will be marketed as ESG or green funds in Hong Kong.

For changes which take effect on 3 January 2022 described in sections B.1. and B.2. above, investors have the following options:

1. **Take no action.** Your investment will remain as it is today.
2. **Switch your investment to another SFC-authorised HSBC Global Investment Funds Sub-Fund.** If you wish to ensure the switching is completed before the Excluded Activities Implementation Date, instructions must be received by the Hong Kong Representative before 4:00 p.m. (Hong Kong time) on the dealing day prior to the Excluded Activities Implementation Date as given in the right-hand column. Please ensure you read the HK Prospectus and KFS of the Sub-Fund you are considering.
3. **Redeem your investment.** If you wish to ensure your redemption is completed before the Excluded Activities Implementation Date, instructions must be received by the Hong Kong Representative before 4:00 p.m. (Hong Kong time) on the dealing day prior to the Excluded Activities Implementation Date as given in the right-hand column.

EXCLUDED ACTIVITIES IMPLEMENTATION DATE : 3 January 2022

THE SUB-FUNDS: In-Scope Equity Sub-Funds and In-Scope Bond Sub-Funds as listed in sections B.1.(i) and B.2.(i) above

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.

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, the Fund does not charge redemption fees and switching fees will not be charged by the Fund or the Hong Kong Distributor if the switching instruction is received by the Hong Kong Representative before 4:00 p.m. (Hong Kong time) on the dealing day prior to the Excluded Activities Implementation Date. Please note that some sub-distributors, paying agents, correspondent banks or intermediaries might charge redemption, switching and/or transaction fees or expenses directly at their own discretion.

C. Other changes to the Hong Kong offering documents

1. Updates to the investment objective of HSBC Global Investment Funds – Ultra Short Duration Bond

From 3 January 2022, the HSBC Global Investment Funds – Ultra Short Duration Bond ("**Ultra Short Duration Bond**") will participate in the securities lending program of the Fund. A securities lending agent have been appointed to manage the lending process.

The introduction of securities lending does not signify a change to the Ultra Short Duration Bond's core investment objective or risk rating. The continuing aim of the Ultra Short Duration Bond is to provide short term total return by investing in bonds and money market instruments. Fees paid by shareholders will not change.

(i) Rationale and benefit of engaging in securities lending

Securities lending, through a lending agent, is standard market practice for collective investment schemes such as the Fund. Borrowers are charged a fee by the sub-funds which, after deducting the lending agent's fee, increases a sub-fund's income. This additional income increases a sub-fund's net assets and thus makes a positive contribution to the sub-fund's performance.

Shareholders should note, that the level of securities lending for each sub-fund will depend upon the assets held and the demand from borrowers. There is no guarantee that a specific sub-fund will engage in securities lending, or to what extent if it does participate. As such the benefit of securities lending will vary between sub-funds.

(ii) Risks and Mitigation Associated with Securities Lending

Engaging in securities lending leads to credit risk exposure to the borrowers. In order to mitigate this exposure, borrowers are required to provide high quality and liquid collateral to cover more than 100% of the value of the securities loaned.

However, the risk remains that a borrower may not return the securities when due or may not provide additional collateral when required. A default of this nature by the borrower, combined with a fall in the value of the collateral below that of the value of the securities loaned, may result in a reduction in the net asset value of a sub-fund.

To mitigate the above risks, the maximum portion of the Ultra Short Duration Bond's net assets which may be subject to securities lending is 29%.

2. Changes to the HSBC Global Investment Funds – Economic Scale US Equity

The investment objective and strategy of HSBC Global Investment Funds – Economic Scale US Equity (the "**Economic Scale US Equity**") have been updated to reflect that it is actively managed and is not constrained by a benchmark. The Economic Scale US Equity no longer references a benchmark for market comparison purposes.

Save for the change mentioned above, the investment objective, strategy and risk weighting of the Economic Scale US Equity is not changing. The continuing aim of the Economic Scale US Equity is to provide long term total return by investing in a portfolio of equities.

3. Investment in HSBC sponsored and/or managed UCITS and/or other Eligible UCIs

The investment objectives and policies of the following Sub-Funds are enhanced to provide that the Sub-Funds may invest up to 10% of their respective net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of the Fund).

- HSBC Global Investment Funds – Global Bond;
- HSBC Global Investment Funds – Global Emerging Markets Bond;
- HSBC Global Investment Funds – Global High Income Bond;
- HSBC Global Investment Funds – India Fixed Income;
- HSBC Global Investment Funds – Indian Equity; and
- HSBC Global Investment Funds – US Dollar Bond.

The core investment objective, strategies and risk weightings of the above listed Sub-Funds are not changing.

4. Miscellaneous changes

a) The names of the reference performance benchmarks of certain Sub-Funds have been updated. Please refer to Appendix 5 of the Prospectus for a comprehensive list of the reference performance benchmarks for all Sub-Funds.

b) The investment objective of HSBC Global Investment Funds – Global Corporate Bond have been enhanced to reflect that the Sub-Fund has an internal or external target to outperform the reference benchmark "Bloomberg Global Aggregate Corporates AWS Hedged USD".

c) The HK Prospectus have been enhanced with information relating to Article 6, Article 8 and Article 9 sub-funds under the SFDR. Disclosures required by Regulation (EU) 2015/2365 concerning the transparency of securities financing transactions and of reuse ("**SFTR**") in relation to the use of total return swaps and securities lending transactions by certain Sub-Funds have also been updated and clarified in the HK Prospectus.

d) Other consequential amendments and miscellaneous updates, drafting and editorial changes have been made to the Hong Kong offering documents.

Additional Information

The Hong Kong offering documents of the Fund and KFS of the Sub-Funds will be amended to reflect the changes set out above in due course. Copies of the Articles of Incorporation, the HK Prospectus and the KFS of the Sub-Funds and the most recent financial report are available for inspection free of charge at the address of the Hong Kong Representative as set out in the Information for Hong Kong Investors and at the address of the Hong Kong Distributor as stated below or at www.assetmanagement.hsbc.com/hk[2].

If you have any questions about the matters in this letter and would like to discuss the matter in more detail, please contact your bank or financial adviser or, alternatively, you may contact HSBC Investment Funds (Hong Kong) Limited (the Hong Kong Distributor) at Level 22, HSBC Main Building, 1 Queen's Road Central, Hong Kong (telephone number: (852) 2284 1229).

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 Directors.

HSBC Investment Funds (Hong Kong) Limited

Hong Kong Distributor of HSBC Global Investment Funds

[2] Investors should note that the website has not been reviewed or authorised by the SFC.