Product name:	CMS Sustainable

1. Summary

As at the date of this disclosure, the investment management of the CMS Sustainable ("the Portfolio") is delegated to or sub-advised by HSBC Asset Management ("HSBC"), a division of the HSBC Group.

The Portfolio promotes environmental or social characteristics but does not have as its objective sustainable investment. The sustainable investments made by this Portfolio are aligned to its environmental characteristics. An analysis of "Do No Significant Harm" (DNSH) is completed as part of HSBC's standard investment process for sustainable assets. The DNSH test includes sector-based exclusions, controversy exclusions and norm-based exclusions which directly or indirectly addresses the mandatory PAIs. HSBC's Responsible Investment Policy sets out the approach taken to identify and respond to principal adverse sustainability impacts and how HSBC considers ESG sustainability risks as these can adversely impact the securities in which the funds that fulfil this portfolio invest. Third-party data is used for norm-based screening, such as the UN's Global Compact Principles (UNGC), International Labour Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) to ensure the sustainable investment is aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The Portfolio invests in a range of sustainable investing strategies which aim to consider financial returns alongside environmental, social and governance factors. The Portfolio aims to deliver a reduction in carbon intensity score and an improvement in ESG score against the reference portfolio, through portfolio construction.

To achieve its objective, the Portfolio will always invest a minimum of 70% in Article 8 or Article 9 sustainable funds as classified under SFDR, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies, including one or more of the following:

1. Positive screening / tilting (best in class screening).
2. Sustainability themed investing.
3. Negative / exclusionary screening.
4. Norms-based screening.
5. ESG integration.
6. Corporate engagement and shareholder action.

Where third-party sustainable funds are selected, these will also comply with HSBC's Responsible Investment policies.

There are three risk profiles for the CMS Sustainable offering: Conservative, Moderate and Growth. Asset allocation is split amongst Fixed Income, Equities and Liquidity, with the proportions depending on the risk profile. The Portfolio will make investments that are aligned with E/S characteristics promoted by the Portfolio and while it does not have as its objective a sustainable investment, it will have the following minimum proportion of sustainable investments:

- Conservative: 6%
- Moderate: 10%
- Growth: 12%

Currently, the Portfolio does not intend to commit to a minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy or social objective. However, this does not mean that the investments held by the Portfolio are harmful to the environment or unsustainable.

The investment management of the CMS Sustainable is delegated to or sub-advised by HSBC Asset Management ("HSBC"), a division of the HSBC Group. HSBC Global Private Banking has an established governance and oversight framework with Asset Management partners. This oversight includes monitoring of the environmental or social characteristics of relevant products, including any associated policies. We are working with Asset Management partners to develop specific Key Performance Indicators (KPIs), which will be tracked and reviewed on ongoing basis by our second line of defence function (Risk Management) and Regulatory Reporting Team.

Sustainable investments strategies (including exclusions) are measured and reviewed on quarterly basis to ensure there are no investments in excluded assets.

HSBC uses its own proprietary systematic investment process to measure how the environmental characteristics promoted by the Portfolio are met. HSBC uses data provided by several third parties. All data used is verified by HSBC's extensive research department.

To demonstrate how the CMS Sustainable portfolio meets its sustainable investment aim, the ESG ratings and carbon intensity of the model portfolio are shown compared to the ratings of a reference comparator. ESG and Carbon Intensity data is provided by MSCI and Trucost respectively.

HSBC uses data from a number of external third parties such as Sustainalytics, ISS, MSCI and Trucost to ensure it attains the environmental characteristics promoted. HSBC also use a few ESG rating agencies for norms-based screening against the UN Global Compact principles. The data is verified by HSBC 's extensive research department and processed via HSBC's propriety research methodology. HSBC is reliant on third party data and while we verify the data, we cannot comment on limitation to the methodologies of such third-party companies. No data is estimated by HSBC.HSBC is not aware of any limitation in meeting the environmental or social characteristics of the Portfolio.

HSBC carefully monitors and analyses all companies and other issuers held in active portfolios both before and during the period of investment. Their monitoring is quantitative and qualitative and includes strategy, financial and non-financial performance and risk, capital structure, social and environmental impact, and corporate governance

The Portfolio invests in funds managed by HSBC, and HSBC as fund manager of these funds will apply its Engagement Policy, which includes information on how it monitors issuers, how it votes on shareholdings owned by the funds and how it engages with issuers. ESG concerns inform the voting and the engagement as described in the Engagement Policy.

The Portfolio is not managed with reference to an ESG benchmark. The reference index for performance is a composite of the MSCI AC World Daily Total Return & Bloomberg Barclays Global-Aggregate Total Return Index based on the risk profile. For ESG and Carbon Intensity, ESG and Carbon scores of the CMS Sustainable portfolios will be compared against a reference comparator portfolio: where the type of assets held and amounts invested match the CMS Sustainable portfolio, providing the fairest means for comparison.

2. No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

A. How are the indicators for adverse impacts in Table 1 of Annex I, and any relevant indicators in Tables 2 and 3 of that Annex I, taken into account?

The sustainable investments made by this Portfolio are aligned to its environmental characteristics. The Portfolio aims to achieve lower exposure to carbon intensive businesses through Portfolio construction and an improvement of the overall ESG score versus the reference Portfolio.

An analysis of "Do No Significant Harm" (DNSH) is completed as part of HSBC's standard investment process for sustainable assets, which will include the consideration of PAIs. Where an investment which causes significant harm is identified, it cannot be considered a sustainable investment.

Whilst all mandatory PAIs (as set out in Annex I, Table I of Delegated Regulation) are considered in the DNSH process, mandatory PAIs are not all fit for exclusions and exclusion is not always the solution to drive changes. The DNSH test includes sector-based exclusions, controversy exclusions and norm-based exclusions which directly or indirectly addresses the mandatory PAIs. For example, thermal coal revenue is used as an DNSH exclusion screen to indirectly address the GHG emission related PAIs while UNGC non-compliant exclusions directly addresses PAI10 being Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. The considerations of PAIs are also extended to voting and engagement, which are intended to put emphasis on driving positive change.

HSBC's Responsible Investment Policy sets out the approach taken to identify and respond to principal adverse sustainability impacts and how HSBC considers ESG sustainability risks as these can adversely impact the securities in which the funds that fulfil this Portfolio invest. Sustainability impacts, including the relevant PAIs, identified by screening are a key consideration in the investment decision making process.

The approach taken, as set out above, means that among other things the following points are scrutinised:

- companies' commitment to lower carbon transition, adoption of sound human rights principles and employees' fair treatment, implementation of rigorous supply chain management practices aiming, among other things, at alleviating child and forced labour. HSBC also pays a great attention to the robustness of corporate governance and political structures which include the level of board independence, respect of shareholders' rights, existence and implementation of rigorous anti-corruption and bribery policies as well as audit trails; and
- governments' commitment to availability and management of resources (including population trends, human capital, education and health), emerging technologies, government regulations and policies (including climate change, anti-corruption and bribery), political stability and governance.

HSBC uses third-party screening providers to identify companies and governments with a poor track record in managing ESG risks.

HSBC's Responsible Investment Policy is available on the website at: http://www.assetmanagement/hsbc/about-us/responsible-investing/policies

B. Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights?

Third-party data is used for norm-based screening, such as the UN's Global Compact Principles (UNGC), International Labour Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs). The UNGC and OECD MNE Multinational Enterprises Guidelines are complementary standards based on broad international consensus. The Do No Significant Harm criteria for SFDR sustainable investment include exclusions for of companies classified as "non-compliant" in the global standards screening. Exceptions may be given provided our ESG Oversight Committee endorses our internal research and opinion for the non-compliant status. In these circumstances there will be an ongoing periodic review in respect of any such decisions.

3. Environmental or social characteristics of the financial product

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

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The following environmental or social (E/S) characteristics are promoted by the CMS Sustainable:

1. Active consideration of low carbon intensity investments.*
2. Active consideration of higher ESG score.*
3. The Portfolio invests a minimum of 70% in Article 8 or Article 9 funds (HSBC or third-party funds), which are classified as sustainable products under Sustainable Finance Disclosure Regulation (SFDR).
4. Responsible business practices in accordance with United Nations Global Compact (UNGC).
5. Exclusions of shares of investments involved in controversial weapons.
6. The Portfolio intends to exclude issuers involved in certain activities.** These exclusions extend to HSBC and third-party sustainable funds. Subject to identifying any unintended exposure in a third-party fund the Portfolio will act on this exposure accordingly. Implied exposure to the above exclusions through indirect derivatives held by Exchange Traded Funds (ETFs) and funds cannot always be eliminated.

4. Investment strategy

(a) What is the investment strategy used to meet the environmental or social characteristics promoted by the financial product?

The Portfolio invests in a range of sustainable investing strategies which aims to consider financial returns alongside environmental, social and governance factors. The Portfolio aims to deliver a reduction in carbon intensity score and an improvement in ESG score against the reference portfolio, through portfolio construction.

To achieve its objective, the Portfolio will always invest a minimum of 70% in Article 8 or Article 9 sustainable funds as classified under SFDR, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies, including one or more of the following:

1. Positive screening / tilting (best in class screening): Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers – CMS Sustainable is tilted towards higher ESG scoring companies and countries to improve the overall Portfolio ESG score versus the reference portfolio.
2. Sustainability themed investing: Investment in themes or assets specifically related to sustainability (for example clean energy, green technology, or sustainable agriculture) – CMS Sustainable may be invested in low carbon, green and/or transition investment solutions which deliver on the environmental objective of reducing carbon emissions.
3. Negative / exclusionary screening: the exclusion of certain sectors, companies or practices based on specific ESG criteria – investee companies involved in the production of banned / controversial weapons, thermal coal extraction and power generation and tobacco are excluded from the Portfolio.
4. Norms-based screening: Screening of investments against minimum standards of business practice based on international norms such as the UN Global Compact - the Portfolio promotes adherence to, and conducting business activities in accordance with, UNGC principles and the OECD Guidelines.
5. ESG integration: the systematic and explicit inclusion by investment managers of environmental, social and governance (ESG) factors into financial analysis - integration of ESG risks into investment decisions are applied across the i) equity and ii) fixed income product fulfilment which follow a sustainable index.
6. 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 Portfolio promotes good governance and sustainable corporate practices through proxy voting and direct engagement with investee company, where assets are held in HSBC funds.

Where third-party sustainable funds are selected, these will also comply with HSBC’s Responsible Investment policies.

(b) What is the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance?

Governance is a key pillar (the "G-pillar") of the ESG process. Where investments are held in HSBC funds, HSBC's stewardship team meets with companies regularly to improve our understanding of their business and strategy, signal support or concerns we have with management actions and promote best practice. HSBC believes that good corporate governance ensures that companies are managed in line with the long-term interests of their investors.

HSBC Stewardship Plan is available at:

www.assetmanagement.hsbc.com/about-us/responsible-investing/policies

5. Proportions of investments

What is asset allocation planned for the financial product?

There are three risk profiles for the CMS Sustainable offering: Conservative, Moderate and Growth. Asset allocation is split amongst Fixed Income, Equities and Liquidity, with the proportions depending on the risk profile.

Strategic Asset Allocations are for indicative purposes only and may change as part of the annual review based on the updated risk and return metrics. Allocations may vary across reference currencies. The below split is presented as of September 2022:

- Conservative: Fixed Income: 69.6%, Equities: 28.4%, Liquidity: 2 %
- Moderate: Fixed Income: 45.9%, Equities: 52.1%, Liquidity: 2%
- Growth: Fixed Income: 31.4%, Equities: 66.6%, Liquidity: 2 %

A minimum 70% of the Portfolio must follow at least one sustainable investment strategy, such as positive/best in class screening, norms-based screening, and sustainable themed investing strategies, as explained in the Investment Strategy section. There is no allocation to Alternative Investments currently.

The Portfolio will make investments that are aligned with E/S characteristics promoted by the Portfolio and while it does not have as its objective a sustainable investment, it will have the following minimum proportion of sustainable investments:

- Conservative: 6%
- Moderate: 10%
- Growth: 12%

Currently, the Portfolio does not intend to commit to a minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy or social objective. However, this does not mean that the investments held by the Portfolio are harmful to the environment or unsustainable.

6. Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are monitored throughout the lifecycle of the financial product?

The investment management of the CMS Sustainable is delegated to or sub-advised by HSBC Asset Management ("HSBC") - a division of the HSBC Group operating through several HSBC Group companies.

HSBC Global Private Banking has an established governance and oversight framework with Asset Management partners. This oversight includes monitoring of the environmental or social characteristics of relevant products, including any associated policies. We are working with Asset Management partners to develop specific Key Performance Indicators (KPIs), which will be tracked and reviewed on ongoing basis by our second line of defence function (Risk Management) and Regulatory Reporting Team.

Sustainable investments strategies (including exclusions) are measured and reviewed on quarterly basis to ensure there are no investments in excluded assets.

HSBC uses a proprietary ESG research platform that combines multiple ESG data points and assessments from independent third parties. As all funds shall demonstrate strong and/or improving ESG characteristics at the issuer and overall portfolio level, such criteria are monitored on an on-going basis.

Companies with ESG risk scores that require targeted review are assessed within an internal governance forum. Funds are monitored via an ESG dashboard to ensure portfolios align to the internally established thresholds (for example - portfolio average ESG score, exclusions, enhanced due diligence etc.).

The ESG scores are based on an internal view of materiality of ESG issues by sector, based on quantitative and qualitative assessments undertaken by our equity and fixed income team, including a review of materiality frameworks such as the Sustainability Accounting Standards Board (SASB). HSBC reviews new ESG data sources and materiality framework on an ongoing basis.

Good corporate governance has long been incorporated in HSBC’s proprietary fundamental company research. HSBC's Stewardship team meets with companies regularly to improve their understanding of a company’s business and strategy, signal support or concerns that they may have with management actions and promote best practice. HSBC believes that good corporate governance ensures that companies are managed in line with the long-term interests of their investors.

7. Methodologies

What are the methodologies to measure how the social or environmental characteristics promoted by the financial product are met?

HSBC uses its own proprietary systematic investment process to measure how the environmental characteristics promoted by the Portfolio are met. HSBC uses data provided by a number of third parties. All data used is verified by HSBC’s extensive research department.

To demonstrate the performance of how the CMS Sustainable portfolio meets its sustainable investment aim, the ESG ratings and carbon intensity of the model portfolio are shown compared to the ratings of a reference comparator. ESG and Carbon Intensity data is provided by MSCI and Trucost (division of S&P Global) respectively.

Carbon Intensity

The Portfolio aims to deliver a lower carbon intensity than a reference comparator portfolio.

Carbon intensity is a way to measure an entity’s contribution to greenhouse gas (carbon) emissions, which contribute to global warming. Carbon intensity considers the level of carbon emissions relative to the size of the company/country. Carbon intensity is used to evaluate and compare performance around carbon emissions by normalising Scope 1 and Scope 2 emissions by company revenues, expressed as tonnes of CO_2 per million dollars of revenue generated.

- **Scope 1 emissions** include direct emissions from owned or controlled sources i.e., fuel combustion, company vehicles, fugitive emissions

- **Scope 2 emissions** include indirect emissions from the generation of purchased energy i.e., purchased electricity, heat, and steam.

- **Scope 3 emissions** are currently not included due to the lack of consistent reporting and the variety of emission types covered. Scope 3 emissions include indirect emissions generated from sourcing materials at the start of the supply chain.

Carbon Intensity Methodology: Scope 1 and Scope 2 GHG emissions are allocated based on portfolio weights (the current value of the investment relative to the current portfolio value), rather than the equity ownership approach. Company carbon data can often be "partially disclosed", i.e., partial geographic coverage, or incomplete operational data. Trucost undertakes analysis and research to assess company reported results. The proprietary Trucost model enables an estimate of total emissions which relies on more than just reported financial data. Where securities are not covered by Trucost, HSBC assigns a proxy value based on the average intensity score of comparable companies.

ESG score

ESG are Environmental, Social and Governance factors. They can be quantitative or qualitative. The financial materiality of the ESG factors can vary depending on the sector the company is operating in to reflect financial materiality. ESG ratings are a recognised way of measuring the level of sustainability in a company, market, or investment fund/portfolio.

MSCI ESG Rating Methodology: The weighted averages of the Key Issue Scores are aggregated and companies' scores are normalized by their industries. After any overrides are factored in, each company's Final Industry-Adjusted Score corresponds to a rating between best (AAA) and worst (CCC). These assessments of company performance are not absolute but are explicitly intended to be relative to the standards and performance of a company's industry peers.

More information on MSCI ESG methodology can be found: MSCI ESG Ratings Methodology

Reference comparator

The reference comparator represents the ESG score and carbon intensity the portfolio 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 portfolio and in the same proportions (weighting) as the portfolio. As at the date of this disclosure the indices used are shown below:

- Global Developed Market Equity – MSCI World Index
- Emerging Market Equity - MSCI Emerging Markets Index
- GEM Debt - Hard Currency - JPM EMBI Global Diversified
- GEM Debt - Local Currency - JPM GBI-EM Global Diversified
- Global Corporate Bond - Bloomberg Barclays Global Agg Corporates Diversified
- Global Government Bond - Bloomberg Global Agg Treasuries
- Global High Yield - BoAML Global High Yield BB-B
- US Government Bond - Bloomberg Barclays US Treasury Index

8. Data sources and processing

(a) How are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?

HSBC uses data from a number of external third parties such as MSCI, Trucost, Sustainalytics and ISS to ensure it attains the environmental characteristics promoted. HSBC also use a number of ESG rating agencies for norms-based screening against the UN Global Compact principles.

MSCI is the primary source of reference for ESG scores at the portfolio level for Sustainable CMS. HSBC have selected MSCI as a market leader in the provision of ESG data. This allows for more direct comparability across different propositions in the market. Underlying product fulfilment may use other ESG data providers. For example, the HSBC Sustainable Equity ETFs use the ESG ratings and data model from FTSE Russell.

Trucost is the primary source of reference for Carbon metrics. Trucost is a renowned and experienced third-party provider of data, tools and insights operating since 2000 and owned by S&P Global. Sustainalytics is the source for the UN Global Compact Principles screening data, as well as controversies research.

(b) What measures are taken to ensure data quality?

The data is verified by HSBC's extensive research department.

(c) How is data processed?

The data is processed via HSBC's propriety research methodology.

(d) What is the proportion of data that are estimated?

HSBC is reliant on third-party data and while the data is verified, HSBC cannot comment on the limitations to the methodologies of such third-party companies. Where securities are not covered by data providers, for example for carbon intensity, HSBC assigns a proxy value based on the average intensity score of comparable companies. In certain cases, data from third-party sources is supplemented by proprietary content, which is provided by the HSBC research department.

9. Limitations to methodologies and data

(a) What are the potential limitations to the methodologies or data sources?

While HSBC reviews and researches data from multiple third-party sources, there is still limited coverage available of such data. In certain asset classes, ESG data may not be publicly available via third-party data providers or the data itself is not sufficient. In such instances, securities will be subject to enhanced due diligence and investment committee approval.

(b) How do such limitations not affect how the environmental or social characteristics promoted by the financial product are met?

The limited data coverage does not affect the CMS Sustainable portfolio, as coverage for carbon intensity and ESG score data is at around 99%.

10. Due diligence

What due diligence is carried out on the underlying assets of the financial product (including the internal and

external controls)?

HSBC carefully monitors and analyses all companies and other issuers held in active portfolios both before and during the period of investment. Their monitoring is quantitative and qualitative and includes strategy, financial and non-financial performance and risk, capital structure, social and environmental impact, and corporate governance. It may include assessment of companies and issuers' disclosures, consideration of research from brokers and other independent research providers – including ESG & voting research, attending individual and group meetings with management and directors, visiting production sites, talking to competitors, customers and other stakeholders, and their own financial modelling. Companies and other issuers held in active portfolios are discussed regularly within HSBC's investment teams, informed by their own monitoring and analysis. Lastly, their Stewardship & Engagement teams play a role in supporting investment teams when it comes to assessing issuers against ESG considerations.

HSBC undertake enhanced due diligence where significant ESG risks are identified through the ESG risk identification process or those flagged for a potential breach of one or more of the 10 UN Global Compact principles.

These companies are then subject to enhanced due diligence and investment committee approval. Pending the result of the enhanced due diligence, new investments are not permitted or are restricted. Where the enhanced due diligence reveals material ESG risks that HSBC do not believe can be addressed through engagement, selective exclusions may be applied which are then reviewed on an ongoing basis.

11. Engagement policies

What is the engagement policy applied, where engagement is part of the environmental or social investment strategy, including any management procedures applicable to sustainability-related controversies in investee companies?

The Portfolio invests in funds managed by HSBC, and HSBC as fund manager of these funds will apply its Engagement Policy, which includes information on how it monitors issuers, how it votes on shareholdings owned by the funds and how it engages with issuers. ESG concerns inform the voting and the engagement as described in the Engagement Policy.

HSBC recognises the responsibility for stewardship oversight and engagement with those companies and issuers whose securities are purchased on behalf of clients as being integral to the investment process. HSBC therefore carefully monitors and engages with companies held in discretionary portfolios both before and during the period of investment in these companies. For example, HSBC believes that environmental, social and governance (ESG) factors can impact the sustainability of companies' financial returns. HSBC therefore integrates ESG into the investment selection process by considering these factors in conjunction with others impacting investment returns. Engagement with investee companies and other issuers is therefore an important element in both their ESG integration and stewardship oversight. HSBC engages with investee companies and other issuers to understand them better, to monitor clients' discretionary investments, and to encourage companies to be proactive and transparent in the management of ESG issues and other relevant factors.

HSBC uses several ESG rating agencies for norms-based screening against the UN Global Compact principles. Good corporate governance has long been incorporated in their proprietary fundamental company research. HSBC meets with investee companies (and potential investee companies) regularly to improve their understanding of a company's business and strategy, to signal support and/or to highlight concerns that they may have with management actions and promote best practice. HSBC believes that good corporate governance ensures that companies are managed in line with the long-term interests of their investors.

HSBC meet the management of investee companies (or potential investee companies) and other issuers regularly as part of their active investment process. This engagement is a key element in stewardship oversight of companies' securities held and managed in discretionary portfolios. HSBC challenge companies and issuers on their delivery of corporate strategy, financial and non-financial performance and risk, allocation of capital and management of environmental, social and governance issues. They also engage with companies and issuers to understand the approach management is taking and to test how far they are being good stewards. They also encourage investee companies and other issuers held in client portfolios to establish and maintain high levels of transparency, particularly in their management of ESG issues and risks. They raise ESG or other concerns with investee companies and other issuers where they believe that to be in the interest of investors, identifying company specific or systemic risks.

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In addition to executive directors and investor relations, HSBC engages with other executives as available, including divisional and regional heads, as well as ESG and strategy specialists. HSBC also engages with board directors, either as part of a regular dialogue or to raise and escalate issues of concern. Whilst their approach to investment management and engagement does not typically involve communication with stakeholders of companies other than those noted in this policy, it is open to monitoring concerns of other key stakeholders as necessary, including those of customers.

For their full Engagement Policy, please go to:

www.assetmanagement.hsbc.com/about-us/responsible-investing/policies.

12. Disclaimer

This document provides you with information in relation to the Article 10 of Sustainable Finance Disclosure Regulation (EU 2019/2088). It is not marketing material. The information is required by law to help you understand the sustainability characteristics and/or objectives of this Portfolio. To make an informed investment decision, it is advised to read this document in conjunction with other relevant documentation on this Portfolio. Please contact your Investment Counsellor in case of any questions or concerns.

* The Portfolio is actively managed, and reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio. However, Portfolio objectives are measured by the reference portfolio, which is a combination of market capitalisation indices that represent the asset classes held by the Portfolio in the same proportions (weighting) as the Portfolio.

** The Portfolio intends to exclude investment in issuers carrying out business activities that are deemed harmful to the environment or society. It includes but is not limited to companies involved in the production of controversial weapons, companies with more than 10% revenue generated from thermal coal extraction or coal-fired power generation, and companies involved in the production of tobacco.

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