HSBC OpenFunds

Prospectus

20 April 2020

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Introduction

This document is important. If you are in any doubt as to the meaning of any information in this Prospectus you should consult your financial adviser.

HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director ("the ACD") of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts, does not contain any untrue or misleading statement and does not omit anything likely to affect the import of such information or any matters required by the FCA Rules, as laid down in the FCA Handbook to be included in it. The ACD accepts responsibility accordingly.

This is the Prospectus of HSBC OpenFunds ("the Company") valid as at 20 April 2020. The Company is an AIF.

This Prospectus has been prepared by the ACD in accordance with the FCA Rules.

Copies of this Prospectus have been sent to the FCA and State Street Trustees Limited, the Depositary.

The Company is incorporated in England and Wales as an investment company with variable capital under registered number IC000488. The FCA Product Reference Number is 457011. The Shareholders are not liable for the debts of the Company.

No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus and, if given or made, such information or representations must not be relied upon as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this document and the offering or sale of Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or the ACD that would permit an offer of Shares or possession or distribution of this document in any jurisdiction where action for that purpose is required, other than in the United Kingdom (the "UK"). This document does not constitute an offer of or an invitation to purchase or subscribe for any Shares by anyone in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or invitation. Persons into whose possession this document comes are required by the Company and the ACD to inform themselves about and to observe any such restrictions. The document may be translated into languages other than English. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail.

Potential investors should not treat the contents of this document as advice relating to investment, legal, taxation or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Company's Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them). This document has been approved for the purpose of the Financial Services and Markets Act 2000 by the ACD.

Shares in the Company are not listed on any stock exchange.

This Prospectus uses information that the ACD has made available to Shareholders and is based on UK law and practice at the date hereof. The Company cannot be bound by an out of date Prospectus when it has issued a new Prospectus and investors should check with the ACD that this is the most recently published Prospectus.

Definitions

"Accumulation Share" means a type of share where the income earned by the Fund is retained in the Fund

"ACD" means the Authorised Corporate Director of the Company, which is HSBC Global Asset Management (UK) Limited. The ACD is also the Alternative Investment Fund Manager

"Act" is the Financial Services and Markets Act 2000 as amended, replaced or re-enacted from time to time

"actively managed" means where a fund manager uses their expertise to pick investments to achieve a fund's objectives

"Administrator" means Northern Trust Global Services SE, which is appointed by the ACD to administer the Funds on its behalf

"**Annual Management Charge**" means the ongoing fee paid to the ACD for managing the Fund, usually charged as a percentage of the value of the Fund

"AIF" refers to an alternative investment fund which has the same meaning as the Glossary to the FCA Handbook

"AIFM" refers to alternative investment fund managers which has the same meaning as the Glossary to the FCA Handbook. The AIFM for the Funds is HSBC Global Asset Management (UK) Limited which is also the ACD

"AIFMD" refers to the Alternative Investment Fund Managers Directive and has the same meaning as listed in the Glossary to the FCA Handbook

"approved counterparty" means an FCA approved company who the fund manager will deal with when investing in derivatives

"approved security" means classes of securities which the fund manager can invest in e.g. shares in companies, bonds or other forms of securities debt and any other negotiable securities. For further details, please refer to Appendix 3

"asset allocation" means dividing the money invested in a fund across different assets, such as in different geographical areas or by industry sectors such as oil and gas or financial companies

"asset backed securities" means asset-backed securities which will include credit card receivables, home equity loans, student loans and auto loans as well as mortgage-backed securities which are pooled mortgages sold to investors. These types of investment sit within the fixed-income sector.

"associate" means a subsidiary of the HSBC Group

"auditor" means the auditor of the Company, being KPMG LLP, Chartered Accountants

"bond(s)" means a loan, usually to a company or government, that pays interest

"bond index futures" means a contract stating that the holder agrees to purchase a bond index at a particular price on a specified future date

"Business Day" means any day that the London Stock Exchange (or its successor organisation) is open for business (except for, unless the ACD otherwise decides, the last business day before Christmas Day); and other days at the ACD's discretion

"Canadian Resident" means:

1. An individual, if
   (a) the individual's primary principal residence is located in Canada; or
   (b) the individual is physically located in Canada at the time of the offer, sale or other relevant activity.
2. A corporation, if
   (a) the corporation's head office or principal office is located in Canada; or
   (b) securities of the corporation that entitle the holder to elect a majority of the directors are held by Canadian Resident individuals (as described above) or by legal persons resident or otherwise located in Canada; or
   (c) the individuals that make investment decisions or provide instructions on behalf of the corporation are Canadian Resident individuals (as described above).

3. A trust, if

   (a) the principal office of the trust (if any) is located in Canada; or

   (b) the trustee, or in the case of multiple trustees, the majority of trustees, are Canadian Resident individuals (as described above) or are legal persons resident or otherwise located in Canada; or

   (c) the individuals that make investment decisions or provide instructions on behalf of the trust are Canadian Resident individuals (as described above).

4. A partnership, if

   (a) the partnership's head office or principal office (if any) is located in Canada; or

   (b) the holders of the majority of the interests of or in the partnership are held by Canadian Residents (as described above); or

   (c) the general partner (if any) is a Canadian Resident (as described above); or

   (d) the individuals that make investment decisions or provide instructions on behalf of the partnership are Canadian Resident individuals (as described above).

"client money" means money that we hold on behalf of investors in a bank account that is separate from our own money

"collective investment scheme" means a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property

"Company" means HSBC OpenFunds

"conversion" means the exchange of Shares of one Share Class for Shares of another Share Class of the same Fund

"currency forward contracts" means a contract in the foreign exchange market that locks-in the exchange rate for the purchase or sale of a currency on a future date

"Dealing Day" means Monday to Friday (except for, unless the ACD otherwise decides, the last Business Day before Christmas Day, a bank holiday in England and Wales or any other day on which the London Stock Exchange or its successor organisation is closed); and other days at the ACD's discretion

"Depositary" means State Street Trustees Limited, the depositary of the Company

"Depositary Agreement" means the agreement between the Depositary and the AIFM on behalf of the Funds in accordance with the requirements of the AIFMD

"derivative(s)" means an investment whose value is linked to another investment, or to the performance of a stock exchange or to some other variable factor, such as interest rates

"developed markets" means countries with relatively high levels of personal income and established economies

"dilution adjustment" means an amount you pay to cover the dealing costs incurred by the Fund when it buys or sells investments as a result of you buying or selling Shares in the Fund. It is normally only charged when those costs are large enough to have a negative impact on the value of the Shares remaining in the Fund and is used to protect the existing investors

"duration" means a measure of how long it takes in years for an investor in a bond to recoup the price they paid for the bond from its interest payments. It provides an indication of how much bond prices are likely to change if and when interest rates change

"efficient portfolio management (EPM)" means managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth

"Eligible Derivatives Markets" means derivative markets which the ACD, after consultation with and notification to the Depositary, has decided are appropriate for the purpose of investment of or dealing in the scheme property in accordance with the FCA Rules

"Eligible Institution" means one of certain institutions being a Banking Consolidation Directive ("BCD") credit institution authorised by its Home State Regulator or an Investment Services Directive ("ISD") investment firm authorised by its Home State Regulator as defined in the glossary to the FCA Handbook that the company or fund may borrow cash from

"equity" or **"equities"** means shares issued by a company

"equity index futures" means a contract stating that the holder agrees to purchase an equity index at a particular price on a specified future date

"emerging markets" means countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body

"exchange traded" means a type of investment that is traded on a stock exchange

"FCA" means the Financial Conduct Authority or its successor organisation

"FCA Rules" means the rules laid down in the FCA Handbook, in particular the Investment Funds Sourcebook (FUND) and the Collective Investment Schemes Sourcebook Instrument 2004 (COLL), as amended or replaced from time to time

"financial instruments held in custody" means financial instruments that are held in custody pursuant to Article 21(8)(a) of the AIFM Directive that are deposited with the Depositary or its agent.

"Fund" or "**Funds"** means a sub-fund of the Company (being part of the scheme property of the Company which is pooled separately) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund

"Group 1 Shares" are Shares held at the start of a distribution period and which continue to be held throughout the distribution period

"Group 2 Shares" are Shares that have been purchased during a distribution period

"growth" means the increase in the value of investments

"hedging" means using derivative type investments as a way to reduce risk

"high yield bond" means a bond paying a higher level of interest but which has a lower credit rating than investment grade

"HSBC Group" means HSBC Holdings plc and its subsidiaries, as defined in Section 1159 of the Companies Act 2006

"income" means money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or retained in the fund and reinvested

"Income Share" means a type of share where the income earned by the fund is paid out to you

"Initial Charge" means an up-front fee paid to the ACD when you buy Shares

"Instrument of Incorporation" means the instrument of incorporation of the Company, as amended from time to time, prepared and registered by the Company in accordance with the OEIC Regulations and FCA Rules

"investment grade" means a credit rating that indicates the issuer of a bond has a relatively low risk of being unable to make interest payments and repay the money to it

"larger denomination Shares" means any Share other than a smaller denomination Share

"**market capitalisation indices**" means market indices based on the weighted market value of their components.

"market indices" means a hypothetical portfolio of investment holdings which represents a segment of the financial market that has specific characteristics, for example equity indices or bond indices

"Member State" means a member state of the European Community and any other state, which is within the European Economic Area

"MiFID II" means the Markets in Financial Instruments Directive II

"money market instruments" means investments usually issued by banks or governments that are a loan to the issuer by the buyer, held over a short period of time. The buyer receives interest and the return of the original amount at the end of a certain period

"Net Asset Value" or "**NAV"** means the value of the scheme property of the Company (or of any Fund as the context requires) less the liabilities of the Company (or of the Fund concerned) as calculated in accordance with the Company's Instrument of Incorporation

"Non-UCITS Retail Scheme" means an authorised fund which is neither a UCITS Scheme nor a Qualified Investor Scheme

"OEIC Regulations" means the Open-Ended Investment Companies Regulations 2001 (as amended or re-enacted from time to time)

"Ongoing Charges Figures (OCF)" means a measure of what it costs to invest in a Fund. It includes the fee paid to the ACD and other operating costs

"over-the-counter" means a contract that is traded (and privately negotiated) directly between two parties, without going through an exchange or other intermediary

"Pricing and Valuation Committee" means the HSBC Pricing and Valuation Committee which has ultimate oversight responsibilities the exceptions to pricing policies, which includes approving the methodologies for the valuation of illiquid securities. It is functionally independent of the AIFM

"Property-related securities" means shares of property companies, that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land

"Register" means the Register of Shareholders in the Fund.

"return(s)" means the money made or lost on an investment

"scheme property" means the property of the Company required under the Open-Ended Investment Companies Regulations 2001 to be given for safekeeping to the Depositary

"Share" or "**Shares"** means an equally valued holding in a Fund of the Company, representing part ownership of that Fund, (including larger denomination Shares and smaller denomination Shares).

"Share Class(es)" means one of the types of Share representing part ownership of the Fund that is different to other Share Classes for some reason, such as it pays out income rather than retaining it in the Fund

"Shareholder" means a holder of Shares in the Company

"smaller denomination Shares" means one hundredth of a larger denomination Share (designed to deal with fractional entitlements to Shares)

"SRRI" means the Synthetic Risk and Reward Indicator as defined in the Risk section of this document

"stocklending" means the process whereby those holding investments (such as a fund) lend them to other parties who pay a fee for borrowing

"switching" means the exchange of Shares of one Fund for Shares of another Fund (whether of the same or a different Share Class)

"UCITS" means an Undertaking for Collective Investment in Transferable Securities within the meaning of Article 1(2) of Council Directive 85/611/EEC of 20 December 1985, as amended from time to time

"US" means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction

"US Law" means the laws of the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction. US Law shall additionally include all applicable rules and regulations, as supplemented and amended from time to time, as promulgated by any US regulatory authority, including, but not limited to, the Securities and Exchange Commission and the Commodity Futures Trading Commission

"US Person" means the following:

1. An individual who is a resident of the US under any US Law.
2. A corporation, partnership, limited liability company, collective investment vehicle, investment company, pooled account, or other business, investment, or legal entity:
    a. created or organized under US Law;
    b. created (regardless of domicile of formation or organization) principally for passive investment (e.g. an investment company, fund or similar entity excluding employee benefit or pension plans):
        i. and owned directly or indirectly by one or more US Persons who hold, directly or indirectly, in aggregate a 10% or greater beneficial interest, provided that any such US Person is not defined as a Qualified Eligible Person under CFTC Regulation 4.7(a);
        ii. where a US Person is the general partner, managing member, managing director or other position with authority to direct the entity's activities;
        iii. where the entity was formed by or for a US Person principally for the purpose of investing in securities not registered with the SEC unless such entity is comprised of Accredited Investors,

as defined in Regulation D, 17 CFR 230.501(a), and no such Accredited Investors are individuals or natural persons; or

iv. where more than 50% of its voting ownership interests or non-voting ownership interests are directly or indirectly owned by US Persons;

c. that is an agency or branch of a non-US entity located in the US; or

d. that has its principal place of business in the US.

3. A trust:

a. created or organized under US Law; or

b. where, regardless of domicile of formation or organization:

i. any settlor, founder, trustee, or other person responsible in whole or in part for investment decisions for the trust is a US Person;

ii. the administration of the trust or its formation documents are subject to the supervision of one or more US courts; or

iii. the income of which is subject to US income tax regardless of source.

4. An estate of a deceased person:

a. who was a resident of the US at the time of death or the income of which is subject to US income tax regardless of source; or

b. where, regardless of the deceased person's residence while alive, an executor or administrator having sole or shared investment discretion is a US Person or the estate is governed by US Law.

5. An employee benefit or pension plan that is:

a. established and administered in accordance with US Law; or

b. established for employees of a legal entity that is a US Person or has its principal place of business in the US.

6. A discretionary or non-discretionary or similar account (including a joint account) where:

a. one or more beneficial owners is a US Person or held for the benefit of one or more US Persons; or

b. the discretionary or similar account is held by a dealer or fiduciary organized in the US.

The Company may, from time to time, waive or modify the above restrictions.

"volatility" means a measure of the size and frequency of changes in the value of an investment over a short space of time

"yield" means the income from an investment, usually stated as a percentage of the value of the investment

Words and phrases in this document and defined in the FCA Rules (but not here) shall bear the same meaning as in the FCA Rules unless the context shall otherwise require.

Company Details

HSBC OpenFunds is authorised by the FCA with effect from 7 November 2006.

Head Office

8 Canada Square, London E14 5HQ

This is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on the Company.

Base Currency

The base currency of the Company and each of the Funds is Pounds Sterling of the United Kingdom.

Share Capital

Maximum: £100,000,000,000
Minimum: £100

Shares in the Company and Funds have no par value. The Share capital of the Company will at all times equal the total sum of the Net Asset Value of each of the Funds.

Directory

The Company and Head Office:	**HSBC OpenFunds** 8 Canada Square, London E14 5HQ
Authorised Corporate Director:	**HSBC Global Asset Management (UK) Limited** 8 Canada Square, London E14 5HQ
Registrar:	**HSBC Global Asset Management (UK) Limited** (Delegated to Northern Trust Global Services SE) 50 Bank Street, Canary Wharf, London, E14 5NT
Administrator:	**HSBC Global Asset Management (UK) Limited** (Delegated to Northern Trust Global Services SE) PO Box 3733, Royal Wootton Bassett, Swindon SN4 4BG
Depositary:	**State Street Trustees Limited** Quartermile 3, 10 Nightingale Way, Edinburgh EH3 9EG
Auditors:	**KPMG LLP** 15 Canada Square, London E14 5GL

The Constitution of the Funds

Umbrella Company

The Company is authorised, and the ACD is authorised and regulated, by the FCA. The Company is structured as an "umbrella" company, in that the Company proposes to issue Shares linked to different Funds which have been established. The Company is a Non-UCITS Retail Scheme and its FCA Product Reference Number is 457011.

Each Fund is invested as if it belongs to the "Non-UCITS Retail Scheme" category specified in the FCA Rules. For investment purposes the assets of each Fund will be treated as separate and will be invested in accordance with the investment objective and investment policy of that Fund.

Under MiFID II there is a distinction between complex and non-complex financial instruments. The FCA has stated that, in its view, a Non-UCITS Retail Scheme is neither automatically non-complex nor automatically complex. Instead, a Non-UCITS Retail Scheme should be assessed against the criteria set out in the MiFID II delegated regulation. The ACD has determined that each of the Funds of the Company has satisfied the criteria set out in the MiFID II delegated regulation to be considered non-complex.

The Company is an AIF.

The Funds set out below are those currently available.

Current Funds	FCA Product Reference Number
Global Property Fund	644378
Global Strategy Adventurous Portfolio	787666
Global Strategy Balanced Portfolio	644384
Global Strategy Cautious Portfolio	644385
Global Strategy Conservative Portfolio	787667
Global Strategy Dynamic Portfolio	644383
Global Sustainable Multi-Asset Adventurous Portfolio	TBC
Global Sustainable Multi-Asset Balanced Portfolio	824079
Global Sustainable Multi-Asset Cautious Portfolio	TBC
Global Sustainable Multi-Asset Conservative Portfolio	824080
Global Sustainable Multi-Asset Dynamic Portfolio	TBC
World Selection – Adventurous Portfolio	659583
World Selection – Balanced Portfolio	644380
World Selection – Cautious Portfolio	644379
World Selection – Conservative Portfolio	659591
World Selection – Dividend Distribution Portfolio	644377
World Selection – Dynamic Portfolio	644381
World Selection – Interest Income Portfolio	644382

Details of the individual Fund investment objective, investment policy, investment strategy, SRRI and Share Classes offered for each of the Funds can be found in Appendix 1.

It is the AIFM's intention to manage each of the above Funds such that each Fund qualifies as a permitted link for long term insurance contracts.

The AIFM has adopted, as its core principle in its business practice, the guidelines published by the FCA in regard to treating customers fairly, for the benefit of both Shareholders and the Company.

The historic performance of the Funds for the last five years (where available) can be found in Appendix 2.

Additional Funds and Share Classes

Further Funds and new Share Classes may be added in the future by the ACD from time to time with the approval of the FCA. On the introduction of any new Fund or Share Class a revised Prospectus will be prepared.

For all Funds, the ACD reserves the right to invest or remove seed money at its discretion when it considers it appropriate to do so. Typically, seed money is invested when a new fund and/or Share Class is launched and removed when the ACD considers the fund and/or Share Class to be viable.

Allocation of Assets and Liabilities

Each Fund has a portfolio of assets to which that Fund's assets and liabilities are attributable. So far as the Shareholders are concerned each Fund is treated as a separate entity.

The assets of a Fund of the Company belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Fund of the Company, and shall not be available for any such purpose.

While this principle of segregation of assets and liabilities between the Funds is established in English law under the OEIC Regulations (as amended), this is not the case across all jurisdictions. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether foreign courts will recognise and give full effect to this segregation.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company in respect of or attributable to that Fund as they occur.

Within the Funds, charges will be allocated between Share Classes in accordance with the terms of issue of Shares of those Share Classes. Any expenses specific to a Share Class will be allocated to that Share Class and otherwise shall be allocated between Share Classes by the ACD in a manner that is considered fair to Shareholders. With the exception of the audit fee, which is allocated according to the complexity of the audit in respect of the relevant Fund and the FCA authorisation fee, which is allocated equally between each Fund so authorised and then apportioned equally between all Share Classes of the relevant Fund, such fees will normally be allocated to all Share Classes in proportion to the respective Net Asset Value of the relevant Share Classes.

Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may also be allocated by the ACD in a manner which is considered fair to the Shareholders. They will normally be allocated to all Funds in proportion to the respective Net Asset Value of the relevant Funds.

Share Classes

The Company may issue several Share Classes in respect of each Fund being; Retail Income, Retail Accumulation, Retail X Income, Retail X Accumulation, Institutional Income, Institutional Accumulation, Institutional A Income, Institutional A Accumulation, Income C, Accumulation C, Income P, Accumulation P, Income Z, Accumulation Z and CTF Accumulation.

The Share Classes currently in issue are Retail Income, Retail Accumulation, Retail X Accumulation, Income C, Accumulation C, Institutional A Income, Institutional A Accumulation, Institutional Income, Institutional Accumulation, Income P, Accumulation P and CTF Accumulation.

These Share Classes are distinguished on one or more of the following criteria: accumulation or distribution of income, minimum subscription, minimum holding, Annual Management Charge and distribution channel. All Funds are marketable to all investors, subject to the Share Dealing Restrictions on page 17.

The Share Classes available for each Fund are subject to the eligibility criteria detailed below. For all Share Classes the ACD has discretion to apply lower minima than those stated. For details of charges specific to each Share Class, please refer to the Fees and Expenses section on page 44.

Share Classes Currently Offered in the Funds:

Share Class Type:	**Funds in which Share Class is offered:**	
Retail Income	World Selection – Balanced Portfolio	World Selection – Dividend Distribution Portfolio
Retail Accumulation	Global Property Fund World Selection – Balanced Portfolio	World Selection – Dividend Distribution Portfolio
Retail X Accumulation	Global Strategy Balanced Portfolio Global Strategy Cautious Portfolio	Global Strategy Dynamic Portfolio
Income C	Global Property Fund Global Strategy Adventurous Portfolio Global Strategy Balanced Portfolio Global Strategy Cautious Portfolio Global Strategy Conservative Portfolio Global Strategy Dynamic Portfolio Global Sustainable Multi-Asset Adventurous Portfolio Global Sustainable Multi-Asset Balanced Portfolio Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio Global Sustainable Multi-Asset Dynamic Portfolio World Selection – Adventurous Portfolio World Selection – Balanced Portfolio World Selection – Cautious Portfolio World Selection – Conservative Portfolio World Selection – Dividend Distribution Portfolio World Selection – Dynamic Portfolio World Selection – Interest Income Portfolio
Accumulation C	Global Property Fund Global Strategy Adventurous Portfolio Global Strategy Balanced Portfolio Global Strategy Cautious Portfolio Global Strategy Conservative Portfolio Global Strategy Dynamic Portfolio Global Sustainable Multi-Asset Adventurous Portfolio Global Sustainable Multi-Asset Balanced Portfolio Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio Global Sustainable Multi-Asset Dynamic Portfolio World Selection – Adventurous Portfolio World Selection – Balanced Portfolio World Selection – Cautious Portfolio World Selection – Conservative Portfolio World Selection – Dividend Distribution Portfolio World Selection – Dynamic Portfolio World Selection – Interest Income Portfolio

Institutional A Income	Global Property Fund	
Institutional A Accumulation	Global Property Fund	
Institutional Income	World Selection – Adventurous Portfolio World Selection – Balanced Portfolio World Selection – Cautious Portfolio	World Selection – Conservative Portfolio World Selection – Dynamic Portfolio
Institutional Accumulation	World Selection – Adventurous Portfolio World Selection – Balanced Portfolio World Selection – Cautious Portfolio	World Selection – Conservative Portfolio World Selection – Dynamic Portfolio
Accumulation P	Global Sustainable Multi-Asset Adventurous Portfolio Global Sustainable Multi-Asset Balanced Portfolio Global Sustainable Multi-Asset Cautious Portfolio Global Sustainable Multi-Asset Conservative Portfolio Global Sustainable Multi-Asset Dynamic Portfolio	World Selection – Adventurous Portfolio World Selection – Balanced Portfolio World Selection – Cautious Portfolio World Selection – Conservative Portfolio World Selection – Dynamic Portfolio World Selection – Interest Income Portfolio
Income P	World Selection – Balanced Portfolio World Selection – Cautious Portfolio	World Selection – Dynamic Portfolio World Selection – Interest Income Portfolio
CTF Accumulation	Global Strategy Balanced Portfolio	

Subscription criteria

The details of subscription and holding criteria are:

Retail Income and Retail Accumulation Share Classes: These are Net Income and Net Accumulation Share Classes. For lump sum investments, each has a minimum initial subscription of £1,000, and a minimum additional subscription of £500. The minimum redemption limit is £100. Both Share Classes are only available to Shareholders who held these Share Classes as at 17 January 2020 or otherwise at the discretion of the ACD.

Retail X Accumulation Share Class: This is a Net Accumulation Share Class. For lump sum investments, the minimum initial subscription is £1,000, and a minimum additional subscription of £500. The minimum redemption limit is £100. This Share Class is only available to Shareholders who held this Share Class as at 17 January 2020 or otherwise at the discretion of the ACD.

Income C and Accumulation C Share Classes: These are Net Income and Net Accumulation Share Classes. Available for lump sum investment, each has a minimum initial subscription of £1,000,000 and a minimum additional subscription of £500.

Income P and Accumulation P Share Classes: These are Net Income and Net Accumulation Share Classes. Available for lump sum investment, each has a minimum initial subscription of £1,000,000 and a minimum additional subscription of £1,000. These Share Classes are only available to HSBC Group Companies or otherwise at the discretion of the ACD.

Institutional A Income Share Class: This is a Net Income Share Class. Available for lump sum investment, with a minimum initial subscription of £1,000,000 and a minimum additional subscription of £1,000.

Institutional A Accumulation Share Class: This is a Net Accumulation Share Class. Available for lump sum investment, with a minimum initial subscription of £25,000,000 and a minimum additional subscription of £1,000,000.

Institutional Income and Institutional Accumulation Share Classes: These are Net Income and Net Accumulation Share Classes. Available for lump sum investment, each has a minimum initial subscription £10,000,000 and a minimum additional subscription of £1,000,000. These Share Classes are only available to HSBC Group Companies or otherwise at the discretion of the ACD.

CTF Accumulation Share Class
This Share Class is a Net Accumulation Share Class. The initial subscription is £10. The minimum additional subscription is £10 per month.

The CTF Accumulation Share Class is only available to the Child Trust Fund Manager, currently HSBC Trust Company (UK) Limited, or otherwise at the discretion of the ACD.

The Finance Bill 2017 removed the requirement for tax to be deducted from interest distributions of open ended investment companies. The changes took effect on 6 April 2017. As a result, the price of Net Shares is now calculated gross of tax on income starting from the first distribution period where a payment date falls on or after 6 April 2017 to reflect that income tax is no longer deducted from interest distributions and UK tax is no longer accounted for on Net Share classes for distributions after this date. Therefore there is no distinction between Gross Shares and Net Shares in this respect.

Exceptions to Subscription Criteria

Exceptions
The ACD may, at its absolute discretion, allow investment into a Share Class where the investor does not meet the minimum subscription criteria as set out above. These exceptions may be made for HSBC Group companies, institutional and retail investors.

Discounts
In certain circumstances the ACD may, at its absolute discretion, agree to a rebate of a proportion of its Annual Management Charge.

Regular Savers
The ACD operates a regular savings plan for Shareholders in the Retail Accumulation, Retail X Accumulation and Accumulation C Share Classes, subject normally to a minimum monthly subscription of £50 in any one Fund and a minimum additional subscription of £10 per month.

Please note the Retail Accumulation Share Class and Retail X Accumulation Share Class are only available to Shareholders who held these Share Classes on 17 January 2020 or otherwise at the discretion of the ACD.

The minimum holding for a regular saver if contributions are to cease is £1,000.

Holding Criteria

For all Share Classes the minimum holding is the same as the minimum initial subscription

Conversions

Shareholders are entitled (subject to certain restrictions) to convert all or part of their Shares in a Share Class for Shares of another Share Class within the same Fund. Details of this conversion facility and the restrictions are set out in the Share Conversion section on page 21.

Switching

Shareholders are entitled (subject to certain restrictions) to switch all or part of their Shares in a Fund for Shares in another Fund (whether of the same or a different Share Class). Details of this switching facility and the restrictions are set out in the Switching section on page 22.

Income and Accumulation Shares

Holders of Income Shares will receive distributions of income.

Holders of Accumulation Shares do not receive payments of income as these are Accumulation Shares and any income arising in respect of an Accumulation Share is automatically accumulated and reflected in the price of each Accumulation Share.

Shareholders' liability to tax is explained in more detail in the Section "Taxation" on page 52.

Tax vouchers or certificates of deduction of income tax for both Income and Accumulation Shares will be issued in respect of distributions made or accumulated and tax accounted for.

Each allocation of income made in respect of any Fund at a time when more than one Share Class is in issue in respect of that Fund will be done by reference to the relevant Shareholder's proportionate interests in the scheme property of the Fund in question. Shareholders must have their distribution of income paid direct to their bank or building society current account.

Where both Income Shares and Accumulation Shares are in existence in relation to a Fund, the relevant Shareholder's proportionate interest in the scheme property of the Fund represented by each Accumulation Share increases as income, if any, is accumulated.

In these circumstances, the income of the Fund is allocated between Income Shares and Accumulation Shares according to the relevant Shareholder's proportionate interests in the scheme property of the Fund represented by the Accumulation Shares and Income Shares in existence at the end of the relevant accounting period.

Governing Law

An investment in Shares is governed by English law.

Dealing in Shares

The ACD's Share dealing lines are open from 9.00 am until 5.00 pm on each Dealing Day.

Pricing

The Company deals on the basis of "single pricing". This means both the issue and the redemption price of a Share at a particular valuation point will be the same.

The price of a Share in the Company is calculated by reference to the Net Asset Value ("NAV") of the Fund to which it relates. The Share Class NAV is derived from the Fund NAV proportionate to the value of the assets attributable to each Share Class. The price of a Share is calculated by dividing the Share Class NAV by the number of Shares of that Share Class in issue. In addition the ACD may make an Initial Charge on Shares purchased (such charge is currently 0%). The ACD also reserves the right to make a redemption charge (often referred to as an Exit Charge) on Shares sold. Although no such redemption charge is currently intended, if the ACD were to levy such a charge, the amount of the charge would be taken from the proceeds of the investment before they are paid out. If the ACD decides to increase the Initial Charge or introduce a redemption charge in the future it will only do so after giving an appropriate period of notice to Shareholders (see "Fees and Expenses" section on page 44).

For both purchases and sales, a dilution adjustment may be made to the price of a Share (see section titled "Dilution" on page 48).

For all Funds the Company deals on a forward pricing basis only (and not on the basis of published prices). A forward price is the price calculated at the next valuation point (Refer to Valuation Section on page 26) after the deal instruction is received.

As indicated in the Valuation section on page 26, in determining the Net Asset Value of a Fund an estimated amount is deducted for anticipated tax liabilities at that point in time including (but not limited to) income tax where applicable in respect of income received by a Fund during an accounting period. For Net Shares, the price that Shareholders receive when they buy, sell, switch or convert Shares therefore reflects any income received during the accounting period and accounted for by the Fund net of any income tax and other liabilities. Prospective investors should consider whether this method of valuation meets with their investment needs. Note that for the World Selection – Interest Income Portfolio, the price that Shareholders receive from 15 January 2017 is calculated gross of tax on income received by the Fund from this date.

The prices of Shares will be published on the ACD's website; www.assetmanagement.hsbc.com, or you can call the Fund Servicing Centre on 0800 358 3011 (international +44 (0)800 358 3011). Lines are open 9.00 am to 5.00 pm Monday to Friday (excluding public holidays). To help the ACD and the Administrator continually improve their services and in the interests of security, they may monitor and/or record your communications with them.

Share Dealing Restrictions

The Administrator may refuse or delay your application for the purchase of Shares or your instruction for the sale of Shares. In these circumstances the Administrator will use reasonable endeavours to contact you personally unless it is not permitted to do so. In particular, applications to purchase Shares may be refused if the ACD or the Administrator:

(a) reasonably believes that you are not eligible to hold Shares under the terms of the relevant Fund prospectus;

(b) reasonably considers that by accepting your instruction it may break a law, regulation, code, court order or other duty; or

(c) becomes aware or has reason to believe you are resident in or otherwise connected to a country into which the ACD is not permitted to distribute or offer the Shares; or

(d) if, subsequent to a Shareholder's investment in the Company, the shareholder becomes a US Person, such shareholder:

  (i) will be restricted from making any additional investments in the Company; and

(ii) as soon as practicable have its Shares compulsorily redeemed by the Company (subject to the requirements of applicable law).

The ACD may, from time to time, waive or modify the above restrictions.

In addition, the ACD or the Administrator also have the right to refuse to sell Shares to a prospective investor if:

(a) there are reasonable grounds relating to the circumstances of the applicant; or

(b) the number or value of the Shares applied for is less than the minimum for that Share Class.

The Administrator may also refuse to accept applications for subscriptions or switches of Shares in a Fund which it knows or in its absolute discretion considers to be associated with market timing activities.

In general terms, market timing activities are strategies which may include frequent purchase and sale of Shares, with a view to profiting from anticipated changes in market prices between valuation points or arbitraging on the basis of market price changes subsequent to those used in the valuation of a Fund.

Such market timing activities are disruptive to Fund management, may lead to additional dealing charges which cause losses/dilution to a Fund and may be detrimental to performance and to the interests of long-term Shareholders.

In the event of any of the above occurrences, the Administrator will return any money sent, or the balance of such monies, at the risk of the applicant.

In accordance with the requirements arising under FATCA (more detail can be found in the Taxation Section on page 52), an application from a non-personal investor to purchase Shares will require such documentation as the ACD may require to establish the investor's status under FATCA and payment for the investment amount must accompany the application.

When the payment is received it will be held in accordance with the FCA Rules and Shares will be purchased to avoid unnecessary delay in making the investment and comply with the requirements of timely execution. However, the Shares will not be registered in the applicant's name until the W Form (or such other form that the ACD may require) has been validated. Following validation, the Shares will be registered in the name of the applicant.

If the W Form (or such other form that the ACD may require) cannot be validated, the Administrator will contact the applicant requesting further information and/or a replacement form. Once this has been received and validated the Shares will be registered in the applicant's name.

If a new W Form (or such other form that the ACD may require) is not received by the date advised, or the application is withdrawn after the Shares have been purchased, the Shares will be sold and the money will be returned to the applicant, at the risk of the applicant. In these circumstances, the applicant may receive less than the original investment amount as a result of market movement.

Shares of the Company may not be offered or sold to any US Person.

The Shares described in this prospectus may only be distributed in Canada through HSBC Global Asset Management (Canada) Limited, and this prospectus may not be used to solicit, and will not constitute a solicitation of, an offer to buy Shares in Canada unless such solicitation is made by HSBC Global Asset Management (Canada) Limited. A distribution or solicitation may be deemed to occur in Canada where a distribution or solicitation is made to a Canadian Resident at the applicable time.

Investment in the Shares for the purpose of creating a structured product replicating the performance of the Fund(s) is only permitted after entering into an agreement to this effect with the ACD. In the absence of such an agreement, the ACD can refuse or repurchase an investment into the Shares if this is related to a structured product and deemed by the ACD to potentially conflict with the interest of other Shareholders.

Buying Shares

Investors, including regular savers, wishing to buy Shares must initially provide a completed application form/registration document and appropriate anti-money laundering documentation to the Administrator.

Subsequently, applications to buy Shares can be made by telephoning the Administrator's Fund Servicing Centre on 0800 358 3011. Requests to subsequently alter regular savings amounts must be notified to the Administrator in writing.

Application forms are available from the ACD by writing to the Administrator, by telephoning the Administrator's Fund Servicing Centre on 0800 358 3011 or by visiting the website www.assetmanagement.hsbc.com. The ACD may introduce other methods by which Shares can be purchased in the future.

Any subscription monies remaining after a whole number of Shares have been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued in such circumstances.

The Register and all documentation sent to Shareholders will show the number of larger denomination Shares and smaller denomination Shares of the same Share Class.

If a Shareholder has title to more than 100 smaller denomination Shares of any one Share Class then sufficient smaller denomination Shares will be consolidated to one larger denomination Share, so that the Shareholder has title to less than 100 smaller denomination Shares.

The Administrator may at any time, for the purposes of effecting a transaction in Shares with a Shareholder, substitute that Shareholder's entitlement to one or more larger denomination Shares into an entitlement to smaller denomination Shares of the same Share Class, in a ratio of one larger denomination Share to 100 smaller denomination Shares.

Applications to buy Shares will not be acknowledged. However, a contract note will be issued by the end of the Business Day following the later of the day of receipt by the Administrator of the application for the purchase of Shares or the day of the valuation point by reference to which the purchase price is determined. Where appropriate, applicants will be informed of their right to cancel. The contract note will give details of the Shares purchased and the price used.

If a cleared payment is not received by the time and date specified in the contract note the instruction to buy Shares may be cancelled and in such circumstances no Shares will be issued to the applicant.

The applicant or their financial intermediary will be liable for the cost of the cancellation. Furthermore, failure to make payment by the date specified may result in the Company or the ACD bringing an action against the defaulting applicant or their intermediary, or deducting any costs or losses incurred by the Company or the ACD against any existing holdings of the applicant.

Certificates will not be issued in respect of Shares.

Ownership of Shares will be evidenced by an entry on the Company's Register of Shareholders (the "Register"). The Registrar may delay updating the Register to reflect the ownership of Shares until such time as it has received a cleared payment in respect of the Shares. Once a cleared payment has been received, if any Shareholder requires evidence of title to Shares then upon such proof of identity as it shall reasonably require the Registrar will provide the Shareholder with a certified copy of the relevant entry in the Register.

Shareholders will be able to monitor their holdings by a statement showing transactions in Shares and current holdings which will be sent out to all Shareholders (or in the case of joint holdings to the first named) twice a year by the ACD. The Register is prima facie evidence of entitlement to Shares. Shareholders must notify the ACD of any change of address. Individual statements of Shareholders' (or in the case of joint holdings, the first named) Shares will also be issued at any time on request by the registered holders. The right is reserved to make a charge for duplicate copies of statements.

Selling Shares

Sole Shareholders wishing to sell Shares should telephone the Administrator's Fund Servicing Centre on 0800 358 3011 or write to the Administrator. In the case of joint Shareholders wishing to sell Shares the Administrator will need to receive written instructions signed by all registered Shareholders. The ACD may introduce other methods for selling Shares in the future. The ACD does not currently accept electronic instructions for the sale of Shares.

Instructions to sell are irrevocable.

Shareholders are entitled on any Dealing Day to request that the Company redeem their Shares in accordance with the procedures set out below.

A contract note giving details of the number and prices of Shares sold will be sent to the selling Shareholder (the primary holder in the case of joint holders) If written instructions are required this will be accompanied by a form of renunciation for completion and execution by the Shareholder (or in the case of joint holders, by all the joint holders). This will be sent no later than the end of the Business Day following the later of:

(a) the day of the request to sell Shares; or

(b) the day of the valuation point by reference to which the redemption price is determined.

The redemption monies will be paid within three Business Days of the later of:

(a) the receipt by the Administrator of the telephone request to sell, or where written instructions are required, the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Shareholders and completed as to the appropriate number of Shares, together with any other appropriate evidence of title; and

(b) the valuation point following receipt by the Administrator of the request to sell.

Where the Administrator is unable to pay money out to you, for example the proceeds from the sale of Shares for which supporting documentation is needed, the money may, subject to the FCA Rules, be held by the ACD as client money in a client bank account with HSBC Bank plc and/or other financial institutions. No interest will be paid to you in respect of any client money held in the client money bank account.

While the ACD does not accept liability for acts, omissions and defaults of authorised financial institutions that hold client money on its behalf, in the event of insolvency you may be an eligible claimant under the Financial Services Compensation Scheme and be entitled as an individual to claim up to £85,000 in respect of the total cash you hold directly and indirectly hold with the failed financial institution.

Where amounts of client money are held that are deemed to be de minimis amounts as set out in the FCA Rules, the ACD may after a period of six years has elapsed following the date of the last movement on the relevant account, pay away such amounts to charity provided it has made at least one attempt to contact the rightful beneficial owner(s) as set out in the FCA Rules, being the registered Shareholder, and the Shareholder has not responded to the communication within 28 days of the communication being issued. The ACD does not require the consent of Shareholders to do this.

After a period of six years has elapsed (following the date of the last movement on the relevant account as set out in the FCA Rules) any unclaimed client monies which remain in the ACD's client money account which do not meet the FCA's defined de minimis criteria, may be paid away to a registered charity of the ACD's choice. Before doing so the ACD must ensure that it has taken all reasonable steps in accordance with the FCA Rules, to ensure payment of the client monies to their rightful beneficial owner(s),

In all circumstances monies paid to a charity would no longer be treated as client money. The making of a payment of unclaimed client money to a charity would not prevent a Shareholder from making a future claim to the ACD for repayment of such client monies upon production to the ACD of satisfactory evidence of their entitlement to those monies.

Treatment of Client Money when Buying or Selling Shares

With the exception of monthly direct debits made by regular savers, when the Administrator receives money following an application to buy Shares, or when it receives the proceeds from the Fund when Shares are sold, the Client Money Rules allow the ACD a period of one Business Day before it must treat that money as Client Money. This is called the Delivery versus Payment (“DvP”) exemption and it is an exception to the general requirement that money held for investors must always be held in a Client Money bank account. When the ACD uses the DvP exemption at certain periods of time money that you pay to it when you buy Shares, or money that the ACD is due to pay you when you sell Shares is held in the ACD’s own bank account. During this time it does not receive the same level of protection as it would receive if it was held in a Client Money bank account. Any monthly direct debit payments made by regular savers will be held as Client Money from the date of collection until the settlement date for the relevant Fund. Any cheque payments made by the ACD to you will be issued from a Client Money Account.

Any Client Money will be held in a Client Money bank account at a UK Bank and /or other financial institutions. No interest is paid in respect of any monies held in the Client Money bank account.

In the event that HSBC Global Asset Management (UK) Limited, HSBC Bank plc (or a third party bank with which your money is deposited) were to fail, the FCA's Client Money distribution rules contained in the FCA rules apply to your Client Money. The purpose of the Client Money distribution rules is to protect your interests with the aim of making the timely return of your money following any such failure.

Minimum Redemption

Shareholders may sell part of their holding but the Administrator reserves the right to refuse a redemption request if the value of the Shares of any Fund to be redeemed in the Retail Share Classes is less than £100 or where the remaining holding in a Share Class would fall below the stated minimum for that Share Class if it were effected. In this circumstance the ACD may require redemption of the entire holding.

Share Conversion

Subject to the qualifications and restrictions shown below, a Shareholder may request to convert (exchange) all or some of his Shares of one Share Class ("the Original Shares") for the appropriate number of Shares of another Share Class in the same Fund ("New Shares") The ACD may not impose restrictions as to the Share Classes of New Shares unless there are reasonable grounds relating to the circumstances of the Shareholder or the terms of the issue of the Share Class concerned for refusing to issue Shares of a particular Share Class to him. In no circumstances will a Shareholder who converts Shares of one Share Class for Shares of another Share Class in the same Fund be given a right by law to withdraw from or cancel the transaction.

The number of New Shares issued is determined by the following formula:

$$N = \frac{O \times (CP \times ER)}{SP}$$

Where N is the number of New Shares, O is the number of Original Shares to be converted, CP is the price at which one Original Share can be redeemed, ER is 1 (for the same currency Shares or an appropriate exchange rate where the currency of the Shares involved are different) and SP is the price of a New Share (in the cases of CP and SP at the applicable valuation point). Each number referred to in the definition of N or O shall be expressed to the second decimal place and rounded thereto in the case of N, so that the numbers before the decimal point represent the number of larger denomination Shares and the numbers after the decimal point when multiplied by 100 represents the number of smaller denomination Shares.

If the conversion would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Share Class concerned, the ACD may (at its discretion) convert the whole of the applicant's holding of Original Shares to New Shares or refuse to effect any conversion of the Original Shares.

The New Shares will retain the same Group 1 Shares and Group 2 Shares split (where applicable) as that held with the Original Shares until the next distribution date. Equalisation will be applied to Group 2 Shares.

A Shareholder wishing to convert Shares should send written instructions to the Administrator. Any instructions to the Administrator must be signed by all registered Shareholders. Where instructions to convert are received and the New Shares are Income Shares, the ACD may require written bank account details in order to pay income distributions. The ACD may however, delay or reject an application for a conversion of Shares if, in its opinion, to undertake such a transaction within the Fund would be detrimental to the other Shareholders.

Notification must be received by the Administrator before the valuation point on a Dealing Day in the Fund concerned, to be dealt with at the price at the valuation point on that Dealing Day or at such other valuation point as the ACD at the request of the Shareholder giving the relevant exchange notice may determine. A conversion request received after a valuation point will be held over until the next Dealing Day. If a conversion instruction relates to Original Shares for which a cleared payment has not been received, the Administrator may delay converting the Shares until any outstanding payment is received and cleared.

Conversions will be effected by the Administrator recording the change of Share Class on the Register at the date of conversion.

Conversion instructions, once given, are irrevocable. A conversion is not treated as a redemption of Shares and will, therefore, not be deemed a disposal for the purposes of Capital Gains Tax.

The ACD does not propose to charge a fee for conversions.

Switching

Subject to the qualifications below, a Shareholder may at any time switch (exchange) all or some of his Shares of one Fund ("the Original Shares") for the appropriate number of Shares of another Fund ("New Shares") (whether of the same or a different Share Class). In no circumstances will a Shareholder who switches Shares in one Fund for Shares in another Fund be given a right by law to withdraw from or cancel the transaction. The number of New Shares issued is determined by the following formula:

$$N = \frac{O \times (CP \times ER)}{SP}$$

Where N is the number of New Shares to be issued, O is the number of Original Shares to be exchanged, CP is the price at which one Original Share can be redeemed, ER is 1 (for the same currency Shares or an appropriate exchange rate where the currency of the Shares involved are different) and SP is the price at which a New Share can be purchased (in the cases of CP and SP at the applicable valuation point). Each number referred to in the definition of N or O shall be expressed to the second decimal place and rounded down thereto in the case of N, so that the numbers before the decimal point represent the number of larger denomination Shares and the numbers after the decimal point when multiplied by 100 represents the number of smaller denomination Shares.

Where it is desired to switch Shares between Share Classes issued in respect of different Funds, the ACD may not impose restrictions as to the Share Classes of New Shares unless there are reasonable grounds relating to the circumstances of the Shareholder or the terms of the issue of the Share Class concerned for refusing to issue or sell Shares of a particular Share Class to him.

If the switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Share Class concerned, the ACD may (at its discretion) switch the whole of the applicant's holding of Original Shares to New Shares or refuse to effect any switch of the Original Shares. No switch will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended.

The general provisions on procedures relating to redemption will apply equally to a switch. Shareholders wishing to switch Shares held in their sole name should send written instructions to the Administrator or may telephone the Administrator's Fund Servicing Centre on 0800 358 3011. However in the case of joint Shareholders the switch cannot be carried out until the Administrator has received written instructions signed by all registered Shareholders.

Where instructions to switch are received over the telephone and the New Shares are Income Shares, the ACD may request written bank account details in order to pay income distributions.

Notification must be received by the Administrator before the valuation point on a Dealing Day in the Fund or Funds concerned to be dealt with at the prices at those valuation points on that Dealing Day, or at such other valuation point as the ACD at the request of the Shareholder giving the relevant exchange notice may determine. A switching request received after a valuation point will be held over until the next Dealing Day.

If a Shareholder switches Original Shares in one Fund for New Shares in another Fund the ACD may impose a switching fee and in certain circumstances make a dilution adjustment to the price of a Share. Details of these charges are described on page 44 in the Section titled "Fees and Expenses".

The ACD may adjust the number of New Shares to be issued to reflect the imposition of any switching fee together with any other fees, charges or levies in respect of the issue or sale of the New Shares or repurchase or cancellation of the Original Shares as may be permitted pursuant to the FCA Rules.

Switching instructions, once given, are irrevocable.

It should be noted that a switch of Original Shares in one Fund for New Shares in any other Fund is treated as a redemption and will, for persons subject to United Kingdom taxation, be a disposal for the purposes of Capital Gains Tax.

Switches between different Share Classes in the same Fund are not treated as a redemption and will not, for persons subject to United Kingdom taxation, be a disposal for the purposes of Capital Gains Tax.

Dealing Charges

The charges applicable to all dealings in Shares are set out in the Fees and Expenses Section on page 44.

Compulsory Transfer and Redemption

Shares in the Company may not be acquired or held by any person in circumstances ("relevant circumstances"):

(a) which constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or

(b) which would (or would if other Shares were acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory).

In this connection, the ACD may (amongst other things) reject any subscription, sale, transfer or switching of Shares.

If it comes to the notice of the ACD that any Shares ("affected Shares") have been acquired or are being held directly or beneficially in any of these relevant circumstances or by virtue of which the Shareholder in question is not qualified to hold such Shares or if it reasonably believes this to be the case, the ACD may give notice (an "action notice") to the holder of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or may give a request in writing for the redemption or cancellation of such Shares in accordance with the FCA Rules. If any person upon whom such a notice is served does not within 30 days after the date of such notice transfer his affected Shares to a person qualified to own them or establish to the satisfaction of the ACD (whose judgement shall be final and binding) that he and any person on whose behalf he holds the affected Shares are qualified and entitled to own them, he may be deemed upon the expiration of the 30 day period to have given a request in writing for the redemption or cancellation of all the affected Shares pursuant to the FCA Rules.

A person who becomes aware that he has acquired or holds affected Shares in any of these relevant circumstances, or by virtue of which he is not qualified to hold such affected Shares, shall forthwith, unless he has already received an action notice, either transfer all his affected Shares to a person qualified to own them or give a request in writing for the redemption of all his affected Shares pursuant to the FCA Rules.

The ACD may also compulsorily redeem the Shares held by a Shareholder where:

(a) the value of the Shares held by the Shareholder is lower than the minimum holding amount set out in the Subscription Criteria on page 14 for the Share Class held by the Shareholder; and

(b) the Shareholder is not eligible to hold any other Share Class for the same Fund in accordance with the Subscription Criteria set out on page 14.

The redemption and payment of redemption monies will be carried out in accordance with the procedures set out in the Selling Shares section on page 20. The ACD will give 60 days' prior notice to Shareholders before undertaking such a compulsory redemption of Shares.

The proceeds of the redemption will be paid out to the Shareholder.

Compulsory Conversion

The ACD may convert (exchange) some or all of the Shares ("Original Shares") of one Share Class held by a Shareholder to the appropriate number of Shares ("New Shares") of another Share Class for the same Fund in the following circumstances:

(a) where the ACD has considered and reasonably believes that the conversion to another Share Class would be beneficial to the Shareholder. The conditions under which a conversion is beneficial may vary for different Shareholders, however this is likely to be the case where the Annual Management Charge

of another Share Class for the same Fund is lower than the Annual Management Charge for the existing Share Class held by the Shareholder. The ACD will give 60 days' prior notice to Shareholders before undertaking such a compulsory conversion of Shares; or

(b) where the value of the Shares held by a Shareholder is lower than the minimum holding amount, set out in the Subscription Criteria on page 14, for the Share Class held by the Shareholder. The ACD may convert the Shares to another Share Class that the Shareholder is eligible to hold in accordance with the Subscription Criteria section on page 14. The ACD will give 60 days' prior notice to Shareholders before undertaking such a compulsory conversion of Shares; or

(c) where a distribution of income remains unclaimed by a Shareholder for consecutive distributions as shown in the table below then the ACD may convert the Share Class to Accumulation Shares.

Monthly distributions	19 uncashed distribution cheques
Quarterly distributions	7 uncashed distribution cheques
Half yearly distributions	4 uncashed distribution cheques
Yearly distributions	3 uncashed distribution cheques

The ACD will give 60 days' prior notice to Shareholders before undertaking such a compulsory conversion of Shares.

The number of New Shares will be determined in accordance with the formula set out in the Share Conversion section on page 21.

In Specie Redemptions

If a Shareholder requests the redemption or cancellation of Shares representing more than 5% (or such smaller percentage as the ACD may decide) of the Fund's Net Asset Value the ACD may arrange that in place of payment of the price of the Shares in cash, the Company cancels the Shares and transfers scheme property or, if required by the Shareholder, the net proceeds of sale of relevant scheme property, to the Shareholder.

Before the proceeds of the cancellation of Shares become payable, the ACD must give written notice to the Shareholder that the scheme property or the proceeds of the sale of scheme property will be transferred to that Shareholder.

The scheme property to be transferred will be selected by the ACD in consultation with the Depositary with a view to achieving no more advantage or disadvantage to the Shareholder requesting cancellation or redemption than to the continuing Shareholders of the Fund concerned.

The scheme property to be transferred or the proceeds of sale of the relevant scheme property shall be subject to the retention by the Company of scheme property or cash equivalent in value to any redemption charge under the FCA Rules and any duty or tax, or amounts owing by the Shareholder to the Company to be paid in relation to the redemption of Shares.

In Specie Applications

In exceptional circumstances the ACD may at its discretion and by special arrangement, agree to arrange for the Company to issue Shares in exchange for assets other than money, provided the Depositary has taken reasonable care to ensure that the acquisition of those assets in exchange for the Shares is not likely to result in any material prejudice to the interests of Shareholders of the Fund concerned.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in any Fund in exchange for assets, the holding of which would be inconsistent with the investment objective of that Fund.

General

To satisfy a request for the issue, redemption or exchange of Shares, the ACD will normally sell Shares to or re-purchase Shares from Shareholders to meet such requests. The ACD is entitled to hold Shares for its own account and to satisfy requests for sales from its own holding. In some circumstances and in accordance with

the FCA Rules, the Company will issue or cancel Shares to meet such requests. The FCA Rules require the ACD to procure the issue or cancellation by the Company where necessary to meet any obligation to sell or redeem Shares. The ACD is under no obligation to account to the Company or to Shareholders for any profit it makes on the issue, reissue or cancellation of Shares and will not do so.

The amount to be charged by or paid to the ACD for the sale of a Share by the ACD will not be more than the price of a Share notified to the Depositary at the relevant valuation point plus any Initial Charge and/or dilution adjustment to the issue price of a Share which may apply.

The amount to be paid by the ACD for the redemption of a Share will not be less than the price of a Share notified to the Depositary at the relevant valuation point minus any redemption charge and/or dilution adjustment to the redemption price of a Share which may apply.

Each of the Funds is designed and managed to support longer-term investment and active trading is discouraged. High value or frequent trading into and out of a Fund may harm performance by disrupting portfolio management strategies and by increasing expenses.

The ACD may at its discretion refuse to accept applications for, or conversion or switching of, Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund(s). For these purposes, the ACD may consider an investor's trading history in the Fund(s) or other HSBC funds and accounts under common ownership or control.

Money Laundering

Under current UK money laundering legislation, persons conducting investment business are responsible for compliance with money laundering regulations. So as to ensure compliance, appropriate identification enquiries may be made in certain circumstances whether in respect of the sale, purchase or transfer of Shares or distribution of income. Until satisfactory proof of identity is provided, the Administrator reserves the right, in the case of a purchase or transfer of Shares, to refuse to carry out the transaction requested and in the case of a sale of Shares, to hold the proceeds in a client money account until such time as the appropriate information is received. In the case of a sale of Shares, where appropriate proof of identity and verification of address is not received from you, the ACD also reserves the right to cancel the deal and, in such cases, the ACD may refuse to accept any further instruction to sell your Shares until such time as full identity and verification of address is received.

Suspension of Dealings in the Company

The ACD may (with the prior agreement of the Depositary and will if the Depositary so requires) temporarily suspend the issue, cancellation, sale, redemption, conversion and switching of any Share Class in any of the Funds where, due to exceptional circumstances, it is in the interests of all the Shareholders in the Fund. Such suspension shall be allowed to continue for as long as it is justified having regard to the interests of Shareholders.

Shareholders will be notified of any suspension as soon as reasonably practicable after suspension commences, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way and giving Shareholders details of how to find further information about the suspensions. Where such suspension takes place, the ACD will publish details on its website or other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration.

During the suspension none of the obligations in Section 6.2 (Dealing) of the FCA Rules will apply but the ACD will comply with as much of Section 6.3 (Valuation and Pricing) of the FCA Rules during the period of suspension as is practicable in light of the suspension.

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders.

During the period of suspension the ACD may, at its discretion, agree to issue, redeem, convert or switch Shares at prices calculated by reference to the first valuation point after resumption of dealing.

Valuation

The Shares for each of the Global Sustainable Multi-Asset Cautious Portfolio, Global Sustainable Multi-Asset Dynamic Portfolio and Global Sustainable Multi-Asset Adventurous Portfolio are to be launched at 9.00 a.m. on 20 April 2020 and are available at an initial offer price of £1.00 per share until 12 noon on 23 April 2020. The initial offer period will end prior to 23 April 2020 if the ACD reasonably believes that the price that would reflect the current value of the scheme property would vary by more than 2% from the initial offer price.

During the initial offer period, Shares may be purchased as described in the Dealing in Shares Section on page 17. Subject to the initial offer period remaining open until 23 April 2020 all deals or applications received by the ACD's administrator or registrar prior to 12 noon on 23 April 2020 will receive an allocation of Shares at the initial offer price.

Excluding the initial offer period mentioned above, the price of a Share in the Company is calculated by reference to the Net Asset Value of the Fund to which it relates. The Net Asset Value per Share of a Fund is currently calculated as at 12 noon on each Dealing Day.

The ACD may at any time carry out an additional valuation if it is considered desirable to do so.

Calculation of the Net Asset Value

The value of the scheme property of a Fund is the value of its assets less the value of its liabilities determined in accordance with the following provisions:

1. All the scheme property (including receivables) of the Company (or the Fund) is to be included, subject to the following provisions.
2. Property which is not cash (or other assets dealt within 3 below) or a contingent liability transaction shall be valued as set out below and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

    (a) units or shares in a collective investment scheme:

        (i) if a single price for buying and selling units or shares is quoted, at that price; or

        (ii) if separate buying and selling prices are quoted, the average of the two prices provided the buying price has been reduced by any Initial Charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or

        (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at the value which, in the opinion of the ACD, is fair and reasonable;

    (b) any other transferable security:

        (i) if a single price for buying and selling the security is quoted, at that price; or

        (ii) if separate buying and selling prices are quoted, at the average of the two prices; or

        (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, or if the most recent price available does not reflect the ACD's best estimate of the value of the security, at a value which, in the opinion of the ACD, is fair and reasonable;

    (c) property other than that described in (a) and (b) above:

        (i) at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price (where available); or

        (ii) where a mid-market price is not available, through the Pricing and Valuation Committee which has ultimate oversight responsibilities in relation to exceptions to pricing policies, which include approving the methodologies for the valuation of illiquid securities.

3. Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.

4. Property which is a contingent liability transaction shall be treated as follows:

   (a) if a written option (and the premium for writing the option has become part of the scheme property), deduct the amount of the net valuation of premium receivable. If the property is an off-exchange derivative it shall be included at a valuation using a method agreed between the ACD and the Depositary;

   (b) if an off-exchange future, it shall be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;

   (c) if any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative it shall be included at a valuation using a method agreed between the ACD and the Depositary.

5. In determining the value of the scheme property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

6. Subject to paragraphs 7 and 8 below, agreement for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net asset amount.

7. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 6.

8. All agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property.

9. Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax.

10. Deduct an estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day.

11. Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.

12. Add an estimated amount for accrued claims for tax of whatever nature, which may be recoverable.

13. Add any other credits or amounts due to be paid into the scheme property.

14. Add a sum representing any interest or any income accrued due or deemed to have been accrued but not received.

15. Currencies or values in currencies other than the base currency or (as the case may be) the designated currency of a Fund shall be converted at the relevant valuation point at an exchange rate that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

16. Where stocklending is undertaken, income received from stocklending transactions will be accrued and received into the income account of the relevant Fund and reflected in that Fund's NAV. Allocation of income in respect of the stocklending transaction is set out in Appendix 3, Part F.

Income Equalisation

The price of a Share is based on the value of the proportionate interest of that Share Class in the relevant Fund including its proportionate interest in the income of the Fund since the preceding distribution or, in the case of Accumulation Shares, deemed distribution. In the case of the first distribution received, a part of the amount, namely the equalisation payment, is treated by HM Revenue & Customs as a return of the price paid by the Shareholder for his Shares and is not taxable as income in the hands of the Shareholder. However, this amount must be deducted from the cost of the Share in computing any capital gains.

In the case of Accumulation Shares, no equalisation payment is made and so no adjustment need be made to the cost of the Shares for the purposes of Capital Gains Tax.

Equalisation does not apply to Group 1 Shares, which are Shares already held at the beginning of the distribution period. It applies only to Group 2 Shares, which are Shares purchased during the relevant distribution period.

Risks

The following are important warnings and potential investors should consider the following risk factors before investing in the Company.

The risk categories that specifically apply to each Fund of the Company are shown in Appendix 1.

General

There are inherent risks in investing in securities markets. Security prices are subject to market fluctuations and can move irrationally and be unpredictably affected by many and various factors including political and economic events, pandemics and market rumours. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may go down as well as up and investors may receive back less than the original amount invested.

There is no guarantee that the investment objectives of any Fund will be achieved.

The ACD may, under certain circumstances (as detailed in Dealing in Shares section on page 17) compulsorily redeem or convert all or a portion of a Shareholder's Shares in a Fund. Such compulsory redemption and conversion may create adverse tax and/or economic consequences to the Shareholder depending on the timing thereof.

No person will have any obligation to reimburse any portion of a Shareholder's losses in the event of the termination of a Fund, a compulsory redemption or a compulsory conversion.

It is important to note that past performance cannot be regarded as an indication of future performance. Please remember that inflation will reduce what you could buy in the future with your investment.

Under the requirements of the AIFMD, the AIFM will monitor the management of the Funds to ensure the risks published remain relevant and that any change to the risk exposure is communicated to the Shareholders.

Cancellation

Except in the case of the CTF Accumulation Share Class, if you make an investment we will give you 30 days in which to exercise your cancellation rights. In the case of the CTF Accumulation Share Class we will give you 14 days in which to exercise your cancellation rights. If you cancel your investment within the cancellation period, you will receive a refund of your Initial Charge (if applicable) but you may get back less than the amount you originally invested if the market has fallen in that time.

Efficient Portfolio Management (EPM) and Counterparty Risk

The Funds will be subject to the risk of the inability of any counterparty to perform its contractual obligations either by failing to pay or failing to deliver securities. If a counterparty defaults, the relevant Fund may suffer losses as a result.

The Funds may use EPM, however there is no guarantee that the use of EPM will result in a positive effect for any Fund and its investors and may result in losses.

Where a Fund enters into stocklending transactions, there is no counterparty risk as the Fund is indemnified. Any government securities are guaranteed by the government, or a government department or agency of the country concerned.

There is no guarantee that any Fund will achieve the objective for which it entered into a transaction in relation to EPM. The Company has ceased undertaking any stocklending transactions in respect of the Funds however, it may recommence its stocklending programme at any time subject to this prospectus being updated accordingly. Stocklending transactions may, in the event of a default by the counterparty, result in the securities lent being recovered late or only in part. Where stocks are lent, collateral is received in return and will be held by the Depositary.

Leverage Risk

Leveraging may occur as a result of transactions carried out for the purposes of EPM and borrowing.

The use of derivatives instruments can involve risks different from, and in certain cases greater than, the risks associated with more traditional assets. The value of derivative contracts is dependent upon the performance of underlying assets. A small movement in the value of the underlying assets can cause a large movement in the exposure and value of derivatives. Leverage risk can occur due to investment leverage (gearing) resulting from using derivatives for investment purposes, where the gross market risk of the Fund is greater than the value of its net assets. When this happens the value of the Fund can go up or down by more than expected relative to the performance of the markets and/or assets the Fund is invested in. There is also leverage risk associated with using instruments that contain derivatives, although where these derivative instruments are used for efficient portfolio management purposes, the total market risk should not be greater than the NAV. Thus typically the value of the Fund should not go up nor down more than expected had these derivative instruments not been used. Unlike exchange traded derivatives, over-the-counter derivatives have credit and legal risk associated with the counterparty or the institution that facilitates the trade.

Furthermore, where the Fund undertakes borrowing the Fund will incur interest charges on the amount borrowed and in circumstances where the amount borrowed is in a different currency to the base currency of the Fund, the Fund will be exposed to an additional currency risk. In addition, if the borrowing is used to purchase assets for the Fund or to retain assets in the Fund following redemptions from Shareholders, the Fund will be exposed to an additional market risk on the borrowed amount. Each Fund is limited to borrowing not more than 10% of its net asset value on any Business Day and such borrowing shall be on a temporary basis only and shall not exceed a period of three months.

Collateral Risk

Collateral received, other than cash, will be highly liquid and traded on a regulated market or a multilateral trading facility with transparent pricing, will be of a high quality and valued on at least a daily basis. Assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative Haircuts are in place.

When accepting collateral, such collateral will be sufficiently diversified in terms of country, markets and issuers and preference will be given to high-quality governmental bonds denominated in the currency of the relevant Fund. The collateral received by the Fund must equal or exceed, in value, an amount allowing the net exposure to counterparty risk to remain below the limit of 10% of the Fund's NAV and it will be valued on at least a daily basis. The collateral must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty. Where there is a title transfer, the collateral received should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral. The collateral must be held at the credit risk of the counterparty and must be immediately available to the relevant Fund without recourse to the counterparty in the event of a default by that entity.

Collateral may be in the form of cash or non-cash.

Non-cash collateral cannot be sold or pledged, will be marked to market daily, will be issued by an entity independent of the counterparty and will be diversified such that no more than 10% of the collateral may be represented by the securities of any one issuer. The credit quality of the non-cash collateral will be consistent with the investment objectives and policies of the relevant Fund.

Collateral held in cash may not be held on deposit with the counterparty or any of its affiliates or associated companies.

Cash collateral may not be invested other than in the following:

- Deposits capable of being withdrawn within 5 working days, or such shorter time, as may be dictated by the repo contract;
- Government or other public securities;
- Certificates of deposit issued by relevant institutions;

- Letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by relevant institutions; or
- Daily dealing money market funds that hold a rating of AAA or equivalent.

The counterparty will forfeit its collateral if it defaults on the transaction. However, if the collateral is in the form of securities, there is a risk that when those securities are sold they will realise insufficient cash to settle the counterparty's debt to the Fund or to purchase replacements for the securities that were lent to the counterparty. This may result in losses for investors.

Fixed Income Securities

Fixed interest securities include corporate bonds and gilts. If the yield on a corporate bond, gilt or other fixed interest security is fixed and interest rates go up, the relative yield will be reduced as may its capital value. In addition investing in corporate bonds carries the risk of the issuer becoming insolvent. In this case the bondholder would rank as an unsecured creditor in the liquidation and may not recover all or any of the debt due.

Currency Exchange Rates

Investments for some Funds will be made in assets denominated in currencies other than the base currency and exchange rate movements may affect the value of an investment favourably or unfavourably, separately from gains or losses otherwise made by such investments.

Investing in Europe

Where a Fund invests in a European country which has the Euro as its Local Currency, there is a risk that that country could cease using the Euro in the event that there is a collapse of the European monetary union, in which case such countries may revert back to their former (or another) currency.
This could lead to additional performance, legal and operational risks to the Fund and may ultimately negatively impact the value of the Fund. The performance and value of the Fund may potentially be adversely affected by any or all of the above factors, or there may be unintended consequences in addition to the above arising from the potential European crisis that adversely affect the performance and value of the Fund.

United Kingdom leaving the European Union

The UK Government has enacted the European Union (Withdrawal Agreement) Act 2020 (WAA) and it is now implemented into UK law (i.e. 'Brexit').

As part of the WAA, the UK and the EU agreed an Implementation Period (referred to in the EU as a 'Transition Period') in order to provide continuity and certainty. During this time, EU law will generally continue to apply in the UK as it does now. UK domiciled UCITS will continue to be referred to as UCITS and enjoy the rights conferred by the UCITS Directive during the Implementation Period. However, once the Implementation Period expires, it is possible that there will be more divergence between UK and EU regulations including those relating to UCITS.

Currently, the Implementation Period will run from 11:00 pm UK time on 31 January 2020 until 11:00 pm UK time on 31 December 2020. Under the WAA, before 1 July 2020, the UK Government and the EU are able to agree to extend the Implementation Period for up to one or two years. However, the UK Government's stated policy is that it will not seek an extension and so it is highly likely that the Implementation Period will end on 31 December 2020.

Investors should note that during the Implementation Period references to the EU in this Prospectus shall be taken to include the UK.

Notwithstanding the above, the UK's future economic and political relationship with the EU (and with other non-EU countries by agreement) continues to remain uncertain. This uncertainty is likely to generate further global currency and asset price volatility. This may negatively impact the returns of the Funds and their investments resulting in greater costs if the Funds decide to employ currency hedging policies. Ongoing uncertainty could adversely impact the general economic outlook and as such this may impact negatively on the ability of the Fund and its investments to execute their strategies effectively, and may also result in increased costs to the Fund.

Brexit could negatively impact the tax position of the Funds investing in EEA assets due to higher withholding tax rates being applicable in certain EEA Markets for funds domiciled outside the EEA. The nature and extent of the impact of any Brexit related changes are uncertain, but may be significant.

Geographical Concentration

Where a Fund invests predominantly in one geographical area, any decline in the economy of this area may affect the prices and value of the Shares or units held by that Fund.

High Yield

Income offered by bonds often reflects, in part, the risk rating of the issuer. The underlying Funds can invest in sub investment grade bonds, which may produce a higher level of income than investment grade bonds, but carry increased risk of default on repayment. This may affect the level of income you receive and/or the capital value of your investment.

Furthermore, the Funds may invest in the highest yielding sectors of the fixed income universe, including but not limited to, non-investment grade corporate bonds (high yield bonds) and all other types of debt instrument available globally (loan agreements, structured debt, emerging market debt). This may affect the level of income you receive and/or the capital value of your investment. The higher income offered by these bonds often reflects, in part, the higher credit risk associated with these instruments. It also reflects a higher level of liquidity risk: at times liquidity conditions of these instruments may worsen, and underlying funds may be forced to sell their holdings at unfavourable prices.

Smaller Companies

Where Funds hold investments in smaller companies, it should be noted that by their nature these companies are generally new to the market and may therefore be subject to significant price movements. They may also be difficult for the Fund manager to buy and sell.

Concentrated Portfolios

The Funds may invest in concentrated portfolios. A concentrated portfolio does not have the diversity of investment that is generally expected from a pooled fund. In addition where the underlying funds focus on a single sector within the portfolio there is a limit on the risk diversification within the Fund. However, due to the diversification of the holding within HSBC OpenFunds these risks are expected to be minimized.

Banned Weapons Policy

The ACD has determined that no Fund of the Company may invest directly in securities issued by companies that the ACD considers, after reasonable enquiries, to be involved in the use, development, manufacturing, stockpiling, transfer or trade of controversial weapons (i.e. those banned by international convention), including but not limited to cluster munitions and/or anti-personnel mines and/or biological weapons and/or blinding laser weapons and/or chemical weapons and/or non-detectable fragments. This policy restricts the Fund from investing in relevant securities, meaning the Fund will not benefit from any potential capital growth or income from such companies. In the case of Funds that track an index, if the index includes a security prohibited under this policy, the Fund will not hold that security, which may affect the Fund's ability to replicate the performance of the index. This policy applies to all HSBC Group funds.

Derivatives

Some of the underlying funds may hold derivative financial instruments and these may involve a high degree of financial risk. There is a risk that a small movement in the price of the underlying security, or benchmark, may result in a disproportionately large movement (favourable or unfavourable) in the price of the derivative instrument; the risk of default by a counterparty and the risk that transactions may not be liquid.

It is envisaged that the use of such instruments will not affect the overall risk profile of the Funds.

Property

Where direct (unlisted) property funds are concerned, the risks are different in that this type of investment tends to lag the economic cycle rather than lead it. The long-term nature of the investment and the income generated tend to make this type of investment less volatile than equities, although it can be difficult to buy

and/or sell the underlying direct property investments quickly. You should also be aware that commercial and residential property have different risk profiles and returns in one market do not necessarily follow the other. Listed property securities are part of the equity market and are more volatile than direct (unlisted) property, which can mean that the price of Shares and the income from them can fluctuate, sometimes dramatically.

Some of the underlying property funds will not price daily. Furthermore, during periods of declining values there could be an imbalance between buyers and sellers of pooled funds that hold direct property, and the pooled property funds sector could become highly illiquid for a significant period of time, with investors unable to realise their investments, or realise them only at significantly depressed prices. Many managers reserve the right to delay redemptions for up to a year, and in some cases for longer, usually citing specific market conditions under which they would consider it necessary.

There are certain additional costs and risks associated with the direct ownership of real estate. These include: risk of oversupply in local markets, risk of extended vacancies within properties, property taxes and operating expenses, risk of changes in planning laws, risks relating to legal title, costs relating to environmental problems and liability risk to third parties for damages resulting from environmental problems, and uninsured damages from floods, earthquakes and other natural disasters.

The value of direct (unlisted) property is generally a matter of the valuer's opinion rather than fact and the amount raised when a property is sold may be less than the valuation, especially if the property needs to be sold quickly.

Property values are affected by a number of factors, including general and local economic conditions, attractiveness and location of properties, increases in local competition, financial condition of tenants, quality of maintenance, limitations on and variations in rents, level of investor demand and changes in interest rates.

Hedge Funds

Hedge funds often engage in borrowing money to increase returns and other speculative investment practices that may increase the risk of investment loss. They can be difficult to sell, are not required to provide periodic pricing or valuation information to investors, and may involve complex tax structures and delays in distributing important information. Alternative investments are often not subject to the same regulatory requirements as, say, Funds and often charge high fees that may potentially offset trading profits when they occur.

Alternative Investments

There are additional risks associated with specific alternative investments within the portfolios; these investments may be less readily realisable than others and it may therefore be difficult to sell in a timely manner at a reasonable price or to obtain reliable information about their value; there may also be greater potential for significant price movements.

Private Equity

Private equity investments are generally illiquid, long-term investments that do not display the liquidity or transparency characteristics often found in other investments (e.g. listed securities). It can take a longer time for money to be invested as well as a longer time for investments to produce returns after initial losses.

Commodities

Investments in commodities may be subject to greater volatility than investments in traditional investment types. They may be affected by disease, climatic changes and international economic and political developments, which may cause individual commodity prices to rise or fall sharply.

Asset Backed Bonds/Securities

In general, asset backed securities and mortgage backed securities are debt securities with interest and capital payments backed by a pool of financial assets such as mortgages and loans, with collateral backing often provided by physical assets such as residential or commercial property, or are supported by unsecured loan cash flows without physical asset backing.

The investment characteristics of asset backed securities differ from traditional debt securities. The major difference is that the principal is often paid in stages and may be fully repaid at any time because of the terms

of the underlying loans. This variability in timing of cash flows makes estimates of future asset yield and weighted average life uncertain.

The broad asset backed securities market also includes synthetic Collateralised Debt Obligations (CDO). These usually have shorter maturities and are referenced to debt obligations or other structured finance securities.

Asset backed securities and mortgage back securities are subject the general risks for Fixed Income Securities and High Yield Fixed Income Securities and the following additional risks:

- Prepayment Risk
  The frequency at which prepayments occur on loans underlying asset backed securities will be affected by a variety of factors including interest rates as well as economic, demographic, tax, social, legal and other factors. Generally, fixed rate mortgage holders often prepay their mortgage loans when prevailing mortgage rates fall below the interest rates on their mortgage loans subject to mortgage finance availability and no material change in the value of the property or the borrowers' credit worthiness.

- Subordinated Risk
  Investments in subordinated asset backed securities involve greater risk of default and loss than the senior classes of the issue or series. Asset backed securities deals are structured into tranches such that holders of the most junior securities absorb losses before more senior tranches.

  When losses have been absorbed by the most junior tranche, the next most junior tranche will absorb subsequent losses. Investors in junior tranches can carry high capital risk and may face a complete loss.

- Capital Value Risk
  The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those arising in the property location, the borrower's equity in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

  Most commercial mortgage loans underlying mortgage backed securities are full recourse obligations of the borrower which is usually a Special Purpose Vehicle (SPV). If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage loans, payments on the subordinated classes of the related mortgage backed securities are likely to be adversely affected.

  The ultimate extent of the loss, if any, to the subordinated classes of mortgage backed securities may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the condition of the property may make a third party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related mortgage backed securities. Revenues from the assets underlying such mortgage backed securities may be retained by the borrower and the return on investment may be used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenue is generally not recoverable without a court-appointed receiver to control collateral cash flow.

  Where a loan originator has assigned specific loans to an asset backed security structure and the originator has faced financial difficulties, creditors of the originator have sometimes challenged the validity of the assigned loans. Such challenges can weaken the asset backing for asset backed securities.

- Economic Risk
  Performance of a commercial mortgage loan depends primarily on the net income generated by the underlying mortgaged property. The market value of a commercial property similarly depends on its income-generating ability. As a result, income generation will affect both the likelihood of default and the severity of losses with respect to a commercial mortgage loan. Any decrease in income or value of the commercial real estate underlying an issue of commercial mortgage backed securities could result in cash flow delays and losses on the related issue of commercial mortgage backed securities.

The value of the real estate which underlies mortgage loans is subject to market conditions. Changes in the real estate market may adversely affect the value of the collateral and thereby lower the value to be derived from a liquidation. In addition, adverse changes in the real estate market increase the probability of default, as the incentive of the borrower to retain equity in the property declines.

- Refinancing Risk
  Mortgage loans on commercial and residential properties often are structured so that a substantial portion of the loan principal is not reduced over the loan term but is payable at maturity and repayment of the loan principal thus often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and saleability of the real estate. Therefore, the unavailability of real estate financing may lead to default.

Effect of Initial Charge

Where the ACD's Initial Charge (if any) is added to the cost of the investment at the outset, an investor who redeems their Shares before the recommended holding period stated in Appendix 1 may not (even in the absence of a fall in the value of the relevant investments) realise the original amount invested. Shares should, therefore, be invested for the period recommended for that Fund.

Suspension of Dealings

In certain circumstances the right to redeem Shares may be suspended (see "Suspension of Dealings in the Company" on page 25).

Charges to Capital

Where the investment objective of a Fund is to prioritise the generation of income over capital growth, or in circumstances where they have equal priority, all or part of the ACD's fee and other fees deductible from within the Fund may be charged against capital instead of against income. Furthermore, where charges are taken from the income of a Fund and there is insufficient income to meet such charges, any deficit may be taken from the capital of the Fund. Where charges are taken from the capital of the Fund this may increase the amount of income available for distribution but may also limit capital growth or erode capital if there is insufficient growth.

Liabilities

The assets of a Fund belong exclusively to that Fund and cannot be used to discharge the liabilities of any other Fund. Consequently, the liability incurred on behalf of a Fund will be discharged solely out of the assets of that Fund. The only exception to this is where a liability arises which is not attributable to any specific Fund, in which case the ACD will allocate such liabilities, expenses, costs and charges between the Funds in a manner which would be fair to the Shareholders of the Company. The ACD would normally expect any such re-allocation to be effected on a pro rata basis having regard to the Net Asset Value of the relevant Funds.

Shareholders are not, however, liable for the debts of the Company. A Shareholder is not therefore liable to make any further payment to the Company after he has paid the purchase price of the Shares.

Emerging Markets

Where Funds invest in some overseas markets these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities.

Investment in emerging markets may involve a higher risk than those inherent in established markets.

Investors should consider whether or not investment in such Funds is either suitable for, or should constitute a substantial part of, a prudent investor's portfolio.

Companies in emerging markets may not be subject:

(a) to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

(b) to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Funds and, as a result, limit investment opportunities for the Funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

New Funds

There is a risk that if any new Fund(s) launched do not receive the level of investment we expect, the proportion of charges and expenses may be higher and the value of investment consequently reduced.

Unregulated Funds

The Funds may invest in unregulated Collective Investment Schemes, which involves a higher degree of risk as they are not regulated by the FCA.

Management and Administration

Authorised Corporate Director

The Authorised Corporate Director of the Company is HSBC Global Asset Management (UK) Limited. The ACD is a private company limited by shares and incorporated in England and Wales on 31 May 1985 under the Companies Act 1985.

The registered office of the ACD is 8 Canada Square, London E14 5HQ. Its principal place of business is 8 Canada Square, London E14 5HQ.

The ACD has an issued share capital of £35,620,750 which is fully paid.

The ACD is responsible for managing and administering the Company's affairs in compliance with all applicable law, regulation and rules, including the FCA Rules.

The ACD may provide investment services to other funds and clients and to companies in which the Company may invest, and also acts as the manager of certain authorised unit trusts and authorised corporate director of certain open-ended investment companies as set out in Appendix 5.

The ACD shall provide its services to the Company under the terms of an agreement dated 28 November 2007 ("the ACD Agreement") amended to enable the Company to become a protected cell company on 15 August 2013. The agreement has been further amended on 22 July 2014, to comply with the requirements of the AIFMD. This agreement may be terminated upon 12 months' written notice by the Company, although in certain circumstances the agreement may be terminated forthwith by notice in writing by the ACD to the Company. Termination of the ACD's appointment cannot take effect until the FCA has approved the change of authorised corporate director.

The ACD shall be entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily incurred in settling or realising any outstanding obligations. There is no compensation for loss of office provided for in the ACD Agreement. The agreement provides indemnities to the ACD other than where there has been negligence, fraud, default, breach of duty or breach of trust in the performance of its duties and obligations.

The ACD is authorised and regulated by the FCA and is treated as having a permission pursuant to Part IV of the Act. The address of the FCA is: 12 Endeavour Square, London E20 1JN.

The names of the directors of the ACD and any significant activities of each director not connected with the business of the ACD are as follows:

Name	Significant activities not connected to the ACD
Christopher S Cheetham	Also non-executive director of Pension Protection Fund, Chairman and Trustee of the Mineworkers Pension Scheme Limited and Director of Coal Pension Trustees Services Limited
Andrew S Clark	None currently
Anthony C Corfield	Also Director of HSBC Investment Funds (Luxembourg) SA and HSBC Management (Guernsey) Limited
Peter G P Dew	Also Director of Marks & Spencer Unit Trust Management, HSBC Global Investment Funds, HSBC Portfolios and South River Global Investors PCC Ltd
Philip J F Glaze	Also member of the Medical Research Foundation
Melissa G McDonald	None currently
Timothy J Palmer	Also Director of HSBC Investment Funds (Luxembourg) SA and HSBC Master Trust Trustee Limited
Jennifer R Paterson	Also Director of HSBC Sustainable Investment Expert Group, HSBC Global Asset Management Limited, Director of Footprints Project and Fraser Whitely Consulting and Secretary of Sandbanks Community Centre

The Depositary

State Street Trustees Limited is the depositary of the Company. It is a private limited company incorporated in England and Wales on 24 October 1994. The registered office of the Depositary is 20 Churchill Place, London, E14 5HJ and its head office (and the address which should be used for correspondence) is Quartermile 3, 10 Nightingale Way, Edinburgh EH3 9EG. The Depositary's principal business activity is acting as trustee and depositary of collective investment schemes.

Duties and functions of the Depositary

The Depositary is responsible for the safekeeping of all the scheme property of the Company and has a duty to take reasonable care to ensure that the Company is managed in accordance with its Instrument of Incorporation and FCA Rules. In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of Shareholders.

In addition to its safekeeping role, the Depositary carries out a number of additional duties and functions, including:

- ensuring that dealing in Shares is conducted in accordance with the FCA Rules, the Instrument and the Prospectus;
- ensuring that Shares are valued in accordance with the FCA Rules, the valuation rules and procedures set out in the Instrument and the Prospectus;
- carrying out the instructions of the ACD unless these conflict with applicable law, the Instrument or the Prospectus;
- ensuring that for transactions in scheme property of a Fund, any consideration is provided to the Fund within the usual time limits applicable to the relevant market;
- ensuring that income of a Fund is applied in accordance with the FCA Rules, the Instrument and the Prospectus;
- ensuring each Fund is managed in accordance with its investment objective and policy and the applicable investment restrictions and borrowing limits;
- monitoring the cash flows of each Fund

Delegation

Subject to the FCA Rules, the Depositary may delegate (and authorise its delegates to sub-delegate) performance of some or all of its safe-keeping obligations to eligible custodians provided that (i) the services are not delegated with the intention of avoiding the applicable regulatory requirements (ii) there is an objective reason justifying the delegation (iii) due, skill, care and diligence is exercised in the selection and appointment of any third party to whom it delegates safe-keeping services, and it continues to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate and of the arrangements of that delegate in respect of the matters delegated to it. The Depositary's responsibility for the performance of tasks delegated, and its liability for default in performance, is not affected by any delegation.

The Depositary has delegated safekeeping functions to HSBC Bank plc, HSBC Securities Services as global custodian. HSBC Bank plc has further delegated safe-keeping tasks to its sub-custodians. Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are contained in Appendix 5 to the Prospectus.

Depositary Agreement

The Depositary provides its services under an agreement dated 1 July 2014 between the Company and the Depositary ("the Depositary Agreement").

The Depositary is entitled to receive remuneration out of the property of the Funds for its services as set out under 'Depositary's Remuneration and Expenses' on page 49 of this Prospectus. The Depositary is under no obligation to account to the ACD, the Company or the Shareholders for any profits or benefits it makes or receives that are made or derived from or in connection with the dealings in Shares of the Company, any transaction in scheme property or the supply of services to the Company.

The Depositary Agreement may be terminated on three months written notice by either party, or sooner in the event of a material breach of the Depositary Agreement. The Depositary may not retire voluntarily or otherwise be replaced except upon the appointment of a new depositary.

The Depositary is indemnified under the Depositary Agreement to the extent that it is properly performing its obligations and furthermore, the Depositary is exempt from liability in certain circumstances to the extent permitted by the Act, the OEIC Regulations and the FCA Rules.

If there is a loss of a financial instruments held in custody, the Depositary is obliged to return financial instruments of identical type or the corresponding amount to the relevant Fund without undue delay. However, the Depositary will not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Aside from a loss of financial instruments in custody, the Depositary will be liable for all other losses suffered by the Fund as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations or its material breach of the Depositary Agreement.

The Shareholders may invoke the liability of the Depositary (to the extent arising under regulation 15C or 15D of the Undertakings for Collective Investment in Transferable Securities Regulations 2011 (as amended)) directly or indirectly through the Company or through the ACD on behalf of the Company provided that this does not lead to a duplication of redress or to the unequal treatment of the Shareholders.

Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

(i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company or a Fund;

(ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company or a Fund either as principal and in the interests of itself, or as an agent for other clients.

In connection with the above activities the Depositary and/or its affiliates:

(i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Fund or its Shareholders the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;

(ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments either as principal acting in its own interests, or as an agent acting in the interests of its affiliates or for its other clients;

(iii) may trade in the same or opposite direction to the transactions undertaken including based upon information in its possession that is not available to the Fund or the ACD;

(iv) may provide the same or similar services to other clients including competitors of the Fund;

(v) may be granted creditors' rights by the Fund which it may exercise.

The Fund or the ACD on behalf of the Fund may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Fund. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Fund or its Shareholders. The affiliate shall enter into such transactions on the terms and conditions agreed with the Fund or the ACD on behalf of the Fund.

Where cash belonging to the Fund is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee. The ACD may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

(1) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship in addition to objective evaluation criteria;

(2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;

(3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and

(4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund or a Company and its Shareholders.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depository issues to be properly identified, managed and monitored. Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

The Auditor

KPMG LLP is the auditor for the Company. It is a private company incorporated in England and Wales under the Companies Act 1985 on 2 October 1995 and is a member of KPMG International.

The registered office of the auditor is 8 Salisbury Square, London EC4Y SBB and its head office (and the address which should be used for correspondence) is 15 Canada Square, London E14 5GL.

The auditor is responsible for auditing the Financial Statements of the Company for April and October each year, which comprise the Statements of Total Return, the Statements of Change in Net Assets Attributable to Shareholders, the Balance Sheets together with the Related Notes and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The auditor's reports are made solely to the Company's Shareholders, as a body, in accordance with FCA Rules, issued by the FCA under the OEIC Regulations. The auditor undertakes this work so that they might state to the Company's Shareholders those matters that they are required to state to them in an auditor's Report and for no other purpose. To the fullest extent permitted by law, the auditors will not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body for their audit work, for their reports, or for the opinions they have formed.

The auditor's fee is taken out of the property of the Funds, as set out in Fees and Expenses section on page 44 of this prospectus.

The Legal Adviser

The Company appoints legal advisers from time to time to advise on legal matters. No independent legal advisers have been retained to represent Shareholders of the Company.

Investment Management

The AIFM acts as the discretionary investment manager of the Funds with full power to manage each of the Funds within the investment objective and any restrictions set out in the Instrument of Incorporation and Prospectus.

Such discretionary powers include the aggregation of the transactions with those of other clients; written consent of the Depositary is required before bona-fide orders of each Fund are matched with other clients.

From time to time the ACD may receive investment advice from the HSBC Group, which it may or may not choose to act upon in its capacity as discretionary investment manager of the Funds.

The AIFM may delegate certain of its management functions to associates and other companies subject to it:

(a) notifying the FCA of the delegation before the delegation arrangements become effective;

(b) justifying its delegation structure and satisfying itself that the delegate has sufficient resources to perform the delegated function, is of good repute and has the necessary experience;

(c) ensuring that any delegation of the investment management functions is conferred only to a delegate that is authorised and registered for the purpose of asset management and subject to supervision;

(d) ensuring that if such delegation is to a third country delegate, cooperation between the FCA and the supervisory authority of the delegate is ensured;

(e) ensuring that the delegation does not prevent the FCA from supervising the AIFM effectively and, in particular, does not prevent the AIFM from acting, or the AIF from being managed, in the best interests of its investors; and

(f) ensuring, in all cases, that:

- the delegate is qualified and capable of undertaking the functions in question;
- the delegate was selected with all due care; and
- it can monitor the delegated activity effectively at any time, give further instructions to the delegate at any time and withdraw the delegation with immediate effect when this is in the interest of its Shareholders.

If the AIFM wishes to change the investment objective, policy and/or strategy of any Fund, Shareholders will be given due notice of such proposal in accordance with the FCA Rules. Prior to making any change to the investment objective and/or policy, the AIFM and Depositary shall determine whether the change shall be 'fundamental' or 'significant', as defined in the FCA Rules. A significant change will require the AIFM to contact the Shareholders on the Register a minimum of 60 days prior to making the change, whereas a fundamental change will require the prior approval of Shareholders at an Extraordinary General Meeting.

For changes not deemed by the AIFM or Depositary to be 'fundamental' or 'significant' the Shareholders will be notified of the changes either by a direct mailing or the ACD will publish details of the changes in the important notes section of the Company Report & Accounts, at the AIFM's discretion. A change to the investment strategy will usually be a notifiable change and Shareholders informed in this way.

Best Execution Policy

To view our Best Execution Policy, please go to www.assetmanagement.hsbc.com and choose "United Kingdom" then "Individual Investors" or "Financial intermediary", then "About Us" and then "Governance".

The ACD may appoint managers to manage part or parts of the Fund.

Administrator and Registrar

The Company has appointed the ACD to provide administration services and to act as registrar. The ACD has delegated this function to Northern Trust Global Services SE. The ACD will have supervision and oversight of Northern Trust Global Services SE for these functions.

Register of Shareholders

The Register of Shareholders is maintained at 50 Bank Street, Canary Wharf, London E14 5NT and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

Other delegated functions

The ACD has delegated the valuation of the Funds to HSBC Bank plc, HSBC Securities Services.

HSBC Group Conflicts of Interest Procedure

The HSBC Group is a worldwide financial organisation, offering a wide range of services to clients. As such, it, or a company with whom it has an association, may from time to time have interests which conflict with its clients' interests or with the duties that it owes to its clients. These include conflicts arising between the interests of HSBC, its associates and employees on the one hand and the interests of its clients on the other and also conflicts between clients themselves (including the Company and its Funds). Such conflicts may result in a restriction in trading certain securities due to relationships in other parts of HSBC or due to sensitive information to which the ACD becomes party.

The HSBC Group has established procedures which are designed to identify and manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of clients. A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Where necessary, the HSBC Group maintains arrangements which restrict the flow of information to certain employees in order to protect its clients' interests and to prevent improper access to client information.

The HSBC Group may also deal as principal for its own investment account and may be matching transactions with another client. Procedures are in place in order to protect the client's interest in this instance.

In some cases, HSBC Group's procedures and controls may not be sufficient to ensure that a potential conflict of interest does not damage a client's interests. In these circumstances, the HSBC Group may consider it appropriate to disclose the potential conflict to the client and obtain the client's formal consent to proceed. However, the HSBC Group may decline to act in any circumstance where there is residual risk of damage to the interests of any client.

In managing conflicts, account is taken of the potential for the ACD or its associates to be in a position where

- HSBC Group benefits financially, at the expense of the Funds or the Company
- HSBC Group has an interest in the outcome of a service, activity or transaction (provided to the Funds or the Company or another client) which is distinct from the Funds or the Company's interest in that outcome
- HSBC Group has an incentive to favour the interests of another client over the interests of the Funds or the Company
- HSBC Group carries on the same activities for the Funds or the Company and for another client
- HSBC Group receives (from a person other than the Funds or the Company) an inducement in relation to management activities provided to the Funds or the Company, other than the standard commission or fee for that service.

In particular, the ACD and other companies within the HSBC Group may, from time to time, act as investment manager or adviser to other funds or sub-funds; the interests of these funds may not always be aligned with those of the Funds or the Company. It is therefore possible that the ACD may in the course of its business have potential conflicts of interest with the Company or a particular Fund.

The ACD will, however, have regard in such event to its obligations and fiduciary responsibilities under the ACD Agreement and, in particular, to its obligation to act at all times in the best interests of the Company or the Fund and its investors, so far as is practicable having regard to its obligations to other clients. The ACD will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Fund than if the potential conflict had not existed.

You may have further questions which relate to the underlying procedures within the HSBC Group. In such cases you should contact the HSBC Group and your query will be directed accordingly.

AIFM Conflicts of Interest Policy

In addition to the HSBC Group's procedures the AIFM has its own Conflicts of Interest Committee that is ultimately responsible for its Conflicts of Interest Policy.

The scope and nature of HSBC Group's services may mean that, on occasion, the AIFM is restricted from trading certain securities which can be due to relationships in other parts of the HSBC Group, or sensitive information to which we become party. The restrictions on our ability to act, or refrain to act, as a result of such information may have an adverse effect on your portfolio, but is ultimately designed to manage the conflict presented by HSBC Group activity and our regulatory obligations.

The AIFM is the discretionary fund manager for a range of collective investment schemes. The majority of such funds are registered under the Undertakings for Collective Investment in Transferable Securities ("UCITS") Directive; such funds are known as 'UCITS funds'. Funds that are not UCITS funds ("NURS") are required to adhere to the AIFMD. The Funds in this Prospectus are all NURS Funds.

The AIFM makes no distinction between the two fund types in terms of how a Fund is treated with respect to conflicts. Accordingly, it has a conflict management process that applies equally to all funds under its management.

In the course of business the AIFM has identified that conflicts may exist between the following parties:

(a) **the AIFM and the AIF managed by the AIFM or the Shareholders in that AIF** – for example where the AIFM's interests compete with the interests of the Fund or its Shareholders/Unitholders;

(b) **the AIF or the Shareholders in that AIF and another AIF or the shareholders in that AIF** – for example where there is potential for one AIF to be favoured over another (either in its investment decisions or the terms of its transactions) to the detriment of one shareholder over another;

(c) **the AIF or the Shareholders in that AIF and another client of the AIFM** – for example where there is a potential conflict between Shareholders in an AIF and other clients of AIFM;

(d) **the AIF or the Shareholder in that AIF and a UCITS managed by the AIFM or the shareholders/unitholders in that UCITS** – for example where there is potential for a UCITS fund to be favoured over an AIF (either in its investment decisions or the terms of its transactions) to the detriment of one shareholder/unitholder over another;

(e) **two clients of the AIFM** – for example where the interests of one AIFM client compete with the interest of another AIFM client;

The AIFM's Conflicts of Interest Committee is ultimately responsible for the Conflicts of Interest Policy. The Committee meets quarterly and is responsible for updating the Policy, in addition to managing conflicts presented within the business.

The AIFM has established procedures which are designed to identify and manage conflicts. These include organisational and administrative arrangements to safeguard the interests of its clients. A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Additionally, where the AIF invests in another AIF or UCITS managed by the AIFM or an associate, the AIF will, wherever possible, invest in a share class which has an annual management charge of 0% to limit the effect of 'double-charging'. Where it is deemed to be appropriate for its investment strategy, an AIF will where possible invest in exchange traded funds (UCITS) managed by an associate. However, in these cases, the associate will also apply a management fee to the exchange traded fund. Such management fees will be reflected in the Ongoing Charges Figure (OCF) of the AIF.

In some cases, these procedures and controls may not be sufficient to ensure that a potential conflict of interest does not damage a client's interests. In these circumstances, the AIFM may consider it appropriate to disclose

the potential conflict to the client and obtain the client's formal consent to proceed. However, the AIFM may decline to act in any circumstance where there is residual risk of damage to the interests of any client.

The AIFM maintains a record of the circumstances in which a conflict of interest entailing material risk of damage to clients may arise (or has arisen) as a result of the activities carried out by the HSBC Group. A register of the circumstances which cannot be managed using the AIFM's existing policies and procedures is maintained. This identifies any specific cases where an exceptional conflict of interest has arisen or, in the case of an ongoing service or activity, may arise and records those instances where the AIFM has made a relevant disclosure to the client.

Bank Holding Company Act

HSBC Holdings plc is the parent company of a number of associates involved in the management, investment management and distribution of the Funds.

HSBC Holdings plc is regulated by the Federal Reserve in the United States as a Financial Holding Company ("FHC") under the Bank Holding Company Act (and its associated rules and regulations) (the "BHCA"). As an FHC, the activities of HSBC Holdings plc and its affiliates are subject to certain restrictions imposed by the BHCA.

Although HSBC Holdings plc does not own a majority of the Shares of the Company, its relationship with the Company through the ACD means HSBC Holdings plc may be deemed to "control" the Company within the meaning of the BHCA.

Investors should note that the operations of the Company, including its investments and transactions, may be restricted in order to comply with the BHCA. For example to comply with the BHCA a Fund may be:

(i) restricted in its ability to make certain investments;

(ii) restricted in the size of certain investments;

(iii) subject to a maximum holding period on some or all of its investments; and/or

(iv) required to liquidate certain investments.

In addition, transactions made between the Company, the ACD, the AIFM, HSBC Holdings plc and their affiliates may be restricted.

Any such actions will be executed in compliance with applicable law and in a manner consistent with the best interests of the Shareholders of each Fund. Investors should also refer to the "Conflicts of Interest" section above.

There can be no assurance that the bank regulatory requirements applicable to HSBC Holdings plc and/or the Company, will not change, or that any such change will not have a material adverse effect on the investments and/or investment performance of the Funds. Subject to applicable law, HSBC Holdings plc and the ACD and/or the AIFM may in the future, undertake such actions as they deem reasonably necessary (consistent with ensuring any actions remain in the best interests of the Shareholders of the Funds) in order to reduce or eliminate the impact or applicability of any bank regulatory restrictions on the Company and the Funds.

Fees and Expenses

Initial Charge

The ACD is permitted to make an Initial Charge upon a sale of Shares. The current Initial Charge (if any) for each Share Class and Fund is shown in the table below. The charge is shown separately to the published Share price.

Remuneration of the ACD

The ACD is entitled under its agreement with the Company to take an annual fee out of each Fund, which is a percentage per annum of the Net Asset Value of the Fund (plus VAT, if any), calculated on a mid-market basis, in payment for carrying out its duties and responsibilities, this is known as the Annual Management Charge (the "AMC"). The AMCs, shown in the table below, accrue daily and are payable monthly in arrears.

The ACD shall also be entitled to receive an annual fee, calculated as a percentage per annum of the Net Asset Value (plus VAT, if any) of the Fund and payable out of the scheme property, in return for providing registration services. The registration fee accrues daily and is payable monthly in arrears.

The Ongoing Charges Figure (OCF) shown in the table below is based on actual expenses for the relevant accounting period, or an estimate of expenses where, for example, a change has been made to the charging structure during an accounting year. It covers most aspects of operating the Fund during the year, including fees paid for investment management, the services of the Depositary, custody of the scheme property and other administration and the independent oversight functions. Where the Fund invests in other funds, the figure includes the impact of the charges made in those other funds. The OCF does not include portfolio transaction costs and payments Shareholders may make to a financial adviser or any other firm through which they invest; Shareholders will pay for these services directly.

The OCF is calculated and reported bi-annually in April and October and is accurate as of the date of publication.

Table of Charges

The current Initial Charge, AMC, registration fee and the OCFs for Share Classes offered in the Funds are:

Retail Income Share Class

Fund	**Current Initial Charge**	**AMC**	**Registration Fee**	**OCF as at 15/10/2019**
World Selection – Balanced Portfolio	0.00%	1.25%	0.05%	1.43%
World Selection – Dividend Distribution Portfolio*	0.00%	1.25%	0.05%	1.58%***

Retail Accumulation Share Class

Fund	**Current Initial Charge**	**AMC**	**Registration Fee**	**OCF as at 15/10/2019**
Global Property Fund	0.00%	1.25%	0.05%	1.80%
World Selection – Balanced Portfolio	0.00%	1.25%	0.05%	1.43%
World Selection – Dividend Distribution Portfolio*	0.00%	1.25%	0.05%	1.58%***

Retail X Accumulation Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
Global Strategy Balanced Portfolio	0.00%	0.30%	0.10%	0.47%
Global Strategy Cautious Portfolio	0.00%	0.30%	0.10%	0.45%
Global Strategy Dynamic Portfolio	0.00%	0.30%	0.10%	0.48%

Institutional A Income Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
Global Property Fund	0.00%	0.75%	0.00%	1.25%

Institutional A Accumulation Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
Global Property Fund	0.00%	0.40%	0.00%	1.01%*******

Income C and Accumulation C Share Classes

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
Global Property Fund	0.00%	0.55%	0.10%	1.15%
Global Strategy Adventurous Portfolio	0.00%	0.10%	0.00%	0.20%
Global Strategy Balanced Portfolio	0.00%	0.10%	0.00%	0.17%
Global Strategy Cautious Portfolio	0.00%	0.10%	0.00%	0.15%
Global Strategy Conservative Portfolio	0.00%	0.10%	0.00%	0.17%
Global Strategy Dynamic Portfolio	0.00%	0.10%	0.00%	0.18%
Global Sustainable Multi-Asset Adventurous Portfolio	0.00%	0.45%	0.00%	0.75%**********
Global Sustainable Multi-Asset Balanced Portfolio	0.00%	0.45%	0.00%	0.75%**
Global Sustainable Multi-Asset Cautious Portfolio	0.00%	0.45%	0.00%	0.75%**********
Global Sustainable Multi-Asset Conservative Portfolio	0.00%	0.45%	0.00%	0.75%**
Global Sustainable Multi-Asset Dynamic Portfolio	0.00%	0.45%	0.00%	0.75%**********
World Selection – Adventurous Portfolio	0.00%	0.55%	0.10%	0.80%
World Selection – Balanced Portfolio	0.00%	0.55%	0.10%	0.78%
World Selection – Cautious Portfolio	0.00%	0.55%	0.10%	0.76%
World Selection – Conservative Portfolio	0.00%	0.55%	0.10%	0.79%
World Selection – Dividend Distribution Portfolio*	0.00%	0.55%	0.10%	0.93%***
World Selection – Dynamic Portfolio	0.00%	0.55%	0.10%	0.77%

World Selection – Interest Income Portfolio *	0.00%	0.55%	0.10%	0.80%

Institutional Income Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
World Selection – Adventurous Portfolio	0.00%	0.00%	0.00%	0.14%****
World Selection – Balanced Portfolio	0.00%	0.00%	0.00%	0.15%******
World Selection – Cautious Portfolio	0.00%	0.00%	0.00%	0.15%****
World Selection – Conservative Portfolio	0.00%	0.00%	0.00%	0.19%*****
World Selection – Dynamic Portfolio	0.00%	0.00%	0.00%	0.13%*****

Institutional Accumulation Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
World Selection – Adventurous Portfolio	0.00%	0.00%	0.00%	0.14%****
World Selection – Balanced Portfolio	0.00%	0.00%	0.00%	0.13%
World Selection – Cautious Portfolio	0.00%	0.00%	0.00%	0.11%
World Selection – Conservative Portfolio	0.00%	0.00%	0.00%	0.19%*****
World Selection – Dynamic Portfolio	0.00%	0.00%	0.00%	0.12%

Accumulation P Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
Global Sustainable Multi-Asset Adventurous Portfolio	0.00%	0.23%	0.00%	0.53%**********
Global Sustainable Multi-Asset Balanced Portfolio	0.00%	0.23%	0.00%	0.53%********
Global Sustainable Multi-Asset Cautious Portfolio	0.00%	0.23%	0.00%	0.53%**********
Global Sustainable Multi-Asset Conservative Portfolio	0.00%	0.23%	0.00%	0.53%********
Global Sustainable Multi-Asset Dynamic Portfolio	0.00%	0.23%	0.00%	0.53%**********
World Selection – Adventurous Portfolio	0.00%	0.25%	0.05%	0.45%
World Selection – Balanced Portfolio	0.00%	0.25%	0.05%	0.453
World Selection – Cautious Portfolio	0.00%	0.25%	0.05%	0.41%
World Selection – Conservative Portfolio	0.00%	0.25%	0.05%	0.44%
World Selection – Dynamic Portfolio	0.00%	0.25%	0.05%	0.42%
World Selection – Interest Income Portfolio*	0.00%	0.25%	0.05%	0.45%

Income P Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF as at 15/10/2019
World Selection – Balanced Portfolio	0.00%	0.25%	0.05%	0.43%
World Selection – Cautious Portfolio	0.00%	0.25%	0.05%	0.41%
World Selection – Dynamic Portfolio	0.00%	0.25%	0.05%	0.42%
World Selection – Interest Income Portfolio*	0.00%	0.25%	0.05%	0.45%

CTF Accumulation Share Class

Fund	Current Initial Charge	AMC	Registration Fee	OCF % as at 15/10/2019
Global Strategy Balanced Portfolio	0.00%	0.35%	0.00%	0.43%*********

* For these Funds the ACD's remuneration (that is the Annual Management Charge and any applicable registration fee) is taken from the capital of the Fund. This may have the effect of limiting capital growth or eroding capital if there is insufficient growth.

** Estimated as Fund launched on 24 October 2018.

*** Estimated following the changes to the Fund with effect from 29 October 2018.

**** Estimated as these Share Classes launched on 23 November 2018

*****. Estimated as these Share Classes launched on 25 January 2019.

****** Estimated as this Share Class launched on 8 February 2019.

******* Estimated as this Share Class launched on 15 March 2019.

******** Estimated as this Share Class launched on 30 August 2019.

********* Estimated as this Share Class launched on 2 December 2019.

********** Estimated as this Fund launched on 20 April 2020.

If the expenses of a Share Class in any period exceed its attributable income, the ACD may take that excess from the capital property attributable to that Share Class. This may have the effect of limiting capital growth or eroding capital if there is insufficient growth.

The Initial Charge, AMC, registration fee and other expenses payable to the ACD and its associates may only be increased in accordance with the FCA Rules, which require a minimum of 60 days' advanced notice and only after the ACD has made available the Prospectus showing the new rate of charge and the date of its commencement.

Charges payable to the ACD

Administration Charges

Switching Fee

If a Shareholder switches Shares in one Fund for Shares in another Fund (whether of the same or a different Share Class) the ACD may impose a switching fee. This will not exceed an amount equal to the then prevailing Initial Charge for the Fund or Share Class in to which the Shares are being switched. The switch may incur a dilution adjustment on one or both parts of the switch transaction. Dilution adjustment is explained further below

Other Charges and Expenses

Redemption Charge

No charge will currently be made on a cancellation or redemption of Shares, apart from a dilution adjustment to the price of a Share (as explained below) or a charge sufficient to cover the ACD's potential liability to stamp duty or stamp duty reserve tax (if applicable).

Should a redemption charge be introduced in the future such a charge would only apply to Shares issued after the introduction of such a charge. In such circumstances the ACD may only introduce a redemption charge in accordance with the FCA Rules after it has made available a revised Prospectus to reflect the introduction of the charge and the date of its commencement. There are currently no plans to introduce such a charge.

Dilution

The basis of valuation of the Company's investments for the purpose of calculating the issue and redemption price of Shares as stipulated in the FCA Rules and the Instrument of Incorporation is summarised on page 26.

When the Company buys or sells a Fund's investments it will usually incur a cost in the form of dealing charges and any spread between the buying and selling prices of the investment. This cost will not be reflected in the sale or purchase price paid by the Shareholder. In some circumstances (for example, deals that are large relative to the size of a Fund) this may have an adverse effect on the interests of Shareholders in the Fund. This effect is referred to as "Dilution". So as to prevent this, the ACD has the power to make a dilution adjustment to the price of a Share on the purchase and/or sale of Shares. Dilution adjustment is explained in more detail below.

Dilution adjustment

A dilution adjustment may be made if on any Dealing Day the aggregate transactions in Shares of all Share Classes in a Fund result in a net increase or decrease of Shares which exceed a threshold we set for that Fund, (relating to the cost of market dealing for that Fund).

Estimated dilution adjustment rates as at 7 April 2020. More recent information may be available by contacting us.

Fund	**Estimated dilution adjustment rate %**
Global Property Fund	0.20 – 0.50
Global Strategy Adventurous Portfolio	0.20
Global Strategy Balanced Portfolio	0.20
Global Strategy Cautious Portfolio	0.20
Global Strategy Conservative Portfolio	0.20
Global Strategy Dynamic Portfolio	0.20
Global Sustainable Multi-Asset Adventurous Portfolio	0.15
Global Sustainable Multi-Asset Balanced Portfolio	0.15
Global Sustainable Multi-Asset Cautious Portfolio	0.20
Global Sustainable Multi-Asset Conservative Portfolio	0.20
Global Sustainable Multi-Asset Dynamic Portfolio	0.15
World Selection – Adventurous Portfolio	0.35
World Selection – Balanced Portfolio	0.35
World Selection – Cautious Portfolio	0.35
World Selection – Conservative Portfolio	0.35
World Selection – Dividend Distribution Portfolio	0.35
World Selection – Dynamic Portfolio	0.35
World Selection – Interest Income Portfolio	0.35

In all cases where the threshold is exceeded the Share price of the relevant Fund may be adjusted by an amount which shall reflect both the estimated fiscal charges and dealing costs that may be incurred by the Fund and the estimated bid/offer spread of the assets into which the Fund invests. The calculated dilution

adjustment amount will be an addition when the net movement results in an increase of all Shares of the Fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the resulting adjustment may be different for net inflows and for net outflows.

Furthermore, the ACD shall have discretion to apply a dilution adjustment in any other case where it considers that the imposition of a dilution adjustment shall be in the interest of Shareholders.

As dilution adjustment is directly related to the inflows and outflows of monies from a Fund, it is not possible to predict accurately whether dilution adjustment will occur at a future point in time. However, the ACD expects to make a dilution adjustment on all occasions when the threshold is exceeded.

The ACD will not benefit from applying a dilution adjustment, as it serves only to protect the continuing investors in the Funds.

ACD Expenses

The ACD is entitled to all reasonable, properly incurred expenses in the performance of its duties. Where a Fund of the Company enters into stocklending transactions, the ACD will receive no income from this activity.

Depositary's Remuneration and Expenses

The Depositary is entitled to receive out of the property of the Fund, by way of remuneration, a periodic charge, which will accrue daily and will be paid monthly in arrears. The rate of the Depositary's periodic charge in respect of each Fund will be such rate or rates as agreed from time to time between the Company and the Depositary.

The rate of periodic charge for each Fund is currently 0.01% per annum of the Net Asset Value of the Fund, on the first £200,000,000. After the first £200,000,000 the charge is 0.007% per annum. These charges are exclusive of custody settlement charges.

In the case of the World Selection – Dividend Distribution Portfolio and the World Selection – Interest Income Portfolio the depositary fee is taken from the capital property of the scheme which may have the effect of limiting capital growth or eroding capital if there is insufficient growth.

The fee will be calculated, pro-rata each month, based on the value of the assets held on the last Business Day monthly. Value Added Tax on the amount of the periodic charge will be paid out of each Fund in addition. The Depositary Agreement between the Company and the Depositary provides that in addition to a periodic charge the Depositary may also be paid by way of remuneration custody fees where it acts as custodian and other transaction and bank charges. At present the Depositary does not itself act as custodian.

In addition to the remuneration referred to above, the Depositary is entitled to receive reimbursement for expenses properly incurred by it in the discharge of its duties or exercising any powers conferred upon it in relation to the Company and each Fund. Such expenses include, but are not restricted to:

(a) the charges and expenses payable to HSBC Bank plc, HSBC Securities Services ("HSBC Bank plc"), to whom the Depositary has delegated the function of custody of the scheme property, such charges being the subject of agreement between the Depositary, the Company and HSBC Bank plc (subject to the FCA Rules) from time to time. The remuneration for acting as custodian is calculated at such rates and/or amounts as the ACD, the Depositary and the Custodian may from time to time agree.

    In addition the custodian makes a transaction charge determined by the territory, or country in which the transaction is effected.

    The cost of custody generally depends upon the market value of the stock involved and currently in respect of each Fund ranges from 0.005% per annum and 0.45% per annum of such market value. The current range of transaction charges is between £15 and £100 per transaction.

(b) all charges imposed by, and any expenses of, any agents appointed by the Depositary to assist in the discharge of its duties;

(c) all charges and expenses incurred in connection with collection and distribution of income;

(d) all charges and expenses incurred in relation to the preparation of the Depositary's annual report to Shareholders;

(e) all charges and expenses incurred in relation to stocklending or other transactions; and

(f) fees and expenses payable to any professional adviser advising or assisting the Depositary.

Auditor's Fee

The auditor performs an annual audit of the Company, for which it is entitled to receive a payment out of the property of the Funds. The auditor's fee is inclusive of VAT and for each Fund is determined in relation to the complexity of auditing that Fund. The fee will be accrued on a daily basis in the relevant Fund's NAV and will be paid out of the Fund annually.

The ACD will carry out an annual fee review to satisfy itself that the fee is reasonable for the tasks performed.

Legal Adviser's Fee

The Company may use legal advisers from time to time, whose fees are paid out of the property of the Funds. The legal adviser's fee is inclusive of VAT and is agreed by the ACD prior to work being undertaken. The legal adviser performs many duties during the course of their advice and is only engaged by the ACD where necessary.

Administrator's Fee

This will be paid by the ACD out of the fees payable to the ACD and not out of the scheme property of the Company.

Duplicate Statement Fee

Individual statements of Shareholders' (or in the case of joint holdings, the first named) Shares will also be issued at any time on request by the registered holder(s). The right is reserved to make a charge for duplicate copies of statements. Such charge will not exceed our then prevailing costs for producing and posting such document.

Payments out of the Scheme Property of the Company

So far as the FCA Rules allow the Company or Fund, as the case may be, is responsible for all its other expenses including the following:

(a) the fees and expenses payable to the ACD (which will include the fees of the ACD (including fees and expenses in respect of establishing and maintaining the Register of Shareholders and related functions) and any third party appointed to carry out administration functions) or any other director;

(b) the fees and expenses payable to the Depositary;

(c) expenses incurred in distributing income to Shareholders;

(d) fees in respect of the publication and circulation of details of the Net Asset Value;

(e) the fees and expenses of the auditors, tax, legal and other professional advisers of the Company;

(f) the costs of convening and holding Shareholder meetings (including meetings of Shareholders in any particular Fund or any particular Share Class within a Fund);

(g) the costs of printing and distributing reports, accounts and Prospectuses, (including Key Investor Information Documents) publishing prices, any costs incurred as a result of periodic updates of any Prospectus, any costs incurred in amending the Instrument of Incorporation and any other administrative expenses;

(h) taxation and duties payable by the Company;

(i) interest on any charges incurred on borrowings;

(j) any amount payable by the Company under any indemnity provisions contained in the Instrument of Incorporation or any agreement with any functionary of the Company;

(k) fees of the FCA under Schedule I Part III (17) of the Act and the corresponding periodic fees of any regulatory authority in any country or territory outside the United Kingdom in which Shares are or may be marketed;

(l) fees of any paying agent or other third party the appointment of which is required to facilitate the marketing of Shares outside the United Kingdom;

(m) safe custody charges;

(n) expenses incurred in acquiring and disposing of investments and the costs of registering investments;

(o) royalty fees, licence or other fees levied by owners, calculation agents or other entities in the calculation or provision of indices or similar;

(p) certain liabilities on amalgamation or reconstruction arising after transfer of property to the Company in consideration for the issue of Shares in accordance with the FCA Rules;

(q) directors' remuneration in the event that the Company has directors in addition to the ACD;

(r) the fees and expenses incurred in establishing any new Share Class and/or Funds;

(s) any value added or similar tax payable on these fees, charges or expenses.

It is not currently proposed to seek a listing for the Shares on any stock exchange, but if a listing is sought in the future the fees connected with the listing (including those of professional advisors) will be payable by the Company.

Expenses are allocated between capital and income in accordance with the FCA Rules however, in the case of the World Selection – Dividend Distribution Portfolio and the World Selection – Interest Income Portfolio fees and expenses are generally taken from the capital property of the scheme which may have the effect of limiting capital growth or eroding capital if there is insufficient growth.

Allocation of Fees and Expenses between Funds

All the above fees, duties and charges (other than those borne by the ACD) will be charged to the Fund in respect of which they were incurred but where an expense is not considered to be attributable to any one Fund, the expenses will be allocated by the ACD in a manner which is fair to Shareholders. They will normally be allocated to all Funds pro rata to the Net Asset Value of the relevant Funds.

Expenses specific to a Share Class will be allocated to that Share Class. They will otherwise be allocated in the manner described on page 44 of this Prospectus.

Any expenses for any Share Class or Fund in excess of the income properly attributable to such Share Class or Fund shall be deemed to be capital in nature and may be taken from the capital property attributable to that Share Class or Fund.

The Annual Management Charge will be attributed to the Share Class in respect of which it is imposed.

Taxation

General

The information given in this section is based on current UK legislation and HM Revenue & Customs ("HMRC") practice in force at the time of printing and does not constitute legal or tax advice and applies only to UK Shareholders holding Shares as investments (and not to dealers in securities). Prospective Shareholders should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, converting, switching or disposing of Shares under the laws of the jurisdiction in which they may be subject to tax.

The Company

Each of the Funds comprised in the Company is liable to corporation tax at a rate equivalent to the basic rate of income tax, currently 20%. Each of the Funds is treated as an open-ended investment company, such that the capital gains or losses realised by the Company are exempt from tax subject to the comments in the following paragraphs.

Dividends received by the Funds are generally exempt from corporation tax. Income other than dividends received by the Funds is liable to corporation tax after deducting allowable expenses of management. Where taxable overseas income is received by a Fund after deduction of foreign tax, it may be possible for the Fund to offset such tax against corporation tax liabilities on that income by way of double tax relief.

Where a Fund holds an investment in any other onshore or offshore fund that during the Fund's accounting period is broadly greater than 60% invested, directly or indirectly (through similar funds or derivatives) in cash, bonds or derivatives linked to similar assets, any amounts accounted for as income will be taxable income of the Fund for the period concerned. In addition, any dividends paid by such funds will be taxed as interest income for the period concerned. Also where a Fund holds an interest in a collective investment scheme constituted outside of the United Kingdom ("an offshore fund") which has not been certified by HM Revenue & Customs as a "reporting" offshore fund for the entire time that the Fund held it, the Fund will be liable to tax on the gain realised on disposal as income rather than an exempt capital gain.

It is the intention of the Company to remain in the position where no more than 50% of the assets of any Fund by value are invested in offshore funds that are non-reporting funds for UK tax purposes.

Taxation of Shareholders

A Shareholder should consider his or her liability to taxation both in relation to income and any capital gains relating to his or her Shares. The general position in relation to different types of Shareholder is considered below, although the position of Shareholders who hold their Shares as part of a trade is not considered. The discussion below considers the position of Shareholders who have beneficial ownership of the Shares concerned. The position for trustees, nominees and other fiscal agents is not discussed.

Generally, a Shareholder may receive two types of income in respect of his Shares. Gilt or bond funds (broadly those with over 60% invested for the whole of the accounting period in bonds, cash or derivatives linked to similar assets and UK funds which qualify) usually make "Interest Distributions" to Shareholders. Most other types of Funds make "Dividend Distributions" to Shareholders. Details of the types and frequencies of distribution for each of the Funds can be found in the General Information section.

A distribution statement, in respect of the first distribution for Shares which were issued in the same accounting period as that distribution, will indicate that an amount of the distribution represents income equalisation. This amount is not taxable as income, as under current HM Revenue & Customs practice it is treated as a return of capital, but must be deducted from the acquisition cost of Income Shares for the purposes of calculating any capital gains/loss on disposal of those Shares. In the case of Accumulation Shares, no adjustment needs to be made to the cost of the Shares for the purposes of determining any capital gain or loss on eventual disposal of the Shares.

UK Resident Individual Shareholders

Interest Distributions
Interest Distributions are paid without a deduction of income tax at source.

A Personal Saving Allowance exempts from tax the first £1,000 (in tax year 2019/2020) of savings income for basic rate taxpayers and the first £500 (in tax year 2019/2020) for higher rate taxpayers. This allowance is not available for additional rate taxpayers. All UK taxpayers (including basic rate taxpayers) will therefore be liable to pay UK tax on an interest distribution made or treated as made by the Company, subject to the Personal Savings Allowance and, where applicable, the starting savings rate for savings.

Where a UK resident individual Shareholder holds Shares in an ISA the Shareholder will be exempt from income tax on Interest Distributions paid in respect of such Shares.

Dividend Distributions
A dividend allowance applies for UK resident individual Shareholders which charges the first £2,000 (in tax year 2019/2020) of dividends received in the tax year at 0%. A UK resident individual Shareholder will have to pay income tax at the applicable basic, higher or additional rate (depending on the Shareholder's individual tax position) on dividend income in excess of the £2,000 allowance. Note that dividend income within the £2,000 allowance will still count towards basic, higher and additional rate bands and may therefore affect the rate of income tax that a Shareholder pays on dividends they receive in excess of the £2,000 allowance.

Where a UK resident individual Shareholder holds Shares in an ISA the Shareholder will be exempt from income tax on Dividend Distributions paid in respect of such Shares**.**

Capital Gains Tax
Shareholders disposing of Shares in the Funds may be liable to capital gains tax on the gain realised from that disposal if their capital gains from all sources in the tax year exceeds the annual exempt amount and any available relief for losses. Capital gains tax is charged at the capital gains tax rate applicable for the tax year in which the gains are realised.

An exchange of Shares between different Funds is regarded as a disposal for capital gains tax purposes.

Where Shares are converted between Share Classes of the same Fund, a capital gain will not arise until the time of disposal of the New Shares.

A UK resident individual Shareholder holding Shares in an ISA will be exempt from capital gains tax on the disposal of such Shares.

Accumulation/Reinvestment Option
Where a distribution is accumulated or reinvested, the distribution is treated as if it was actually received by the Shareholder on the distribution date. Where a distribution is reinvested the Shareholder will acquire further Shares which have an acquisition cost equal to the value of the distribution. Where income is accumulated in relation to Accumulation Shares the amount of notional distribution (excluding equalisation) increases the allowable expenditure on the Shares for the purposes of capital gains tax.

UK Resident Corporate Shareholders

Interest Distributions
Interest Distributions will be paid without the deduction of tax. Such Shareholders will be subject to corporation tax on the gross amount of the distribution or accumulation.

Dividend Distributions
Where a corporate Shareholder receives a Dividend Distribution from a Fund, such a Shareholder should apportion the amount of the distribution (by way of a formula) between that part representing the Fund's income subject to corporation tax and that part representing the Fund's other income. Only that part which represents the income subject to corporation tax in the Fund will be liable to corporation tax (in the hands of the corporate Shareholder) and will be treated as an annual payment received after deduction of income tax at the basic rate. That deemed income tax will be available to offset against the corporation tax liability of the Shareholder or may be repaid subject to certain restrictions.

Capital Gains Tax

Corporate Shareholders within the charge to corporation tax will be liable to corporation tax subject to indexation allowance, on any gain arising on the disposal or deemed disposal of holdings in the Funds, except where such Funds are gilt or bond funds. If UK corporate Shareholders hold Shares in gilt or bond funds (broadly those Funds that are over 60% invested directly or indirectly (through similar funds or derivatives) in cash, bonds or derivatives linked to similar assets) the Shareholders must treat the shareholdings as if they are a loan relationship for corporation tax purposes. Profits and losses must be brought into account annually on a "mark to market" basis. The result is that corporate Shareholders in such Funds will have the capital growth on their holdings charged to corporation tax on an annual basis. Life insurance companies holding Shares in a Fund may in certain circumstances be treated as realising an annual deemed disposal. Any deemed gain or loss is spread forward over seven years.

An exchange of Shares between different Funds is regarded as a disposal for capital gains tax purposes.

Where Shares are converted between Share Classes of the same Fund, a capital gain will not arise until the time of disposal of the New Shares.

Non UK Resident Shareholders

Interest Distributions will be paid without the deduction of tax to non-UK resident Shareholders.

Tax may or may not be payable in respect of Interest Distributions and Dividend Distributions depending on the Shareholder's tax position and the provisions of any relevant double tax treaty with the United Kingdom.

Foreign Account Tax Compliance Act (FATCA)

Sections 1471 through 1474 of the US Internal Revenue Code ("FATCA") have been introduced by the US government. Under FATCA we are required to collect and report certain information on accounts held by specific US Persons, as defined on page 7 of this Prospectus. We may also be required to report certain information on Shareholders who do not provide us with the required documentation.

FATCA imposes a 30% withholding tax on certain payments to a foreign financial institution ("FFI") if that FFI is not compliant with FATCA. The Company is a FFI and thus, subject to FATCA.

This withholding tax applies to payments to the Company that constitute interest, dividends and other types of income from US sources (such as dividends paid by a US corporation) and beginning on 1 January 2019, this withholding tax is extended to the proceeds received from the sale or disposition of assets that give rise to US source dividend or interest payments.

The UK has entered into an Intergovernmental Agreement ("IGA") with the US to facilitate FATCA compliance and reporting of the required information to HMRC. Such information will be onward reported by HMRC to the US Internal Revenue Service. The Company intends to comply with the terms of the IGA and relevant UK implementing Legislation. Therefore the Company expects to be treated as a compliant financial institution and does not expect any FATCA withholding to apply on payments made to it.

If a Shareholder fails to provide the Company, its agents or authorised representatives with any correct, complete and accurate information to enable the Company to comply with the UK IGA, this may result in the compulsory redemption of Shares (for more details please refer to the "Compulsory Transfer and Redemption" section on page 23). Furthermore the Company may at its discretion take appropriate action without the consent of Shareholders to provide for any measures that the Company deems appropriate or necessary to comply with the UK IGA.

Shareholders in the Company should consult their own tax advisors regarding FATCA with respect to their own particular circumstances. In particular, Shareholders who hold their Shares through intermediaries should check the intermediaries' intention to comply with FATCA.

The Common Reporting Standard (CRS)

The CRS is similar to FATCA and is the standard developed by the OECD that requires financial institutions to collect and report similar information about an account holder's tax residency outside of the US. Within the EU the CRS has been enacted through a new Directive on Administrative Co-operation ("the DAC2") to ensure that EU law is fully aligned with the CRS. The DAC2 was brought into force as EU law as of 9 December 2014.

Under the CRS and DAC2, the tax residency of a Shareholder will need to be determined. In order to do so, a Shareholder may be asked to complete the appropriate self-certification form and return it to the ACD. Completing this form will ensure that accurate and up to date information about the tax residency of a Shareholder is being held.

The CRS does not impose a withholding tax obligation.

The CRS supersedes the Regulations to enact the Agreements made between the UK and the Governments of the Isle of Man, Jersey, Guernsey and Gibraltar.

Shareholders in the Company should consult their own tax advisers regarding the application of information exchange between governments to their particular circumstances. More information on the CRS can be found at www.crs.hsbc.com.

The OECD has developed the rules to be used by all governments participating in the CRS and these can be found on the OECD's Automatic Exchange of Information (AEOI) website www.oecd.org/tax/automatic-exchange/.

Individual Savings Accounts (ISAs)

The Shares are qualifying investments for inclusion in an ISA.

Disclaimer

The above statements are based on the ACD's understanding of current UK law and HM Revenue & Customs practice at the time of printing which may be subject to retrospective change. The future basis and rates of taxation may change without warning.

Although the ACD has endeavoured to provide accurate information on tax law and practice in the forgoing text, it cannot guarantee that such information is a correct interpretation of the legislation concerned. Shareholders are recommended to consult their professional advisers if they are in any doubt as to their individual tax position.

Instrument of Incorporation

The Instrument of Incorporation of the Company (which is available for inspection at the ACD's offices) contains provisions to the following effect:

Object

The object of the Company is to invest the scheme property in transferable securities, money market instruments, deposits, units and shares in collective investment schemes, cash and near cash, derivative instruments and forward transactions, immovables and gold in accordance with the FCA Rules applicable to the Company and each Fund (which may include stock lending, borrowing, cash holdings, hedging and using other investment techniques permitted in applicable FCA Rules) and subject to the limitations set out in the Prospectus with the aim of spreading investment risk and giving its Shareholders the benefit of the results of the management of that property.

Shares and Share Classes

(a) The Company may from time to time issue Shares of different Share Classes in respect of a Fund and the directors may by resolution from time to time create additional Share Classes in respect of a Fund (whether or not falling within one of the Share Classes in existence on incorporation).

(b) The ACD may by a resolution from time to time create additional Funds with such investment objectives and such restrictions as to investment or otherwise and denominated in such currencies, as the ACD shall from time to time determine.

Transfer of Shares

(a) All transfers of registered Shares must be effected by transfer in writing in any usual or common form or in any other form as may be approved by the ACD. Any signature on an instrument of transfer may be affixed manually or electronically and be an actual signature or a facsimile signature or any form of signature or personal identification approved by the ACD. The ACD shall not be bound to enquire as to the genuineness of any signature.

(b) No instrument of transfer may be given in respect of more than one Share Class.

(c) In the case of a transfer to joint holders, the number of joint holders to whom a Share is to be transferred may not exceed four.

(d) Unless the ACD in its discretion decides otherwise no transfer may result in either the transferor or the transferee holding fewer Shares of the Share Class concerned or Shares having a lesser aggregate value than any number or value as is stated in the Prospectus as the minimum which may be held.

Income

The income available for distribution or accumulation in relation to a Fund is determined in accordance with the FCA Rules. In essence it comprises all sums deemed by the Company, after consultation with the auditor, to be in the nature of income received or receivable for the account of the Company and attributable to the Fund in respect of the accounting period concerned, after deducting charges and expenses paid or payable out of such income and after making such adjustments as the ACD considers appropriate, after consulting the auditors in accordance with the FCA Rules, in relation to taxation and other matters.

Income relating to a Fund is allocated among Share Classes in that Fund as it accrues or is received in accordance with the respective proportionate interest in the property of the Fund represented by the Shares in issue at the valuation point in question.

The following provisions shall apply to Shares in issue in respect of the Funds:

(a) An allocation of income (whether annual, interim or otherwise) to be made in respect of each Share to which this provision applies issued by the Company or sold by the ACD during the accounting period in respect of which that income allocation is made shall be of the same amount as the allocation to be made in respect of the other Shares of the same Share Class in issue in respect of the same Fund but shall include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that Share.

(b) The amount of income equalisation shall in respect of any Share be either:

(i) the actual amount of income included in the issue price of that Share; or

(ii) an amount arrived at by taking the aggregate of the amounts of income included in the price in respect of Shares of that Share Class issued or sold in the annual or interim accounting period in question and dividing that aggregate amount by the number of such Shares and applying the resultant average to each of the Shares in question.

Each allocation of income made in respect of any Fund at a time when more than one Share Class is in issue in respect of that Fund shall be made by reference to the Shareholders' proportionate interests in the scheme property of the Fund in question. The proportionate interest of each Share Class in the assets and income of the Fund shall be calculated as follows:

(a) A notional account will be maintained for each Share Class. Each account will be referred to as a "Proportion Account". The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time.

(b) There will be credited to a Proportion Account:

(i) the subscription money (excluding any Initial Charges or dilution adjustment to the price of a Share) for the issue of Shares of the relevant Share Class;

(ii) that Share Class' proportion of the amount by which the Net Asset Value of the Fund exceeds the total subscription money for all Shares in the Fund;

(iii) that Share Class' proportion of the Fund's income received and receivable; and

(iv) any notional tax benefit as referred to in (d) below.

(c) There will be debited to a Proportion Account:

(i) the redemption payment for the cancellation of Shares of the relevant Share Class;

(ii) that Share Class' proportion of the amount by which the Net Asset Value of the Fund falls short of the total subscription money for all Shares in the Fund;

(iii) all distributions of income (including income equalisation) made to Shareholders of that Share Class;

(iv) all costs, charges and expenses incurred solely in respect of that Share Class;

(v) that Share Class' share of the costs, charges and expenses incurred in respect of that Share Class and one or more other Share Classes in the Fund, but not in respect of the Fund as a whole;

(vi) that Share Class' proportion of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole; and

(vii) any notional tax liability as referred to in (d) below.

(d) Any tax liability in respect of the Fund and any tax benefit received or receivable in respect of the Fund will be allocated between Share Classes in order to achieve, so far as possible, the same result as would have been achieved if each Share Class were itself a Fund so as not materially to prejudice any Share Class. The allocation will be carried out by the ACD after consultation with the auditors.

(e) Where a Share Class is denominated in a currency which is not the base currency, the balance on the Proportion Account shall be converted into the base currency in order to ascertain the proportions of all Share Classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

(f) The Proportion Accounts are notional accounts maintained for the purpose of calculating proportionate interests. They do not represent debts from the Company to Shareholders or the other way round.

Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Share Class' proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.

The proportionate interest of a Share Class in the assets and income of a Fund is its "proportion".

When Shares are issued thereafter, each such Share shall represent the same proportionate interest in the property of the relevant Fund as each other Share of the same denomination and Share Class then in issue in respect of that Fund and the respective proportion of income allocated to a particular Share Class shall be allocated equally between each Share of the same Share Class.

The Company may adopt a method of calculating the amount of income to be allocated between the Shares in issue in respect of any Fund which is different to the method set out above if the ACD is satisfied that such method is fair to Shareholders and that it is reasonable to adopt such method in the given circumstances.

If a distribution of income remains unclaimed for three consecutive distributions then the ACD may convert the holding to Accumulation Shares, and will purchase additional Shares with the unclaimed income.

Subject to the preceding paragraph, any distribution remaining unclaimed after a period of six years shall become part of the capital property of the relevant Fund.

Number of Directors

Unless otherwise determined by an extraordinary resolution of Shareholders the Company shall only have one director.

Removal of ACD

The Company may, by ordinary resolution, remove the ACD before the expiration of its period of office, notwithstanding anything in the Instrument of Incorporation or in any agreement between the Company and the ACD, but the removal will not take effect until the FCA have approved it and a new authorised corporate director approved by the FCA has been appointed.

Proceedings at General Meetings

The Instrument of Incorporation contains provisions relating to general meetings and the proceedings at such meetings. Such provisions shall also apply to Share Class meetings and Fund meetings in the same way as they apply to general meetings.

Instrument of Incorporation

(a) The Instrument of Incorporation may be amended by resolution of the ACD to the extent permitted by the FCA Rules.

(b) In the event of any conflict arising between any provision of the Instrument of Incorporation and either the OEIC Regulations or the FCA Rules, the FCA Rules will prevail.

Indemnity

The Instrument of Incorporation contains provisions indemnifying the ACD, auditor and Depositary against liability (amongst other things) in defending any proceedings for negligence, default, breach of duty or breach of trust in which judgement is given in their favour.

Meetings and Voting Rights

General Meetings

The Company will not hold an annual general meeting. Copies of the contracts of service between the Company and the ACD will be provided to a Shareholder on request. The ACD or the Shareholders may requisition a general meeting. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders who, at the date of requisition, are registered as the holders of Shares representing not less than one-tenth in value of all Shares then in issue and the requisition must be deposited at the head office of the Company. The ACD must convene a general meeting for a date no later than eight weeks after receipt of such requisition.

Notice and Quorum

Shareholders will receive at least 14 days' written notice of a Shareholders' meeting. No business may be transacted at a general meeting unless a quorum is present. The quorum for a meeting is two Shareholders present in person or by proxy. If a quorum is not present within 15 minutes after the time fixed for the start of the meeting, the meeting will stand adjourned.

If at an adjourned meeting a quorum is not present within 15 minutes after the time fixed for the start of the meeting, one person entitled to be counted in a quorum shall constitute the quorum.

Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

Voting Rights

Generally, Shareholders are entitled to receive notice of a meeting and to vote at a meeting if they were holders of Shares in the Company on the date seven days before the notice is deemed served. This will not, however, include those who are known to the ACD not to be holders at the date of the meeting.

At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its properly authorised representative is entitled to one vote.

On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share in such a case are such proportion of the voting rights attached to all the Shares in issue as the price of the Share bears to the aggregate price(s) of all the Shares in issue at the date seven days before the notice of meeting is deemed to have been served.

An instrument appointing a proxy shall be in writing in any usual or common form, or any other form approved by the ACD. The person appointed to act as a proxy need not be a Shareholder.

A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

The ACD is entitled to attend any meeting but, except in relation to third party Shares, may not vote or be counted in the quorum for a meeting and any Shares it holds are treated as not being in issue for the purposes of the meeting. An associate (as defined in the FCA Rules) of the ACD is entitled to attend any meeting of the Company and may be counted in the quorum, but may not vote except in relation to third party Shares. For these purposes third party Shares are any Shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder would be entitled to vote and from whom the ACD or associate has received voting instructions.

Powers of a Shareholders' Meeting

The Instrument of Incorporation and the FCA Rules empower Shareholders in general meeting to approve various matters including:

(a) removal of the ACD;

(b) changes to some of the matters contained in the Instrument of Incorporation and this Prospectus; and

(c) a Scheme of Arrangement.

In accordance with the FCA Rules, other provisions may be changed by the ACD without the approval of Shareholders in general meeting.

For certain other matters the FCA Rules or the Instrument of Incorporation require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed).

Share Class and Fund Meetings

The above provisions, unless the context otherwise requires, apply to Share Class meetings and meetings of Funds as they apply to general meetings of Shareholders but by reference to Shares of the Share Class or Fund concerned and the Shareholders and prices of such Shares.

Variation of Share Class Rights

The rights attached to a Share Class or Fund may only be varied with the sanction of a resolution passed at a meeting of Shareholders of that Share Class or Fund by a 75% majority of those votes validly cast for and against such resolution.

Proceedings at General Meetings

Prior to each general meeting, a director other than the ACD or an associate shall nominate a chairman or, if no such nomination is made, the Depositary shall nominate an individual to act as chairman. If the representative is not present within 15 minutes after the time fixed for the start of the meeting or is not willing or able to act, the Shareholders present shall choose one of their number to be chairman of the meeting.

The chairman of any quorate meeting may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or for an indefinite period) and from place to place. No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

A resolution put to the vote of a general meeting or Share Class meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

(a) the chairman of the meeting;

(b) not less than two Shareholders; or

(c) the Depositary.

Unless a poll is required, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book or other record of proceedings, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such a manner (including the use of ballot papers or electronic or computer voting systems) as the chairman may direct.

The chairman of a general meeting may take any action he considers appropriate for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

Corporations Acting by Representatives

Any corporation which is a Shareholder of the Company may, by resolution of the directors or other governing body of such corporation and in respect of any Share or Shares in the Company of which it is the holder, authorise such individual as it thinks fit to act as its representative at any general meeting of the Shareholders or of any Share Class meeting or Fund meeting. The individual so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise in respect of such Share or Shares if it were an individual Shareholder of the Company and such corporation shall be deemed to be present in person at any such meeting if an individual so authorised is so present.

Winding up of the Company and Winding up or Termination of Funds

The Company may be wound up under the FCA Rules or as an unregistered company under Part V of the Insolvency Act 1986. A Fund may be terminated under the FCA Rules or wound up as an unregistered company under Part V of the Insolvency Act 1986 (as amended).

Winding up or termination under the FCA Rules may be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following a full enquiry into the affairs of the Company or the Fund) either that the Company or the Fund will be able to meet its liabilities (including contingent and prospective) within 12 months of the date of the statement or that the Company or the Fund will be unable to do so. The Company or the Fund may not be wound up or terminated under the FCA Rules if there is a vacancy in the position of authorised corporate director at the relevant time.

Subject to the above, the Company may be wound up or a Fund wound up or terminated under the FCA Rules:

(a) if an extraordinary resolution to that effect is passed by Shareholders; or

(b) if the Share capital of the Company is below its prescribed minimum or (in relation to any Fund) the Net Asset Value of the Fund is less than £1 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Fund; or

(c) if the FCA agrees to a request by the ACD for the revocation of the authorisation order in respect of the Company or the relevant Fund.

Following the occurrence of any of the above:

(a) The provisions in Sections 5 (Investment and Borrowing Powers); 6.2 (Dealing); and 6.3 (Valuation and Pricing) of the FCA Rules will cease to apply to the Company or to the Shares and scheme property in the case of a Fund;

(b) The Company will cease to issue and cancel Shares in the Company or the particular Fund;

(c) The ACD will cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the particular Fund;

(d) No transfer of a Share will be registered and no other change to the Register will be made without the sanction of the ACD;

(e) Where the Company is being wound up, the Company will cease to carry on its business except in so far as it is beneficial for the winding up of the Company;

(f) The corporate status and powers of the Company and, subject to the provisions of (a) and (e) above, the powers of the ACD will remain until the Company is dissolved; and

(g) As soon as practicable after winding up or termination has commenced the ACD must, if it has not previously notified Shareholders of the proposal to wind up the Company or to terminate or wind up the Fund, give written notice of the commencement of the winding up or termination to the Shareholders.

Winding up a Company or winding up or terminating a Fund under the FCA Rules is carried out by the ACD. The ACD will, as soon as practicable after the Company or the Fund falls to be wound up or terminated, realise the assets and meet the liabilities of the Company or the Fund and, after paying or making adequate provision for the cost of winding up or termination and for all liabilities properly payable, may arrange for the Depositary to make one or more interim distributions to Shareholders proportionately to their rights to participate in the scheme property of the Company or the Fund.

When the ACD has caused all of the scheme property to be realised and all of the liabilities of the Company or the particular Fund known to the ACD to be realised, the ACD will arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining (net of a provision for any future expenses of the Company or the Fund) in proportion to their holdings in the Company or the particular Fund.

The winding up of the Company or winding up or termination of the Fund is subject to the terms of any 'Scheme of Arrangement' sanctioned by an extraordinary resolution passed on or before the commencement of the winding up or termination.

On completion of a winding up of the Company or the winding up or termination of a Fund, the Company or Fund will be dissolved or terminated and any money (including unclaimed distributions) standing to the account of the Company, will be paid into court within one month of dissolution or termination.

As soon as reasonably practicable after the completion of the winding up of the Company or winding up or termination of any particular Fund, the Depositary shall notify the FCA that the winding up or termination has been completed.

Following the completion of a winding up of the Company or the winding up or termination of a Fund, the ACD must prepare a final account showing how the winding up or termination was conducted and how the scheme property was distributed. The Company's auditors will make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. Within four months of the date of completion of the winding up of the Company or winding up or termination of the Fund, this final account and the auditors' report must be sent to the FCA and to each Shareholder (or in the case of joint holders the first named).

As the Company is an umbrella company, any liabilities attributable or allocated to a particular Fund under the FCA Rules will be met out of the scheme property attributable or allocated to that particular Fund.

The assets of a Fund of the Company belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Fund of the Company, and shall not be available for any such purpose.

General Information

Accounting Periods

The annual accounting period of the Company ends each year on 15 April (the accounting reference date) and the interim accounting period ends each year on 15 October.

Annual Reports and Distributions

Annual Report and Accounts (each a "Report") of the Company will be published within four months of the end of each annual accounting period. Half-yearly Reports will be published within two months of the end of each interim accounting period.

Reports containing the full financial statements are available on the ACD's website or on request from the ACD.

Distributions will be made within two months of the annual accounting period and where applicable, within two months of the interim accounting period.

The frequency of income distribution and dates for each Fund are shown below.

It is the ACD's policy to distribute all available income received into the Fund on the relevant distribution dates.

Fund	Income Frequency	Distribution Dates		Distribution Type
		Annual	Interim	
Global Property Fund	Half Yearly	15 June	15 December	Dividend
Global Strategy Adventurous Portfolio	Half Yearly	15 June	15 December	Dividend
Global Strategy Balanced Portfolio	Half Yearly	15 June	15 December	Dividend
Global Strategy Cautious Portfolio	Half Yearly	15 June	15 December	Dividend
Global Strategy Conservative Portfolio	Half Yearly	15 June	15 December	Dividend
Global Strategy Dynamic Portfolio	Half Yearly	15 June	15 December	Dividend
Global Sustainable Multi-Asset Adventurous Portfolio	Half Yearly	15 June	15 December	Dividend
Global Sustainable Multi-Asset Balanced Portfolio	Half Yearly	15 June	15 December	Dividend
Global Sustainable Multi-Asset Cautious Portfolio	Half Yearly	15 June	15 December	Dividend
Global Sustainable Multi-Asset Conservative Portfolio	Half Yearly	15 June	15 December	Dividend
Global Sustainable Multi-Asset Dynamic Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Adventurous Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Balanced Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Cautious Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Conservative Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Dividend Distribution Portfolio	Quarterly	15 June	15 September, 15 December & 15 March	Dividend
World Selection – Dynamic Portfolio	Half Yearly	15 June	15 December	Dividend
World Selection – Interest Income Portfolio	Quarterly	15 June	15 September, 15 December & 15 March	Interest

Half yearly statements

Half yearly statements will be sent to Shareholders as at 30 April and 31 October each year. These statements will include details of Shares held in Funds of the Company as well as shares held in other OEICs managed by the ACD.

Documents of the Company

The following documents may be inspected free of charge between 9.00am and 5.00pm on every Business Day at the ACD's office:

(a) the most recent annual and half-yearly reports of the Company;

(b) the Instrument of Incorporation (and any amending Instrument of Incorporation); and

(c) the ACD Agreement.

Shareholders and potential Shareholders may obtain copies of these documents from the ACD, HSBC Global Asset Management (UK) Limited, 8 Canada Square, London E14 5HQ. The ACD reserves the right to make a charge at its discretion for copies of the documents listed at (b) and (c) above.

Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and the ACD:

(a) the ACD Agreement between the Company and the ACD;

(b) the Depositary Agreement between the Company and the Depositary.

Details of the above contracts are given in the earlier Section "Management and Administration" on page 36.

Exemption from liability to account for profits

The Company, ACD, Depositary, Custodian, Registrar and Administrator are not liable to account to each other or to Shareholders for any profits or benefits made or received that are made or received from or in connection with:

(a) dealings in the Shares;

(b) any transaction in the scheme property; or

(c) the supply of services to the Fund/Company.

Professional Indemnity

The AIFM has professional indemnity insurance and maintains an amount of its own funds in order to protect Shareholders where there is professional negligence and to satisfy the requirements laid down in the FCA rules.

Property

There is no intention for the Company to have an interest in any immovable property.

Stewardship

The ACD's policy on exercising any voting rights on the underlying assets of the Fund(s) together with information about how the ACD has voted on any previous voting events is available at www.assetmanagement.hsbc.com and choose "United Kingdom" then "Individual Investors" or "Financial intermediary" then "About Us" and then "Governance".

Complaints

Complaints may be referred to the ACD at HSBC Global Asset Management (UK) Limited, PO Box 3733, Royal Wootton Bassett, Swindon SN4 4BG. If the complaint has not been resolved to the satisfaction of the complainant within two months, the ACD must report to the FCA.

A complainant also has the right to address a complaint directly to the Financial Ombudsman Service whose address is Exchange Tower, Harbour Exchange Square, London E14 9SR. Telephone free from a landline on 0800 023 4 567; from a mobile on 0300 123 9 123 (charges are same rate as 01 and 02 numbers on mobile tariffs) and overseas +44 20 7964 0500. Email: complaint.info@financial-ombudsman.org.uk.

Further details may be obtained from the Compliance Officer at the above address.

The importance of keeping contact details updated

Shareholders must ensure that they provide the Administrator with any changes to their personal details (including postal address, telephone numbers or any other personal contact details) so the Administrator can keep in contact with Shareholders.

If Shareholders do not keep the Administrator informed of any changes and it is unable to contact a Shareholder, the Administrator may not be able to carry out the Shareholder's instructions, manage their account and it could mean the Shareholder ultimately loses contact with their money.

Further information

References to time in this Prospectus are to London time unless otherwise stated.

Appendix 1

Individual Fund Information

The definitions for the words in ***bold italic*** text in the individual fund information tables below can be found on pages 4 to 8 of this Prospectus.

Global Property Fund	
Investment Objective	The Fund aims to provide ***growth*** in the long term, which is a period of five years or more.
Investment Policy	To achieve its objective, the Fund will invest at least 80% of its value in ***property-related securities*** and ***collective investment schemes*** that, in turn, invest in direct property (physical buildings) and ***property-related securities***. There will be no geographical restrictions. The Fund may also invest up to 20% of its value in ***money market instruments***, deposits, cash and ***collective investment schemes*** that invest in such assets to manage day-to-day cash flow requirements. The ***collective investment schemes*** in which the Fund may invest will, where possible, be those managed or operated by the HSBC Group. The Fund may invest in ***derivatives*** for ***efficient portfolio management*** purposes, including ***hedging***. This means investment techniques that aim to reduce risks, reduce costs or generate ***growth*** and ***income***. On giving 60 days' notice to Shareholders the Fund may also use ***derivatives*** for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use ***derivatives*** extensively and their use will be consistent with the risk profile of the Fund.
Investment Strategy	The investment strategy aims to provide capital ***growth*** by investment into ***property-related securities*** in the UK and globally, and in ***collective investment schemes*** that invest in direct property (physical buildings) and shares of ***property-related securities***. The Fund will not buy physical buildings directly. The balance between direct property (through ***collective investment schemes***), ***property-related securities***, and cash, and the geographic composition of the portfolio, will vary over time depending on our view of prospective ***returns***. By investing in ***collective investment schemes*** that hold direct property (physical buildings) and ***property-related securities***, the fund manager is able to access specialist, local skills. This also provides the scope to change the composition of the Fund quickly and reduce the risk of investing in any one manager. **Use of Benchmark** The Fund is ***actively managed*** and is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of a combination of a 50% weighting to the Investment Association UK Direct Property Sector and a 50% weighting to the Investment Association Property Other Sector for comparison purposes only. Prior to 1 September 2018, the performance was compared to the Investment Association Property Sector. This has been selected to enable investors to assess the performance of the Fund because it consists of funds similar to the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. **Use of Derivatives** The Fund may invest in ***exchange traded*** and ***over-the-counter derivatives*** in accordance with Part C and Part D of Appendix 3. In particular, ***currency forward***

	contracts may be used with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which assets of the Fund may be denominated.
SRRI**	4
Share Classes Currently Offered	Retail Accumulation Income C Accumulation C Institutional A Income Institutional A Accumulation
Risk Categories (refer to Section "Risks" on page 29)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union Concentrated Portfolios Banned Weapons Policy Derivatives Property Effect of Initial Charge Suspension of Dealings Liabilities

Global Strategy Adventurous Portfolio

Investment Objective	To provide capital growth through diversified investment across global markets with a bias towards equities.
Investment Policy	This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 5, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed in line with its agreed long term risk profile and is periodically rebalanced. Any potential gains are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests substantially in collective investment schemes, including exchange traded funds, which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest directly in equities, fixed interest securities and property securities where exposure to an asset class can be adequately achieved with a relatively low number of holdings. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	As at the date of this Prospectus: - the Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which aim to track the performance of an appropriate market index. - 97% of the Fund invests in collective investment schemes that aim to track the performance of an index. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

Asset class	**Exposure as a percentage of the Fund**
Equity	75% - 100%
Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds	0% - 30%
Property securities	0% - 10%

Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3
SRRI**	5
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.
Share Classes Currently Offered	Income C Accumulation C
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds

Global Strategy Balanced Portfolio	
Investment Objective	To provide capital growth through investment in a broad range of asset classes across global markets.
Investment Policy	This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which generally aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest directly in equities, fixed interest securities and property securities where exposure to an asset class can be adequately achieved with a relatively low number of holdings. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the Global Strategy Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The Fund aims to meet its objective with a focus on lower ongoing charges. The focus on lower ongoing charges is taken into consideration when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. As at the date of this Prospectus: - the Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index; - 89% of the Fund invests in collective investment schemes that aim to track the performance of an index. The Fund invests directly in global government bonds.

<table>
<tr><td></td><td colspan="2">Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts will be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

<table><tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr><tr><td>Equity
Global Equity</td><td>45% - 70%</td></tr><tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds</td><td>20% - 55%</td></tr><tr><td>Property securities</td><td>0% - 10%</td></tr></table></td></tr>
<tr><td>Investment Horizon</td><td colspan="2">Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td colspan="2">May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td colspan="2">4</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td colspan="2">The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td>Retail X Accumulation</td><td>Income C
Accumulation C
CTF Accumulation</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td colspan="2">General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

Global Strategy Cautious Portfolio	
Investment Objective	To provide capital growth through cautious investment in a broad range of asset classes across global markets, with a bias towards fixed interest securities.
Investment Policy	This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 1, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests mainly in collective investment schemes, including exchange traded funds, and directly into certain asset classes. The collective investment schemes that the Fund may invest in include those which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities, fixed interest securities and property securities where exposure to an asset class can be adequately achieved with a relatively low number of holdings. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the Global Strategy Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The Fund aims to meet its objective with a focus on lower ongoing charges. The focus on lower ongoing charges is taken into consideration when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. As at the date of this Prospectus: - the Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index; - 51% of the Fund invests in collective investment schemes that aim to track the performance of an index. The Fund invests directly in global government bonds. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

<table>
<tr><td></td><td>Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts will be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

<table><tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr><tr><td>Equity
Global Equity</td><td>10% - 35%</td></tr><tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds</td><td>65% - 95%</td></tr><tr><td>Property securities</td><td>0% - 10%</td></tr></table></td></tr>
<tr><td>Investment Horizon</td><td>Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td>May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td>3</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td>The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td>Retail X Accumulation
Income C
Accumulation C</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td>General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

Global Strategy Conservative Portfolio

Investment Objective	To provide capital growth through diversified investment across global markets with a bias towards fixed interest securities.
Investment Policy	This is one of five actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 2, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed in line with its agreed long term risk profile and is periodically rebalanced. Any potential gains are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which generally aim to track the performance of market indices. Such assets shall, in turn, invest in fixed interest securities, equities, and property securities that make up the relevant index. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest directly in fixed interest securities, equities and property securities where exposure to an asset class can be adequately achieved with a relatively low number of holdings. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	As at the date of this Prospectus: - the Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index. - 79% of the Fund invests in collective investment schemes that aim to track the performance of an index. The Fund invests directly in global government bonds. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

Asset class	**Exposure as a percentage of the Fund**
Equity	25% - 50%
Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds	40% - 75%
Property securities	0% - 10%

Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3
SRRI**	4
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.
Share Classes Currently Offered	Income C Accumulation C
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds

Global Strategy Dynamic Portfolio	
Investment Objective	To provide capital growth through investment in a broad range of asset classes across global markets, with a bias towards equities.
Investment Policy	This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 4, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest directly in equities, fixed interest securities and property securities where exposure to an asset class can be adequately achieved with a relatively low number of holdings. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the Global Strategy Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The Fund aims to meet its objective with a focus on lower ongoing charges. The focus on lower ongoing charges is taken into consideration when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. As at the date of this Prospectus: - the Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which aim to track the performance of an appropriate market index; - 96% of the Fund invests in collective investment schemes that aim to track the performance of an index.

<table>
<tr><td></td><td>Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>60% - 85%</td></tr>
<tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds</td><td>5% - 35%</td></tr>
<tr><td>Property securities</td><td>0% - 10%</td></tr>
</table>
</td></tr>
<tr><td>Investment Horizon</td><td>Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td>May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td>5</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td>The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td></td><td>Retail X Accumulation
Income C
Accumulation C</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td colspan="2">General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

Global Sustainable Multi-Asset Adventurous Portfolio	
Investment Objective	The Fund aims to provide ***growth*** in line with its risk profile in the long term, which is a period of five years or more. The Fund's risk profile is rated as 5 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies. [Note: see HSBC Risk Level Explanation section below] [Note: see Sustainable Investment Strategies section below for a summary of the strategies or contact the ACD for further information]
Investment Policy	To achieve its objective the Fund will invest a minimum of 80% in ***collective investment schemes***, which in turn invest in ***bonds***, shares of companies (***equities***) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 20% directly in ***bonds*** where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances. The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers. The Fund may also invest in ***money market instruments,*** deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in ***derivatives*** for ***efficient portfolio management*** purposes, including ***hedging***. This means investment techniques that aim to reduce risks, reduce costs or generate ***growth*** and ***income***. The Fund may also use ***derivatives*** for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use ***derivatives*** extensively and their use will be consistent with the risk profile of the Fund.
Investment Strategy	This is one of a range of ***actively managed*** Global Sustainable Multi-Asset Portfolios offered at different risk levels. The ***asset allocation*** of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising ***returns*** in line with its agreed long term risk profile of 5, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund. The starting point for the Global Sustainable Multi-Asset Portfolios is the ***asset allocation*** for each risk level. The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios' allocations to reflect the Fund manager's views on the current market environment. The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in ***collective investment schemes***, investing directly in asset classes and investing in ***derivatives***. The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in ***collective investment schemes*** where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equity Global Equity	75% - 100%
Bonds Global ***Developed Market*** Government ***Bonds*** Global ***Investment Grade*** Corporate ***Bonds*** Global ***High Yield*** Bonds ***Asset-Backed Securities***	0% - 25%
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Adventurous Allocation category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Adventurous Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index
Global ***Developed Market*** Government ***Bonds***	FTSE World Government Bond Index
Global ***Investment Grade*** Corporate ***Bonds***	Global Aggregate Corporate Index
Property securities	FTSE EPRA Nareit Global Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

Use of Derivatives

The Fund may invest in ***exchange traded*** and ***over-the-counter derivatives*** in accordance with Part C and Part D of Appendix 3. In particular, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Sustainable Investment Strategies	The Fund will invest in assets, including ***collective investment schemes***, which meet at least one of the following sustainable investment strategies. Sustainable investment is an evolving theme therefore the range of sustainable investment strategies that the Fund employs may change in future. There may be periods where all of the strategies have been represented in the Fund and other times where not all of the strategies are held. The Fund will typically not invest in solely ethically screened assets. ▪ Negative/exclusionary screening: the exclusion of certain sectors, companies or practices based on specific environmental, social and governance (ESG) criteria. ▪ Positive screening (Best in class screening): Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers. ▪ Norms-based screening: Screening of investments against minimum standards of business practice based on international norms such as the UN Global Compact. ▪ ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis. ▪ Sustainability themed investing: Investment in themes or assets specifically related to sustainability (for example clean energy, green technology or sustainable agriculture). ▪ Impact/community investing: targeted investments aimed at solving social or environmental problems, and including community investing, where capital is specifically directed to traditionally underserved individuals or communities, as well as financing that is provided to businesses with a clear social or environmental purpose. ▪ Corporate engagement and shareholder action: the use of shareholder power to influence corporate behaviour, including through direct company engagement of management and boards, filing or co-filing shareholder proposals and proxy voting guided by comprehensive ESG guidelines. The strategy definitions have been sourced from the Global Sustainable Investment Alliance (GSIA) 2018 report and are recognised within the asset management industry.
SRRI**	5
HSBC Risk Level Explanation	The five risk levels are defined by HSBC. This differs from the ***SRRI*** which is scored on a scale of 1 to 7 and calculated using historical price ***volatility*** over the last five years. The Fund will be managed to operate in line with its risk profile. We will use our forward looking expectations for each asset class held in the Fund and combine them to maximise potential ***returns***, typically within a ***volatility*** range of 14% and above. It is important to remember that this is based on forward looking expectations and that the actual ***volatility*** of the Fund will depend on market conditions. Therefore, there may be periods of time where the ***volatility*** of the Fund is higher or lower than the ***volatility*** range above.
Share Classes Currently Offered	Income C Accumulation C Accumulation P
Risk Categories (refer to Section "Risks" on page 29)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities

	Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets New Funds Unregulated Funds

Global Sustainable Multi-Asset Balanced Portfolio	
Investment Objective	To provide capital growth through investment in assets that meet sustainable investment principles. The fund invests in a range of sustainable investment strategies which aim to consider financial returns alongside environmental, social and governance factors. [Note: see Sustainable Investment Strategies section below for a summary of the strategies or contact the ACD for further information]
Investment Policy	This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 3 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes, which in turn invest in fixed interest securities, equities and property securities that meet one or more sustainable investment strategies. The Fund may also invest directly in fixed interest securities and equities where the investment objective can be more efficiently achieved. The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the ACD or an associate of the ACD. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management purposes, including hedging, and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the Global Sustainable Multi-Asset Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the Global Sustainable Investment Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. As at the date of the Prospectus, 89% of the Fund invests in collective investment schemes. This includes 20% in collective investment schemes that aim to track the performance of sustainable market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

<table>
<tr><td></td><td>Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

Under normal market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>40% - 70%</td></tr>
<tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds
Global High Yield Bonds
Asset-Backed Securities</td><td>20% - 60%</td></tr>
<tr><td>Property securities</td><td>0% - 15%</td></tr>
</table></td></tr>
<tr><td>Sustainable Investment Strategies</td><td>The Fund will invest in assets, including collective investment schemes, which meet at least one of the following sustainable investment strategies. Sustainable investment is an evolving theme therefore the range of sustainable investment strategies that the Fund employs may change in future.

There may be periods where all of the strategies have been represented in the Fund and other times where this is not the case. The Fund will typically not invest in solely ethically screened assets.

▪ Positive screening (Best in class screening): Investment in sectors, companies or projects selected for positive environmental, social and governance (ESG) performance relative to industry peers.
▪ Norms-based screening: Screening of investment against minimum standards of business practice based on international norms such as the UN Global Compact.
▪ Sustainability themed investing: Investment in a single or multi-thematic strategy specifically related to sustainability (for example climate change, clean energy, or demographics).
▪ Impact investing: direct investing into companies, organisations and funds with the intention to generate social and environmental impact alongside financial return.
▪ ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis.
▪ Corporate engagement and shareholder action: the use of shareholder power to influence corporate behaviour, including direct company engagement of management and boards, filing or co-filing shareholder proposals and proxy voting guided by comprehensive ESG guidelines.

The strategy definitions have been sourced from the Global Sustainable Investment Alliance (GSIA) 2016 report and are recognised within the asset management industry.</td></tr>
<tr><td>Investment Horizon</td><td>Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td>May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td>4</td></tr>
</table>

HSBC Risk Level Explanation	The five risk levels are defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years. The Fund will be managed to operate within the stated risk profile over the medium to long term. We will use our forward looking expectations for each asset class held in the Fund and combine them to deliver optimal returns, typically within a volatility range of 8%-11%. It is important to remember that this optimal portfolio is based on forward looking expectations and that the realised volatility of the Fund will depend on actual market conditions. Therefore, there may be periods of time where the volatility of the Fund is higher or lower than the volatility range used in the optimisation.
Share Classes Currently Offered	Income C Accumulation C Accumulation P
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets New Funds Unregulated Funds

Global Sustainable Multi-Asset Cautious Portfolio	
Investment Objective	The Fund aims to provide ***growth*** in line with its risk profile in the long term, which is a period of five years or more. The Fund's risk profile is rated as 1 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies. [Note: see HSBC Risk Level Explanation section below] [Note: see Sustainable Investment Strategies section below for a summary of the strategies or contact the ACD for further information]
Investment Policy	To achieve its objective the Fund will invest a minimum of 40% in ***collective investment schemes***, which in turn invest in ***bonds***, shares of companies (***equities***) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 60% directly in ***bonds*** where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances. The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers. The Fund may also invest in ***money market instruments,*** deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in ***derivatives*** for ***efficient portfolio management*** purposes, including ***hedging***. This means investment techniques that aim to reduce risks, reduce costs or generate ***growth*** and ***income***. The Fund may also use ***derivatives*** for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use ***derivatives*** extensively and their use will be consistent with the risk profile of the Fund.
Investment Strategy	This is one of a range of ***actively managed*** Global Sustainable Multi-Asset Portfolios offered at different risk levels. The ***asset allocation*** of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising ***returns*** in line with its agreed long term risk profile of 1, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund. The starting point for the Global Sustainable Multi-Asset Portfolios is the ***asset allocation*** for each risk level. The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios' allocations to reflect the Fund manager's views on the current market environment. The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in ***collective investment schemes***, investing directly in asset classes and investing in ***derivatives***. The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in ***collective investment schemes*** where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equity Global Equity	10% - 40%
Bonds Global ***Developed Market*** Government ***Bonds*** Global ***Investment Grade*** Corporate ***Bonds*** Global ***High Yield*** Bonds ***Asset-Backed Securities***	60% - 90%
Property securities	0% - 15%

Use of Benchmark
The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Cautious Allocation category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Cautious Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings
To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index
Global ***Developed Market*** Government ***Bonds***	FTSE World Government Bond Index
Global ***Investment Grade*** Corporate ***Bonds***	Global Aggregate Corporate Index
Property securities	FTSE EPRA Nareit Global Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

Use of Derivatives

The Fund may invest in ***exchange traded*** and ***over-the-counter derivatives*** in accordance with Part C and Part D of Appendix 3. In particular, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Sustainable Investment Strategies	The Fund will invest in assets, including ***collective investment schemes***, which meet at least one of the following sustainable investment strategies. Sustainable investment is an evolving theme therefore the range of sustainable investment strategies that the Fund employs may change in future. There may be periods where all of the strategies have been represented in the Fund and other times where not all of the strategies are held. The Fund will typically not invest in solely ethically screened assets. ▪ Negative/exclusionary screening: the exclusion of certain sectors, companies or practices based on specific environmental, social and governance (ESG) criteria. ▪ Positive screening (Best in class screening): Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers. ▪ Norms-based screening: Screening of investments against minimum standards of business practice based on international norms such as the UN Global Compact. ▪ ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis. ▪ Sustainability themed investing: Investment in themes or assets specifically related to sustainability (for example clean energy, green technology or sustainable agriculture). ▪ Impact/community investing: targeted investments aimed at solving social or environmental problems, and including community investing, where capital is specifically directed to traditionally underserved individuals or communities, as well as financing that is provided to businesses with a clear social or environmental purpose. ▪ Corporate engagement and shareholder action: the use of shareholder power to influence corporate behaviour, including through direct company engagement of management and boards, filing or co-filing shareholder proposals and proxy voting guided by comprehensive ESG guidelines. The strategy definitions have been sourced from the Global Sustainable Investment Alliance (GSIA) 2018 report and are recognised within the asset management industry.
SRRI**	4
HSBC Risk Level Explanation	The five risk levels are defined by HSBC. This differs from the ***SRRI*** which is scored on a scale of 1 to 7 and calculated using historical price ***volatility*** over the last five years. The Fund will be managed to operate in line with its risk profile. We will use our forward looking expectations for each asset class held in the Fund and combine them to maximise potential ***returns***, typically within a ***volatility*** range of 0%-5%. It is important to remember that this is based on forward looking expectations and that the actual ***volatility*** of the Fund will depend on market conditions. Therefore, there may be periods of time where the ***volatility*** of the Fund is higher or lower than the ***volatility*** range above.
Share Classes Currently Offered	Income C Accumulation C Accumulation P
Risk Categories (refer to Section "Risks" on page 29)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities

	Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets New Funds Unregulated Funds

Global Sustainable Multi-Asset Conservative Portfolio	
Investment Objective	To provide capital growth through investment in assets that meet sustainable investment principles. The fund invests in a range of sustainable investment strategies which aim to consider financial returns alongside environmental, social and governance factors. [Note: see Sustainable Investment Strategies section below for a summary of the strategies or contact the ACD for further information]
Investment Policy	This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes, which in turn invest in fixed interest securities, equities and property securities that meet one or more sustainable investment strategies. The Fund may also invest directly in fixed interest securities and equities where the investment objective can be more efficiently achieved. The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the ACD or an associate of the ACD. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management purposes, including hedging, and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the Global Sustainable Multi-Asset Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the Global Sustainable Investment Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. As at the date of the Prospectus, 75% of the Fund invests in collective investment schemes. This includes 16% in collective investment schemes that aim to track the performance of sustainable market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

<table>
<tr><td></td><td>Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

Under normal market conditions, the portfolio will have the following asset class exposures, achieved through investment in collective investment schemes where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table><tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr><tr><td>Equity
Global Equity</td><td>15% - 45%</td></tr><tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds
Global High Yield Bonds
Asset-Backed Securities</td><td>40% - 85%</td></tr><tr><td>Property securities</td><td>0% - 15%</td></tr></table></td></tr>
<tr><td>Sustainable Investment Strategies</td><td>The Fund will invest in assets, including collective investment schemes, which meet at least one of the following sustainable investment strategies. Sustainable investment is an evolving theme therefore the range of sustainable investment strategies that the Fund employs may change in future.

There may be periods where all of the strategies have been represented in the Fund and other times where this is not the case. The Fund will typically not invest in solely ethically screened assets.

▪ Positive screening (Best in class screening): Investment in sectors, companies or projects selected for positive environmental, social and governance (ESG) performance relative to industry peers.
▪ Norms-based screening: Screening of investment against minimum standards of business practice based on international norms such as the UN Global Compact.
▪ Sustainability themed investing: Investment in a single or multi-thematic strategy specifically related to sustainability (for example climate change, clean energy, or demographics).
▪ Impact investing: direct investing into companies, organisations and funds with the intention to generate social and environmental impact alongside financial return.
▪ ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis.
▪ Corporate engagement and shareholder action: the use of shareholder power to influence corporate behaviour, including direct company engagement of management and boards, filing or co-filing shareholder proposals and proxy voting guided by comprehensive ESG guidelines.

The strategy definitions have been sourced from the Global Sustainable Investment Alliance (GSIA) 2016 report and are recognised within the asset management industry.</td></tr>
<tr><td>Investment Horizon</td><td>Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td>May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td>4</td></tr>
</table>

HSBC Risk Level Explanation	The five risk levels are defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years. The Fund will be managed to operate within the stated risk profile over the medium to long term. We will use our forward looking expectations for each asset class held in the Fund and combine them to deliver optimal returns, typically within a volatility range of 5%-8%. It is important to remember that this optimal portfolio is based on forward looking expectations and that the realised volatility of the Fund will depend on actual market conditions. Therefore, there may be periods of time where the volatility of the Fund is higher or lower than the volatility range used in the optimisation.
Share Classes Currently Offered	Income C Accumulation C Accumulation P
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets New Funds Unregulated Funds

Global Sustainable Multi-Asset Dynamic Portfolio	
Investment Objective	The Fund aims to provide ***growth*** in line with its risk profile in the long term, which is a period of five years or more. The Fund's risk profile is rated as 4 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies. [Note: see HSBC Risk Level Explanation section below] [Note: see Sustainable Investment Strategies section below for a summary of the strategies or contact the ACD for further information]
Investment Policy	To achieve its objective the Fund will invest a minimum of 70% in ***collective investment schemes***, which in turn invest in ***bonds***, shares of companies (***equities***) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 30% directly in ***bonds*** where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances. The ***collective investment schemes*** that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in ***collective investment schemes*** operated by third party fund providers. The Fund may also invest in ***money market instruments,*** deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in ***derivatives*** for ***efficient portfolio management*** purposes, including ***hedging***. This means investment techniques that aim to reduce risks, reduce costs or generate ***growth*** and ***income***. The Fund may also use ***derivatives*** for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use ***derivatives*** extensively and their use will be consistent with the risk profile of the Fund.
Investment Strategy	This is one of a range of ***actively managed*** Global Sustainable Multi-Asset Portfolios offered at different risk levels. The ***asset allocation*** of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising ***returns*** in line with its agreed long term risk profile of 4, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential ***returns*** are likely to be limited by the risk profile of the Fund. The starting point for the Global Sustainable Multi-Asset Portfolios is the ***asset allocation*** for each risk level. The ***asset allocation*** positions are regularly monitored in order to make timely adjustments to the portfolios' allocations to reflect the Fund manager's views on the current market environment. The final stage in the investment process is deciding how best to take exposure to each asset class. This may be achieved by investing in ***collective investment schemes***, investing directly in asset classes and investing in ***derivatives***. The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes. Under typical market conditions, the portfolio will have the following asset class exposures, achieved through investment in ***collective investment schemes*** where applicable. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

Asset class	Exposure as a percentage of the Fund
Equity Global Equity	60% – 90%%
Bonds Global ***Developed Market*** Government ***Bonds*** Global ***Investment Grade*** Corporate ***Bonds*** Global ***High Yield*** Bonds ***Asset-Backed Securities***	10% - 40%
Property securities	0% - 15%

Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Moderately Adventurous Allocation category, with both ***returns*** and ***volatility*** considered in the comparison. The Morningstar Moderately Adventurous Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

Environmental, Social and Governance (ESG) and Carbon Intensity Ratings

To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size.

The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of ***market capitalisation indices*** that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. As at the date of the Prospectus the indices used are shown below:

Asset class	Index
Global ***Developed Market Equity***	MSCI World Index
Global ***Emerging Market Equity***	MSCI Emerging Markets Index
Global ***Developed Market*** Government ***Bonds***	FTSE World Government Bond Index
Global ***Investment Grade*** Corporate ***Bonds***	Global Aggregate Corporate Index
Property securities	FTSE EPRA Nareit Global Index

The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

Use of Derivatives

The Fund may invest in ***exchange traded*** and ***over-the-counter derivatives*** in accordance with Part C and Part D of Appendix 3. In particular, ***equity index futures*** may be used to increase or reduce ***equity*** exposure and ***bond index futures*** may be used with the aim of managing the overall ***bond duration***.

Currency forward contracts will be used to gain exposure to currencies or with the aim of ***hedging*** against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets may be denominated.

Sustainable Investment Strategies	The Fund will invest in assets, including ***collective investment schemes***, which meet at least one of the following sustainable investment strategies. Sustainable investment is an evolving theme therefore the range of sustainable investment strategies that the Fund employs may change in future. There may be periods where all of the strategies have been represented in the Fund and other times where not all of the strategies are held. The Fund will typically not invest in solely ethically screened assets. ▪ Negative/exclusionary screening: the exclusion of certain sectors, companies or practices based on specific environmental, social and governance (ESG) criteria. ▪ Positive screening (Best in class screening): Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers. ▪ Norms-based screening: Screening of investments against minimum standards of business practice based on international norms such as the UN Global Compact. ▪ ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis. ▪ Sustainability themed investing: Investment in themes or assets specifically related to sustainability (for example clean energy, green technology or sustainable agriculture). ▪ Impact/community investing: targeted investments aimed at solving social or environmental problems, and including community investing, where capital is specifically directed to traditionally underserved individuals or communities, as well as financing that is provided to businesses with a clear social or environmental purpose. ▪ Corporate engagement and shareholder action: the use of shareholder power to influence corporate behaviour, including through direct company engagement of management and boards, filing or co-filing shareholder proposals and proxy voting guided by comprehensive ESG guidelines. The strategy definitions have been sourced from the Global Sustainable Investment Alliance (GSIA) 2018 report and are recognised within the asset management industry.
SRRI**	5
HSBC Risk Level Explanation	The five risk levels are defined by HSBC. This differs from the ***SRRI*** which is scored on a scale of 1 to 7 and calculated using historical price ***volatility*** over the last five years. The Fund will be managed to operate in line with its risk profile. We will use our forward looking expectations for each asset class held in the Fund and combine them to maximise potential ***returns***, typically within a ***volatility*** range of 11%-14%. It is important to remember that this is based on forward looking expectations and that the actual ***volatility*** of the Fund will depend on market conditions. Therefore, there may be periods of time where the ***volatility*** of the Fund is higher or lower than the ***volatility*** range above.
Share Classes Currently Offered	Income C Accumulation C Accumulation P
Risk Categories (refer to Section "Risks" on page 29)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities

	Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets New Funds Unregulated Funds

World Selection – Adventurous Portfolio	
Investment Objective	To provide capital growth through investment in a range of asset classes across global markets with a bias towards asset classes that focus on equity investment strategies.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 5, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests substantially in collective investment schemes that in turn invest in equities, fixed income securities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, hedge funds, private equity and commodities. Typically the Fund will primarily invest in asset classes that focus on equity investment strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 98% of the Fund invests in collective investment schemes. This includes 83% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

<table>
<tr><td></td><td>Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>75% - 100%</td></tr>
<tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds
Global High Yield Bonds
Emerging Market Bonds – Hard Currency
Emerging Market Bonds – Local Currency
Asset-Backed Securities</td><td>0% - 25%</td></tr>
<tr><td>Alternative asset classes
Property
Hedge funds
Other alternative asset classes including private equity and commodities</td><td>0% - 20%</td></tr>
</table></td></tr>
<tr><td>Investment Horizon</td><td colspan="2">Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td colspan="2">May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td colspan="2">5</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td colspan="2">The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td>Income C
Accumulation C</td><td>Institutional Income
Institutional Accumulation
Accumulation P</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td colspan="2">General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

World Selection – Balanced Portfolio	
Investment Objective	To provide capital growth through balanced investment in a broad range of asset classes across global markets.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in equities, fixed income securities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, hedge funds, private equity and commodities. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 97% of the Fund invests in collective investment schemes. This includes 50% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

	Asset class	**Exposure as a percentage of the Fund**
	Equity Global Equity	35% - 70%
	Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds Global High Yield Bonds Emerging Market Bonds – Hard Currency Emerging Market Bonds – Local Currency Asset-Backed Securities	20% - 60%
	Alternative asset classes Property Hedge funds Other alternative asset classes including private equity and commodities	0% - 20%
Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.	
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3	
SRRI**	4	
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.	
Share Classes Currently Offered	Retail Income Retail Accumulation Income C Accumulation C	Institutional Income Institutional Accumulation Income P Accumulation P
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds	

World Selection – Cautious Portfolio	
Investment Objective	To provide capital growth through cautious investment in a broad range of asset classes across global markets.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 1, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests mainly in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 76% of the Fund invests in collective investment schemes. This includes 18% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

	Asset class	**Exposure as a percentage of the Fund**
	Equity Global Equity	5% - 30%
	Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds Global High Yield Bonds Emerging Market Bonds – Hard Currency Emerging Market Bonds – Local Currency Asset-Backed Securities	60% - 90%
	Alternative asset classes Property Hedge funds Other alternative asset classes including private equity and commodities	0% - 20%
Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.	
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3	
SRRI**	3	
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.	
Share Classes Currently Offered	Income C Accumulation C	Institutional Income Institutional Accumulation Income P Accumulation P
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds	

World Selection – Conservative Portfolio	
Investment Objective	To provide capital growth through investment in a broad range of asset classes across global markets with a bias towards asset classes that focus on fixed interest strategies.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 95% of the Fund invests in collective investment schemes. This includes 37% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

	Asset class	**Exposure as a percentage of the Fund**
	Equity Global Equity	15% - 40%
	Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds Global High Yield Bonds Emerging Market Bonds – Hard Currency Emerging Market Bonds – Local Currency Asset-Backed Securities	50% - 80%
	Alternative asset classes Property Hedge funds Other alternative asset classes including private equity and commodities	0% - 20%
Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.	
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3	
SRRI**	3	
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.	
Share Classes Currently Offered	Income C Accumulation C Accumulation P	Institutional Income Institutional Accumulation
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds	

World Selection - Dividend Distribution Portfolio*	
Investment Objective	To provide a high level of income by investing in a broad range of asset classes, across global markets.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of providing income in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, infrastructure, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to provide income for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the prospectus, 99% of the Fund invests in collective investment schemes. This includes 9% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

<table>
<tr><td></td><td colspan="2"><table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>30% - 70%</td></tr>
<tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds
Global High Yield Bonds
Emerging Market Bonds – Hard Currency
Emerging Market Bonds – Local Currency
Asset-Backed Securities</td><td>20% - 70%</td></tr>
<tr><td>Alternative asset classes
Property
Infrastructure
Hedge funds
Other alternative asset classes including private equity and commodities</td><td>0% - 20%</td></tr>
</table></td></tr>
<tr><td>Investment Horizon</td><td colspan="2">Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td colspan="2">May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td colspan="2">4</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td colspan="2">The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td>Retail Income
Retail Accumulation</td><td>Income C
Accumulation C</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td colspan="2">General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Charges to Capital
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

World Selection – Dynamic Portfolio	
Investment Objective	To provide capital growth through dynamic investment in a broad range of asset classes across global markets.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 4, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on equity investment strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to maximise returns for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 98% of the Fund invests in collective investment schemes. This includes 72% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling. Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

	Asset class	**Exposure as a percentage of the Fund**
	Equity Global Equity	60% - 85%
	Fixed interest Global Developed Market Government Bonds Global Investment Grade Corporate Bonds Global High Yield Bonds Emerging Market Bonds – Hard Currency Emerging Market Bonds – Local Currency Asset-Backed Securities	5% - 35%
	Alternative asset classes Property Hedge funds Other alternative asset classes including private equity and commodities	0% - 20%
Investment Horizon	Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.	
Use of Derivatives	May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3	
SRRI**	4	
HSBC Risk Level Explanation	The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.	
Share Classes Currently Offered	Income C Accumulation C	Institutional Income Institutional Accumulation Income P Accumulation P
Risk Categories (refer to Section "Risks" on page 28)	General Cancellation Efficient Portfolio Management (EPM) and Counterparty Risk Leverage Risk Collateral Risk Fixed Income Securities Currency Exchange Rates Investing in Europe United Kingdom leaving the European Union High Yield Smaller Companies Banned Weapons Policy Derivatives Property Hedge Funds Alternative Investments Private Equity Commodities Effect of Initial Charge Suspension of Dealings Liabilities Emerging Markets Unregulated Funds	

World Selection – Interest Income Portfolio*	
Investment Objective	To provide income through cautious investment in a broad range of asset classes across global markets.
Investment Policy	This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of providing income in line with its agreed long term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund. To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, infrastructure, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies. The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers. The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund. [Note: see HSBC Risk Level Explanation section below]
Investment Strategy	The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to provide income for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives. As at the date of the Prospectus, 99% of the Fund invests in collective investment schemes. This includes 15% in collective investment schemes that aim to track the performance of market indices. Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in Sterling.

<table>
<tr><td></td><td>Under normal market conditions, the portfolio will have the following asset class exposures. It should be noted that these percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.
<table>
<tr><th>Asset class</th><th>Exposure as a percentage of the Fund</th></tr>
<tr><td>Equity
Global Equity</td><td>15% - 40%</td></tr>
<tr><td>Fixed interest
Global Developed Market Government Bonds
Global Investment Grade Corporate Bonds
Global High Yield Bonds
Emerging Market Bonds – Hard Currency
Emerging Market Bonds – Local Currency
Asset-Backed Securities</td><td>60% - 90%</td></tr>
<tr><td>Alternative asset classes
Property
Infrastructure
Hedge funds
Other alternative asset classes including private equity and commodities</td><td>0% - 20%</td></tr>
</table></td></tr>
<tr><td>Investment Horizon</td><td>Your investment is not guaranteed. The value of your investment, and any income from it, may fall as well as rise, and you may not get back the amount you invested. You should view this investment as a medium to long term investment which means that you should usually plan to keep it for a period of five years.</td></tr>
<tr><td>Use of Derivatives</td><td>May be used for Investment and EPM purposes in accordance with Part C and Part D of Appendix 3</td></tr>
<tr><td>SRRI**</td><td>3</td></tr>
<tr><td>HSBC Risk Level Explanation</td><td>The five risk levels are based on forecast long term volatility bands as defined by the HSBC. This differs from the SRRI which is scored on a scale of 1 to 7 and calculated using historical price volatility over the last five years.</td></tr>
<tr><td>Share Classes Currently Offered</td><td>Income C
Accumulation C</td><td>Income P
Accumulation P</td></tr>
<tr><td>Risk Categories

(refer to Section “Risks” on page 28)</td><td colspan="2">General
Cancellation
Efficient Portfolio Management (EPM) and Counterparty Risk
Leverage Risk
Collateral Risk
Fixed Income Securities
Currency Exchange Rates
Investing in Europe
United Kingdom leaving the European Union
High Yield
Smaller Companies
Banned Weapons Policy
Derivatives
Property
Hedge Funds
Alternative Investments
Private Equity
Commodities
Effect of Initial Charge
Suspension of Dealings
Charges to Capital
Liabilities
Emerging Markets
Unregulated Funds</td></tr>
</table>

* For these Funds the ACD's remuneration (that is the Annual Management Charge and any applicable registration fee) is taken from the capital of the Fund. This may have the effect of limiting capital growth or eroding capital if there is insufficient growth.

** SRRI Rating

The SRRI rating is based on price volatility over the last five years and is an indicator of absolute risk. An SRRI is scored on a scale of 1 to 7. A Fund that scores an SRRI at the lower end of the scale would typically mean lower risk and lower returns, whereas a Fund that scores an SRRI at the higher end of the scale would typically mean a higher risk and higher returns. Historical data may not be a reliable indication for the future.

The SRRI of the above Funds may change as a result of changes to the Fund's investment objective, investment policy or its investment strategy. Prior to making any change to the investment objective or investment policy the ACD and Depositary shall determine whether the change is 'fundamental' or 'significant', as defined in the FCA Rules. In the event of a change to the investment objective or the investment policy the ACD is required to give Shareholders due notice of such proposal prior to its implementation in accordance with the FCA Rules. A change that is to be treated as a significant change will require the ACD to contact the Shareholders on the Register a minimum of 60 days prior to making the change, whereas a fundamental change will require the prior approval of Shareholders at a General Meeting.

The ACD is not, however, required to give prior notice to Shareholders of any change to the investment strategy of a Fund, which it may implement from time to time as market conditions change, provided that any such change is, and remains, consistent with the investment objective and the investment policy of the Fund. In the event that the ACD does not provide prior notification to Shareholders, it will publish details of any such change in the half yearly report and accounts.

Where the SRRI of the Fund changes as a result of activity outside of the investment manager or ACD's control, for example through movement in market volatility, this will have some effect on the SRRI of a Fund. In this circumstance the ACD will publish details of such change in the Company's Report and Accounts.

Appendix 2

Historical Fund Performance

These figures refer to the past. Past performance is not a reliable indicator of future returns.

The Fund performance for all Funds is based on single priced Accumulation C Shares, allowing for net income accumulated, excluding any Initial Charge. More recent performance information may be available by contacting us.

This information has been taken from Morningstar, an independent data source.

Fund/Benchmark	1 Mar 2019 – 29 Feb 2020 % growth	1 Mar 2018 – 28 Feb 2019 % growth	1 Mar 2017 – 28 Feb 2018 % growth	1 Mar 2016 – 28 Feb 2017 % growth	1 Mar 2015 – 29 Feb 2016 % growth
Global Property Fund	5.0	10.4	-3.3	12.3	3.7
50% IA UK Direct Property Sector / 50% IA Property Other Sector*	4.1	7.2	0.4	11.6	2.0
Global Strategy Adventurous Portfolio	6.0	2.2	n/a	n/a	n/a
Global Strategy Balanced Portfolio	7.0	2.9	5.3	23.5	-2.0
Global Strategy Cautious Portfolio	7.7	3.0	1.6	12.1	-0.8
Global Strategy Conservative Portfolio	7.2	3.2	n/a	n/a	n/a
Global Strategy Dynamic Portfolio	6.4	2.8	7.3	29.9	-1.7
Global Sustainable Multi-Asset Adventurous Portfolio	n/a	n/a	n/a	n/a	n/a
Global Sustainable Multi-Asset Balanced Portfolio	9.0	n/a	n/a	n/a	n/a
Global Sustainable Multi-Asset Cautious Portfolio	n/a	n/a	n/a	n/a	n/a
Global Sustainable Multi-Asset Conservative Portfolio	8.4	n/a	n/a	n/a	n/a
Global Sustainable Multi-Asset Dynamic Portfolio	n/a	n/a	n/a	n/a	n/a
World Selection – Adventurous Portfolio	4.6	1.6	8.5	32.8	-2.3
World Selection – Balanced Portfolio	4.9	1.6	4.2	22.1	-3.3
World Selection – Cautious Portfolio	6.3	1.6	0.4	9.0	-1.2
World Selection – Conservative Portfolio	6.3	1.9	1.0	13.5	-1.7
World Selection – Dividend Distribution Portfolio	5.1	1.4	2.6	18.5	-1.8
World Selection – Dynamic Portfolio	4.3	1.8	6.6	29.5	-3.0
World Selection – Interest Income Portfolio	6.0	1.7	1.2	14.3	-2.8

The table shows Fund performance and benchmark performance, where applicable, for complete 12 month periods for the last five years ending on 29 February 2020. More recent performance information may be available in the Fund Factsheets issued by the ACD.

*The benchmark was the IA Property sector up to 31 August 2018.

Performance for the Global Strategy Adventurous Portfolio and Global Strategy Conservative Portfolio is only available for two years as the Funds launched on 23 August 2017.

Performance for the Global Sustainable Multi-Asset Balanced Portfolio and Global Sustainable Multi-Asset Conservative Portfolio is only available for one year as the Funds launched on 24 October 2018.

Performance for the Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Cautious Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio is not available as the Funds launched on 20 April 2020.

Appendix 3

Part A

Investment Powers and Restrictions

The range of investments that may generally be held within the individual Fund of the Company is set out below. The Company may exercise restricted powers, as set out below, in respect of each Fund under Section 5 of the FCA Rules for an ICVC belonging to the Non-UCITS Retail Scheme type.

The property of each Fund will be invested with the aim of providing a prudent spread of risk and achieving the investment objective and policy of that Fund but subject to the limits set out in the FCA Rules and this Prospectus. These limits apply to each Fund as set out below.

1. The scheme property of a Fund must, except where otherwise provided in Section 5 of the FCA Rules consist of any one or more of:

   - transferable securities;
   - money market instruments;
   - permitted collective investment schemes;
   - permitted derivatives;
   - permitted deposits;
   - permitted immovables*; and
   - gold up to a limit of 10% of the value of the property of the Fund*.

   *** As at the date of this Prospectus no Fund of the Company is able to invest in permitted immovables or physical gold. However, if any of the Funds invest in other collective investment schemes which in turn hold commodities including gold, this is permitted.**

2. Except in respect of transferable securities or approved money-market instruments issued or guaranteed by a single state, local authority or public international body each Fund may invest:

   (a) not more than 20% of the value of the property of a Fund in deposits with a single body;

   (b) not more than 10% of the value of the property of a Fund in transferable securities or money market instruments issued by any single body however, except in the case of the Global Property Fund, World Selection – Adventurous Portfolio, World Selection – Balanced Portfolio, World Selection – Cautious Portfolio, World Selection – Conservative Portfolio, World Selection – Dividend Distribution Portfolio, World Selection – Dynamic Portfolio, World Selection – Interest Income Portfolio, Global Strategy Cautious Portfolio, Global Strategy Balanced Portfolio, Global Strategy Dynamic Portfolio, Global Strategy Adventurous Portfolio, Global Strategy Conservative Portfolio, Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Balanced Portfolio, Global Sustainable Multi-Asset Cautious Portfolio, Global Sustainable Multi-Asset Conservative Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio this limit may be raised to 25% of the value of the property of a Fund in respect of covered bonds and, in either case, certificates representing certain securities will be treated as equivalent to the underlying security;

   (c) in an over the counter derivative transaction however, the exposure to any one counterparty must not exceed 10% of the value of the property of the Fund;

   (d) not more than 35% of the value of the property of a Fund in units or shares in any one collective investment scheme.

3. For the purposes of calculating the limit in 2 (c) above, such exposure may be reduced to the extent that collateral is held provided the collateral meets each of the following conditions:

   (a) it is marked to market on a daily basis and exceeds the value of the amount at risk; and

   (b) it is exposed only to negligible risks and is liquid; and

(c) it is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and

(d) it can be fully enforced by the Fund at any time.

Furthermore, any over the counter derivative positions with the same counterparty may be netted provided that the netting procedures:

(e) comply with the conditions set out in the Banking Consolidation Directive; and

(f) are based on legally binding agreements.

4. Where the investment policy of a Fund is to replicate the performance or composition of an index meeting certain criteria as specified in the FCA Rules up to 20% of the value of the property of the Fund may be invested in shares and debentures which are issued by the same body and such limit may be increased to 35% of the value of the property of the Fund in respect of one body where justified by exceptional market conditions. **This does not apply to any Fund of the Company available for investment as at the date of this Prospectus.**

5. In applying 2 – 4 above, all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions:

(a) it is backed by an appropriate performance guarantee; and

(b) it is characterised by a daily mark-to-market valuation of the derivative positions and an at least daily margining.

Furthermore a single body is, in relation to transferable securities and money market instruments, the person by whom they are issued and, in relation to deposits, the person with whom they are placed.

6. Where no more than 35% of the value of the property of a Fund is invested in transferable securities or approved money-market instruments issued or guaranteed by a single state, local authority or public international body there is no limit on the amount which may be invested in such securities or in any one issue.

7. More than 35% of the value of the property of a Fund can be invested in transferable securities or approved money-market instruments issued or guaranteed by a single state, local authority or public international body provided that:

(a) the ACD has, before any such investment is made, consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Fund;

(b) no more than 30% of the value of the property of that Fund consists of such securities of any one issue;

(c) the scheme property of that Fund includes such securities issued or guaranteed by that or another issuer of at least six different issues; and

(d) certain details have been disclosed in the Prospectus.

8. The Funds to which 7 above applies (if any) and the names of the single states, local authorities or public international bodies issuing or guaranteeing transferable securities or approved money market instruments in which each such Fund may invest over 35% of its assets (if any) will be noted in Part B below.

9. A warrant may be held only if the exposure created by the exercise of the right conferred by the warrant will not exceed the limits imposed by Section 5 of the FCA Rules.

For the Global Property Fund, World Selection – Adventurous Portfolio, World Selection – Balanced Portfolio, World Selection – Cautious Portfolio, World Selection – Conservative Portfolio, World Selection – Dividend Distribution Portfolio, World Selection – Dynamic Portfolio, World Selection – Interest Income Portfolio, Global Strategy Cautious Portfolio, Global Strategy Balanced Portfolio, **Global Strategy Dynamic Portfolio, Global Strategy Adventurous Portfolio, Global Strategy Conservative Portfolio, Global Sustainable Multi-Asset Adventurous Portfolio Global Sustainable Multi-Asset Balanced Portfolio, Global Sustainable Multi-Asset Cautious Portfolio, Global Sustainable Multi-Asset Conservative Portfolio and Global Sustainable Multi-**

Asset Dynamic Portfolio no more than 5% of the Net Asset Value of the property of the Fund may consist of warrants.

10. Transferable securities or approved money market instruments on which any sum is unpaid may be held only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund at the time when the payment is required without contravening the rules in Section 5 of the FCA Rules.

11. Each Fund may invest up to 100% in units or shares in regulated collective investment schemes provided that the second scheme meets the requirements at each of (a) – (e) below:

    (a) the second scheme:

        (i) satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or

        (ii) is a Non-UCITS Retail Scheme; or

        (iii) is a recognised scheme; or

        (iv) is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than a Non-UCITS Retail Scheme; or

        (v) is a scheme not falling within (i) to (iv) and in respect of which no more than 20% in value of the scheme property (including any transferable securities which are not approved securities) is invested;

    (b) the second scheme operates on the principle of the prudent spread of risk;

    (c) the second scheme is prohibited from having more than 15% in value of the property of that scheme consisting of units or shares in collective investment schemes;

    (d) the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price:

        (i) related to the net value of the property to which the units or shares relate; and

        (ii) determined in accordance with the scheme; and

    (e) where the second scheme is an umbrella, the provisions in (b) – (d) apply to each sub-fund as if it were a separate scheme.

    Additionally, a Fund may invest in or dispose of Shares in another Fund provided that the second Fund does not hold Shares in any other Fund of the Company. Where investment is made in another Fund or another collective investment scheme managed or operated by the ACD or an associate of the ACD such investment can only be made provided that the FCA Rules relating to investment in other group schemes are complied with.

12. Each Fund may invest in transferable securities and money market instruments which are:

    (a) admitted to or dealt in on an eligible securities market or an eligible derivatives market; or

    (b) be recently issued transferable securities provided that:

        (i) the terms of issue include an undertaking that application will be made to an eligible market; and

        (ii) such admission is secured within a year of issue; or

    (c) in the case of approved money market instruments not admitted to or dealt in on an eligible market provided that such instrument fulfils certain criteria as specified in the FCA Rules; and

    (d) provided such transferable securities also satisfy the criteria in COLL 5.2.7A R, COLL 5.2.7C R and COLL 5.2.7E R.

13. No more than 20% of the value of the Fund may be invested in transferable securities which do not fall within 12 above, or money market instruments which are liquid with a value that can be determined accurately at any time.

14. Each of the Funds may invest in the units or shares of other collective investments schemes which are managed or operated by the ACD or an associate of the ACD. Where investment or disposal is made

in a collective investment scheme which is managed or operated by the ACD or an associate of the ACD then such investment will comply, where relevant, with the FCA Rules for investments in other group schemes, which means that:

(a) it must not invest in or dispose of units or shares in another collective investment scheme (the second scheme), which is managed or operated by (or in the case of an ICVC, whose ACD is), the authorised fund manager of such authorised fund, or an associate of that authorised fund manager, where there is a charge in respect of such investment or disposal, unless the fund manager of the authorised fund is under a duty to pay the authorised fund by the close of business on the fourth Business Day next after the agreement to buy or sell the amount referred to in (b) and (c) below.

(b) on investment, either:

(i) any amount by which the consideration paid by the authorised fund for the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or

(ii) if such price cannot be ascertained by the authorised fund manager of the authorised fund, the maximum amount of any charge permitted to be made by the seller of units in the second scheme.

(c) on disposal, the amount of any charge is any charge made for the account of the authorised fund manager or operator of the second scheme or an associate of any of them in respect of the disposal.

(d) in (a), (b) and (c):

(i) any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution adjustment or SDRT provision, in each case being properly applied in accordance with the FCA Rules is to be treated as part of the price of the units or shares and not as part of any charge; and

(ii) any charge made in respect of an exchange of units or shares in one sub-fund or separate part of the second scheme for units or shares in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units or shares.

For the purposes of the maximum limits specified in this Section each sub-fund of an umbrella scheme is to be treated as if it were a separate scheme.

The investment policy of a Fund may mean that, at times, it is not appropriate to be fully invested but to hold cash or 'near cash'. This will only be the case where the ACD reasonably regards it as necessary to enable the pursuit of the Fund's objectives, Shares to be redeemed or for the efficient management of the Fund in accordance with its investment objectives or for other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.

Part B

As well as the limits outlined in Part A, the Funds, as set out below, are subject to additional restrictions:

(a) Global Property Fund, World Selection – Adventurous Portfolio, World Selection – Balanced Portfolio, World Selection – Cautious Portfolio, World Selection – Conservative Portfolio, World Selection – Dividend Distribution Portfolio, World Selection – Dynamic Portfolio, World Selection – Interest Income Portfolio, Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Balanced Portfolio, Global Sustainable Multi-Asset Cautious Portfolio, Global Sustainable Multi-Asset Conservative Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio:

Not more than 35% of the value of the Fund may be invested in transferable securities or approved money-market instruments issued or guaranteed by or on behalf of any one single state, local authority or public international body.

(b) Global Strategy Cautious Portfolio, Global Strategy Balanced Portfolio, Global Strategy Dynamic Portfolio, Global Strategy Adventurous Portfolio and Global Strategy Conservative Portfolio:

More than 35% in value of the Fund may be invested in transferable securities or approved money-market instruments issued or guaranteed by or on behalf of a single state, local authority or public

international body. Such securities shall be guaranteed by the Government of the United Kingdom and the Government of the United States of America, provided that if more than 35% of the value of the Fund is so invested, the securities of at least six different issues shall be held and no holding of a single issue shall represent more than 30% in value of the Fund.

(c) The ACD has determined that the Fund will not invest in securities issued by companies that the ACD considers after reasonable enquiries, to be involved in the use, development, manufacturing, stockpiling, transfer or trade of cluster munitions and/or anti-personnel mines and/or depleted uranium shieldings and ammunition.

Part C

Derivatives

Each Fund can invest in certain types of derivatives and forward transactions as set out in this Part.

In the case of the Global Property Fund, while the Fund has the ability to use derivatives under this Part, the ACD currently only intends to use such instruments for the purposes of hedging and tactical asset allocation on a short or long term basis. However, on giving 60 days' notice to all investors in the Global Property Fund, the ACD may elect to use derivatives under this Part for investment purposes and/or meeting the investment objective. If the ACD elects to use derivatives in this way it will not affect the overall risk profile of the Global Property Fund.

The use of derivatives will be for the purposes of hedging and/or meeting the investment objectives of the Fund(s). However, it is envisaged that the use of such instruments will not affect the overall risk profile of the Funds.

The use of derivatives under this Part is as follows:

(a) transactions in approved derivatives (that is effected on or under the rules of an eligible derivatives market); and

(b) permitted over the counter transactions in derivatives.

A transaction in an approved derivative must be effected on or under the rules of an Eligible Derivatives Market. The Eligible Derivatives Markets are set out in Section 4 of the Prospectus and the addition of new Eligible Derivatives Markets for a Fund will be carried out in accordance with the FCA Rules.

The underlying of a transaction in derivatives must consist of any one or more of the following (to which the relevant Fund is dedicated):

- transferable securities;
- money market instruments;
- units or shares in permitted collective investment schemes;
- permitted derivatives and forward transactions;
- permitted deposits;
- permitted immovables;
- gold up to a limit of 10% of the value of the Fund;
- financial indices;
- interest rates;
- foreign exchange rates; and
- currencies.

Any transaction in a derivative must not cause a Fund to diverge from its investment objectives and a transaction must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more of: transferable securities, money market instruments, collective investment scheme shares or units and derivatives provided that a sale is not to be considered as uncovered if the conditions of the FCA Rules (Requirement to cover sales) are satisfied.

Any forward transaction must be made with an Eligible Institution or an approved bank.

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in Part A or Part B above although, where a Fund invests in an index based derivative, provided the index is a relevant index in accordance with the FCA Rules and the ACD takes account of the rules relating to a prudent spread of risk, then the underlying constituents of the index do not have to be taken into account for such purposes. Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of calculating any limit in the relevant part of Section 5 of the FCA Rules.

The global exposures relating to derivatives for the Funds may not exceed the Net Asset Value of the scheme property.

A transaction in a derivative or forward transaction which will or could lead to a delivery of property for the account of the Fund may only be entered into if the property can be held by the Fund and the ACD has taken reasonable care to ensure that delivery of the property under the transaction will not result in a breach of the FCA Rules.

Except in relation to deposits, no agreement by or on behalf of a Fund to dispose of scheme property or rights may be made, unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Fund, by delivery of property or the assignment of rights and the property and rights are owned by the Fund at the time of the agreement. This does not apply where:

(a) the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or

(b) the ACD or the Depositary has the right to settle the derivative in cash and cover exists within the scheme property which is cash, liquid debt instruments with appropriate safeguards or other highly liquid assets having regard to the correlations with the underlying financial derivative instruments subject to appropriate safeguards. An asset may be considered as liquid when the instrument can be converted into cash in no more than seven Business Days at a price corresponding to the current valuation of the financial instrument on its own market.

Any transaction in an over the counter derivative must be:

(a) with an approved counterparty (that is an Eligible Institution, an approved bank or a person whose FCA permission or Home State authorisation permits it to enter into the transaction as a principal off-exchange) which may be an associate of the ACD;

(b) on approved terms (that is the authorised Fund Manager carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and the ACD can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value arrived at under the pricing model or other agreed reliable basis;

(c) capable of reliable valuation (that is the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy on the basis of an up to date market value which the ACD and the depositary have agreed is reliable or, if such value is not available, on the basis of a pricing model agreed between the ACD and the Depositary using an adequate recognised methodology); and

(d) subject to verifiable valuation (that is if throughout the life of the derivative, verification of the valuation is carried out by an appropriate third party, which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it or a department within the ACD which is independent from the department in charge of managing the property of the Fund and which is adequately equipped for such purpose).

Risk Management Process

The ACD uses a risk management process enabling it to monitor and measure as frequently as appropriate the risk of a Fund's derivatives and forward positions and their contribution to the overall risk profile of the Fund.

Part D

Efficient Portfolio Management (EPM)
Use of derivatives for the efficient portfolio management of the Funds

Each of the Funds may use financial derivative instruments for the purposes of EPM, including hedging.

For the purposes of financial derivative instruments, hedging refers to:

(a) hedging the portfolio from foreign exchange risks; and

(b) hedging portfolios against falls in asset prices.

For the purposes of financial derivative instruments, EPM refers to techniques and instruments which relate to transferable securities and which fulfil the following criteria:

(a) they are economically appropriate in that they are realised in a cost effective way;

(b) they are entered into for one or more of the following specific aims:

  (i) reduction of risk;

  (ii) reduction of cost;

  (iii) generation of additional capital or income, with a level of risk that is consistent with the risk profile of the Fund.

Permitted transactions for those purposes (excluding stocklending transactions) are forward currency transactions with approved counterparties and transactions in:

(a) approved derivatives (that is options, futures or contracts for differences which are dealt in or traded on an Eligible Derivatives Market);

(b) off-exchange derivatives (that is futures, options or contract for differences resembling options with a counterparty falling within certain specified categories and meeting certain other criteria); or

(c) synthetic futures (that is derivatives transactions in the nature of composite derivatives created out of two options bought and written on the same Eligible Derivatives Market and having certain characteristics in common).

The initial Eligible Derivatives Markets for each Fund are listed in Appendix 4 and new Eligible Derivatives Markets may be added in accordance with the FCA Rules.

A derivative or forward transaction which would or could lead to the delivery of property to the Depositary or to the Company may be entered into only if such property can be held by the Company and the ACD has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the FCA Rules.

There is no limit on the amount of the scheme property of any Fund which may be used for transactions for the purposes of EPM.

The global exposure of each Fund relating to derivative instruments may not exceed the assets of the relevant Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

The use of these EPM instruments/techniques does not change the objective of the Funds or add substantial risks in comparison to the original risk policy of the Fund.

Part E

Leverage

Leverage may occur as a result of transactions carried out for the purposes of EPM and borrowing. Leverage will also occur where money is borrowed on behalf of the Funds as set out under the heading of 'Borrowing Powers' below. The only types and sources of leverage permitted are derivatives and bank borrowings.

At all times when the Fund is leveraged, a leverage calculation will be performed daily. The calculation will make an allowance for any borrowings as well as net short positions in either currency forward contracts or futures positions that arise in the context of EPM carried out for the Fund. All underlying instrument asset classes are grouped together and valued in the base currency of the Fund. The total value for all equity and equity futures positions, bond and bond futures positions must not exceed 100% of the net assets of each Fund. All relevant limits are calculated on the basis of the position valuation provided by the Administrator and the notional value of the derivatives. This includes a check that all derivative positions are appropriately margined and that the total derivatives exposure does not exceed base currency values of the net assets held.

The total leveraging that has occurred for each Fund in an accounting period will be published in the Report and Accounts.

Part F

Stocklending and Underwriting

With effect from 1 January 2015, the Company has ceased undertaking any stocklending transactions in respect of the Funds. However, it may recommence its stocklending programme at any time subject to this prospectus being updated accordingly.

Where stocklending is carried out, the Company, or the Depositary at the request of the Company, may enter into stocklending transactions in respect of a Fund for the generation of additional income for the Fund with an acceptable degree of risk. Stocklending transactions are transactions where the Company or the Depositary delivers securities which are the subject of the transaction in return for which it is agreed that securities of the same kind and amount be redelivered to the Company or the Depositary at a later date. The Company or the Depositary at the time of the delivery receives collateral to cover against the risk of the future redelivery not being completed.

The ACD does not charge for stocklending and receives no income for stocklending transactions. However, the Custodian (HSBC Bank plc) is entitled to retain a percentage of gross revenue in respect of its fees for the provision of its lending services as detailed below:

Applicable Fees when Borrower is not HSBC Bank plc:

80% retained by the Fund; 20% retained by the Custodian.

Applicable Fees when HSBC Bank plc is Borrower:

90% retained by the Fund; 10% retained by the Custodian.

There is no limit on the value of the property of a Fund which may be the subject of stocklending transactions. Any such transaction must comply with the requirements of the Taxation of Chargeable Gains Act 1992 and the FCA Rules as amended or replaced from time to time.

The Funds may enter into agreements and understandings with regard to the underwriting and sub-underwriting of securities or the acceptance of placing commitments subject to the provisions set out in the FCA Rules.

Borrowing Powers

The Company may borrow money from an Eligible Institution or an approved bank for the use of any Fund on terms that the borrowing is to be repayable out of the Fund property. The ACD must ensure that any such borrowings comply with the FCA Rules.

The ACD must ensure that borrowing is of a temporary nature and it must not exceed a period of three months without the prior consent of the Depositary. The Depositary's consent may only be given on conditions which appear appropriate to the Depositary to ensure that the borrowing remains on a temporary basis.

Borrowing Limits

The ACD must ensure that borrowing does not exceed 10% of the value of the property of the Fund on any one Business Day.

These restrictions do not apply to “back to back” borrowing for currency hedging purposes (that is borrowing permitted so as to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

Cover for transactions in derivatives and forward transactions

The maximum exposure (in terms of principal or notional principal created by the transaction to which the scheme is or may be committed by another person) created by each transaction must be covered globally. This means that there must be adequate cover from within the scheme property available to meet the Fund’s total exposure taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk and the time available to liquidate any positions. Cash not yet received into the scheme property but due to be received within one month is available for cover as is scheme property which is subject to stocklending transaction where the ACD has taken reasonable care to determine that such property is obtainable in time to meet the obligation for which cover is required.

Cover and Borrowing

Cash obtained from borrowing, and borrowing which the ACD reasonably regards as an Eligible Institution or an approved bank to be committed to provide, is not available for cover except where the Company borrows an amount of currency from an Eligible Institution or an approved bank and keeps an amount in another currency, at least equal to the borrowing, on deposit with the lender (or his agent or nominee) in which case Section 5.3.5 of the FCA Rules applies as if the borrowed currency, and not the deposited currency, were part of the scheme property.

The ACD must as frequently as is necessary, recalculate the amount of cover required in respect of derivatives and forward positions already in existence and derivative and rights under forward transactions may be retained in the scheme property provided they remain covered globally.

Appendix 4

Eligible Securities Markets and Eligible Derivatives Markets

Fund	Global Property Fund	Global Strategy Adventurous Portfolio	Global Strategy Balanced Portfolio	Global Strategy Cautious Portfolio	Global Strategy Conservative Portfolio	Global Strategy Dynamic Portfolio	Global Sustainable Multi-Asset Adventurous Portfolio	Global Sustainable Multi-Asset Balanced Portfolio	Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio	Global Sustainable Multi-Asset Dynamic Portfolio	World Selection – Adventurous Portfolio	World Selection – Balanced Portfolio	World Selection – Cautious Portfolio	World Selection – Conservative Portfolio	World Selection – Dividend Distribution Portfolio	World Selection – Dynamic Portfolio	World Selection – Interest Income Portfolio
Eligible securities market																		
Vienna Stock Exchange (Wiener Borse AG)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Australia Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Euronext Brussels	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Toronto Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Montreal Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
TSX Venture Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
NASDAQ OMX Nordic (Copenhagen)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
NASDAQ OMX Nordic (Helsinki)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Euronext Paris	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Deutsche Borse	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Athens Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Euronext Amsterdam	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stock Exchange of Hong Kong	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Euronext Dublin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Borsa Italiana SpA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tokyo Stock Exchange (TSE)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Korea Exchange (KRX)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Luxembourg Stock Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bursa Malaysia Securities Berhad	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Borsa Mexicana de Valores (Mexico Stock Exchange)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Fund	Global Property Fund	Global Strategy Adventurous Portfolio	Global Strategy Balanced Portfolio	Global Strategy Cautious Portfolio	Global Strategy Conservative Portfolio	Global Strategy Dynamic Portfolio	Global Sustainable Multi-Asset Adventurous Portfolio	Global Sustainable Multi-Asset Balanced Portfolio	Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio	Global Sustainable Multi-Asset Dynamic Portfolio	World Selection – Adventurous Portfolio	World Selection – Balanced Portfolio	World Selection – Cautious Portfolio	World Selection – Conservative Portfolio	World Selection – Dividend Distribution Portfolio	World Selection – Dynamic Portfolio	World Selection – Interest Income Portfolio
New Zealand Exchange Limited	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Oslo Bors (Stock Exchange)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Euronext Lisbon	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Singapore Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
JSE Limited	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bolsas y Mercados Espanoles (BME Spanish Exchanges)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
NASDAQ OMX Nordic (Stockholm)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SIX Swiss Exchange	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stock Exchange of Thailand (SET)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
London Stock Exchange (LSE)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
New York Stock Exchange (NYSE)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
NASDAQ	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Channel Island Stock Exchange (CISX)							✓	✓	✓	✓	✓							✓

Eligible Collective Investment Schemes

The Fund may invest in Collective Investment Schemes that are established in the following countries:

Fund	Global Property Fund	Global Strategy Adventurous Portfolio	Global Strategy Balanced Portfolio	Global Strategy Cautious Portfolio	Global Strategy Conservative Portfolio	Global Strategy Dynamic Portfolio	Global Sustainable Multi-Asset Adventurous Portfolio	Global Sustainable Multi-Asset Balanced Portfolio	Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio	Global Sustainable Multi-Asset Dynamic Portfolio	World Selection – Adventurous Portfolio	World Selection – Balanced Portfolio	World Selection – Cautious Portfolio	World Selection – Conservative Portfolio	World Selection – Dividend Distribution Portfolio	World Selection – Dynamic Portfolio	World Selection – Interest Income Portfolio
United Kingdom	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Luxembourg	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Channel Islands	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cayman Islands		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bermuda		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
France							✓	✓	✓	✓	✓							

Name of Eligible Derivatives Markets

In respect of the following Fund:
Global Property Fund:

ICE Futures Europe

In respect of the following Fund(s):
World Selection – Adventurous Portfolio, World Selection – Balanced Portfolio, World Selection – Cautious Portfolio, World Selection – Conservative Portfolio, World Selection – Dividend Distribution Portfolio, World Selection – Dynamic Portfolio, World Selection – Interest Income Portfolio, Global Strategy Cautious Portfolio, Global Strategy Balanced Portfolio, Global Strategy Dynamic Portfolio, Global Strategy Adventurous Portfolio, Global Strategy Conservative Portfolio, Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Balanced Portfolio, Global Sustainable Multi-Asset Cautious Portfolio, Global Sustainable Multi-Asset Conservative Portfolio and Global Sustainable Multi-Asset Dynamic Portfolio **:**

Athens Derivative Exchange	OMX Nordic Exchange Copenhagen
Borsa Italiana (IDEM)	OMX Nordic Exchange Stockholm
Budapest Stock Exchange	Osaka Securities Exchange
Bursa Malaysia	Oslo Stock Exchange
CBOE Futures Exchange	Singapore Exchange (was SIMEX)
Chicago Board of Trade	South African Futures Exchange
Chicago Mercantile Exchange	Sydney Futures Exchange
EUREX Zurich	Thailand Futures Exchange
ICE Futures Europe	Tokyo Financial Exchange
Hong Kong Futures Exchange	Tokyo Stock Exchange
ICE Futures US Indices	Turkish Derivatives Exchange
Korea Exchange	Warsaw Stock Exchange
Meff Renta Variable (Madrid)	Wiener Borse
Montreal Exchange	
National Stock Exchange of India	
NYSE LIFFE – Amsterdam	
NYSE LIFFE – Brussels	
NYSE LIFFE - Lisbon	
NYSE LIFFE – London	
NYSE LIFFE – Paris	

Appendix 5

HSBC Global Asset Management (UK) Limited acts as the manager for the following authorised Collective Investment Schemes:

Authorised Unit Trusts

HSBC FSAVC Unit Trust*
HSBC Personal Pension Unit Trust*

* These Unit Trusts are currently being wound up and are no longer available for investment.

Open-Ended Investment Companies

HSBC Investment Funds
HSBC Specialist Investment Funds
HSBC Index Tracker Investment Funds
HSBC Investment Funds of Funds*
HSBC Private Investment Funds
HSBC Universal Investment Funds

* All the sub-funds of this open-ended investment company are being wound up and are no longer available for investment.

Other Collective Investment Schemes

HSBC Global Asset Management (UK) Limited also acts as the Manager for the following unauthorised Collective Investment Schemes

Common Fund for Growth
Common Fund for Income