

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus<sup>1</sup>.
- 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”) - Global Emerging Markets Bond (the “Sub-Fund”)

Product Type	Investment Company	Launch Date	9 July 1999
Manager (termed as “Management Company”)	HSBC Investment Funds (Luxembourg) S.A.	Custodian / Depository Bank	HSBC Continental Europe, Luxembourg
Investment Adviser	HSBC Global Asset Management (USA) Inc.	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for FY2022 (31.03.2022) <sup>2</sup>	1.35% - 1.62%

### PRODUCT SUITABILITY

#### WHO IS THIS PRODUCT SUITABLE FOR?

This Sub-Fund is only suitable for investors who:

- ▶ Seek total return over the medium to long term
- ▶ Are comfortable with the risks related to investing in Investment Grade and Non-Investment Grade fixed income and other similar securities of Emerging Markets
- ▶ 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 total return primarily in a diversified portfolio of Investment Grade and Non-Investment Grade rated fixed income (e.g. bonds) and other similar securities either issued by companies which have their registered office in Emerging Markets around the world, primarily denominated in US Dollar, or which are issued or guaranteed by governments, government agencies, quasi-government entities, state sponsored enterprises, local or regional governments (including state, provincial, and municipal governments and governmental entities) and supranational bodies of Emerging Markets.
- ▶ 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 may invest more than 10% and up to 30% of its net assets in securities issued by or guaranteed by a single sovereign issuer with a Non-Investment Grade credit rating. This is due to the fact that the Sub-Fund’s reference benchmark, the JP Morgan EMBI Global Diversified, may contain

*Refer to section 3.2 “Sub-Funds details” of the Luxembourg Prospectus*

<sup>1</sup> The Singapore Prospectus is accessible at <http://www.assetmanagement.hsbc.com/sg>.

<sup>2</sup> The expense ratios for Share Classes offered less than 1 year are computed on an annualised basis.

sovereign issuers that may have a Non-Investment Grade rating. The Investment Adviser may decide to invest in a specific Non-Investment Grade sovereign issuer and/or to overweight (in relation to the reference benchmark) a particular Non-Investment Grade sovereign issuer. The Non-Investment Grade sovereign issuers that the Sub-Fund may invest up to 30% of its net assets in may change at any time as a result of: changes in credit ratings, changes in the Sub-Fund's benchmark weights, the Investment Adviser's decision to allocate a higher or lower proportion of the Sub-Fund's net assets to a particular benchmark constituent and/or market movements. Investment in onshore Chinese fixed income securities include, but are not limited to, onshore fixed income securities denominated in RMB, issued within the People's Republic of China ("PRC") and traded on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in the CIBM either through Bond Connect and/or the CIBM Initiative. The Sub-Fund may invest up to 10% of its net assets in onshore Chinese bonds issued by, amongst other, municipal and local governments, companies and policy banks.

The Sub-Fund may invest up to 10% of its net assets in convertible bonds (excluding contingent convertible securities). 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 invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).

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

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

The Sub-Fund is actively managed and does not track a benchmark. The Sub-Fund has an internal or external target to outperform the reference benchmark, JP Morgan EMBI Global Diversified.

for details on the structure of the Sub-Fund.

## 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 (USA) Inc.
- ▶ 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

- ▶ You are exposed to Interest Rate Risk  
Bonds and other fixed income securities are more susceptible to fluctuation in interest rates and may fall in value if interest rates change.

- ▶ You are exposed to Credit Risk  
A bond or money market security could lose value if the issuer's financial health deteriorates.
- ▶ You are exposed to Market Risk  
The value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies in Emerging Markets.
- ▶ 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 Emerging Markets Risk  
Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, market volatility (such as interest rate and price volatility) and regulatory risks.
- ▶ You are exposed to China Interbank Bond Market  
Investments in the CIBM are subject to these risks: market and liquidity risks, Chinese local credit rating risks, counterparty and settlement risk, operational risk, quasi-Government/local Government bond risk, urban investment bonds risk and regulatory risk.
- ▶ 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. Investment in CoCos is subject to trigger level risk, conversion risk, valuation and write-down risk, coupon payments and coupon cancellation risk, capital structure inversion risk, call extension risk, subordinated instruments risk, and unknown risk. This may result in a loss to the Sub-Fund.
- ▶ 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.
- ▶ You are exposed to Total Return Swaps Risk  
A sub-fund may utilise Total Return Swaps to, *inter alia*, replicate the exposure of an index or to swap the performance of one or more instruments into a stream of fixed or variable rate cash-flows. Investing in Total Return Swaps may involve counterparty risk.
- ▶ You are exposed to Non-Investment Grade 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 security may be adversely affected.

## FEES AND CHARGES

### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

Sales Charge	Up to 3.00% 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 – 1.25% Class P – 1.00%
(a) Retained by Management Company	- 30% to 75% of Management Fee
(b) Paid by Management Company to financial adviser (trailer fee) <sup>3</sup>	- 25% to 70% of Management Fee
Operating, Administrative and Servicing Expenses	Class A – 0.35% Class P – 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.

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

## VALUATIONS AND EXITING FROM THIS INVESTMENT

### HOW OFTEN ARE VALUATIONS AVAILABLE?

- ▶ 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](http://www.assetmanagement.hsbc.com/sg). It is also published in The Business Times and Lianhe Zaobao on a periodic basis.

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

### 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.
- ▶ 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:

Refer to paragraphs 9 “Redemption of Shares” and 12 “Suspension of Dealings” of the Singapore Prospectus for further information on valuation and exiting from the product.

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

<sup>^</sup> There is no redemption charge

<sup>3</sup> Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Management Company.

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.
- ▶ “Emerging Markets” – Markets in countries that are not amongst the following groups of industrialised countries: United States and Canada, Switzerland and Members of the European Economic Area, the UK, Japan, Australia and New Zealand, and may include those countries in the preceding groups that do not have fully developed financial markets.
- ▶ “Other Eligible UCI” – An open-ended Undertaking for Collective Investment within the meaning of Article 1 paragraph (2) points a) and b) of Directive 2009/65/EC and complying with the following:
  - it is authorised under laws which provide that it is subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, or if cooperation between authorities is sufficiently ensured;
  - the level of protection for its unitholders is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive 2009/65/EC, as amended;
  - its business is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of its assets can, according to its management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs.

Closed-ended UCIs are not considered as other Eligible UCIs, but may qualify as transferable securities.

- ▶ “UCITS” – An Undertaking for Collective Investment in Transferable Securities authorised pursuant to directive 2009/65/EC, as amended.