

Asset Management

Important Information:

- The full fund name is HSBC Portfolios - World Selection 1, World Selection 2, World Selection 3, World Selection 4, and World Selection 5 respectively, collectively the "Funds". Each fund invests independently to achieve its set objectives.
- The Funds may invest in equities, bonds and other asset classes, and may invest in other funds to achieve its investment objectives.
- The Funds are subject to the risk of investing in emerging markets.
- The Funds may gain exposure to hedge fund, absolute return strategy, private equity and real estate sectors, and may suffer substantial loss in such investments.
- The Funds may invest in other collective investment schemes, and need to bear the underlying funds' fees and expenses on top of the Funds' own fees and expenses.
- The Funds may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Funds may pay dividends out of capital or gross of expenses. Dividend is not guaranteed and may result in capital erosion and reduction in net asset value.
- The Funds' investments may involve substantial credit, credit rating, currency, investment and volatility, liquidity, interest rate, valuation, general equity market risk, general debt securities risks, non-investment grade and unrated debt securities risk, sovereign debt risk, asset allocation strategy risk, risks associated with flexible pay-out share class, risk of portfolio currency hedged classes, RMB denominated class risk, tax and political risks. Investors may suffer substantial loss of their investments in the Funds.
- Investors should not invest solely based on this document and should read the offering documents for details.

HSBC Portfolios

World Selection Funds*

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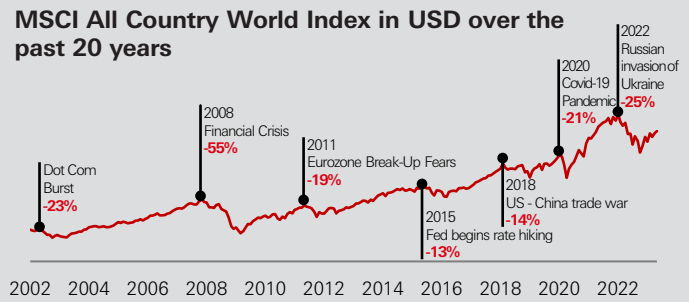
HSBC

Opening up a world of opportunity

Why consider the Funds?

1. Single class investing is a rocky ride

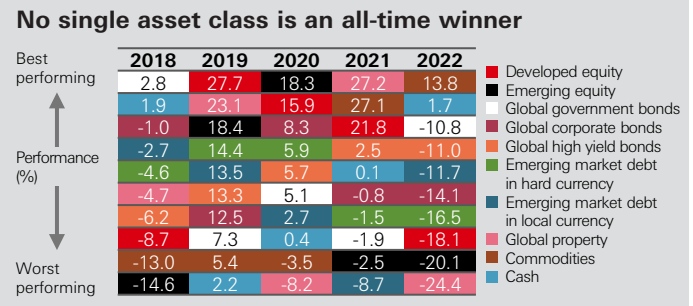
- ◆ Market and geopolitical events have created short term downturns to the stock market
- ◆ A strategy that helps you navigate market challenges and smoothen your investment journey is crucial



Source: Bloomberg. MSCI All Country World Index, 1 January 2002 to 28 April 2023, performance in USD.

2. A multi-asset approach helps diversify risks and improve performance

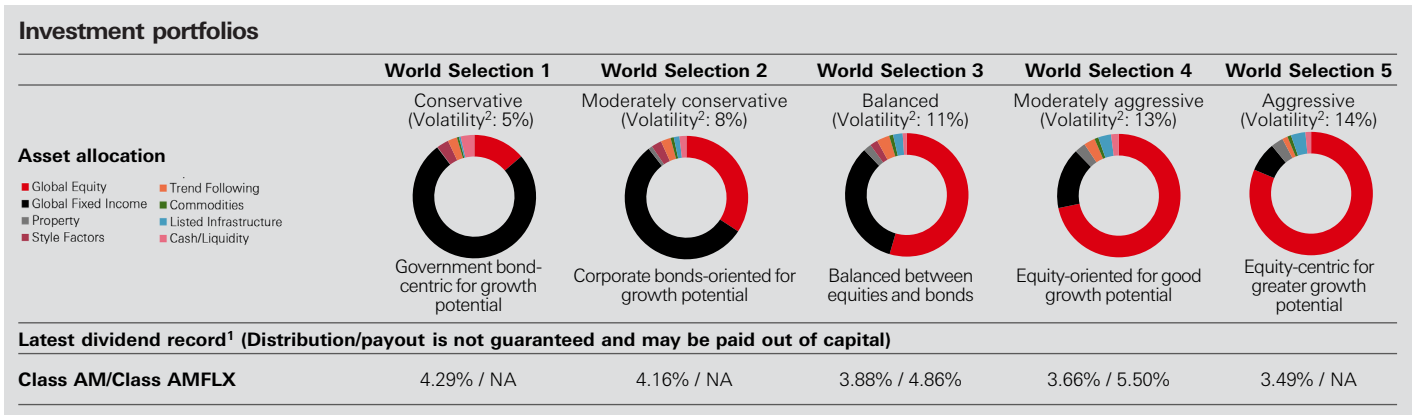
- ◆ The variation in returns across investment markets from year to year
- ◆ Flexible allocation across various assets enables the portfolio to capture market opportunities



Source: HSBC Asset Management, Bloomberg, 31 December 2022. Past performance should not be seen as an indication of future returns. Developed equity: MSCI World in USD, Emerging equity: MSCI Emerging Markets in USD, Global government bonds: Bloomberg Global Aggregate Treasuries USD hedged, Global corporate bonds: Bloomberg Global Aggregate Corporates USD hedged, Global high yield bonds: Bloomberg Global High Yield USD Hedged, Emerging market debt in hard currency: JP Morgan EMBI Composit USD Hedged, Emerging market debt in local currency: JP Morgan GBI-EM Global Diversified in USD, Global property: FTSE NAREIT Developed World in USD, Commodities: Bloomberg Commodities Index in USD, Cash: Bloomberg USD overnight cash index.

3. Funds with income potential

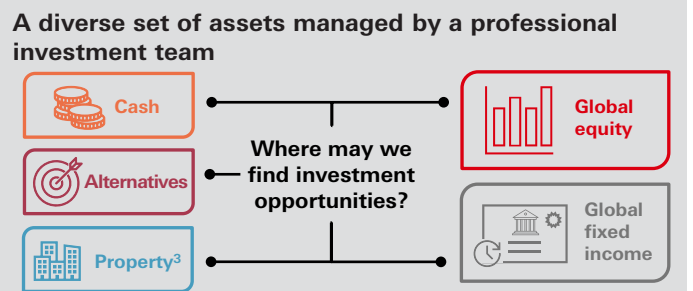
- ◆ One solution offers five funds of varying volatility, matching different investor risk profiles
- ◆ The Funds aim to provide monthly income potential¹ (Only applicable to Distribution share class and Flexible payout share class, distribution/payout is not guaranteed and may be paid out of capital)



Source: HSBC Asset Management, as of 31 July 2023. The Funds will not invest in direct real estate. Any portfolio characteristics shown herein, including strategy and allocations among others, are for illustrative purposes only. The characteristics may differ by product or market conditions. Information may be changed from time to time without notice. The information displayed above is shown on a look-through basis. This means that the Funds may not directly hold these securities and the investment in these securities may be via other funds. Investment involves risk. Past performance is not indicative of future performance.

4. Access a wide range of asset classes, regions and industries

- ◆ As of end July 2023, we identify value in more than 4,000 companies across different industries
- ◆ Investing across over 40 different currencies, finding opportunities across more than 80 markets



Source: HSBC Asset Management, as of 31 July 2023. The allocation is subject to change at any time without notice.

1. Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may be comprised of both distributed income and capital. The calculation method of annualised yield: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^{12}) - 1$. The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield. 2. Refers to the three-year volatility of Accumulative share class (Class AC) as of 31 July 2023. Volatility measures the size and frequency of changes in the value of an investment over a short space of time. 3. The portfolios will not invest in direct real estate. Investments are in equity securities issued by companies which are principally engaged in the business of real estate or in shares/units of REITs/units of real estate collective investment scheme. Source: HSBC Asset Management, as of 31 July 2023.

Investment objective

The Funds aim to provide long term total return by investing in a portfolio of fixed income and equity securities consistent with low risk (World Selection 1), low to medium risk (World Selection 2), medium risk (World Selection 3), medium to high risk (World Selection 4), and high risk (World Selection 5) investment strategy.

Potential risks

- ◆ **Investment risk and volatility risk:** the Funds' investment portfolios may fall in value due to any of the key risk factors below and therefore your investment in the Funds may suffer losses. There is no guarantee of the repayment of principal
- ◆ **General liquidity risk:** the Funds' investment portfolios will be exposed to liquidity risks – meaning it may take time to sell assets and/or assets may need to be sold at a discount. This risk is greater in exceptional market conditions when a large number of market participants may seek to liquidate their investments which may include the Funds. The Funds may employ a number of techniques to manage liquidity including pricing adjustments and temporarily suspending redemptions
- ◆ **Currency risk:** underlying investments of the Funds may be denominated in currencies other than the Base Currency of the Funds and the class of shares may be designated in a currency other than the Base Currency of the Funds
- ◆ **General equity market risk:** the Funds' investment in equity securities is subject to general market risks, whose value may be adversely impacted due to various factors, such as changes in investment sentiment, political and economic conditions, liquidity risks and issuer-specific factors. Further, risks may be exacerbated for certain markets and segments (e.g. smaller capitalization companies)
- ◆ **General debt securities risk:** Credit risk, Credit rating risk, Interest rate risk, Valuation risk
- ◆ **Emerging markets risk:** the Funds invest in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as greater liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a higher degree of volatility
- ◆ **Risk associated with distribution out of/effectively out of capital:** for certain Classes, dividends/payouts may be paid out of capital or effectively out of capital which represents a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any payment of dividends/payouts may result in an immediate reduction in the net asset value per share of the Class
- ◆ **Risks associated with flexible pay-out classes:** this Flexible Pay-Out Shares deliberately pay out of net capital gains (both realised and unrealised). In addition, this Flexible Pay-Out Shares will pay out of capital (or effectively out of capital) to the extent (for World Selection 3, 4)
- ◆ **Alternative investment risk:** the Funds may gain exposure to hedge funds and absolute return strategies (which may be extremely volatile) and the private equity and the real estate sectors (which may have greater liquidity risk). Because of their special and higher risks, substantial or, in certain cases, total loss may result with respect to investments in those asset classes (for World Selection 3, 4, 5)
- ◆ **Other risks:** Non-investment grade and unrated debt securities risk, Sovereign debt risk, Asset allocation strategy risk, Risk of Portfolio Currency Hedged classes, Risk of investment in other collective investment schemes, Derivative instrument risk, RMB denominated class risk

For details of risk factors, please refer to the offering documents.

Fund details

	World Selection 1	World Selection 2	World Selection 3	World Selection 4	World Selection 5
Fund size⁴:	USD 313 million	USD 529 million	USD 960 million	USD 716 million	USD 341 million
Inception date:	19 October 2009				
Accumulation share class:	AC, ACHEUR, ACHGBP		AC, ACHAUD, ACHEUR, ACHGBP		
Distribution share class:	AM, AMHKD, AMHAUD, AMHEUR, AMHGBP, AMHRMB				
Flexible payout share class:	-		AMFLX, AMFLXHKD, AMFLXHAUD, AMFLXHEUR, AMFLXHGBP, AMFLXHRMB		-
Base currency:	USD, HKD, AUD, EUR, GBP, RMB				
Minimum investment:	USD1,000 / HKD10,000 / AUD1,500 / EUR850 / GBP650 / RMB10,000				
Subscription fee:	Up to 3% of the total subscription amount				
Management fee (p.a.):	1.0%		1.2%		1.3%
Switching fee:	Up to 1% of the Switch-Out proceeds				
Dealing:	Daily				
Dividend/payout policy⁵:	Monthly (If any and only applicable to Distribution/Flexible payout share classes; aim to declare monthly distribution/payout, but distribution/payout is not guaranteed and may be paid out of capital)				

4. Source: HSBC Asset Management, data as of 31 July 2023. 5. Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value.

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