

# **HSBC SELECT FLEXIBLE FCP under French law**

Annual Report as at 29 December 2023

# HSBC SELECT FLEXIBLE FCP

## Contents

Page

|  |           |
|--|-----------|
| <b>Information concerning investments and management</b> | <b>3</b>  |
| <b>Activity report</b>                                   | <b>4</b>  |
| <b>Regulatory information</b>                            | <b>15</b> |
| <b>Statutory auditor's certification</b>                 | <b>17</b> |
| <b>Annual Financial Statements</b>                       | <b>21</b> |
| Balance Sheet – Assets                                   | 22        |
| Balance Sheet – Liabilities & Equity                     | 23        |
| Off-balance sheet commitments                            | 24        |
| Income Statement   | 28        |
| <b>Appendices</b>  | <b>29</b> |
| Accounting policies                                      | 30        |
| Change in Net Assets                                     | 35        |
| Additional information                                   | 36        |
| Results for the last five fiscal years                   | 45        |
| Inventory  | 47        |

# HSBC SELECT FLEXIBLE FCP

## Information concerning investments and management

### **Management company**

HSBC Global Asset Management (France)

### **Depositary and Custodian**

CACEIS Bank

### **Appointed accounting manager**

CACEIS Fund Administration

### **Statutory Auditor**

Ernst & Young et Autres

## Activity report

### Macroeconomic overview

Economic indicators gave conflicting signals during the first quarter (Q1) of 2023: a deterioration in financial conditions on the one hand; resilient activity and persistent inflationary pressure on the other. Faced with monetary tightening by central banks, the financial sector reached a breaking point in early March with the failure of a US regional bank (Silicon Valley Bank) and the hasty resolution of Credit Suisse. Interventions by the US Federal Reserve (Fed) and Swiss authorities as well as communications released by banking supervision and deposit insurance institutions in Europe, the United States and Asia have helped to stem the loss of confidence and stabilise risk indicators. Nevertheless, the impact of past monetary tightening will continue to spread via the credit channel, and then on to activity and employment, with a delay of several months, though the exact timing is hard to predict. On the one hand, the real estate market and the manufacturing sector are in a recessionary phase. Conversely, the services sector remains buoyant thanks to the post-pandemic shift in spending from goods to services, which has contributed to the resilience of the labour market and wage growth. Inflation also tells a conflicting story. With the fall in energy prices and negative base effects, headline inflation fell, particularly in the United States (from 7.1% in November to 6.0% in February) and the eurozone (from 9.2% in December to 6.9% in March). On the other hand, core inflation (excluding energy and food), driven by persistent growth in the price of services, fell very slowly in the United States (from 6.0% in November to 5.5% in February) and continued to rise in the eurozone (from 5.2% in December to 5.7% in March). In the end, it remained difficult to predict where the economy and inflation were heading. The consensus view<sup>1</sup> anticipates a soft landing in the United States (GDP +1.0% on average in 2023 and 2024) and the eurozone (GDP +0.5% in 2023 and +1.2% in 2024), with a moderation of inflation (around 2.5% by Q3 2024). However, this average figure hides significant disparities in forecasts with upside risks to inflation. The financial turmoil has complicated the guidance of monetary policies, which are always geared towards combating excessively high inflation, and inflation expectations that could lead to a wage-price spiral. Finally, emerging economies are being hit by high inflation, lower foreign demand and reduced exports due to lower consumer spending on goods and the industrial recession in developed countries. However, these adverse impacts are expected to be partly offset by the reopening of the Chinese economy this quarter after three years of health restrictions.

In the second quarter of 2023 (Q2), inflation generally fell between March and June due to negative base effects on energy prices (compared to 2022) and a slowdown in some segments (food prices and non-energy industrial goods). This reflects a slower rise in production prices and the easing of supply bottlenecks. However, inflation persists in services, driven by the catch-up linked to the post-pandemic reopening, particularly in tourism. In addition, employment held up well this quarter. On the one hand, the impacts of monetary tightening by central banks over the past year are expected to be felt after 12 to 18 months. On the other hand, this situation reflects the retention of staff by companies that continue to face recruitment difficulties. In this transition phase, they have generally preserved their operating margins by raising their sale prices.

---

<sup>1</sup> Bloomberg consensus as at 31/03/2023.

# HSBC SELECT FLEXIBLE FCP

Despite some resilience in Q1, growth in the United States (quarterly annualised GDP growth +2.0%) surprised upwards. In other developed economies, the picture is mediocre: quasi-stagnation in the United Kingdom (+0.1% qoq, quarterly change) and France (+0.2% qoq) and a contraction in Germany (-0.3% qoq) and Ireland (-4.6%), which dragged the eurozone down (-0.1% qoq). Economists' projections for 2024 continue to show significant divergences, ranging from stagnation to recession or a soft landing depending on monetary and fiscal policy expectations and commodity price developments. For example, while the OECD, IMF and European Central Bank (ECB) forecast 2024 GDP growth of around 1.5% in the eurozone (1.1% in the United States), the consensus view<sup>2</sup> anticipates only 0.9% growth in the eurozone (0.5% in the United States). In Asia, the post-pandemic reopening of China's economy has led to a rebound in services. But geopolitical tensions between China and the United States are leading to the redeployment and diversification of production chains, which has limited manufacturing growth and exports. In contrast, India continued to benefit from an economy driven by services exports, the development of high-tech sectors and public investment in infrastructure. Similarly in Latin America, economic growth continued to be supported by the strength of agricultural activity and the increase in foreign investment, particularly in Mexico. Finally, faster disinflation than in the developed economies should enable central banks to cut interest rates by the end of the year.

The third quarter (Q3) of 2023 saw a decoupling occur, with a resilient US economy and a slowdown in China and Europe. US GDP in Q2 came in better than expected, driven by household consumption and infrastructure investment that more than offset the slowdown in the real estate market. In the eurozone, quasi-stagnant GDP growth in Q2 (0.1% q/q) and sluggish domestic demand account for the divergences in the region, with a contraction of GDP in Italy (-0.4% q/q) and the Netherlands (-0.2% q/q), stagnation in Germany and an expansion in France (+0.5% q/q) and Spain (+0.5% q/q). Fiscal policies aimed at supporting the energy transition and the development of high-tech industries have partly contributed to these divergences. In the United States, the Inflation Reduction Act and Chips Act have led to USD 240 billion in investment projects in the manufacturing sector, or about half of the target. Spain continues to benefit from subsidies from the European Union's Next Generation EU programme. In Italy, the gradual reduction of subsidies for residential energy renovations has led to a decline in investment in construction. In emerging markets, economic reports in China continued to disappoint despite new credit support measures and the easing of regulatory constraints on the real estate market. Growth forecasts<sup>3</sup> were revised downwards in Q3 for China (5.0% for 2023 and 4.5% for 2024, compared to 5.5% and 4.9% at the end of June) as well as the eurozone (0.5% in 2023 and 0.8% in 2024, compared to 0.6% and 1.0% at the end of June). Conversely, the United States has seen its growth forecast raised to 2.1% in 2023 and 0.9% in 2024 (compared to 1.3% and 0.8% at the end of June). Persistent high inflation in the United States (3.7% in August compared to 4.0% in June) and the eurozone (5.2% in August compared to 5.5% in June) did not reassure central bankers in a context of rising oil prices and sustained wage growth (+4.3% y/y in the United States and +5.5% y/y in the eurozone). Despite restrictive monetary conditions, real incomes are trending upwards, helping to support consumption, which increases the risks of second-round effects. Median forecasts by US Federal Reserve governors point to a soft landing for the US economy (GDP growth of 2.1% in 2023 and 1.5% in 2024, higher than the consensus view), which implies postponing the cycle of rate cuts to the second half of 2024.

In the fourth quarter (Q4) of 2023, the "soft landing" scenario was seen as more likely than a recession. Central banks seem to have succeeded in combating inflation without leading to further monetary tightening and the risk of a sharp recession. China's growth surprised to the upside in Q3 (4.9% year-on-year versus 4.5% forecast).

---

<sup>2</sup> Bloomberg consensus as at 30/06/2023.

<sup>3</sup> Bloomberg consensus as at 30/06/2023.

# HSBC SELECT FLEXIBLE FCP

US GDP growth once again beat expectations in Q3 (+4.9% quarterly annualised vs. 4.5% forecast). In the United States, household consumption and business investment accelerated in Q3 compared to Q2, with a relatively resilient labour market (3.7% unemployment in November after an all-time low of 3.4% in April) and wage growth (+4% year-on-year in November), as well as an improvement in productivity. In Europe, purchasing managers' surveys continue to point to a contraction in activity since the summer. The economy continued to deteriorate in Q3: UK GDP was down -0.1% quarter-on-quarter (q/q) in Q3 (vs. +0.1% q/q in Q2). Eurozone GDP fell -0.1% q/q (vs. +0.1% q/q in Q2), dragged down by a slowdown in inventories and contractions in Germany, France, the Netherlands and Ireland. Against this backdrop, the sharp slowdown in inflation surprised observers during the quarter (annual change in November), coming in at 3.1% in the United States, 2.4% in the eurozone and 3.9% in the United Kingdom. GDP growth forecasts<sup>4</sup> were revised upwards in the United States (2.4% in 2023; 1.3% in 2024). Conversely, the eurozone and the United Kingdom saw their GDP growth outlooks erode in 2024 (GDP +0.7% and +0.3% respectively). However, these figures mask the divide among economists. On the one hand, some anticipate a relatively rapid recovery, driven by private consumption, an improvement in real household incomes and a return to central bank easing, with inflation averaging around 2.5%–3% in 2024. On the other hand, some economists expect the economic slowdown to continue due to the lagging effect of monetary tightening, the rise in corporate bankruptcies, an increase in unemployment and a consequent decline in consumer spending. This scenario projects a recession phase with a slow recovery that should push inflation below 2% by the end of 2024.

## Financial overview

In the first quarter (Q1) of 2023, markets experienced high volatility due to uncertainties in the US banking sector, which led to a -12.6% fall (quarter-on-quarter) in the benchmark stock market index (MSCI US Banking), a rally in gold (+8.0% q/q at USD 1,969 per ounce) and a weakening of the US dollar (DXY index<sup>6</sup> -1.0% t/t). Central banks continued to raise key interest rates (+50 bp in the US, +75 bp in the UK and +100 bp in the Eurozone), but were cautious about their outlooks. All in all, the markets quickly anticipated a reversal in monetary policy, pricing in significant easing in the United States (up to -75 bp this year) and moderating the expected tightening in the Eurozone (+50 bp vs. +100 bp previously). In sovereign bonds, 10-year yields fell sharply in Q1: -41bp to 3.47% in the United States, -28 bp to 2.29% in Germany and -33 bp to 2.79% and -61 bp to 4.10% in Italy, with 2/10 year yield curves continuing to invert. Overall credit market performance varied. Credit spreads tightened in the risky segment (high yield) due to a reduction in securities issuances and central bank expectations of a reversal. On the other hand, spreads widened in the US banking sector, and to a lesser extent in the less risky segments of corporate bonds (investment grade). Despite this uncertainty, the stock markets (MSCI World) ended the quarter higher: +7.2% quarter-on-quarter (q/q), with an increase of +15% since the lows recorded in October 2022. Eurozone equities (MSCI Eurozone +12.3% q/q) outperformed the overall stock index, benefiting from a more resilient economy than expected thanks to the fall in energy prices (natural gas -36% q/q; Brent oil -7.1% q/q). Emerging markets (MSCI EM +3.8% q/q) underperformed developed markets (+7.6% q/q), notably due to downturns in India, Brazil and Turkey (linked to idiosyncratic factors) and despite a recovery in China (+5.1% q/q) following the lifting of health restrictions.

---

<sup>4</sup> Bloomberg consensus as at 31/12/2023.

# HSBC SELECT FLEXIBLE FCP

In the second quarter (Q2) of 2023, bond markets in developed countries were hit by central banks' U-turn in favour of extended restrictive monetary policies given the slow pace of disinflation and the beginning of an inflationary regime that is structurally higher than in the 2008-2019 period. In the United States, the difficulties of the banking sector were quickly resolved. Negotiations around raising the US debt ceiling took several weeks, which contributed to some caution on the part of the US Federal Reserve (Fed), which only raised its rates by 25 bp in Q2. In Europe, central banks were generally more aggressive with rate hikes between 50bps (Eurozone) and 75bps (UK, Sweden and Norway). Central bankers' remarks at the Sintra Forum at the end of June marked a definitive shift in market expectations, which in May had still anticipated the end of monetary tightening or even rate cuts at the end of the year. Against this backdrop, sovereign bond yields rebounded but did not match the highs recorded in Q1 while the yield curve inversion became more pronounced. In this transition phase, and despite the rise in sovereign yields, risk markets performed well. On the corporate bond side, credit spreads tightened further in the riskiest segment (High Yield). In equity markets, Q2 delivered gains for the world index (MSCI\* World +7% quarter-on-quarter), with developed markets outperforming (MSCI\* DM +7.3% q/q) relative to emerging markets (MSCI\* EM +1.8% q/q), mainly driven down by Chinese equities (MSCI -8.9% q/q). The buzz around tech stocks, particularly those connected to artificial intelligence, and the resilience of domestic demand in the United States boosted the US stock market (MSCI\* US +8.7% q/q). The reopening of the Japanese economy and the redeployment of investments outside China was generally positive for certain stock markets in India (+12.2% q/q), Japan (+15.6% q/q) and Brazil (+14.9% q/q). In currency markets against the US dollar, the Japanese yen depreciated by 8% q/q, followed by the Chinese renminbi (-5% q/q), the South African rand (-5.6% q/q) and the Turkish lira (-26.3% q/q), while the Brazilian real and the Mexican peso gained 6.5% q/q and 5.4% q/q respectively. Finally, prices generally fell on commodity markets, notably for natural gas (-21% q/q), wheat (-9.2% q/q), copper (-7.5% q/q) and oil (WTI -6.6%), due to uncertainties about global demand and a disappointing recovery in China.

In the third quarter (Q3) of 2023, investors continued to push back their expectations for the timing and scale of policy rate cuts, which weighed on both developed and emerging market bond markets. At the same time, concerns about the sustainability of debt in the United States, but also in Europe, contributed to the rise in long-term rates and a less significant inversion of 2/10 year yield curves. The rise in term premiums reflected the increased compensation demanded by investors for holding securities with long maturities in an environment where inflation is likely to persist longer. It also reflected the continued normalisation of central banks' balance sheets. The US Federal Reserve (Fed) continues to actively sell sovereign bonds on its balance sheet, while the European Central Bank has stopped reinvesting all of its maturing securities as part of its regular programme. Against this backdrop, 10-year sovereign yields jumped in Q3, nearing 2007 levels in the United States (+73 bp in Q3 to 4.57% at the end of September). In the eurozone, sovereign yields returned to their 2011 levels in Germany (2.84% at the end of September, or +45 bp in Q3) and in France (+47 bp to 3.40%). Budgetary announcements in the Eurozone, with optimistic economic forecasts and insufficient efforts on the trajectory of debt, led to a faster rise in yields on bonds in the eurozone periphery compared to Germany, notably in Italy (+71 bp to 4.78%), Greece (+69 bp to 4.34%) and Spain (+55 bp to 3.93%). In credit markets, credit spreads narrowed across the board, with the exception of the US High Yield segment, which has been weakened by the prospect of more restrictive monetary policies for the long term.



# HSBC SELECT FLEXIBLE FCP

Difficulties in the Chinese real estate sector and tighter financial conditions contributed to a -2.4% quarter-on-quarter (q/q) decline in equity markets (MSCI World Index\*), with China (MSCI -4.5% q/q), Taiwan (-7.1% q/q) and South Korea (-6.6% q/q) underperforming. Oil prices (WTI) jumped +29% q/q to USD 90.8 a barrel following a drop in crude inventories in the United States and announcements that Saudi Arabia and Russia will extend their production cuts until the end of the year. Finally, on the foreign exchange markets, the resilience of the US economy, which is undergoing decoupling amidst a more pronounced slowdown in China and Europe, has favoured the rise of the US dollar against the currencies of its trading partners (DXY index<sup>6</sup> +3.2% q/q).

In the fourth quarter (Q4) of 2023, markets sharply rebounded (MSCI\* World Index +9.5% q/q; +22.2% y/y) on reports of lower-than-expected inflation despite rising geopolitical risks in the Middle East. These regional events pushed up the price of gold (+11.6% q/q) and wheat (9.5% q/q) but did not trigger runaway energy prices. On the contrary, WTI oil was down -21.7% q/q to USD 71.7 a barrel and gas prices fell -7% q/q. Positive inflation surprises in the US and Europe dominated the headlines despite the economic slowdown, suggesting a “soft landing” scenario rather than a sharp recession. The prevailing soft landing scenario has led equity markets in the developed countries (MSCI DM Index +10% q/q; +23.7% y/y) to outperform those in the emerging markets (MSCI EM Index +5.6% q/q; +10.3% y/y). The Chinese stock market decline (MSCI index -4.8% q/q; -10.3% y/y) weighed on the regional index despite strong rebounds in Mexico (MSCI index +15.8% q/q; +23% y/y), Brazil (MSCI index +14.6% q/q; +22.7% y/y) and India (MSCI index +22% q/q; +12% y/y). Against the backdrop of faster-than-expected disinflation, markets have seen a bearish reversal in central bank rate expectations. The US Federal Reserve (Fed) confirmed this more accommodative bias in December with new median forecasts for official rates that include cuts totalling 75 bp for 2024. However, this more accommodating shift is less clear in Europe. The European Central Bank (ECB) has remained vigilant on inflation outlooks due to wage growth and the risks of productivity losses. In the UK, the Bank of England maintained a restrictive monetary policy bias. Ultimately, the markets priced in expectations of monetary easing amounting to approximately -150 bp in 2024, much higher than the figures suggested in central banks’ communications. Against this backdrop, bond markets performed well in Q4. In credit markets, the riskiest bond segments (High Yield/HY) in the United States and Europe outperformed the less risky segments (Investment Grade/IG). 10-year sovereign bond yields have fallen overall, especially in developed markets: -69 bp in the US at 3.88%; -81 bp in Germany at 2.02%; -84 bp in France at 2.56%, -90 bp in the UK at 3.54% and -108.2 bp in Italy at 3.70%. The Fed’s more accommodative turn led to a decline in the US dollar against its trading partners’ currencies (DXY index -4.6% q/q), with outperformance by the Swiss franc (+8.8% q/q) and the yen (+5.9%), against a backdrop of geopolitical tension.

\* MSCI equity market indexes expressed in local currencies.

<sup>6</sup>DXY Index: an index of the US dollar against six other currencies: the euro, the Japanese yen, the British pound, the Canadian dollar, the Swiss franc and the Swedish krona.

Source: Bloomberg data as at 31/12/2023.



# HSBC SELECT FLEXIBLE FCP

## Management policy

The year 2023 surprised investors positively. As expected, the European and US central banks sharply tightened financial conditions (1% increase in key rates by the Fed and 2% by the ECB). Inflation converged sharply over the period, falling from 6.5% at the end of December 2022 to 3.1% at the end of November 2023 in the United States and from 9.2% to 2.4% over the same period in the eurozone.

There were many negative factors that stirred up the markets. The continuation of the Russia-Ukraine war, the escalation of the Israeli-Palestinian conflict, the collapse of US regional banks and Credit Suisse and disappointment over Chinese growth were the main ones.

However, growth expectations have been revised upwards continuously in the major developed economies as a dynamic services sector has counteracted weak manufacturing activity. Consumers have benefited from the savings accumulated during the Covid crisis.

At the end of the year, the Fed announced that the rate hike phase may be over, allowing asset prices to soar.

In 2023, equity markets rose by 18.9%. Emerging markets underperformed, dragged down by China (MSCI China; -11.09% in euros). The differences in performance were significant, with a marked underperformance of mid-sized companies and another record year for the big names on the Nasdaq, which rose by 50.18% in euros.

Long-term yields have been particularly volatile and have tightened for most of the year, reaching 5% for the US 10-year yield. Beginning in October, the approach of the end of the monetary tightening cycle triggered a major rally. Yields at the end of the year are finally comparable to those at the beginning of the year, at around 3.9%. Despite a significant rise in European key rates, the German 10-year yield ended the year even below its end-2022 level at 2.02%.

Following equity assets, credit premiums contracted and the Bloomberg Barclays Euro Aggregate Index gained 7.19%.

Commodity prices fell on average following crude oil (Brent -13.19% in euros).

## Performance

The Fund was penalised throughout the year by our cautious approach to the equity markets, partially offset by advantageous management of bond sensitivity.

Nonetheless, HSBC Select Flexible (A unit) benefited from the strong performance of the majority of asset classes, rising 7.56% in 2023.

Our average equity exposure was 47% and ranged from 42% in January to 51% at the end of October, allowing us to benefit from the year-end rebound.

Our preference for developed market equities over the emerging markets, which have been hurt by tighter monetary conditions and sluggish Chinese growth, was largely beneficial. We reduced exposure to emerging market equities from 15% of the equity portfolio at the end of January to an average of 10% for the rest of the year. Given the resilience of the US economy and positive corporate results in the first quarter, we increased the share of US equities from 33% to 48% at the expense of European equities, which were reduced from 50% to 31%.

We kept the thematic component close to 6%, as developing companies are being hit by the deterioration in credit conditions. In addition to our positions in gold mining companies, which benefited from higher gold prices, our positions in technological innovation stocks (including semiconductors) benefited from the buzz around AI. We favoured them over green transition stocks, which underperformed significantly in 2023.

In the developed markets, we stayed away from small cap stocks until the middle of the 4th quarter, when they benefited from the easing of financial conditions. In Europe, we favoured quality stocks throughout the year with a focus on value stocks in the first half of the year, on which we took profits in the third quarter to return to growth stocks that had underperformed.

# HSBC SELECT FLEXIBLE FCP

In the United States, we overweighted quality stocks combined with growth stocks.

Finally, our allocation to emerging markets benefited from our underexposure to China in favour of “frontier” countries (Gulf countries and Southeast Asia) and Latin America.

The management of our bond sensitivity helped to protect the portfolio during most periods of interest rate pressure. The sensitivity of the portfolio was reduced from 2.18 years at the end of 2022 to 1.72 years on average in the first quarter, increasing to 2.25 years in the second and third quarters and reaching 2.73 years in October and November. We took profits in December to bring portfolio duration back to 2.34 years after the rally triggered around the last Fed meeting. The credit component benefited from our positions in variable rates and short durations at the beginning of the year. The recovery in credit sensitivity with a preference for high-quality issuers was favourable in the second half of the year. Our overexposure to international debt to the detriment of euro-denominated debt cost us some performance over the period. We should also note the underperformance of our European instruments, both in investment grade and high yield credit. Finally, emerging market debt made a positive contribution, particularly local currency debt, the share of which was increased at the end of the year.

Diversification into alternative asset classes had little impact on performance, both for commodity and absolute return funds.

## Outlook

After a major cycle of interest rate hikes (+525 bp for the Fed since 2022), there are uncertainties about the speed and extent of the monetary easing phase as well as the resilience of economic activity.

While investors expect an initial rate cut<sup>(1)</sup> by the Fed as early as March with an estimated 150 bp<sup>(1)</sup> reduction for the year, we consider these forecasts to be too optimistic.

The ECB has also given indications that inflation persists and disinflation is slowing. Although down sharply, inflation is still above central banks' 2% target and the US labour market remains buoyant. We expect rates to fall from the second quarter onwards.

We expect activity to decline in 2024 as household savings shrink and the impact of tighter financial conditions spreads.

The expected growth in corporate earnings in 2024 (10.8%<sup>(2)</sup> for the S&P 500 and 5.4%<sup>(2)</sup> for MSCI Europe) does not reflect our expectations of a slowdown in the US and a mild recession in Europe. The valuation of the main equity markets is no longer a support, especially for US mega caps.

In view of this over-optimism, we have reduced our sensitivity to interest rates in anticipation of more attractive levels. We are favouring high-quality credit and maintaining a position on investments with a close maturity.

We are maintaining a cautious stance on equities with a preference for developed markets over emerging economies.

Our choice of investments remains diverse. We reduced the weight of growth stocks in favour of discounted stocks after the year-end rally. We are maintaining positions in quality stocks and defensive sectors.

In emerging markets, we favour Latin America, “frontier” markets and some Asian countries (including India) over China. We will await an improvement in the Chinese economy before reinforcing our positions.

We are taking profits on new technologies to reinforce green transition stocks, which we believe are undervalued.

# HSBC SELECT FLEXIBLE FCP

## Performance

At the end of the fiscal year, the Fund posted a performance of 7.56% for A units, 8.20% for B units, 8.22% for H units and 8.55% for R units.

Past performance is not an indicator of the Fund's future performance.

## Information on Environmental, Social, and Governance (ESG) criteria

In accordance with Article L.533-22-1 of the French Monetary and Financial Code, the policy on considering environmental, social, and governance quality (ESG) criteria in the investment strategy is available on the management company's website at [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr).

## Non-consideration of criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852

The Fund does not promote environmental or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR") or does not have a sustainable investment objective within the meaning of Article 9 of this EU regulation.

In this context, the underlying investments of the Fund do not take into account the European Union criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation").

## Incidents affecting the Fund during the fiscal year

### ➤ 1 July 2023

The **Fees** section was updated in the prospectus in accordance with the new doctrine of the Autorité des marchés financiers (AMF) on modernising the conditions applicable to the presentation, content and levying of administrative fees external to the management company.

An exhaustive list of fees for the second block of the fee table, renamed **Operating and other service fees** (formerly Administrative fees external to the management company), is now detailed below the table and is no longer exhaustive.

In addition, recurring costs and performance scenarios have been updated in the Key Information Documents.

### ➤ 28 September 2023

The introduction of a mechanism to cap redemption requests known as GATES was added to the regulatory documentation.

# HSBC SELECT FLEXIBLE FCP

## Remuneration information

In accordance with the applicable regulations, HSBC Global Asset Management (France) has chosen to disclose the information relating to the remuneration of its personnel for all the AIFs and UCITS under French law that it manages.

The remuneration paid by HSBC Global Asset Management (France) consists of fixed remuneration and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. These variable remunerations are not linked to the performance of the vehicles managed. In addition, there is no profit-sharing scheme.

HSBC Global Asset Management (France) applies the HSBC Group's remuneration policy.

This Group policy incorporates a large number of the principles set out in the AIFM regulations as well as the UCITS regulations.

From 2014 onwards, HSBC Global Asset Management (France) has made adjustments to this remuneration policy in order to comply with specific rules in the AIFM regulation and then the UCITS regulation concerning the management of funds compliant with these respective regulations.

In particular, HSBC Global Asset Management (France) has introduced a mechanism for indexation of financial instruments on the basis of an index indexed to a representative basket of all UCIs for which HSBC Global Asset Management (France) is the management company with the exception of employee shareholding mutual funds (FCPE) for all employees who are entitled to deferred remuneration under the AIFM regulation and the UCITS regulations.

The HSBC Global Asset Management (France) remuneration policy has no impact on the risk profile of AIFs and UCITSs.

The full HSBC Global Asset Management (France) remuneration policy is available on its website at [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr).

### Breakdown of the company's fixed and variable remuneration for fiscal year 2023

Information on the total amount of remuneration paid by the management company to its staff and the aggregate amount between senior managers and staff members that have an impact on the risk profile is provided in the table below.

A total of 316 people received remuneration for fiscal year 2023.

In 2023, and as defined in the remuneration policy of HSBC Global Asset Management (France), 42 people were identified as "Risk Takers" for all portfolios managed.

The employees identified as Risk Takers are:

- Members of the Board of Directors,
- Responsible officers and members of the Executive Committee,
- Heads of the management and trading divisions,
- Sales, product and marketing managers,
- Heads of control functions (risk, compliance and internal control),
- Legal and finance managers and heads of support and administrative functions.

# HSBC SELECT FLEXIBLE FCP

|  | 2023                            |   |   |   |             |
|--|---------------------------------|---|---|---|-------------|
|  | Fixed remuneration paid in 2023 | Variable remuneration paid in March 2023 (for 2022 performance) + deferred variable remuneration vested in 2023 | of which non-deferred variable remuneration | of which deferred variable remuneration (*) | Total €     |
| All AMFR staff including seconded in and branches (excl. seconded out) - 316 persons | €28,044,672                     | €11,624,581   | €10,338,975                                 | €1,285,606                                  | €39,669,253 |
| Of which staff having an impact on the AIF risk profile (42 persons)**               | €7,364,899                      | €5,389,839  | €4,158,019                                  | €1,231,820                                  | €12,754,738 |
| Of which senior management (15 persons)**  | €2,544,612                      | €1,584,813  | €1,230,486                                  | €354,327                                    | €4,129,425  |

(\*) Includes deferred shares fully vested in 2023 and the indexed deferred cash amount paid in 2023.

(\*\*) Takes into account seconded or assigned people prorated for their time of presence in the company.

Variable remuneration does not include any payments received by employees under profit-sharing agreements or incentive schemes in 2023.

## Information relating to efficient portfolio management techniques and derivatives used by the Fund, pursuant to AMF position No. 2013-06

### Efficient portfolio management techniques

As of the close of the fiscal year, the Fund did not use efficient portfolio management techniques.

### Derivatives

As of the close of the fiscal year, the Fund did not use derivatives.

## Aggregate exposure

The management company used the absolute VaR calculation method to measure the overall risk of the Fund it manages.

VaR is calculated according to a parametric methodology. A short-term risk model is used to represent the dynamics of market risk parameters (volatility and correlations). This model is based on data history sets covering at least 250 days.

VaR is calculated for a one-sided confidence interval of 99% and a holding period of one day (99% 1-day VaR). The 99% 1-day VaR is converted to a VaR with a 99% confidence interval and 20-day holding period (99% 20-day VaR) according to the method recommended by the regulator.

Over the year, VaR (99% 1 month) represented:

- on average: 5.67%
- at least: 3.68%
- At most: 7.28%

# HSBC SELECT FLEXIBLE FCP

In addition to monitoring VaR, the Fund's leverage is also calculated.

For information purposes, leverage, calculated as the sum of the nominal positions on the financial contracts used, represented (over the year):

- on average: 42.61%
- at least: 28.87%
- At most: 63.09%

## Main movements in the portfolio during the fiscal year

| Security   | Movements ("Accounting currency") |              |
|--|-----------------------------------|--------------|
|  | Acquisitions                      | Disposals    |
| HSBC EURO SHORT TERM BOND FUND ZC (EUR) unit                 | 4,068,461.80                      | 8,276,918.20 |
| SPDR S&P 400 MID   | 6,589,286.71                      | 4,350,953.52 |
| Global Emerging Markets Local Debt Z Cap                     | 4,169,351.52                      | 6,459,601.77 |
| HSBC GIF-RMB FIXED INCOME Z USD CAP                          | 5,432,838.90                      | 4,874,397.25 |
| HSBC GIF-EURO CREDIT BD-ZC                                   | 3,729,085.85                      | 5,136,150.32 |
| iShares VI PLC - iShares Edge S P 500 Minimum Volatility UCI | 4,150,569.69                      | 4,712,709.99 |
| HSBC SRI MONEY ZC  |                                   | 8,711,033.60 |
| ISHARES EDGE MSCI EUROPE MIN VOL                             | 4,685,900.00                      | 3,907,996.00 |
| HSBC EUROLAND EQUITY Z CAP.                                  | 4,255,389.01                      | 3,728,036.60 |
| iShares Gold Producers UCITS ETF USD (Acc)                   | 4,002,303.18                      | 3,889,576.99 |

## Transparency of securities financing transactions and the reuse of financial instruments – SFTR – in the accounting currency of the UCI (EUR)

The UCI did not carry out any transactions covered by the SFTR regulation during the fiscal year.

## Regulatory information

### Risk monitoring report

#### General observation:

Over the period under review, the risk assessment and monitoring procedures established to manage the fund did not identify any (significant) anomaly regarding its exposure to market risk, credit risk, counterparty risk, or liquidity risk.

In addition, no anomalies having a significant impact in terms of valuation risks were identified over that period.

|   | Significant anomalies identified relating to the closure of the Fund | Observations |
|---|--|--------------|
| 1 | Market Risk  | None         |
| 2 | Credit Risk  | None         |
| 3 | Counterparty Risk  | None         |
| 4 | Liquidity Risk   | None         |
| 5 | Valuation Risk   | None         |

### Financial intermediary selection and assessment procedure

The management company selects brokers or counterparties according to a procedure that complies with the regulations applicable to it. As part of this selection, the management company fulfils its best execution obligation at all times.

The objective selection criteria used by the management company specifically include the quality of order executions, the rates applied, and the financial soundness of each broker or counterparty.

The counterparties, investment companies, and service providers of HSBC Global Asset Management (France) are selected according to a specific evaluation process intended to ensure that quality service is provided to the company. This is a key element in the general decision-making process that incorporates the impact of the service quality of the broker across all our departments: Management, Financial and Credit Analysis, Trading and Middle Office, and Legal.

Counterparty selection can involve an entity linked to the HSBC Group or the Fund's depository.

The "Best Execution and Best Selection Policy" is detailed on the management company's website at [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr).



# HSBC SELECT FLEXIBLE FCP

## **Report on brokerage fees**

In accordance with Article 321-122 of the General Regulations of the AMF, and if the terms of this article are met, the report on brokerage fees for the previous fiscal year is available on the management company's website: [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr).

## **Exercise of voting rights**

The management company's voting policy, as well as the report on the conditions in which the voting rights were exercised, may be consulted on the management company's website: [www.assetmanagement.hsbc.fr](http://www.assetmanagement.hsbc.fr).

## **Use of financial instruments managed by the management company or a related company**

The table of financial instruments managed by the management company or a related company can be found in the notes to the Fund's annual financial statements.

## **Conflict of interest policy**

Because of its global reach and the wide range of financial services offered, the HSBC Group, or its affiliated companies (referred to below as HSBC), could have interests that differ from time to time from those of its clients or that conflict with its duties toward its clients. There may be conflicts between the interests of HSBC, its affiliated companies, or its employees, on the one hand, and the interests of its clients, on the other hand, or even conflicts between the clients themselves.

HSBC has defined procedures to identify and manage such conflicts, notably organisational and administrative arrangements intended to protect clients' interests. This policy is based on a simple principle: persons taking part in various activities posing a conflict of interest are required to execute these activities independently of each other.

Where applicable, HSBC implements measures to restrict the transmission of information to certain employees in order to protect clients' interests and to prevent any undue access to information concerning clients.

HSBC may also act on its own account and have a client as counterparty or even "match" the orders of its clients. Procedures are in place to protect clients' interests in this scenario.

In some cases, HSBC's procedures and controls may not be sufficient to ensure that a potential conflict will not damage a client's interests. In these circumstances, HSBC informs the client of the potential conflict of interest in order to obtain the client's express consent to continue the activity. In any event, HSBC may refuse to intervene in circumstances where there would ultimately be a residual risk of harming a client's interests.

# HSBC SELECT FLEXIBLE FCP

## Statutory auditor's certification on the annual financial statements



## HSBC Select Flexible

Period ended 29 December 2023

### Statutory auditor's report on the annual financial statements

To the General Meeting of the HSBC Select Flexible fund,

#### Opinion

In compliance with the assignment entrusted to us by your board of directors, we have audited the accompanying annual financial statements of the HSBC Select Flexible undertaking for collective investment established in the form of a mutual fund for the period ended 29 December 2023.

We certify that the annual financial statements are, with respect to French accounting rules and principles, legal and truthful and provide an accurate picture of the results of the operations of the past fiscal year and of the financial situation and assets of the fund at the end of the fiscal year.

#### Basis of our audit opinion

##### ■ Audit reference standard

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities according to these standards are described in the "Statutory auditor's responsibilities for the audit of the annual financial statements" section of this report.

##### ■ Independence

We conducted our audit in accordance with the rules of independence provided for in the French Commercial Code and in the professional code of ethics for statutory auditors over the period from 31 December 2022 to the issue date of our report.



## Justification of Assessments – Key Audit Matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code concerning the basis for our assessments, we hereby inform you that, in our professional judgement, the most significant assessments that we conducted pertained to the appropriateness of the accounting principles applied, in particular as regards the financial instruments in the portfolio and the overall presentation of the financial statements, in view of the accounting system applicable to open-ended undertakings for collective investments.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Specific verifications

We also performed the specific verifications required by the applicable laws and regulations in accordance with the professional standards required by the applicable laws and regulations.

We have no comments to make as to the fairness and consistency with the annual financial statements of the information given in the management report prepared by the management company.

## Management company's responsibilities for the annual financial statements

The management company is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management company is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the fund or to cease operations.

The annual financial statements were prepared by the management company.

## Statutory auditor's responsibilities for the audit of the annual financial statements

It is our responsibility to prepare a report on the annual financial statements. Our goal is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the professional standards will always detect a material misstatement when it exists. Misstatements may arise as a result of fraud or error and must be regarded as being material if it can reasonably be expected that they, individually or in the aggregate, will affect the financial decisions made by users of the financial statements on the basis of the financial statements.

As specified in Article L. 821-55 of the French Commercial Code (code de commerce), our audit does not include assurance on the viability or the quality of management of your fund.



As part of an audit conducted in accordance with professional standards applicable in France, we exercise professional judgement throughout the audit.

In addition, we:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements;
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SICAV's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- ▶ Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, 15 April 2024

The Statutory Auditor  
ERNST & YOUNG et Autres

YOUSSEF  
BOUJANOUI

Digitally signed by YOUSSEF  
BOUJANOUI  
DN: cn= YOUSSEF BOUJANOUI,  
c=FR, o=EY et ASSOCIES,  
ou=0002 817723687,  
email=youssef.boujanoui@fr.ey.com  
Date: 2024.04.15 17:37:46 +02:00

Youssef Boujanoui

# HSBC SELECT FLEXIBLE FCP

## Annual Financial Statements

# HSBC SELECT FLEXIBLE FCP

## Balance Sheet – Assets

Balance Sheet – Assets as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|   | 29/12/23              | 30/12/22              |
|---|-----------------------|-----------------------|
| <b>NET FIXED ASSETS</b>   |                       |                       |
| <b>DEPOSITS</b>   |                       |                       |
| <b>FINANCIAL INSTRUMENTS</b>  | <b>187,769,181.74</b> | <b>201,913,263.44</b> |
| <b>Equities and equivalent securities</b>   |                       |                       |
| Transactions on a regulated or equivalent market  |                       |                       |
| Not traded on a regulated or equivalent market  |                       |                       |
| <b>Bonds and equivalent securities</b>  |                       |                       |
| Transactions on a regulated or equivalent market  |                       |                       |
| Not traded on a regulated or equivalent market  |                       |                       |
| <b>Debt instruments</b>   |                       |                       |
| Transactions on a regulated or equivalent market  |                       |                       |
| Negotiable debt instruments   |                       |                       |
| Other debt instruments  |                       |                       |
| Not traded on a regulated or equivalent market  |                       |                       |
| <b>Undertakings for collective investment</b>   | <b>186,402,966.68</b> | <b>200,394,432.14</b> |
| UCITS and retail alternative investment funds intended for non- professional investors and equivalents in other countries | 174,939,235.20        | 193,339,010.43        |
| Other funds for retail investors and equivalents in other EU Member States  |                       |                       |
| Professional general investment funds and equivalents in other EU member states and listed securitisation funds           | 7,102,029.59          | 5,555,936.12          |
| Other professional investment funds and equivalent in other EU Member States and non-listed securitisation funds          |                       |                       |
| Other non-European vehicles   | 4,361,701.89          | 1,499,485.59          |
| <b>Repos and reverse repos</b>  |                       |                       |
| Payables under repurchase agreements  |                       |                       |
| Receivables representing lent securities  |                       |                       |
| Borrowed securities   |                       |                       |
| Securities delivered under repurchase agreements  |                       |                       |
| Other temporary transactions  | <b>1,366,215.06</b>   | <b>1,518,831.30</b>   |
| <b>Financial futures</b>  | 1,366,215.06          | 1,518,831.30          |
| Transactions on a regulated or equivalent market  |                       |                       |
| Other transactions  |                       |                       |
| <b>Other financial instruments</b>  | <b>2,467,829.94</b>   | <b>10,290,149.04</b>  |
| <b>RECEIVABLES</b>  |                       | 7,240,000.00          |
| Forward foreign currency transactions   | 2,467,829.94          | 3,050,149.04          |
| Other   | <b>11,941,530.25</b>  | <b>14,648,910.87</b>  |
| <b>FINANCIAL ACCOUNTS</b>   | 11,941,530.25         | 14,648,910.87         |
| Cash and cash equivalents   |                       |                       |
| <b>TOTAL ASSETS</b>   | <b>202,178,541.93</b> | <b>226,852,323.35</b> |



# HSBC SELECT FLEXIBLE FCP

## Balance Sheet – Liabilities & Equity

Balance Sheet – Liabilities & Equity as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|  | 29/12/23              | 30/12/22              |
|--|-----------------------|-----------------------|
| <b>EQUITY</b>                                    |                       |                       |
| Capital  | 191,531,838.50        | 204,541,257.83        |
| Prior net gains and losses not distributed (a)   |                       |                       |
| Retained earnings (a)                            |                       |                       |
| Net gains and losses for the fiscal year (a,b)   | -909,932.90           | 397,363.65            |
| Profit for the fiscal year (a,b)                 | -1,310,936.45         | -926,627.44           |
| <b>TOTAL EQUITY*</b>                             | <b>189,310,969.15</b> | <b>204,011,994.04</b> |
| * Amount representing net assets                 |                       |                       |
| <b>FINANCIAL INSTRUMENTS</b>                     | <b>1,343,895.21</b>   | <b>1,515,051.45</b>   |
| Disposals of financial instruments               |                       |                       |
| Repos and reverse repos                          |                       |                       |
| Payables under repurchase agreements             |                       |                       |
| Payables representing borrowed securities        |                       |                       |
| Other temporary transactions                     |                       |                       |
| Financial futures                                | 1,343,895.21          | 1,515,051.45          |
| Transactions on a regulated or equivalent market | 1,343,895.21          | 1,515,051.45          |
| Other transactions                               |                       |                       |
|  | <b>197,407.63</b>     | <b>7,393,477.44</b>   |
| <b>PAYABLES</b>                                  |                       | 7,144,261.00          |
| Forward foreign currency transactions            |                       |                       |
|  | 197,407.63            | 249,216.44            |
| Other  | <b>11,326,269.94</b>  | <b>13,931,800.42</b>  |
| <b>FINANCIAL ACCOUNTS</b>                        | 11,326,269.94         | 13,931,800.42         |
| Current bank facilities                          |                       |                       |
| Loans  |                       |                       |
| <b>TOTAL LIABILITIES</b>                         | <b>202,178,541.93</b> | <b>226,852,323.35</b> |

(a) Including accruals

(b) Minus interim payments for the fiscal year

# HSBC SELECT FLEXIBLE FCP

## Off-balance sheet commitments

Off-balance-sheet commitments as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|  | 29/12/23     | 30/12/22      |
|--|--------------|---------------|
| <b>HEDGING TRANSACTIONS</b>                    |              |               |
| Commitments on regulated or equivalent markets |              |               |
| Futures contracts                              |              |               |
| FGBL BUND 10A 0323                             |              | 12,495,420.00 |
| US 10YR NOTE 0323                              |              | 3,998,389.55  |
| EURO BTP 0324                                  | 3,097,900.00 |               |
| SIMEX MINIJGB 0324                             | 3,010,886.22 |               |
| LIFFE LG GILT 0324                             | 2,369,165.08 |               |
| SP E-MINI FIN 0324                             | 1,272,212.92 |               |
| DJS 600 MED 0324                               | 940,010.00   |               |
| MME MSCI EMER 0324                             | 888,982.94   |               |
| DJE 600 INSUR 0324                             | 435,750.00   |               |
| XEUR FSMI SWI 0324                             | 2,026,212.76 |               |
| CONSUMER DISC 0324                             | 661,567.01   |               |
| XAPXAP CONSUM 0324                             | 397,863.58   |               |
| DJE 600 EUROP 0324                             | 3,598,500.00 |               |
| DJS 600 CHEM 0324                              | 978,750.00   |               |
| SP EMINI COM 0324                              | 522,111.08   |               |
| SP E-MINI HEA 0324                             | 1,260,399.22 |               |
| DAX 30 PERF 0324                               | 2,114,125.00 |               |
| SP E-MINI MAT 0324                             | 747,277.42   |               |
| DJS F&B FUT 0324                               | 980,910.00   |               |
| ST600 RETAIL 0324                              | 1,176,530.00 |               |
| DJE 600 REAL 0324                              | 395,890.00   |               |
| DJ STOXX HC 0324                               | 581,625.00   |               |
| AEX FUT 0124                                   | 1,262,432.00 |               |
| XEUR FSTN DJ 0324                              | 1,708,500.00 |               |
| SET50 FUTURES 0324                             | 1,232,060.89 |               |
| FCI FTSE Burs 0124                             | 943,990.23   |               |
| SP 500 MINI 0323                               |              | 1,266,198.17  |
| NIKKEI 225 0323                                |              | 646,098.55    |
| NIKKEI 225 0324                                | 2,467,499.78 |               |
| DJE 600 EUROP 0323                             |              | 7,209,700.00  |
| EURO STOXX 50 0323                             |              | 9,841,000.00  |
| EURO STOXX 50 0324                             | 7,768,530.00 |               |
| Commitments on over-the-counter markets        |              |               |
| Other commitments                              |              |               |

# HSBC SELECT FLEXIBLE FCP

## Off-balance sheet commitments

Off-balance-sheet commitments as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|  | 29/12/23      | 30/12/22     |
|--|---------------|--------------|
| <b>OTHER TRANSACTIONS</b>                      |               |              |
| Commitments on regulated or equivalent markets |               |              |
| Futures contracts                              |               |              |
| LIFFE LG GILT 0323                             |               | 225,190.19   |
| XEUR FBTP BTP 0323                             |               | 1,089,200.00 |
| TU CBOT UST 2 0323                             |               | 5,572,514.08 |
| EURO BUND 0324                                 | 15,094,200.00 |              |
| EURO BOBL 0324                                 | 1,789,200.00  |              |
| US 10YR NOTE 0324                              | 8,482,254.00  |              |
| FTSE 100 FUT 0324                              | 716,081.01    |              |
| FTSE/MIB 0324                                  | 1,373,445.00  |              |
| DJES BANKS 0324                                | 1,186,040.00  |              |
| XEUR FSTU DJ 0324                              | 981,000.00    |              |
| DJS TECH FUT 0324                              | 995,020.00    |              |
| SP EMIN UTILI 0324                             | 408,726.75    |              |
| SP E-MIN INDU 0324                             | 1,576,517.45  |              |
| XAK TECHNOLOG 0324                             | 1,065,894.17  |              |
| STOXX 600 P&H 0324                             | 661,115.00    |              |
| XAE ENERGY SE 0324                             | 1,604,671.16  |              |
| DJS TELECOM 0324                               | 563,445.00    |              |
| DJE 600 OIL G 0324                             | 1,369,830.00  |              |
| HHI HANG SENG 0124                             | 974,315.28    |              |
| CAC 40 FUT 0124                                | 1,133,250.00  |              |
| FTSE 250 I 0324                                | 597,005.37    |              |
| DJE 600 INDUS 0324                             | 465,780.00    |              |
| OMXS30 FUT 0124                                | 819,649.67    |              |
| MEFF IBEX35 E 0124                             | 706,034.00    |              |
| IFSC NIFTY 50 0124                             | 356,015.93    |              |
| DJE SML200 0324                                | 2,678,090.00  |              |
| STOXX 600 FIN 0324                             | 646,650.00    |              |
| FTSE TAIWAN I 0124                             | 786,022.72    |              |
| XEUR EUFF AUS 0323                             |               | 565,830.00   |
| DJES BANKS 0323                                |               | 1,857,625.00 |
| CAC 40 FUT 0123                                |               | 2,005,855.00 |
| XEUR EUFF DAX 0323                             |               | 209,820.00   |
| AEX FUT 0123                                   |               | 413,790.00   |

# HSBC SELECT FLEXIBLE FCP

## Off-balance sheet commitments

Off-balance-sheet commitments as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|                    | 29/12/23     | 30/12/22     |
|--------------------|--------------|--------------|
| SP 500 MINI 0324   | 2,181,686.51 |              |
| XEUR FSTU DJ 0323  |              | 877,100.00   |
| HHI HANG SENG 0123 |              | 1,501,347.56 |
| HANG SENG TEC 0123 |              | 275,070.98   |
| DJ STOXX HC 0323   |              | 1,089,770.00 |
| MEFF IBEX35 E 0123 |              | 1,065,259.00 |
| IN NSE SP CN 0123  |              | 1,263,529.63 |
| SP E-MINI FIN 0323 |              | 795,502.46   |
| SP E-MINI HEA 0323 |              | 777,118.76   |
| SP E-MINI MAT 0323 |              | 388,568.75   |
| XAE ENERGY SE 0323 |              | 1,293,605.06 |
| XAPXAP CONSUM 0323 |              | 1,275,727.34 |
| SP EMIN UTILI 0323 |              | 536,856.41   |
| XAK TECHNOLOG 0323 |              | 473,516.05   |
| CONSUMER DISC 0323 |              | 246,277.82   |
| DJS BAS R FUT 0323 |              | 2,504,925.00 |
| DJE 600 INSUR 0323 |              | 1,086,980.00 |
| DJE 600 OIL G 0323 |              | 1,581,020.00 |
| MSCI CHIN A50 0123 |              | 1,938,186.93 |
| MME MSCI EMER 0323 |              | 853,998.59   |
| NQ USA NASDAQ 0323 |              | 1,032,771.14 |
| XEUR FSTN DJ 0323  |              | 1,045,500.00 |
| DJS 600 MED 0323   |              | 964,060.00   |
| STOXX 600 FIN 0323 |              | 592,830.00   |
| DJS F&B FUT 0323   |              | 521,850.00   |
| DJE 600 INDUS 0323 |              | 762,960.00   |
| OMXS30 FUT 0123    |              | 807,967.45   |
| STOXX 600 P&H 0323 |              | 1,053,800.00 |
| E-MIN RUS 200 0323 |              | 165,931.13   |
| XEUR FSMI SWI 0323 |              | 323,742.97   |
| DJE 600 REAL 0323  |              | 274,245.00   |
| FTSE/MIB 0323      |              | 592,700.00   |
| DJ STX600 AUT 0323 |              | 423,040.00   |
| DJS TECH FUT 0323  |              | 346,260.00   |
| CBOE VIX FUT 0123  |              | 216,426.33   |
| DJS TELECOM 0323   |              | 567,900.00   |
| RE SELECT SEC 0323 |              | 641,250.88   |
| SP EMINI COM 0323  |              | 474,115.72   |

# HSBC SELECT FLEXIBLE FCP

## Off-balance sheet commitments

Off-balance-sheet commitments as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|   | 29/12/23     | 30/12/22   |
|---|--------------|------------|
| SPI 200 FUT 0324                        | 585,660.02   |            |
| FTSE 100 FUT 0323                       |              | 673,181.18 |
| Options                                 |              |            |
| HANG SENG CHINA ENT 02/2023 CALL 7300   |              | 689,202.81 |
| DJ EURO STOXX 50 01/2023 CALL 4100      |              | 241,351.11 |
| HANG SENG CHINA ENT 02/2024 CALL 6500   | 427,195.90   |            |
| HANG SENG CHINA ENT 03/2024 CALL 6400   | 1,251,044.84 |            |
| DJ EURO STOXX 50 01/2024 PUT 4300       | 1,145,172.86 |            |
| DJ EURO STOXX 50 01/2024 CALL 4700      | 361,502.06   |            |
| Commitments on over-the-counter markets |              |            |
| Other commitments                       |              |            |

# HSBC SELECT FLEXIBLE FCP

## Income Statement

Income Statement as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|  | 29/12/23             | 30/12/22            |
|--|----------------------|---------------------|
| <b>Income from financial transactions</b>                      |                      |                     |
| Income from deposits and financial accounts                    | 350,608.08           | 57,764.89           |
| Income from equities and equivalent securities                 | 715.46               |                     |
| Income from bonds and equivalent securities                    | 1,101,859.53         | 389,694.82          |
| Income from debt instruments                                   |                      |                     |
| Income from repos and reverse repos                            |                      |                     |
| Income from financial futures                                  |                      |                     |
| Other financial income   | 186,045.27           | 1,685,017.05        |
| <b>TOTAL (1)</b>   | <b>1,639,228.34</b>  | <b>2,132,476.76</b> |
| <b>Expenses on financial transactions</b>                      |                      |                     |
| Expenses from repos and reverse repos                          |                      |                     |
| Expenses from financial futures                                |                      |                     |
| Expenses from financial debts                                  | 618,876.43           | 391,899.37          |
| Other financial expenses                                       |                      |                     |
| <b>TOTAL (2)</b>   | <b>618,876.43</b>    | <b>391,899.37</b>   |
| <b>RESULT FROM FINANCIAL TRANSACTIONS (1 - 2)</b>              | <b>1,020,351.91</b>  | <b>1,740,577.39</b> |
| Other income (3)   |                      |                     |
| Management fees and amortisation allowance (4)                 | 2,451,207.34         | 2,668,053.51        |
| <b>NET INCOME FOR THE PERIOD (L. 214-17-1) (1 - 2 + 3 - 4)</b> | <b>-1,430,855.43</b> | <b>-927,476.12</b>  |
| Accrued income for the fiscal year (5)                         | 119,918.98           | 848.68              |
| Interim dividends paid during the fiscal year (6)              |                      |                     |
| <b>RESULT (1 - 2 + 3 - 4 + 5 - 6)</b>                          | <b>-1,310,936.45</b> | <b>-926,627.44</b>  |

# HSBC SELECT FLEXIBLE FCP

## Appendices



## 1. Accounting policies

The annual financial statements are presented in the form prescribed by ANC regulation 2014-01, as amended.

General accounting principles are applied:

- true and fair view, comparability, going concern;
- accuracy, reliability;
- prudence;
- consistency of accounting methods from one period to the next.

The accrued interest method is used to recognise revenue from fixed-income securities.

Securities bought and sold are recognised excluding costs.

The euro is the reference currency for the portfolio's accounting.

The duration of the reporting period is 12 months.

### **Asset valuation rules**

Financial instruments are recognised according to the historical cost method and are entered in the balance sheet at their present value, which is determined by the last-known market value or, if no market exists, by any external means or through the use of financial models.

Differences between the present values used when calculating the net asset value and the historical costs of the securities upon their entry into the portfolio are recorded in "Valuation differentials" accounts.

Securities that are not in the portfolio's currency are recognised in accordance with the principle set forth below then converted into the portfolio's currency according to the exchange rates in effect on the day of the valuation.

### ***Deposits:***

Deposits with a residual maturity of 3 months or less are valued according to the straight-line method.

### ***Equities, bonds and other securities traded on a regulated or equivalent market:***

For the calculation of the net asset value, equities and other securities traded on a regulated or equivalent market are valued on the basis of the day's last market price.

Bonds and equivalent securities are valued at the closing price supplied by various financial services providers. Interest accrued on bonds and equivalent securities is calculated up to the net asset value date.

### ***Equities, bonds, and other securities not traded on a regulated or equivalent market:***

Securities not traded on a regulated market are valued under the responsibility of the management company using methods based on the asset value and the yield, taking into consideration the prices used in recent significant transactions.

# HSBC SELECT FLEXIBLE FCP

## ***Negotiable debt instruments:***

Negotiable debt instruments and equivalent securities for which transaction amounts are not significant are valued on an actuarial basis according to a reference rate defined below, plus any differential representative of the issuer's intrinsic characteristics:

- Negotiable debt instruments with a maturity of 1 year or less: Interbank rate offered in euros (Euribor);
- Negotiable debt instruments with a maturity of more than 1 year: Yield on normalised annual interest Treasury bonds (BTAN) or fungible Treasury bonds (OAT) with similar maturity for the longest durations.

Negotiable debt instruments with a residual maturity of 3 months or less may be valued according to the straight-line method.

Treasury bonds are valued at the market rate communicated daily by Banque de France or treasury bond specialists.

## ***UCIs held:***

UCI units or shares are valued at the last known net asset value.

## ***Repos and reverse repos:***

Securities borrowed under repurchase agreements are recorded in assets under "receivables under repurchase agreements" for the amount specified in the contract plus accrued interest receivable.

Securities delivered under repurchase agreements are recorded in the long portfolio for their present value. The payable under repurchase agreements is recorded in the short portfolio at the value set in the contract plus accrued interest payable.

Lent securities are measured at their present value and are recorded under assets in "receivables representing lent securities" at the present value plus accrued interest receivable.

Borrowed securities are recorded in assets under "borrowed securities" for the amount specified in the contract and in liabilities under "payables representing borrowed securities" for the amount specified in the contract plus accrued interest payable.

## ***Financial futures:***

### **Financial futures traded on a regulated or equivalent market:**

Financial futures traded on regulated markets are valued at the day's settlement price.

### **Financial futures not traded on a regulated or equivalent market:**

## ***Swaps:***

Interest rate and/or currency swaps are valued at their market value based on the price calculated by discounting future interest flows at the market interest and/or exchange rates. This price is adjusted to take into account the issuer's creditworthiness risk.

# HSBC SELECT FLEXIBLE FCP

Index swaps are valued on an actuarial basis according to a reference rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated according to the methods established by the management company.

## ***Off-balance-sheet commitments:***

Futures appear in off-balance-sheet commitments for their market value at the price used in the portfolio.

Options are converted into the underlying equivalent.

Commitments on swaps are shown at their nominal value or, in the absence of a nominal value, for an equivalent amount.

## **Management fees**

Management fees and running costs cover all costs related to the UCI: financial, administrative and accounting management, custodianship, distribution, audit fees, etc.

These fees are charged to the income statement of the UCI.

Management fees do not include transaction fees. For more information on the costs actually billed to the UCI, please see the prospectus.

They are recognised on a pro rata basis each time the net asset value is calculated.

The aggregate of these fees complies with the maximum fee rate as a percentage of the net assets given in the prospectus or the rules of the fund:

FR0013313996 - HSBC SELECT FLEXIBLE B unit: Maximum rate of 0.60% incl. taxes for internal fees and 0.30% incl. taxes for operating and other service fees.

FR0013269875 - HSBC SELECT FLEXIBLE R unit: Maximum rate of 0.30% incl. taxes for internal fees and 0.30% incl. taxes for operating and other service fees.

FR0011883347 - HSBC SELECT FLEXIBLE H unit: Maximum rate of 0.60% incl. taxes for internal fees and 0.30% incl. taxes for operating and other service fees.

FR0007036926 - HSBC SELECT FLEXIBLE A unit: Maximum rate of 1.20% incl. taxes for internal fees and 0.30% incl. taxes for operating and other service fees.

## **Swing pricing**

The management company has established a method for adjusting the net asset value of the Fund with a trigger threshold, known as Swing Pricing, to protect the interest of unitholders.

Under this mechanism, investors bear the portfolio adjustment costs — including transaction fees, bid/offer spreads, and taxes or fees applicable to the UCITS — related to investments or disinvestments when there are significant numbers of subscriptions and redemptions.

When the net balance of investors' net subscription and redemption orders exceeds a predefined threshold, called the trigger threshold, the net asset value is adjusted.

The net asset value is adjusted up or down if the balance of subscriptions/redemptions is respectively positive or negative, so as to take into account the readjustment costs attributable to the net subscription and redemption orders.

# HSBC SELECT FLEXIBLE FCP

The trigger threshold is expressed as a percentage of the net assets of the Fund.

The trigger threshold and net asset value adjustment factor parameters are determined by the management company and reviewed periodically.

The adjusted net asset value, known as the “swinging” value, is the only net asset value of the Fund and therefore the only one published and communicated to unitholders.

Due to the application of Swing Pricing with a trigger threshold, the volatility of the UCITS may not be solely derived from that of the financial instruments held in the portfolio.

In accordance with regulatory provisions, the management company does not disclose the levels of the trigger threshold and ensures that internal information circuits are restricted in order to preserve the confidentiality of the information.

## **Appropriation of distributable amounts**

### ***Definition of distributable amounts***

Distributable amounts consist of the following:

#### ***Result:***

Retained earnings are added to net income, and the balance of accrued income is added or subtracted as appropriate.

Net income for the fiscal year is equal to the amount of interest, arrears, dividends, premiums and bonuses, remuneration and any income related to the securities comprising the UCI's portfolio, plus the income from any amounts temporarily available, less management fees and borrowing costs.

#### ***Capital gains and losses:***

Capital gains realised, net of costs, minus realised losses, net of costs, recognised during the fiscal year, plus net gains of the same type recognised in previous fiscal years that were not distributed or accumulated, plus or minus the balance of accrued gains.

# HSBC SELECT FLEXIBLE FCP

***Appropriation of distributable amounts:***

| <i>Unit(s)</i>              | <i>Appropriation of net income</i> | <i>Appropriation of realised net capital gains or losses</i> |
|-----------------------------|------------------------------------|--|
| HSBC SELECT FLEXIBLE A unit | Accumulation                       | Accumulation   |
| HSBC SELECT FLEXIBLE B unit | Accumulation                       | Accumulation   |
| HSBC SELECT FLEXIBLE H unit | Accumulation                       | Accumulation   |
| HSBC SELECT FLEXIBLE R unit | Accumulation                       | Accumulation   |

# HSBC SELECT FLEXIBLE FCP

## 2. Change in Net Assets

Change in net assets as at 29/12/2023

Portfolio: 1657 HSBC SELECT FLEXIBLE

|   | 29/12/23              | 30/12/22              |
|---|-----------------------|-----------------------|
| <b>BEGINNING NET ASSETS</b>   | <b>204,011,994.04</b> | <b>242,873,688.08</b> |
| Subscriptions (including subscription fees paid into the UCI)               | 10,442,612.83         | 29,486,362.19         |
| Redemptions (after deducting redemption fees paid into the UCI)             | -39,310,118.01        | -44,784,573.03        |
| Capital gains realised on deposits and financial instruments                | 6,066,146.53          | 6,942,247.54          |
| Capital losses realised on deposits and financial instruments               | -3,227,447.69         | -12,064,644.25        |
| Capital gains realised on financial futures                                 | 11,343,270.03         | 23,123,482.76         |
| Capital losses realised on financial futures                                | -14,491,091.48        | -22,829,366.39        |
| Transaction fees  | -120,624.60           | -195,002.68           |
| Foreign exchange gains/losses   | -2,230,879.03         | 4,947,211.53          |
| Changes in the valuation differential of deposits and financial instruments | 17,220,667.29         | -22,248,136.38        |
| <i>Valuation differential period N</i>                                      | <i>13,277,926.30</i>  | <i>-3,942,740.99</i>  |
| <i>Valuation differential period N-1</i>                                    | <i>3,942,740.99</i>   | <i>-18,305,395.39</i> |
| Changes in the valuation differential of financial futures                  | 1,037,294.67          | -311,799.21           |
| <i>Valuation differential period N</i>                                      | <i>583,749.51</i>     | <i>-453,545.16</i>    |
| <i>Valuation differential period N-1</i>                                    | <i>453,545.16</i>     | <i>141,745.95</i>     |
| Prior-year distribution on net gains and losses                             |                       |                       |
| Prior-year distribution on earnings   |                       |                       |
| Net income for the period before accruals                                   | -1,430,855.43         | -927,476.12           |
| Current-year interim distribution(s) on net gains and losses                |                       |                       |
| Current-year interim distribution(s) on earnings                            |                       |                       |
| Other items   |                       |                       |
| <b>ENDING NET ASSETS</b>  | <b>189,310,969.15</b> | <b>204,011,994.04</b> |

# HSBC SELECT FLEXIBLE FCP

## 3. Additional information

### 3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC NATURE

|   | Amount               | %            |
|---|----------------------|--------------|
| <b>ASSETS</b>                                   |                      |              |
| <b>BONDS AND EQUIVALENT SECURITIES</b>          |                      |              |
| <b>TOTAL BONDS AND EQUIVALENT SECURITIES</b>    |                      |              |
| <b>DEBT INSTRUMENTS</b>                         |                      |              |
| <b>TOTAL DEBT INSTRUMENTS</b>                   |                      |              |
| <b>LIABILITIES &amp; EQUITY</b>                 |                      |              |
| <b>DISPOSALS OF FINANCIAL INSTRUMENTS</b>       |                      |              |
| <b>TOTAL DISPOSALS OF FINANCIAL INSTRUMENTS</b> |                      |              |
| <b>OFF-BALANCE SHEET COMMITMENTS</b>            |                      |              |
| <b>HEDGING TRANSACTIONS</b>                     |                      |              |
| Equities  | 34,361,729.83        | 18.15        |
| Fixed income                                    | 8,477,951.30         | 4.48         |
| <b>TOTAL HEDGING TRANSACTIONS</b>               | <b>42,839,681.13</b> | <b>22.63</b> |
| <b>OTHER TRANSACTIONS</b>                       |                      |              |
| Equities  | 27,616,860.70        | 14.59        |
| Fixed income                                    | 25,365,654.00        | 13.40        |
| <b>TOTAL OTHER TRANSACTIONS</b>                 | <b>52,982,514.70</b> | <b>27.99</b> |

### 3.2. BREAKDOWN OF ASSETS, LIABILITIES, AND OFF-BALANCE-SHEET ITEMS BY RATE TYPE

|                                      | Fixed rate    | %     | Variable rate | % | Adjustable rate | % | Other         | %    |
|--------------------------------------|---------------|-------|---------------|---|-----------------|---|---------------|------|
| <b>ASSETS</b>                        |               |       |               |   |                 |   |               |      |
| Deposits                             |               |       |               |   |                 |   |               |      |
| Bonds and equivalent securities      |               |       |               |   |                 |   |               |      |
| Debt instruments                     |               |       |               |   |                 |   |               |      |
| Repos and reverse repos              |               |       |               |   |                 |   |               |      |
| Financial accounts                   |               |       |               |   |                 |   | 11,941,530.25 | 6.31 |
| <b>LIABILITIES &amp; EQUITY</b>      |               |       |               |   |                 |   |               |      |
| Repos and reverse repos              |               |       |               |   |                 |   |               |      |
| Financial accounts                   |               |       |               |   |                 |   | 11,326,269.94 | 5.98 |
| <b>OFF-BALANCE SHEET COMMITMENTS</b> |               |       |               |   |                 |   |               |      |
| Hedging transactions                 | 8,477,951.30  | 4.48  |               |   |                 |   |               |      |
| Other transactions                   | 25,365,654.00 | 13.40 |               |   |                 |   |               |      |



# HSBC SELECT FLEXIBLE FCP

## 3.3. BREAKDOWN OF ASSETS, LIABILITIES, AND OFF-BALANCE SHEET COMMITMENTS BY RESIDUAL MATURITY(\*)

|                                      | < 3 months    | %    | [3 months - 1 year] | % | [1 - 3 years] | % | [3 - 5 years] | %    | > 5 years     | %     |
|--------------------------------------|---------------|------|---------------------|---|---------------|---|---------------|------|---------------|-------|
| <b>ASSETS</b>                        |               |      |                     |   |               |   |               |      |               |       |
| Deposits                             |               |      |                     |   |               |   |               |      |               |       |
| Bonds and equivalent securities      |               |      |                     |   |               |   |               |      |               |       |
| Debt instruments                     |               |      |                     |   |               |   |               |      |               |       |
| Repos and reverse repos              |               |      |                     |   |               |   |               |      |               |       |
| Financial accounts                   | 11,941,530.25 | 6.31 |                     |   |               |   |               |      |               |       |
| <b>LIABILITIES &amp; EQUITY</b>      |               |      |                     |   |               |   |               |      |               |       |
| Repos and reverse repos              |               |      |                     |   |               |   |               |      |               |       |
| Financial accounts                   | 11,326,269.94 | 5.98 |                     |   |               |   |               |      |               |       |
| <b>OFF-BALANCE SHEET COMMITMENTS</b> |               |      |                     |   |               |   |               |      |               |       |
| Hedging transactions                 |               |      |                     |   |               |   |               |      | 8,477,951.30  | 4.48  |
| Other transactions                   |               |      |                     |   |               |   | 1,789,200.00  | 0.95 | 23,576,454.00 | 12.45 |

(\*) Forward-rate positions are presented according to the maturity of the underlying assets.

## 3.4. BREAKDOWN OF ASSETS, LIABILITIES, AND OFF-BALANCE SHEET COMMITMENTS BY LISTING CURRENCY OR VALUATION CURRENCY (EXCLUDING EURO)

|                                      | Currency 1<br>USD |       | Currency 2<br>JPY |      | Currency 3<br>GBP |      | Currency N<br>OTHER(S) |      |
|--------------------------------------|-------------------|-------|-------------------|------|-------------------|------|------------------------|------|
|                                      | Amount            | %     | Amount            | %    | Amount            | %    | Amount                 | %    |
| <b>ASSETS</b>                        |                   |       |                   |      |                   |      |                        |      |
| Deposits                             |                   |       |                   |      |                   |      |                        |      |
| Equities and equivalent securities   |                   |       |                   |      |                   |      |                        |      |
| Bonds and equivalent securities      |                   |       |                   |      |                   |      |                        |      |
| Debt instruments                     |                   |       |                   |      |                   |      |                        |      |
| UCI                                  | 61,864,786.70     | 32.68 | 1,435,137.77      | 0.76 | 4,031,695.75      | 2.13 |                        |      |
| Repos and reverse repos              |                   |       |                   |      |                   |      |                        |      |
| Receivables                          | 592,475.44        | 0.31  | 171,921.85        | 0.09 | 151,235.36        | 0.08 | 449,430.92             | 0.24 |
| Financial accounts                   | 431,212.49        | 0.23  | 138,073.34        | 0.07 | 234,230.88        | 0.12 | 2,868,903.84           | 1.52 |
| <b>LIABILITIES &amp; EQUITY</b>      |                   |       |                   |      |                   |      |                        |      |
| Disposals of financial instruments   |                   |       |                   |      |                   |      |                        |      |
| Repos and reverse repos              |                   |       |                   |      |                   |      |                        |      |
| Payables                             |                   |       |                   |      |                   |      |                        |      |
| Financial accounts                   | 8,541,036.56      | 4.51  | 550,430.78        | 0.29 | 775,589.64        | 0.41 | 1,459,212.96           | 0.77 |
| <b>OFF-BALANCE SHEET COMMITMENTS</b> |                   |       |                   |      |                   |      |                        |      |
| Hedging transactions                 | 5,750,414.17      | 3.04  | 5,478,386.00      | 2.89 | 2,369,165.08      | 1.25 | 4,202,263.88           | 2.22 |
| Other transactions                   | 16,461,788.69     | 8.70  |                   |      | 1,313,086.38      | 0.69 | 4,057,865.71           | 2.14 |

# HSBC SELECT FLEXIBLE FCP

## 3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

|                                       | Debit/credit type             | 29/12/23            |
|---------------------------------------|-------------------------------|---------------------|
| <b>RECEIVABLES</b>                    |                               |                     |
|                                       | Subscriptions receivable      | 901.49              |
|                                       | Cash security deposits        | 2,406,671.93        |
|                                       | Coupons and dividends in cash | 60,256.52           |
| <b>TOTAL RECEIVABLES</b>              |                               | <b>2,467,829.94</b> |
| <b>PAYABLES</b>                       |                               |                     |
|                                       | Fixed management fees         | 197,407.63          |
| <b>TOTAL PAYABLES</b>                 |                               | <b>197,407.63</b>   |
| <b>TOTAL PAYABLES AND RECEIVABLES</b> |                               | <b>2,270,422.31</b> |

## 3.6. EQUITY

### 3.6.1. Number of securities issued or redeemed

|  | Units          | Amount         |
|--|----------------|----------------|
| <b>HSBC SELECT FLEXIBLE A unit</b>       |                |                |
| Units subscribed during the fiscal year  | 111,649.1463   | 10,386,677.19  |
| Units redeemed during the fiscal year    | -401,377.7634  | -37,239,154.87 |
| Net balance of subscriptions/redemptions | -289,728.6171  | -26,852,477.68 |
| Number of units outstanding at year-end  | 1,915,866.4457 |                |
| <b>HSBC SELECT FLEXIBLE B unit</b>       |                |                |
| Units subscribed during the fiscal year  |                |                |
| Units redeemed during the fiscal year    | -18,280.3121   | -2,048,581.19  |
| Net balance of subscriptions/redemptions | -18,280.3121   | -2,048,581.19  |
| Number of units outstanding at year-end  | 30,880.6371    |                |
| <b>HSBC SELECT FLEXIBLE H unit</b>       |                |                |
| Units subscribed during the fiscal year  | 0.3373         | 40,002.95      |
| Units redeemed during the fiscal year    | -0.0030        | -361.49        |
| Net balance of subscriptions/redemptions | 0.3343         | 39,641.46      |
| Number of units outstanding at year-end  | 1.3735         |                |
| <b>HSBC SELECT FLEXIBLE R unit</b>       |                |                |
| Units subscribed during the fiscal year  | 14.111         | 15,932.69      |
| Units redeemed during the fiscal year    | -19.549        | -22,020.46     |
| Net balance of subscriptions/redemptions | -5.438         | -6,087.77      |
| Number of units outstanding at year-end  | 45.176         |                |

# HSBC SELECT FLEXIBLE FCP

## 3.6.2. Subscription and/or redemption fees

|   | Amount |
|---|--------|
| <b>HSBC SELECT FLEXIBLE A unit</b><br>Total fees earned<br>Subscription fees earned<br>Redemption fees earned |        |
| <b>HSBC SELECT FLEXIBLE B unit</b><br>Total fees earned<br>Subscription fees earned<br>Redemption fees earned |        |
| <b>HSBC SELECT FLEXIBLE H unit</b><br>Total fees earned<br>Subscription fees earned<br>Redemption fees earned |        |
| <b>HSBC SELECT FLEXIBLE R unit</b><br>Total fees earned<br>Subscription fees earned<br>Redemption fees earned |        |

# HSBC SELECT FLEXIBLE FCP

## 3.7. MANAGEMENT FEES

|  | 29/12/23             |
|--|----------------------|
| <b>HSBC SELECT FLEXIBLE A unit</b><br>Guarantee commissions<br>Fixed management fees<br>Percentage of fixed management fees<br>Retrocession of management fees | 2,419,803.24<br>1.25 |
| <b>HSBC SELECT FLEXIBLE B unit</b><br>Guarantee commissions<br>Fixed management fees<br>Percentage of fixed management fees<br>Retrocession of management fees | 30,236.16<br>0.65    |
| <b>HSBC SELECT FLEXIBLE H unit</b><br>Guarantee commissions<br>Fixed management fees<br>Percentage of fixed management fees<br>Retrocession of management fees | 986.14<br>0.65       |
| <b>HSBC SELECT FLEXIBLE R unit</b><br>Guarantee commissions<br>Fixed management fees<br>Percentage of fixed management fees<br>Retrocession of management fees | 181.80<br>0.35       |

## 3.8. COMMITMENTS RECEIVED AND GIVEN

### 3.8.1. Guarantees received by the UCI:

None.

### 3.8.2. Other commitments received and/or given:

None.

# HSBC SELECT FLEXIBLE FCP

## 3.9. OTHER INFORMATION

### 3.9.1. Present value of borrowed financial instruments

|   | 29/12/23 |
|---|----------|
| Securities under a repurchase agreement |          |
| Borrowed securities                     |          |

### 3.9.2. Present value of financial instruments constituting security deposits

|  | 29/12/23 |
|--|----------|
| Financial instruments given as collateral and maintained in their original line item |          |
| Financial instruments received as collateral and not recorded on the balance sheet   |          |

# HSBC SELECT FLEXIBLE FCP

## 3.9.3. Financial instruments held, issued, and/or managed by the Group

|                               | ISIN code    | Name   | 29/12/23             |
|-------------------------------|--------------|--|----------------------|
| Equities                      |              |  |                      |
| Bonds                         |              |  |                      |
| Negotiable debt instruments   |              |  |                      |
| UCI                           |              |  | 96,781,335.50        |
|                               | LU0164899485 | ASIA EX JAPAN EQUITY SMALLER COMPANIES Z           | 1,173,207.80         |
|                               | LU0362711912 | EUROLAND GROWTH ZC                                 | 1,882,504.96         |
|                               | LU0234594694 | Global Emerging Markets Local Debt Z Cap           | 2,954,898.03         |
|                               | DE000A0H0RA1 | HSBC EURO CREDIT SUBORDINATED BOND ID              | 5,485,573.44         |
|                               | FR0013261229 | HSBC EURO EQUITY VOLATILITY FOCUSED Z              | 2,978,640.27         |
|                               | FR0013216165 | HSBC EURO GVT BOND FUND ZC                         | 6,813,390.44         |
|                               | LU0165100685 | HSBC EUROLAND EQUITY Z CAP.                        | 3,644,918.23         |
|                               | IE0030819498 | HSBC EURO LIQUIDITY FD.CL.C                        | 304,573.97           |
|                               | FR0013015534 | HSBC EURO SHORT TERM BOND FUND ZC EUR unit         | 1,093,797.09         |
|                               | LU0165108829 | HSBC GIF-EURO CREDIT BD-ZC                         | 5,129,880.19         |
|                               | LU0708657001 | HSBC GIF FRONTIER MARKETS ZC                       | 1,138,324.36         |
|                               | LU1240778420 | HSBC GIF-GL SD HY B-ZQ1HEUR                        | 3,702,896.56         |
|                               | LU1449948840 | HSBC GIF MULTI ASSET STYLE FACTORS ZC              | 5,114,391.69         |
|                               | LU0692311367 | HSBC GIF-RMB FIXED INCOME Z USD CAP                | 1,760,158.78         |
|                               | LU1464646964 | HSBC GI GL HYBD ZHC EUR C.                         | 1,938,949.35         |
|                               | LU0165093617 | HSBC GL.INV.EUR.CURR.H.Y.Z C.                      | 3,892,628.87         |
|                               | LU1406816527 | HSBC-GLB CORP BD-ZCHEUR                            | 4,976,709.56         |
|                               | LU1732775397 | HSBC GLB INV-ASIA BD-ZDHEUR                        | 3,546,173.18         |
|                               | LU0996084637 | HSBC GL EM M LOC.CUR.USD ZC C                      | 3,221,638.78         |
|                               | LU0780248877 | HSBC GL INV-IND FIX IN-ZD                          | 1,585,939.09         |
|                               | LU1464645487 | HSBC GLOB GL EM ZHC EUR C.                         | 6,020,480.41         |
|                               | IE00B5SSQT16 | HSBC MSCI EMERGING MARKETS UCITS ETF               | 2,837,406.57         |
|                               | IE00B5VX7566 | HSBC MSCI JAPAN                                    | 3,606,071.16         |
|                               | FR0013437183 | HSBC RESP INV FUNDS EUROPE EQUITY GREEN TRANSITION | 1,502,214.36         |
|                               | IE00B5KQNG97 | HSBC S AND P 500 ETF                               | 17,734,680.37        |
|                               | FR0000971277 | HSBC SRI MONEY ZC                                  | 2,741,287.99         |
| Financial futures             |              |  |                      |
| <b>Total group securities</b> |              |  | <b>96,781,335.50</b> |

# HSBC SELECT FLEXIBLE FCP

## 3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

### Appropriation of the share of distributable amounts relating to earnings

|   | 29/12/23             | 30/12/22           |
|---|----------------------|--------------------|
| <b>Amounts remaining to be appropriated</b>   |                      |                    |
| Retained earnings                             |                      |                    |
| Result  | -1,310,936.45        | -926,627.44        |
| Interim payments on the result for the period |                      |                    |
| <b>Total</b>                                  | <b>-1,310,936.45</b> | <b>-926,627.44</b> |

|                                    | 29/12/23             | 30/12/22           |
|------------------------------------|----------------------|--------------------|
| <b>HSBC SELECT FLEXIBLE A unit</b> |                      |                    |
| <b>Appropriation</b>               |                      |                    |
| Distribution                       |                      |                    |
| Retained earnings for the period   |                      |                    |
| Accumulation                       | -1,306,104.64        | -935,174.58        |
| <b>Total</b>                       | <b>-1,306,104.64</b> | <b>-935,174.58</b> |

|                                    | 29/12/23         | 30/12/22        |
|------------------------------------|------------------|-----------------|
| <b>HSBC SELECT FLEXIBLE B unit</b> |                  |                 |
| <b>Appropriation</b>               |                  |                 |
| Distribution                       |                  |                 |
| Retained earnings for the period   |                  |                 |
| Accumulation                       | -4,692.80        | 8,107.59        |
| <b>Total</b>                       | <b>-4,692.80</b> | <b>8,107.59</b> |

|                                    | 29/12/23       | 30/12/22      |
|------------------------------------|----------------|---------------|
| <b>HSBC SELECT FLEXIBLE H unit</b> |                |               |
| <b>Appropriation</b>               |                |               |
| Distribution                       |                |               |
| Retained earnings for the period   |                |               |
| Accumulation                       | -222.95        | 183.07        |
| <b>Total</b>                       | <b>-222.95</b> | <b>183.07</b> |

|                                    | 29/12/23     | 30/12/22      |
|------------------------------------|--------------|---------------|
| <b>HSBC SELECT FLEXIBLE R unit</b> |              |               |
| <b>Appropriation</b>               |              |               |
| Distribution                       |              |               |
| Retained earnings for the period   |              |               |
| Accumulation                       | 83.94        | 256.48        |
| <b>Total</b>                       | <b>83.94</b> | <b>256.48</b> |

# HSBC SELECT FLEXIBLE FCP

## Appropriation of the share of distributable amounts relating to net gains and losses

|   | 29/12/23           | 30/12/22          |
|---|--------------------|-------------------|
| <b>Amounts remaining to be appropriated</b>             |                    |                   |
| Past net gains and losses not distributed               |                    |                   |
| Net gains and losses for the period                     | -909,932.90        | 397,363.65        |
| Interim payments on net gains and losses for the period |                    |                   |
| <b>Total</b>  | <b>-909,932.90</b> | <b>397,363.65</b> |

|                                      | 29/12/23           | 30/12/22          |
|--------------------------------------|--------------------|-------------------|
| <b>HSBC SELECT FLEXIBLE A unit</b>   |                    |                   |
| <b>Appropriation</b>                 |                    |                   |
| Distribution                         |                    |                   |
| Net gains and losses not distributed |                    |                   |
| Accumulation                         | -891,585.45        | 387,002.34        |
| <b>Total</b>                         | <b>-891,585.45</b> | <b>387,002.34</b> |

|                                      | 29/12/23          | 30/12/22         |
|--------------------------------------|-------------------|------------------|
| <b>HSBC SELECT FLEXIBLE B unit</b>   |                   |                  |
| <b>Appropriation</b>                 |                   |                  |
| Distribution                         |                   |                  |
| Net gains and losses not distributed |                   |                  |
| Accumulation                         | -17,273.46        | 10,033.42        |
| <b>Total</b>                         | <b>-17,273.46</b> | <b>10,033.42</b> |

|                                      | 29/12/23       | 30/12/22      |
|--------------------------------------|----------------|---------------|
| <b>HSBC SELECT FLEXIBLE H unit</b>   |                |               |
| <b>Appropriation</b>                 |                |               |
| Distribution                         |                |               |
| Net gains and losses not distributed |                |               |
| Accumulation                         | -819.94        | 225.80        |
| <b>Total</b>                         | <b>-819.94</b> | <b>225.80</b> |

|                                      | 29/12/23       | 30/12/22      |
|--------------------------------------|----------------|---------------|
| <b>HSBC SELECT FLEXIBLE R unit</b>   |                |               |
| <b>Appropriation</b>                 |                |               |
| Distribution                         |                |               |
| Net gains and losses not distributed |                |               |
| Accumulation                         | -254.05        | 102.09        |
| <b>Total</b>                         | <b>-254.05</b> | <b>102.09</b> |



# HSBC SELECT FLEXIBLE FCP

## 3.11. RESULTS AND OTHER CHARACTERISTIC FEATURES OF THE ENTITY DURING THE LAST FIVE FISCAL YEARS

|  | 31/12/19              | 31/12/20              | 31/12/21              | 30/12/22              | 29/12/23              |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total net assets in EUR</b>         | <b>231,980,741.41</b> | <b>224,447,735.80</b> | <b>242,873,688.08</b> | <b>204,011,994.04</b> | <b>189,310,969.15</b> |
| <b>HSBC SELECT FLEXIBLE A EUR unit</b> |                       |                       |                       |                       |                       |
| Net assets                             | 213,811,731.33        | 205,577,721.48        | 219,544,644.13        | 198,514,562.23        | 185,468,476.30        |
| Number of securities                   | 2,388,069.7854        | 2,234,811.2911        | 2,197,603.7529        | 2,205,595.0628        | 1,915,866.4457        |
| Net asset value per unit               | 89.53                 | 91.98                 | 99.90                 | 90.00                 | 96.80                 |
| Unit capitalization on +/- net values  | 1.76                  | 2.39                  | 7.14                  | 0.17                  | -0.46                 |
| Accumulation per unit on the result    | -0.44                 | -0.63                 | -0.68                 | -0.42                 | -0.68                 |
| <b>HSBC SELECT FLEXIBLE B EUR unit</b> |                       |                       |                       |                       |                       |
| Net assets                             | 4,573,883.40          | 4,860,068.42          | 8,250,904.87          | 5,322,273.05          | 3,617,382.24          |
| Number of securities                   | 43,241.4826           | 44,453.0279           | 69,071.7412           | 49,160.9492           | 30,880.6371           |
| Net asset value per unit               | 105.77                | 109.33                | 119.45                | 108.26                | 117.14                |
| Unit capitalization on +/- net values  | 2.08                  | 2.85                  | 8.51                  | 0.20                  | -0.55                 |
| Accumulation per unit on the result    | 0.07                  | -0.13                 | -0.12                 | 0.16                  | -0.15                 |
| <b>HSBC SELECT FLEXIBLE H EUR unit</b> |                       |                       |                       |                       |                       |
| Net assets                             | 13,509,743.84         | 13,963,219.79         | 15,001,587.67         | 120,059.46            | 171,728.15            |
| Number of securities                   | 119.7226              | 119.7176              | 117.7136              | 1.0392                | 1.3735                |
| Net asset value per unit               | 112,842.05            | 116,634.64            | 127,441.41            | 115,530.65            | 125,029.59            |
| Unit capitalization on +/- net values  | 2,220.52              | 3,041.57              | 9,082.14              | 217.28                | -596.97               |
| Accumulation per unit on the result    | 81.15                 | -147.77               | -136.31               | 176.16                | -162.32               |

# HSBC SELECT FLEXIBLE FCP

## 3.11. RESULTS AND OTHER CHARACTERISTIC FEATURES OF THE ENTITY DURING THE LAST FIVE FISCAL YEARS

|  | 31/12/19  | 31/12/20  | 31/12/21  | 30/12/22  | 29/12/23  |
|--|-----------|-----------|-----------|-----------|-----------|
| <b>HSBC SELECT FLEXIBLE R EUR unit</b> |           |           |           |           |           |
| Net assets                             | 85,382.84 | 46,726.11 | 76,551.41 | 55,099.30 | 53,382.46 |
| Number of securities                   | 81.031    | 42.773    | 63.939    | 50.614    | 45.176    |
| Net asset value per unit               | 1,053.70  | 1,092.42  | 1,197.25  | 1,088.61  | 1,181.65  |
| Unit capitalization on +/- net values  | 20.72     | 28.49     | 85.17     | 2.01      | -5.62     |
| Accumulation per unit on the result    | 3.77      | 1.70      | 2.21      | 5.06      | 1.85      |

# HSBC SELECT FLEXIBLE FCP

## 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

| Name of security  | Currency | Qty No. or nominal | Present value        | % Net Assets |
|---|----------|--------------------|----------------------|--------------|
| <b>Undertakings for collective investment</b>   |          |                    |                      |              |
| <b>UCITS and retail alternative investment funds intended for non-professional investors and equivalents in other countries</b> |          |                    |                      |              |
| <b>GERMANY</b>  |          |                    |                      |              |
| HSBC EURO CREDIT SUBORDINATED BOND ID   | EUR      | 83,826             | 5,485,573.44         | 2.90         |
| iShares III PLC - iShares MSCI Japan Small Cap UCITS ETF  | JPY      | 39,300             | 1,435,137.77         | 0.76         |
| <b>TOTAL GERMANY</b>  |          |                    | <b>6,920,711.21</b>  | <b>3.66</b>  |
| <b>FRANCE</b>   |          |                    |                      |              |
| HSBC EURO EQUITY VOLATILITY FOCUSED Z   | EUR      | 2,151              | 2,978 640.27         | 1.57         |
| HSBC EURO GVT BOND FUND ZC  | EUR      | 6,948.823          | 6,813,390.44         | 3.60         |
| HSBC EURO SHORT TERM BOND FUND ZC (EUR) unit  | EUR      | 1,090.656          | 1,093,797.09         | 0.58         |
| HSBC RESP INV FUNDS EUROPE EQUITY GREEN TRANSITION  | EUR      | 1,038              | 1,502 214.36         | 0.79         |
| HSBC SRI MONEY ZC   | EUR      | 1,944.423          | 2,741,287.99         | 1.45         |
| <b>TOTAL FRANCE</b>   |          |                    | <b>15,129,330.15</b> | <b>7.99</b>  |
| <b>IRELAND</b>  |          |                    |                      |              |
| HSBC GBF ICAV MLTFAC E E ZC   | EUR      | 722,401.358        | 8,330,443.50         | 4.40         |
| HSBC-GLB GOV BD IDX-ZCHEUR  | EUR      | 403,305.762        | 3,566,069.88         | 1.89         |
| HSBC GLOBAL FUNDS ICAV CROSS ASSET TREND FUND S1CH EUR ACC  | EUR      | 19,425.284         | 186,490.50           | 0.10         |
| HSBC MSCI EMERGING MARKETS UCITS ETF  | USD      | 306,612            | 2,837,406.57         | 1.50         |
| HSBC MSCI JAPAN   | EUR      | 106,468            | 3,606,071.16         | 1.91         |
| HSBC S AND P 500 ETF  | USD      | 404,076            | 17,734,680.37        | 9.36         |
| INVESCO EQQQ NASDAQ-100 UCITS ETF   | GBP      | 7,535              | 2,821,831.63         | 1.50         |
| ISHARES BLOOMBERG ROLL SELECT COMMODITY SWAP UCITS ETF  | USD      | 420,153            | 2,682,414.37         | 1.41         |
| ISHARES DJ EURO STOXX   | EUR      | 80,100             | 4,324,599.00         | 2.28         |
| ISHARES EDGE MSCI EUROPE MIN VOL  | EUR      | 33,900             | 1,855,008.00         | 0.98         |
| iShares Edge MSCI Europe Value Factor UCITS ETF EUR (Acc)   | EUR      | 216,000            | 1,717,632.00         | 0.90         |
| ISHARES EDGE MSCI USA MMNTM   | USD      | 113,700            | 1,153,314.17         | 0.61         |
| ISHARES EDGE MSCI USA QUALITY FACTOR UCITS ETF  | USD      | 309,400            | 3,413,581.22         | 1.81         |
| ISHARES EDGE MSCI USA VALUE   | USD      | 312,425            | 2,609,080.37         | 1.38         |
| iShares Global Clean Energy UCITS ETF USD (Dist)  | GBP      | 147,300            | 1,209,864.12         | 0.64         |
| iShares Gold Producers UCITS ETF USD (Acc)  | USD      | 105,300            | 1,318,811.84         | 0.70         |
| iShares IV PLC - iShares Automation & Robotics UCITS ETF  | USD      | 60,800             | 723,776.76           | 0.38         |
| iShares VI PLC - iShares Edge S P 500 Minimum Volatility UCI  | USD      | 40,340             | 3,014,224.96         | 1.59         |
| ISH EDGE MSCI EU MOMENTUM FCTR UCTS ETF   | EUR      | 123,500            | 1,175,226.00         | 0.62         |
| ISH EDGE MSCI EU QLTY FACTOR UCTS ETF   | EUR      | 255,050            | 2,478,320.85         | 1.31         |
| L&G Cyber Security UCITS ETF  | USD      | 27,500             | 607,681.17           | 0.32         |
| PASSIM STR CRS AST TRD STR B  | EUR      | 21,314.0077        | 2,244,578.15         | 1.18         |
| SPDR® Bloomberg Barclays 0-3 Year Euro Corporate Bond UCITS   | EUR      | 107,387            | 3,201,636.02         | 1.69         |
| SPDR S&P 400 MID  | USD      | 28,900             | 2,235,031.01         | 1.18         |
| <b>TOTAL IRELAND</b>  |          |                    | <b>75,047,773.62</b> | <b>39.64</b> |

# HSBC SELECT FLEXIBLE FCP

## 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

| Name of security   | Currency | Qty No. or nominal | Present value         | % Net Assets |
|--|----------|--------------------|-----------------------|--------------|
| <b>LUXEMBOURG</b>  |          |                    |                       |              |
| Amundi Index Solutions SICAV - Amundi Floating Rate Euro Cor   | EUR      | 46,496             | 4,824,745.78          | 2.55         |
| ASIA EX JAPAN EQUITY SMALLER COMPANIES Z   | USD      | 75,700             | 1,173,207.80          | 0.62         |
| db x-trackers SICAV - db x-trackers MSCI EMU INDEX UCITS ETF   | EUR      | 204,574            | 9,850,238.10          | 5.20         |
| EUROLAND GROWTH ZC   | EUR      | 95,495.61          | 1,882,504.96          | 0.99         |
| Global Emerging Markets Local Debt Z Cap   | USD      | 290,299.547        | 2,954,898.03          | 1.56         |
| HSBC EUROLAND EQUITY Z CAP.  | EUR      | 47,545.926         | 3,644,918.23          | 1.93         |
| HSBC EURO LIQUIDITY FD.CL.C  | EUR      | 244,621.22         | 304,573.97            | 0.16         |
| HSBC GIF-EURO CREDIT BD-ZC   | EUR      | 463,906.691        | 5,129,880.19          | 2.71         |
| HSBC GIF FRONTIER MARKETS ZC   | USD      | 124,500            | 1,138,324.36          | 0.60         |
| HSBC GIF-GL SD HY B-ZQ1HEUR  | EUR      | 461,535.157        | 3,702,896.56          | 1.96         |
| HSBC GIF MULTI ASSET STYLE FACTORS ZC  | EUR      | 445,659.785        | 5,114,391.69          | 2.70         |
| HSBC GIF-RMB FIXED INCOME Z USD CAP  | USD      | 171,854.287        | 1,760,158.78          | 0.93         |
| HSBC GI GL HYBD ZHC EUR C.   | EUR      | 177,202.463        | 1,938,949.35          | 1.02         |
| HSBC GL.INV.EUR.CURR.H.Y.Z C.  | EUR      | 70,027.684         | 3,892,628.87          | 2.06         |
| HSBC-GLB CORP BD-ZCHEUR  | EUR      | 483,457.311        | 4,976,709.56          | 2.62         |
| HSBC GLB INV-ASIA BD-ZDHEUR  | EUR      | 446,396.423        | 3,546,173.18          | 1.87         |
| HSBC GL EM M LOC.CUR.USD ZC C  | USD      | 346,522.228        | 3,221,638.78          | 1.71         |
| HSBC GL INV-IND FIX IN-ZD  | USD      | 199,488.456        | 1,585,939.09          | 0.84         |
| HSBC Global Investment Funds - Asia High Yield Bond ZQ1HEUR  | EUR      | 55,942.787         | 272,329.49            | 0.14         |
| HSBC GLOB GL EM ZHC EUR C.   | EUR      | 680,664.829        | 6,020,480.41          | 3.18         |
| MULTI-UNITS LUXEMBOURG - Lyxor Euro Government Inflation Lin   | EUR      | 26,636             | 4,398,402.68          | 2.32         |
| MULTI-UNITS LUXEMBOURG - Lyxor US Curve Steepening 2-10 UCIT   | USD      | 39,649             | 3,353,465.87          | 1.78         |
| STRUCTURED INVESTMENTS SICAV GS CROSS ASSET TREND PORTFOLIO  | EUR      | 300,692.582        | 3,153,964.49          | 1.67         |
| <b>TOTAL LUXEMBOURG</b>  |          |                    | <b>77,841,420.22</b>  | <b>41.12</b> |
| <b>Total UCITS and AIF for retail investors and equivalents in other countries</b>   |          |                    | <b>174,939,235.20</b> | <b>92.41</b> |
| <b>Professional general investment funds and equivalents in other EU member states and listed securitisation funds</b>       |          |                    |                       |              |
| <b>IRELAND</b>   |          |                    |                       |              |
| Invesco AT1 Capital Bond ETF EUR Hedged Dist   | EUR      | 158,710            | 2,528,250.30          | 1.34         |
| L&G Multi-Strategy Enhanced Commodities UCITS ETF  | USD      | 163,400            | 1,977,988.32          | 1.04         |
| LEGAL AND GENERAL UCITS ETF PLC LG CLEAN WATER UCITS ETF   | USD      | 49,000             | 749,737.93            | 0.40         |
| LG Ecommerce Logistics UCITS ETF   | USD      | 37,000             | 554,204.50            | 0.29         |
| VANECK VECTORS UCITS ETFS PLC VANECK VECTORS SEMICONDUCTOR U   | USD      | 23,100             | 703,518.54            | 0.37         |
| <b>TOTAL IRELAND</b>   |          |                    | <b>6,513,699.59</b>   | <b>3.44</b>  |
| <b>LUXEMBOURG</b>  |          |                    |                       |              |
| Lyxor Index Fund - Lyxor MSCI Millennials ESG Filtered (DR)  | EUR      | 45,000             | 588,330.00            | 0.31         |
| <b>TOTAL LUXEMBOURG</b>  |          |                    | <b>588,330.00</b>     | <b>0.31</b>  |
| <b>TOTAL Professional general investment funds and equivalents in other EU member states and listed securitisation funds</b> |          |                    | <b>7,102,029.59</b>   | <b>3.75</b>  |
| <b>Other non-European vehicles</b>   |          |                    |                       |              |

# HSBC SELECT FLEXIBLE FCP

## 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

| Name of security  | Currency | Qty No. or nominal | Present value         | % Net Assets |
|---|----------|--------------------|-----------------------|--------------|
| <b>USA</b>  |          |                    |                       |              |
| ISHARES SP 500 GROWTH INDEX FD  | USD      | 34,400             | 2,338,695.51          | 1.23         |
| ISHS SP LATIN AMERN INDEX FUND  | USD      | 76,900             | 2,023,006.38          | 1.07         |
| <b>TOTAL UNITED STATES</b>  |          |                    | <b>4,361,701.89</b>   | <b>2.30</b>  |
| <b>TOTAL Other non-European vehicles</b>                              |          |                    | <b>4,361,701.89</b>   | <b>2.30</b>  |
| <b>TOTAL Undertakings for collective investment</b>                   |          |                    | <b>186,402,966.68</b> | <b>98.46</b> |
| <b>Financial futures</b>  |          |                    |                       |              |
| <b>Futures, forwards and swaps</b>                                    |          |                    |                       |              |
| <b>Futures, forwards and swaps on regulated or equivalent markets</b> |          |                    |                       |              |
| AEX FUT 0124  | EUR      | -8                 | -4,032.00             | -0.01        |
| CAC 40 FUT 0124   | EUR      | 15                 | -2,880.00             |              |
| CONSUMER DISC 0324  | USD      | -4                 | -20,241.71            | -0.01        |
| DAX 30 PERF 0324  | EUR      | -25                | 8,007.50              |              |
| DJE 600 EUROP 0324  | EUR      | -150               | -30,530.00            | -0.02        |
| DJE 600 INDUS 0324  | EUR      | 12                 | 9,255.00              | 0.01         |
| DJE 600 INSUR 0324  | EUR      | -25                | 6,375.00              |              |
| DJE 600 OIL G 0324  | EUR      | 77                 | 6,160.00              | 0.01         |
| DJE 600 REAL 0324   | EUR      | -59                | -22,125.00            | -0.01        |
| DJES BANKS 0324   | EUR      | 199                | -12,139.00            | -0.01        |
| DJE SML200 0324   | EUR      | 163                | 79,245.00             | 0.04         |
| DJS 600 CHEM 0324   | EUR      | -15                | -33,560.00            | -0.02        |
| DJS 600 MED 0324  | EUR      | -46                | -4,600.00             | -0.01        |
| DJS F&B FUT 0324  | EUR      | -27                | -4,110.00             |              |
| DJS TECH FUT 0324   | EUR      | 26                 | 390.00                |              |
| DJS TELECOM 0324  | EUR      | 57                 | -14,820.00            | -0.01        |
| DJ STOXX HC 0324  | EUR      | -11                | -10,645.00            | -0.01        |
| EURO BOBL 0324  | EUR      | 15                 | 24,750.00             | 0.01         |
| EURO BTP 0324   | EUR      | -26                | -100,620.00           | -0.06        |
| EURO BUND 0324  | EUR      | 110                | 396,000.00            | 0.21         |
| EURO STOXX 50 0324  | EUR      | -171               | 53,182.50             | 0.02         |
| FCI FTSE Burs 0124  | MYR      | -66                | 6,826.38              |              |
| FTSE/MIB 0324   | EUR      | 9                  | -3,330.00             |              |
| FTSE 100 FUT 0324   | GBP      | 8                  | 17,840.86             | 0.01         |
| FTSE 250 I 0324   | GBP      | 13                 | 33,109.46             | 0.02         |
| FTSE TAIWAN I 0124  | USD      | 14                 | 16,104.65             | 0.01         |
| HHI HANG SENG 0124  | HKD      | 29                 | 19,499.75             | 0.01         |
| IFSC NIFTY 50 0124  | USD      | 9                  | 5,465.08              |              |
| LIFFE LG GILT 0324  | GBP      | -20                | -230.80               |              |
| MEFF IBEX35 E 0124  | EUR      | 7                  | -7,056.00             |              |
| MME MSCI EMER 0324  | USD      | -19                | -43,516.05            | -0.02        |
| NIKKEI 225 0324   | JPY      | -23                | -24,163.07            | -0.01        |
| OMXS30 FUT 0124   | SEK      | 38                 | 22,159.98             | 0.01         |
| SET50 FUTURES 0324  | THB      | -266               | -8,971.87             |              |

# HSBC SELECT FLEXIBLE FCP

## 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

| Name of security  | Currency | Qty No. or nominal | Present value      | % Net Assets |
|---|----------|--------------------|--------------------|--------------|
| SIMEX MINIJGB 0324  | JPY      | -32                | -31,027.35         | -0.02        |
| SP 500 MINI 0324  | USD      | 10                 | 64,002.17          | 0.04         |
| SP EMINI COM 0324   | USD      | -6                 | -16,023.17         |              |
| SP E-MINI FIN 0324  | USD      | -12                | -53,772.69         | -0.03        |
| SP E-MINI HEA 0324  | USD      | -10                | -37,740.46         | -0.02        |
| SP E-MINI MAT 0324  | USD      | -9                 | -34,707.83         | -0.01        |
| SP E-MIN INDU 0324  | USD      | 15                 | 72,384.92          | 0.04         |
| SP EMIN UTILI 0324  | USD      | 7                  | 2,344.63           |              |
| SPI 200 FUT 0324  | AUD      | 5                  | 4,045.96           | 0.01         |
| ST600 RETAIL 0324   | EUR      | -58                | -11,965.00         | -0.01        |
| STOXX 600 FIN 0324  | EUR      | 18                 | 21,600.00          | 0.01         |
| STOXX 600 P&H 0324  | EUR      | 13                 | -5,655.00          |              |
| US 10YR NOTE 0324   | USD      | 83                 | 287,138.46         | 0.16         |
| XAE ENERGY SE 0324  | USD      | 20                 | 40,917.94          | 0.02         |
| XAK TECHNOLOG 0324  | USD      | 6                  | 31,774.77          | 0.02         |
| XAPXAP CONSUM 0324  | USD      | -6                 | -11,895.17         | -0.01        |
| XEUR FSMI SWI 0324  | CHF      | -17                | -12,616.97         | -0.01        |
| XEUR FSTN DJ 0324   | EUR      | -51                | -58,140.00         | -0.03        |
| XEUR FSTU DJ 0324   | EUR      | 50                 | -3,375.00          |              |
| <b>TOTAL Futures, forwards and swaps on regulated or equivalent markets</b> |          |                    | <b>604,090.87</b>  | <b>0.32</b>  |
| <b>TOTAL Futures, forwards and swaps</b>                                    |          |                    | <b>604,090.87</b>  | <b>0.32</b>  |
| <b>Options</b>  |          |                    |                    |              |
| <b>Options traded on a regulated market</b>                                 |          |                    |                    |              |
| DJ EURO STOXX 50 01/2024 CALL 4700  | EUR      | 120                | 3,840.00           |              |
| DJ EURO STOXX 50 01/2024 PUT 4300   | EUR      | 330                | 18,480.00          | 0.01         |
| HANG SENG CHINA ENT 02/2024 CALL 6500                                       | HKD      | 100                | -21,569.14         | -0.01        |
| HANG SENG CHINA ENT 03/2024 CALL 6400                                       | HKD      | 160                | 38,535.78          | 0.02         |
| <b>TOTAL Options traded on a regulated market</b>                           |          |                    | <b>39,286.64</b>   | <b>0.02</b>  |
| <b>TOTAL Options</b>  |          |                    | <b>39,286.64</b>   | <b>0.02</b>  |
| <b>TOTAL Financial futures</b>  |          |                    | <b>643,377.51</b>  | <b>0.34</b>  |
| <b>Margin call</b>  |          |                    |                    |              |
| CACEIS margin call  | THB      | 338,280            | 8,971.87           |              |
| CACEIS MARGIN CALL  | HKD      | -314,550.02        | -36,466.40         | -0.01        |
| CACEIS MARGIN CALL  | CHF      | 11,730.01          | 12,616.98          |              |
| CACEIS MARGIN CALL  | AUD      | -6,550             | -4,045.96          |              |
| CACEIS MARGIN CALL  | MYR      | -34,650            | -6,826.38          |              |
| CACEIS MARGIN CALL  | USD      | -333,864.6         | -302,235.64        | -0.16        |
| CACEIS MARGIN CALL  | SEK      | -246,696           | -22,159.98         | -0.01        |
| CACEIS MARGIN CALL  | JPY      | 8,595,000          | 55,190.42          | 0.02         |
| CACEIS MARGIN CALL  | EUR      | -275,383.04        | -275,383.04        | -0.14        |
| CACEIS MARGIN CALL  | GBP      | -43,951.01         | -50,719.53         | -0.02        |
| <b>TOTAL Margin call</b>  |          |                    | <b>-621,057.66</b> | <b>-0.32</b> |

# HSBC SELECT FLEXIBLE FCP

## 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

| Name of security   | Currency | Qty No. or nominal | Present value  | % Net Assets |
|--------------------|----------|--------------------|----------------|--------------|
| Receivables        |          |                    | 2,467,829.94   | 1.30         |
| Payables           |          |                    | -197,407.63    | -0.10        |
| Financial accounts |          |                    | 615,260.31     | 0.32         |
| Net assets         |          |                    | 189,310,969.15 | 100.00       |

|                             |     |                |            |
|-----------------------------|-----|----------------|------------|
| HSBC SELECT FLEXIBLE H unit | EUR | 1.3735         | 125,029.59 |
| HSBC SELECT FLEXIBLE B unit | EUR | 30,880.6371    | 117.14     |
| HSBC SELECT FLEXIBLE A unit | EUR | 1,915,866.4457 | 96.80      |
| HSBC SELECT FLEXIBLE R unit | EUR | 45.176         | 1,181.65   |