Prepared on: 21/06/2023

This Product Highlights Sheet is an important document.

- **It highlights the key terms and risks of this investment product and complements the Singapore Prospectus[1].**
- **It is important to read the Singapore Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.**
- **You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.**
- **If you wish to purchase the product, you will need to make an application in the manner set out in the Singapore Prospectus.**

HSBC Global Investment Funds (the "Fund") - India Fixed Income (the "Sub-Fund")

Product Type	**Investment Company**	**Launch Date**	**20 August 2012**
Manager (termed as "Management Company")	**HSBC Investment Funds (Luxembourg) S.A.**	**Custodian / Depositary Bank**	**HSBC Continental Europe, Luxembourg**
Investment Adviser	**HSBC Global Asset Management (Hong Kong) Limited**	**Dealing Frequency**	**Every Dealing Day**
Capital Guaranteed	**No**	**Expense Ratio for FY2022 (31.03.2022)[2]**	**1.45% - 1.47%**

PRODUCT SUITABILITY

WHO IS THIS PRODUCT SUITABLE FOR?

This Sub-Fund is only suitable for investors who:

- Seek total return over the long term
- Are comfortable with the volatility and risks related to investing in fixed income securities of a single emerging market (India)
- Understand that the principal of the Sub-Fund will be at risk

Refer to paragraph 3.1 "Investment Objectives, Focus and Approach" of the Singapore Prospectus and section 3.2 "Sub-Funds details" of the Luxembourg Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in a Sub-Fund of the HSBC Global Investment Funds (the "Fund"), an investment company (*Société d'Investissement à Capital Variable*) incorporated in the Grand Duchy of Luxembourg and qualifying as an Undertaking for Collective Investment in Transferable Securities (UCITS) complying with the provisions of Part I of the 2010 Law. The Fund is structured as an umbrella fund offering Shares in the Sub-Fund for investment.
- Investment Objective
  The Sub-Fund aims to provide long term total return by investing in a portfolio of Indian bonds and other similar fixed income securities.
- For Distribution Share Classes of a Sub-Fund (if made available for subscription), distributions out of capital (if any) will reduce the Net Asset Value of the relevant Share Class of the Sub-Fund.

Refer to paragraphs 1 and 3.1 "Investment Objectives, Focus and Approach" of the Singapore Prospectus and section 3.2 "Sub-Funds details" of the Luxembourg Prospectus for further information on features of the product.

INVESTMENT STRATEGY

The Sub-Fund invests in normal market conditions a minimum of 90% of its net assets in:

- Investment and Non-Investment Grade, as well as unrated Indian domestic fixed income securities (e.g. bonds) denominated in Indian Rupee (INR). These will be government and/or corporate issues.
- Investment and Non-Investment Grade, as well as unrated fixed income securities denominated in other currencies (e.g. United States Dollar). These securities will be issued or guaranteed by the government or government

Refer to section 3.2 "Sub-Funds details" of the Luxembourg Prospectus for details on the structure of the Sub-Fund.

[1] The Singapore Prospectus is accessible at http://www.assetmanagement.hsbc.com/sg.
[2] The expense ratios for Share Classes offered less than 1 year are computed on an annualised basis.

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agencies of India as well as by companies which have their registered office in India or which carry out a preponderant part of their business activities in India.

- Other instruments (e.g. structured notes) referencing underlying exposure to INR fixed income securities.
- Cash and cash instruments up to a maximum of 20% of its net assets.

Unless otherwise permitted, to invest in Indian domestic fixed income securities, the Sub-Fund will use a Foreign Portfolio Investor (FPI) license authorised by the Securities and Exchange Board of India (SEBI) and will be subject to the available FPI quota on fixed income investments. The Sub-Fund may therefore be able to invest in domestic fixed income securities only when FPI quota is available and granted to the Sub-Fund by SEBI. When the Sub-Fund invests in instruments which are neither INR denominated or referenced, the Sub-Fund will normally achieve INR exposure using financial derivative instruments. The Sub-Fund may invest up to 100% of its net assets in transferable securities issued or guaranteed by the Indian Government or Indian Government agencies.

The Sub-Fund may invest up to 10% of its net assets in contingent convertible securities, however this is not expected to exceed 5%.

The Sub-Fund may also invest in bank deposits, money market instruments or money market funds for treasury purposes.

The Sub-Fund may use financial derivative instruments for hedging purposes and efficient portfolio management purposes. The Sub-Fund may also use, but not extensively, financial derivative instruments for investment purposes. Financial derivative instruments may also be embedded in other instruments in which the Sub-Fund may invest (for example, structured notes).

The Sub-Fund can enter into Securities Lending transactions for up to 29% of its net assets, however, it is expected that this will not exceed 25%.

The Sub-Fund is actively managed and is not constrained by a benchmark.

PARTIES INVOLVED

WHO ARE YOU INVESTING WITH?

- Fund - HSBC Global Investment Funds
- Management Company - HSBC Investment Funds (Luxembourg) S.A.
- Investment Adviser - HSBC Global Asset Management (Hong Kong) Limited
- Custodian / Depositary Bank - HSBC Continental Europe, Luxembourg
- Singapore Representative - HSBC Global Asset Management (Singapore) Limited

Refer to paragraph 2 “Management & Administration of the Company” of the Singapore Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

- The value of the Sub-Fund’s assets may rise or fall due to normal market fluctuations and investors may not get back all of their investment.

Refer to paragraph 6 “Risks” of the Singapore Prospectus and sections 1.4 “General Risk Considerations” and 3.3 “Sub-fund specific risk considerations” of the Luxembourg Prospectus for further information on risks of the product.

MARKET AND CREDIT RISKS

- <u>You are exposed to Interest Rate Risk</u>
  Bonds and other fixed income securities are more susceptible to fluctuation in interest rates and may fall in value if interest rates change.
- <u>You are exposed to Credit Risk</u>
  A bond or money market security could lose value if the issuer’s financial health deteriorates.
- <u>You are exposed to Market Risk</u>
  The value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies in India.

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- You are exposed to Foreign Exchange Risk
  Changes in currency exchange rates could reduce or increase investment gains or investment losses, in some cases significantly.

LIQUIDITY RISKS

- The Sub-Fund is not listed in Singapore and there is no secondary market for its Shares. You can only redeem your investment on a Dealing Day through the Sub-Fund.
- Investment of the Sub-Fund's assets in relatively illiquid investments may restrict the ability of the Sub-Fund to dispose of its investments at a price and time that it wishes to do so. This may result in a loss to the Sub-Fund.

PRODUCT-SPECIFIC RISKS

- You are exposed to Non-Investment Grade Debt / Unrated Debt Risk
  Credit risk may be greater for Non-Investment Grade securities as they may be subject to a higher risk of default and greater price volatility. Investment grade bonds may be subject to the risk of being downgraded to non-investment grade bonds. In the event of downgrading, the Sub-Fund's investment value in the relevant securities may be adversely affected.
- You are exposed to risks of investing in Indian Debt Securities
  In order to invest in debt securities of the Indian Government and/or Indian companies, the Sub-Fund must hold a Foreign Portfolio Investor (FPI)/sub-account license, which is issued by the SEBI. The total outstanding FPI investments in Government and corporate bonds cannot exceed the limits as allotted by SEBI. Such limits are allocated to FPI license holders through auction processes and/or applications submitted directly to regulators. The Sub-Fund may not be granted any quota to invest in such markets. In this case, the Sub-Fund may be closed to new subscriptions as the monies from new subscriptions could not be invested in such markets by the Investment Adviser.
- You are exposed to Loss of FPI Registration Risk
  The Sub-Fund will seek to register with SEBI as a sub-account of the Fund, which is in turn registered as an FPI. The investment by the Sub-Fund is dependent on the continued registration of the Fund as an FPI or the Sub-Fund as a sub-account is terminated or is not renewed, the Sub-Fund could potentially be forced to redeem the investments, and such forced redemption could adversely affect the returns to the Shareholders, unless the approval of SEBI has been obtained to transfer the sub-account to another FPI or the Sub-Fund registers itself with SEBI as an FPI.
- You are exposed to Limitations on Investments Risk
  The Sub-Fund's debt investments cannot exceed the limits as allotted by SEBI. FPIs cannot explicitly invest in INR denominated Certificate of Deposits and Fixed Deposits issued by banks in India.
- You are exposed to Indian Capital Gains Tax and Interest Income Tax Risk
  Under current laws and regulations applicable to FPIs, short term capital gains and long term capital gains are taxed at the following rates:-
  - Long term capital gains (asset held for more than 36 months prior to sale): 10%
  - Short term capital gains (asset held for 36 months or less prior to sale): 30%

  The above tax rates are subject to applicable surcharge and cess.

  Interest Income Tax ("IIT"): Interest income arising from Indian securities will be subject to income tax at the rate of 20% on gross interest (plus applicable surcharge and education cess). Interest income earned during the period 1 July 2017 to 30 June 2020 by FPT on specified securities (government bonds and Rupee denominated bonds of an Indian company) is liable to a concessional tax rate of 5% (plus applicable surcharge and education cess). The above tax rates are under domestic tax law and are be subject to beneficial rates, if any, available under double taxation treaty.
- You are exposed to INR Currency and Exchange Risk
  Investors should be aware of the fact that the INR is not freely convertible and is subject to exchange controls and certain requirements by the government of India.
- You are exposed to Contingent Convertible Securities (CoCos) Risk
  Contingent convertible securities are risky and highly complex instruments that are comparatively untested. Depending on their category, income payments

may be cancelled, suspended or deferred by the issuer and they are more vulnerable to losses than equities.

- You are exposed to Derivative Risk
  Financial derivative instruments may be leveraged and their prices can be very volatile. Investment in these instruments may result in losses in excess of the original amount invested. If the issuers of the derivative instruments default, or such securities or their underlying assets cannot be realized, or perform badly, investors may suffer substantial or, in certain cases, total loss of their investments. Governmental regulation and supervision of transactions on the OTC markets is generally lesser than of transactions on organised exchanges. Thus, investing in OTC derivatives involves higher counterparty risk and liquidity risk.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Refer to paragraph 5 "Fees and Charges" of the Singapore Prospectus for further information on fees and charges.

Payable directly by you

Sales Charge	Up to 3% of the Net Asset Value per Share
Redemption Fee	Nil
Switching Fee	0.50%

Payable by the Sub-Fund from investment proceeds

Management Fee	Class A - 1.10%
(a) Retained by Management Company	- 30% to 75% of Management Fee
(b) Paid by Management Company to financial adviser (trailer fee)[3]	- 25% to 70% of Management Fee
Operating, Administrative and Servicing Expenses	Class A - 0.35%

The maximum rate for (i) the Operating, Administrative and Servicing Expenses and (ii) Operating Currency Hedged Share Class Fee is set at 1% of the net asset value of the relevant Share Class in the Sub-Fund.

Investors should note that subscriptions for Shares through any distribution agents appointed by the Singapore Representative may incur additional fees and charges.

The Singapore Representative may enter into fee sharing arrangements with the appointed distributors with respect to the Sales Charge and Management Fee.

In addition to the fees listed above, the Board of Directors of the Fund may impose a charge of up to 2.00% of the Net Asset Value per Share redeemed or exchanged where the Board of Directors reasonably believes that an investor has engaged in market timing or trading activity that is to the disadvantage of other Shareholders. This charge, if imposed, will be credited to the Sub-Fund and will not be retained for the benefit of the Fund or the Management Company.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

Refer to section 2.8 "Price of Shares, Publication of Prices And NAV" of the Luxembourg Prospectus for further details.

- Valuations are available on each Dealing Day.

The net asset value of the Shares of the Sub-Fund for each Dealing Day is published on the Singapore Representative's website at www.assetmanagement.hsbc.com/sg. It is also published in The Business Times and Lianhe Zaobao on a periodic basis.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- You may request for the redemption of your Shares on any Dealing Day.
- Shares are redeemed on a forward pricing basis.
- Redemption of Shares in the Sub-Fund made to the Fund before 4.00 p.m. Singapore time on any Dealing Day will be dealt with at the Redemption Price calculated at 5.00 p.m. Luxembourg time on each Dealing Day. Any request received after the Dealing Deadline will be dealt with on the next Dealing Day.

Refer to paragraphs 9 "Redemption of Shares" and 12 "Suspension of Dealings" of the Singapore Prospectus for further information on valuation

[3] Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Management Company.

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- Redemption proceeds will be paid within 7 Business Days following the relevant Dealing Day unless the redemption of Shares has been suspended in accordance with paragraph 12 of the Singapore Prospectus.
- The following is an illustration of the redemption proceeds that an investor will receive based on a redemption of 1,000 Shares:

e.g.	1,000 Shares	x	SGD20.519	=	SGD20,519.00
	Redemption request		Redemption Price^ (Net Asset Value per Share)		Redemption Proceeds

^ There is no redemption charge

and exiting from the product.

The Sub-Fund does not offer a cancellation period. You may wish to check with the distribution agents appointed by the Singapore Representative whether they offer a cancellation period and if they do so without incurring the Sales Charge.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

Please contact our distributors or

HSBC Global Asset Management (Singapore) Ltd at: (+65) 6658 2900

Website: http://www.assetmanagement.hsbc.com/sg

APPENDIX: GLOSSARY OF TERMS

- "Business Day" – A day on which banks are open for normal banking business in Singapore and Luxembourg.
- "Dealing Day" – Any Business Day (other than days during a period of suspension of dealing in Shares) and which is also for the Sub-Fund, a day where stock exchanges and regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.
- "UCITS" – An Undertaking for Collective Investment in Transferable Securities authorised pursuant to directive 2009/65/EC, as amended.