Product name:
HSBC RESPONSIBLE INVESTMENT FUNDS - SRI BALANCED

Legal entity identifier:
969500HU1926N1M5G696

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ **It will make a minimum of sustainable investments with an environmental objective:_%** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ **It will make a minimum of sustainable investments with a social objective:_%**	☑ **It promotes environmental and social (E/S) characteristics,** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ **It promotes E/S characteristics but will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The subfund promotes E, S, and G characteristics by investing in international equity and fixed-income markets with a euro bias by selecting securities issued by companies or countries in a universe of issues that meet Environmental, Social, and Governance (ESG) and financial quality criteria.

The SRI universe is obtained following the reduction of the initial investment universe, first by applying exclusions based on Environmental, Social, and Governance (ESG) criteria defined by the SRI label framework and HSBC Asset Management's responsible investment policies.

This initial investment universe consists of securities selected on the international equity markets of developed countries with a euro bias and euro-denominated rates.

As such, this initial investment universe consists of issuers from:
-An investment sub-universe composed of equities of eurozone countries, represented by the MSCI Emu, a benchmark given for information purposes;
-An investment sub-universe composed of international equities, represented by the MSCI World, a benchmark given for information purposes;
-An investment sub-universe composed of euro-denominated bonds, represented by the Bloomberg Euro Aggregate 500MM index, a benchmark given for information purposes. The weight of non-government issues in the above-mentioned index is adjusted to reflect the target sector weightings of the investment sub-universe in the event of significant deviations. The above-mentioned index, reduced to non-government issues and adjusted in terms of weighting, is a comparative element to monitor the sub-universe's non-financial performance.

Then, based on the SRI universe, the portfolio consisting of "equities" segments and a "bonds" segment is determined:

1. For non-government issues:
-Taking into account two specific sustainability indicators: an environmental indicator (greenhouse gas (GHG) intensity) and a social indicator (lack of human rights policy).
For these two sustainability indicators, for each of its segments, the subfund commits to obtaining a better ESG performance than that of each of the above-mentioned benchmarks.

-By using a rating improvement approach to select, for each of its segments, the securities enabling the portion of the portfolio excluding government exposures to have an ESG rating higher than the ESG rating of each of the above-mentioned benchmark indicators, after eliminating at least 30% of the worst securities based on the ESG rating and all the exclusions applied by the subfund.

2. For government issues and exposures: by using an ESG Selection approach to select the countries with a minimum ESG rating according to the non-financial rating agency ISS ESG from among euro-denominated issuing countries.

The subfund is also committed to carefully considering environmental issues through its voting and engagement activities.

The subfund is actively managed and does not track a benchmark. There is no benchmark representative of our management philosophy and therefore of our investment universe or an index designated to determine whether the subfund is aligned with the environmental or social characteristics it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The subfund promotes all the pillars (E, S, and G). Therefore, one of the main sustainability indicators used to measure the portfolio's ESG performance is the ESG rating.

The subfund also takes into consideration sustainability indicators relating to:
– The environment (corporate greenhouse gases);
– Social issues (exposure to controversial weapons); and
– Respect for human rights (violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises and lack of human rights policy).

Depending on the sustainability indicator, two approaches are possible: exclusion of corporate securities from the portfolio or commitment to ESG performance.

The manner in which sustainability indicators are considered by the Subfund is detailed in the section describing the principal adverse impacts on the sustainability factors considered by the Subfund.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The subfund's sustainable investments are aligned with its environmental characteristics. The identification and ESG analysis of companies are performed as part of the investment decision-making process to reduce sustainability risks and increase returns.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social, and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.

- ***How do the sustainable investments that the financial product partially intends to make not cause significant harm to any environmental or social sustainable investment objective?***

The principle of "do no significant harm" to environmental or social objectives applies only to the underlying sustainable investments of the subfund. This principle is incorporated into the investment decision-making process, which includes consideration of principal adverse impacts.

How have the indicators for adverse impacts on sustainability factors been taken into account?

HSBC Asset Management's "do no significant harm" (DNSH) assessment of issuers as part of its sustainable investment process includes consideration of all mandatory principal adverse impacts (PAI). It involves a holistic analysis of the company's multiple sustainability impacts rather than focusing on a single factor. When an issuer is identified as potentially controversial, it cannot be considered a sustainable investment. All relevant PAIs are thus examined and integrated into the investment process according to an approach that combines exclusions (sectoral, the most severe ESG controversies, norms-based exclusions, etc.) with voting and shareholder engagement activities to instil and maintain a positive change dynamic within companies. Furthermore, a company will be considered not sustainable when it does not comply with the Principles of the United Nations Global Compact and its associated international standards, conventions, and treaties or if it is involved in weapons banned by international conventions. With the exception of these last two PAIs, we use proxies. In our view, the setting of exclusion thresholds (e.g. GHG emissions) for each PAI is not always relevant and could compromise the fact that many sectors and companies are in a transition strategy. In addition, engagement is essential to ensure that companies with limited disclosure, particularly in emerging economies, are initially excluded from the definition of sustainable investment and allow us to be a catalyst for positive environmental or social change. For example, we use a 10% threshold on revenues from thermal coal mining and coal-fired power generation as an exclusion filter to indirectly address all PAIs related to greenhouse gas emissions.

A description of HSBC Asset Management's sustainable investment methodology applied by HSBC Global Asset Management (France) is available on the management company's website:
http://www.assetmanagement.hsbc.fr/fr/retail-investors/about-us/responsible-investing/policies.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

HSBC Asset Management is committed to applying and promoting international standards. The ten principles of the United Nations Global Compact are among the priorities of HSBC Asset Management's Responsible Investment Policy. These principles include non-financial risks such as human rights, labour standards, the environment, and anti-corruption. HSBC Asset Management is also a signatory to the United Nations Principles for Responsible Investment. They provide a framework for the identification and management of sustainability risks. In this subfund, companies that have been found to have violated any of the 10 principles of the United Nations Global Compact are systematically excluded. Companies are also assessed according to international standards such as the OECD Guidelines for Multinational Enterprises.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☑ Yes, the principal adverse impacts of investments are considered in the management of the subfund as follows:

• For the selection of investments, the manager has chosen sustainability indicators relating to the environment, social issues, and respect for human rights. Depending on the sustainability indicator, two approaches are possible: exclusion of corporate securities from the portfolio or commitment to ESG performance.

Sustainability indicator		Measurement of the indicator	Commitment made by the subfund on the indicator
Relating to the environment	GHG intensity (PAI 3*)	GHG intensity of investee companies	Commitment to achieving, for each of the segments, better ESG performance than that of each of the above-mentioned benchmarks
Relating to respect for human rights	Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises (PAI 10*)	Percentage investment in companies that breached the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises	Exclusion of any issuer suspected of serious and/or repeated violation of one or more principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises
Relating to respect for human rights	Lack of human rights policy (PAI 9*)	Share of investment in entities without a human rights policy	Commitment to achieving, for each of its segments, better ESG performance than that of each of the above-mentioned benchmarks
Relating to social issues	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons) (PAI 14*)	Share of investments in investee companies involved in the manufacture or selling of Share weapons.	Exclusion of any issuer involved in the manufacture or sale of controversial weapons

* In accordance with Tables 1 and 3 of Annex 1 of Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022.

● Lastly, the subfund takes into consideration the principal adverse impacts in its engagement approach, which incorporates several levers for action including 1) direct dialogue with companies about their consideration of environmental and social issues to ensure that they are able to face the future and maintain long-term financial viability, 2) the exercising of voting rights by which we express our support for positive development initiatives or, conversely, our disagreement when directors do not meet our expectations, and 3) a gradual escalation procedure with companies when the ESG risks or controversies to which they are exposed are not managed. In practice, the Greenhouse Gas Intensity indicator is taken into consideration, in particular, through dialogue with companies to assess how their carbon neutrality transition plans take into account impacts on employees, supply chains, communities, and consumers.

Information on the principal adverse impacts taken into account by the subfund will be published in the SFDR annex of the subfund's annual report.

☐ No

What investment strategy does this financial product follow?

The HSBC RESPONSIBLE INVESTMENT FUNDS - SRI BALANCED subfund is a profiled subfund within a multi-asset SRI range composed of several profiles. With a strategic allocation consisting of 50% equities on average, it constitutes an investment with a moderate exposure to equity market risk.

The minimum non-financial analysis rate of 90% is applied to the subfund's eligible assets.

The Subfund may directly hold up to 10% of its assets in issues not rated according to ESG criteria.

The process of selecting securities, consisting of two successive, independent steps, is based on non-financial and financial criteria.

The integration of non-financial criteria into the securities analysis and selection process begins with determining the SRI universe of the Subfund based on an initial investment universe.

This initial investment universe consists of issues selected on the international equity markets of developed countries with a euro bias and euro-denominated rates.

As such, this initial investment universe consists of issuers from:
-An investment sub-universe composed of equities of eurozone countries, represented by the MSCI Emu, a benchmark given for information purposes;
-An investment sub-universe composed of international equities, represented by the MSCI World, a benchmark given for information purposes;
-An investment sub-universe composed of euro-denominated bonds, represented by the Bloomberg Euro Aggregate 500MM index, a benchmark given for information purposes. The weight of non-government issues in the above-mentioned index is adjusted to reflect the target sector weightings of the investment sub-universe in the event of significant deviations. The above-mentioned index, reduced to non-government issues and adjusted in terms of weighting, is a comparative element to monitor the sub-universe's non-financial performance.

The SRI universe is obtained following the reduction of the initial investment universe, first by applying exclusions based on Environmental, Social, and Governance (ESG) criteria defined by the SRI label framework and HSBC Asset Management's responsible investment policies.

A detailed description of the Subfund's exclusions is presented in the section detailing the binding elements defined in the investment strategy.
HSBC Asset Management's responsible investment policies applied by HSBC Global Asset Management (France) are available on the management company's website at www.assetmanagement.hsbc.fr.

Then, from the SRI universe, the portfolio is determined by:

1.For non-government issues:

-Taking into account two specific sustainability indicators: an environmental indicator (greenhouse gas intensity) and a social indicator (lack of human rights policy).
For these two sustainability indicators, for each of its segments, the subfund commits to obtaining a better ESG performance than that of each of the above-mentioned benchmarks.

-By using a rating improvement approach to select for each of its segments the securities enabling the portion of the portfolio excluding government exposures to have an ESG rating higher than that of each of the above-mentioned benchmark indicators, after eliminating at least 30% of the worst securities based on the ESG rating and all the exclusions applied by the subfund.

2.For government issues and exposures:
By using an ESG Selection approach to select the countries with a minimum ESG rating according to the non-financial rating agency ISS ESG from among euro-denominated issuing countries.

A)Non-government issues

The ESG rating of issuers, used in the rating improvement approach, is constructed from an E rating, an S rating, a G rating, and an ESG aggregate rating. The ratings of the pillars (E, S, and G) are provided by external ESG rating agencies that assess the non-financial aspects of the business sector to which the rated company belongs.

For each E, S, and G rating, several aspects are assessed, such as:
-Environmental aspects are connected with the nature of the company's activity and its particular sector. In extractive industries, utilities and air transport, for example, the release of CO_2 emissions directly related to the company's activity is of paramount importance: not measuring or controlling these emissions can represent a major industrial risk and result in major financial penalties and/or reputational damage. For example, if a cement or energy company is highly exposed to climate risk and does not take adequate mitigation measures, it may maximise its risk of sanctions or production disruptions in the event of major climate events for which it is not prepared.

-With regard to governance, aspects such as the structure and representativeness of the board of directors, the attendance rate and level of independence of directors, the robustness of audit and control processes, and respect for minority shareholders' rights are systematically analysed. The assessment of the company's performance in these areas also takes into account, for example, the country in which the company is located, the country in which it is listed, and/or the country in which it has its registered office.

-The third pillar, social, covers concepts related to relations with civil society, staff management, remuneration and training policy, respect for trade union law, occupational health and the issuer's safety and security policy. The very nature of the company's business will strongly affect the nature and relative importance of these practices. In sectors where there is a proven risk of accidents, such as construction and mining, the prevention of accidents in the workplace and compliance with safety standards are priority criteria.

The relative weight of each of the three pillars is at least 20% and varies according to the specific features of the company's sector of activity. The sector groupings are based on the GICS level 1 and level 2 classification, which is then aggregated into 12 economic "macro-sectors". The weighting of each of the E, S, and G pillars within these 12 macro-sectors reflects the perspective of the ESG investment and research teams regarding ESG risks and opportunities. These sector weightings are available online in the Subfund's Transparency Code (www.assetmanagement.hsbc.fr).
The selection of securities based on these ESG criteria is thus based on a proprietary ESG analysis model with data supplied by non-financial rating agencies and in-house research.

B)Government issues and exposures

Euro-issuing countries are ranked according to their overall "ESG" rating, which is based 50% on the Environmental (E) pillar and 50% on the Social/Governance (S/G) pillar. The Social and Governance pillar includes the analysis of the political and governance system, human rights and fundamental freedoms, and social conditions. The Environmental pillar includes the analysis of natural resources, climate change and energy, production, and sustainable consumption.

The scores, resulting from the analysis by the non-financial rating agency ISS-ESG, range from A+ to D-. The SRI strategy consists of selecting countries with a minimum ESG rating from among issuing countries. Thus:
-for countries rated between A+ and B-, there are no investment limits.
-for countries rated C+, the weight of these States in the portfolio cannot exceed the representative weight of these countries in the Bloomberg Capital Euro Aggregate 500MM index.
-for countries rated between C and D-, investments are not permitted.

The rating of issuing countries is reviewed on an annual basis.

An exhaustive list of external providers of ESG data is available in the section on the subfund's ESG information online at www.assetmanagement.hsbc.fr

The Subfund also uses an "engagement" approach. This approach is implemented through an engagement policy established by the Management Company, which involves maintaining a presence with companies through one-on-one meetings, engagement actions, and exercising voting rights attached to the securities held in the portfolio.
The engagement policy and the voting policy are available on the management company's website at www.assetmanagement.hsbc.fr.

Information on the social, environmental, and quality of governance criteria in this Subfund's investment policy is available on the management company's website and in the subfund's annual report.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Subfund first applies:
– exclusions based on environmental, social, and governance (ESG) criteria as defined by the SRI label's framework and HSBC Asset Management's responsible investment policies detailed in the appendix below.

The Subfund then applies:

1.For non-government issues:
The subfund has the SRI label. In this respect, it commits to:
– Selecting securities through a "rating improvement" approach: the weighted average ESG rating of the portion excluding government exposures of each of the segments must be higher than the weighted average ESG rating of each of the above-mentioned benchmarks, after eliminating 30% of the worst securities based on the ESG rating and all exclusions applied by the subfund;
– Applying a minimum non-financial analysis rate of 90% to the subfund's eligible assets;
– Achieving, for each of its segments, better ESG performance than that of each of the above-mentioned benchmarks on two sustainability indicators (greenhouse gas intensity and lack of human rights policy).

2.For government issues and exposures:
The subfund commits to:
– - Complying with maximum weightings in the portfolio relative to the Bloomberg Euro Aggregate 500MM index for countries rated C+; and
– - Excluding countries rated between C and D-.

Lastly, the Subfund uses an "engagement" approach.

These binding elements are detailed in the section on investment strategy.

Expertise, research, and information provided by data providers may be used to identify issuers exposed to excluded activities.

An exhaustive list of external providers of ESG data is available in the section on the subfund's ESG information online (www.assetmanagement.hsbc.fr).

Investors should be aware that these exclusions reduce the investment universe and prevent the subfund from benefiting from any potential returns from these issuers.

HSBC Asset Management's responsible investment policies are available on the management company's website at www.assetmanagement.hsbc.fr.

Appendix detailing exclusions based on Environmental, Social, and Governance (ESG) criteria.

Exclusions of non-government issues based on an environmental criterion	
Thermal coal	Any issuer that derives more than 5% of its revenue from the exploration or refining of thermal coal or the provision of products or services specifically designed for these activities, such as transport or storage; Any issuer developing new thermal coal exploration, extraction, and transport projects. Securities issued by companies engaged in thermal coal activities: With regard to electricity generation, companies that derive more than 10% of their revenue from electricity generated using thermal coal are partially excluded. Mining companies are completely excluded.
Liquid or gaseous fossil fuels	Any issuer for which more than 5% of total liquid or gaseous fossil fuel production comes from the exploration, extraction, or refining of unconventional liquid or gaseous fossil fuels. Unconventional liquid or gaseous fossil fuels are identified according to the definition of the Scientific and Expert Committee of the Observatory for Sustainable Finance, namely shale and shale oil, gas, oil from oil sands, extra-heavy oil, methane hydrates, ultra-deep offshore oil and gas, and fossil oil and gas resources in the Arctic. Any issuer developing new projects for the exploration, extraction, and refining of liquid or gaseous, conventional and/or unconventional fossil fuels. -Issuers for which HSBC Asset Management considers that the revenues generated by their activities exceed the following thresholds: -10% for oil and gas extraction in the Arctic region or tar sands extraction; -35% for shale oil extraction and that, in HSBC Asset Management's opinion, does not have a credible transition plan.
Electricity generation	Any issuer whose main activity is electricity generation and whose carbon intensity in the generation of electricity is not compatible with the goals of the Paris Agreement. The fund may apply the thresholds set by the International Energy Agency or any other scenario aligned with the goals of the Paris Agreement. The subfund applies the thresholds provided by the International Energy Agency.
Exclusion of non-government securities based on a social criterion	
Weapons	Any issuer involved in developing, using, maintaining, offering for sale, distributing, importing or exporting, stockpiling, or transporting weapons prohibited by international treaties.
Weapons	Any issuer involved in the production of systems or services or components specifically designed for weapons whose use is prohibited by France's international commitments (biological weapons, chemical weapons, anti-personnel mines, and cluster munitions).
Weapons	Any issuer involved in the production of controversial weapons or their key components. Controversial weapons include, but are not limited to, depleted uranium weapons and white phosphorus when used for military purposes.
UNGC	Any issuer suspected of serious and/or repeated violation of one or more principles of the United Nations Global Compact and the OECD Guidelines for Multinational Companies.
Tobacco	Any issuer engaged in tobacco production and any issuer that derives more than 5% of its revenue from the distribution of tobacco or tobacco-containing products.
Exclusion of non-government issues based on a governance criterion	
Non-cooperative jurisdictions for tax purposes	Any issuer whose registered office is domiciled in a country or territory on the latest available version of the EU list of non-cooperative jurisdictions for tax purposes
Countries or territories on a FATF list	Any issuer whose registered office is domiciled in a country or territory on the Financial Action Task Force (FATF) blacklist or grey list

Exclusions of government issues	
Government issues by countries and territories	on the latest available version of the EU list of non-cooperative jurisdictions for tax purposes
Government issues by countries and territories	on the Financial Action Task Force (FATF) blacklist or grey list
Government issues by countries and territories	with a score strictly below 40/100 on the latest version of the corruption perception index published by Transparency International

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  There is no minimum commitment rate.

Good governance practices include sound management structures, employee relations, remuneration of staff, and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

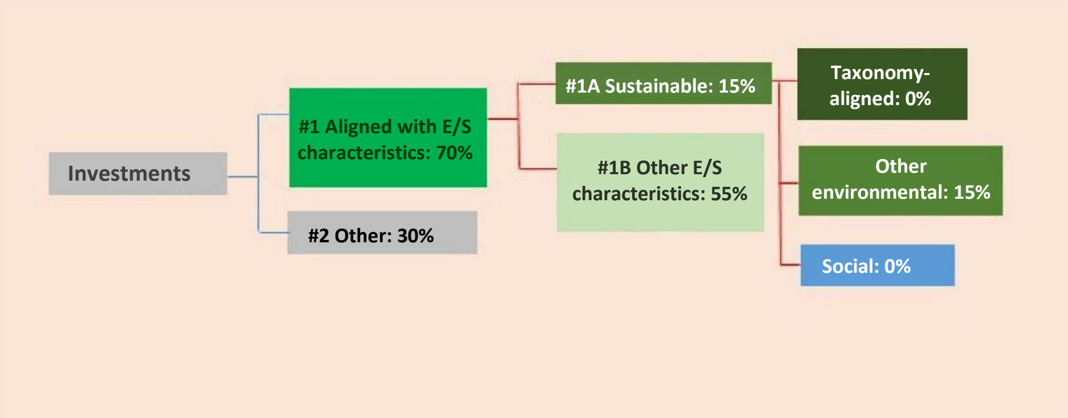
  The quality of governance is assessed on the basis of criteria specified in the investment process that include business ethics, the company's culture and values, the governance framework, corruption, etc. We determine the materiality of governance both on an absolute basis, focusing in particular on the governance framework, controversies, and compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises, and on a relative basis by comparing the quality of the company's governance practices with that of its industry peers. Where significant and/or impactful governance risks are identified, companies are subject to enhanced due diligence, which at minimum requires the management teams to perform additional analysis. Dialogue or engagement with the company is then monitored over time and kept on record. Lastly, we use our voting rights to express our support for companies' positive development initiatives or, if their directors do not meet our expectations, our disagreement. In addition, we exclude issuers in violation of one or more of one of the 10 Principles of the United Nations Global Compact and of the OECD Guidelines for Multinational Enterprises.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The subfund's strategic allocation is composed on average of 50% equities and 50% fixed-income investments. The portfolio will be invested in international equity and fixed-income markets with a euro bias by selecting securities issued by companies or countries in a universe of issues that meet Environmental, Social, and Governance (ESG) criteria.
The manager may invest in UCIs managed or distributed by an HSBC Group entity. These UCIs must meet the defined financial and non-financial objectives. The SRI strategies of the UCIs or investment funds that may be selected by the fund manager (excluding UCIs/investment funds managed by the Management Company) may use ESG indicators and/or different SRI approaches independent of the subfund.
The subfund may hold other investments listed in the prospectus and cash and cash equivalents.
The manager has the option of very moderate use of derivatives.
The minimum proportion of investments used to attain the environmental or social characteristics promoted by the subfund is 70%. The remaining 30% of investments is detailed in the section "Investments included in category #2 'Other'" below.
Although the subfund does not have sustainable investments as an objective, it commits to a minimum proportion of 15% of its assets in sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **Turnover** reflecting the share of revenue from green activities of investee companies;
- **Capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **Operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product that are neither aligned with the environmental or social characteristics nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:
- **The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives;**
- **The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.**

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The use of derivatives will not help attain the fund's environmental or social characteristics.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The subfund does not commit to a minimum proportion of sustainable investments with an environmental objective aligned with the European Union's taxonomy. However, when assessing issuers, the subfund manager takes into consideration an environmental indicator and applies our coal phase-out policy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

- ***Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy?***

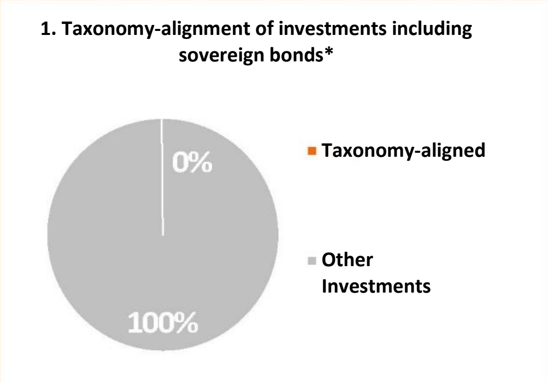
☐ Yes ☐ in natural gas ☐ in nuclear energy

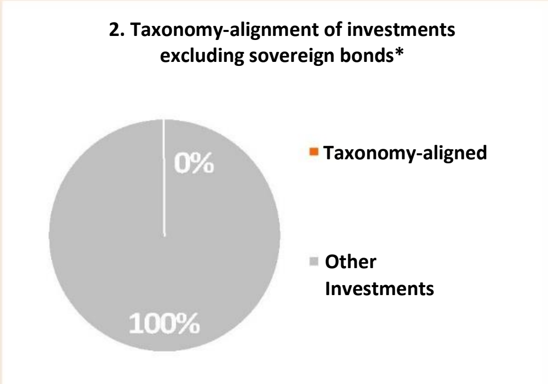
☑ No

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show, in green, the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, "sovereign bonds" include all sovereign exposures.*

- ***What is the minimum share of investments in transitional and enabling activities?***

This is not applicable as the subfund does not have a specific minimum share of transitional and enabling activities as defined by the Taxonomy Regulation.

The symbol denotes sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The subfund commits to investing a minimum of 15% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

The subfund does not commit to having a minimum share of socially sustainable investments. However, when assessing issuers, the subfund manager does look at their employment characteristics, respect for human rights and employee rights, management conduct, and corporate social responsibility.

What investments are included under "#2 Other", what is their purpose, and are there any minimum environmental or social safeguards?

The subfund may hold cash, derivatives, as well as investments for which no non-financial analysis could be performed due to the unavailability of ESG data. Derivatives are used for portfolio risk adjustment (exposure, hedging).

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No

Benchmarks are indexes used to gauge whether the financial product attains the environmental or social characteristics that it promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable

Where can I find more product-specific information online?

More product-specific information can be found on the management company's website at www.assetmanagement.hsbc.fr

Date updated: 01/01/2025