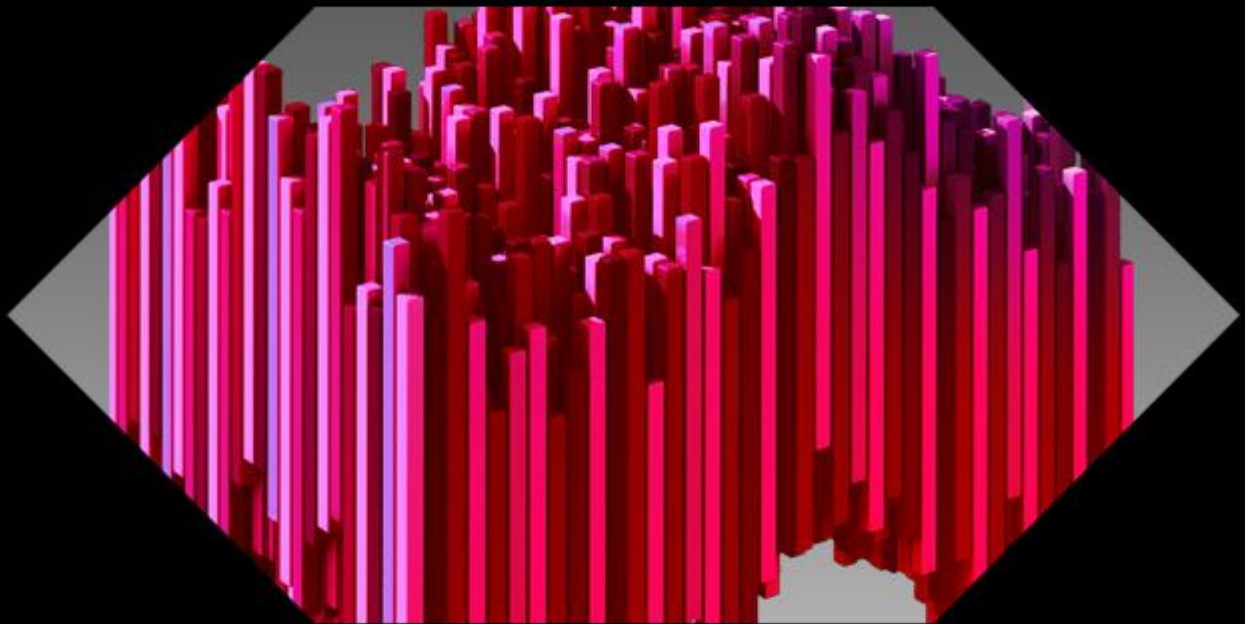


HSBC Multi Factor US Equity Strategy

Targeting competitive performance across market regimes

Q4 2024

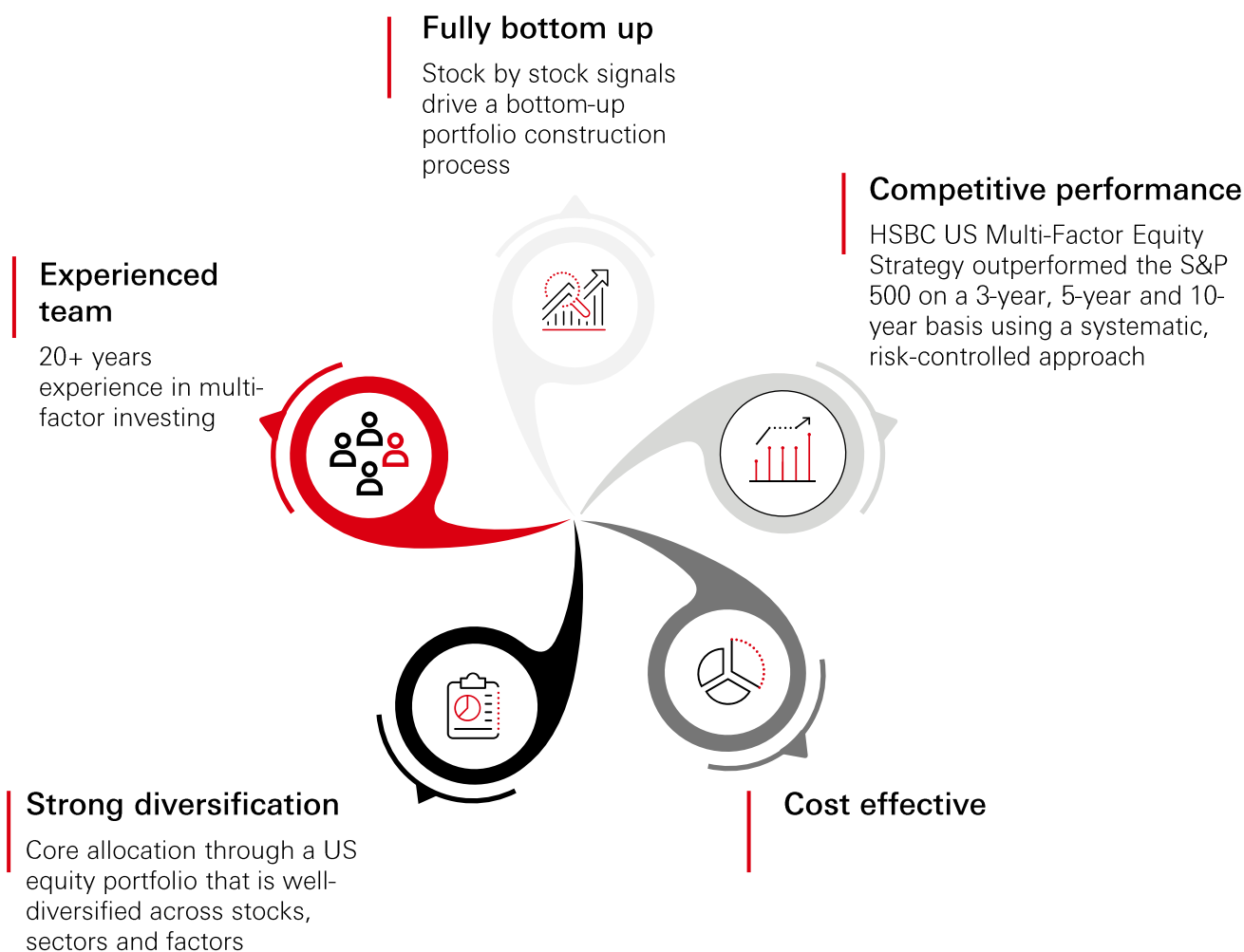
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This is a **Marketing Communication**.
Please refer to the governing document before making any final investment decisions.

Core exposure that aims to perform regardless of market cycle or economic regime

Leveraging our multi-factor framework to maximise returns using a proprietary approach, designed and managed by a globally integrated research, portfolio management and trading team



The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Diversification does not ensure a profit or protect against loss.

Source: HSBC Asset Management as at end of December 2024.

Combining factors delivers benefits of diversification and can enhance returns across a variety of economic regimes

Factor investing seeks to

- ✓ Enhance returns
- ✓ Improve diversification
- ✓ Reduce risk



Cheaper valuation stocks (i.e. low P/B, Low P/E ratios)



Stocks that exhibit less risk and more stable prices over time (i.e. lower volatility, lower beta)



Stocks with strong, sustainable returns (i.e. high profitability, lower leverage)



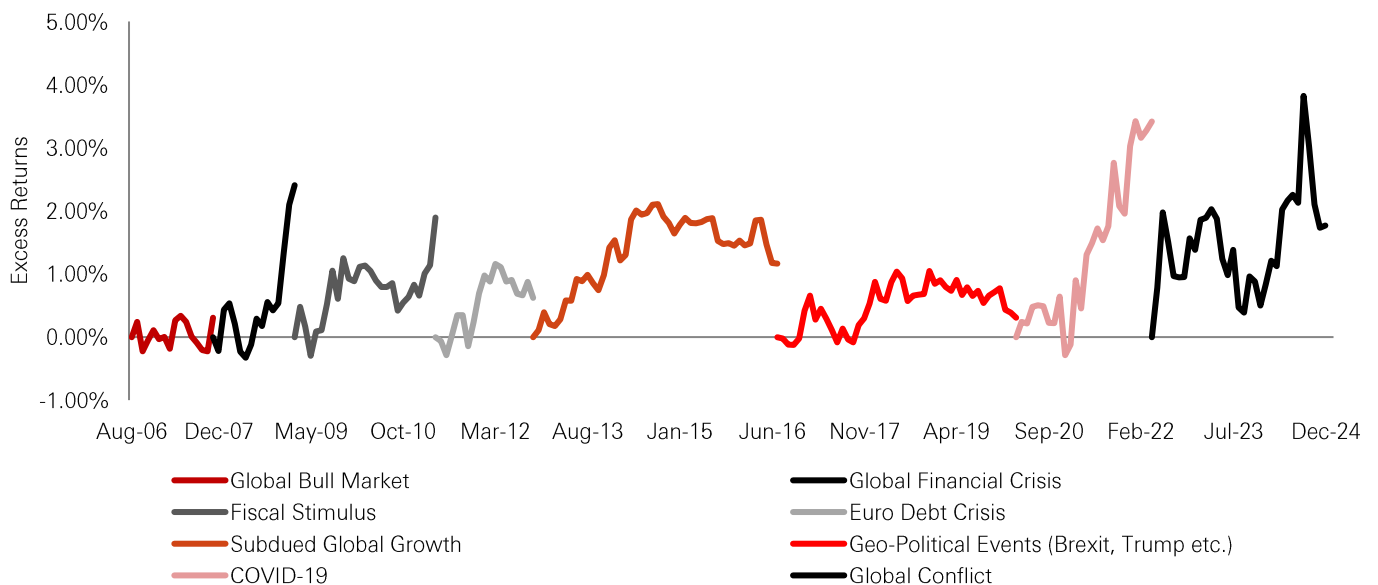
Relatively smaller cap stocks (i.e. lower market cap, lower total assets)



Stocks or industries that are trending (i.e. strong 12M returns)

Portfolio Excess Returns split by regime

(HSBC US Multi-Factor Equity Strategy vs S&P 500)



Diversification does not ensure a profit or protect against loss. The views expressed above were held at the time of preparation and are subject to change without notice. Any forecast, projection or target where provided is indicative only and not guaranteed in any way.

Source: HSBC Asset Management as at end of December 2024.

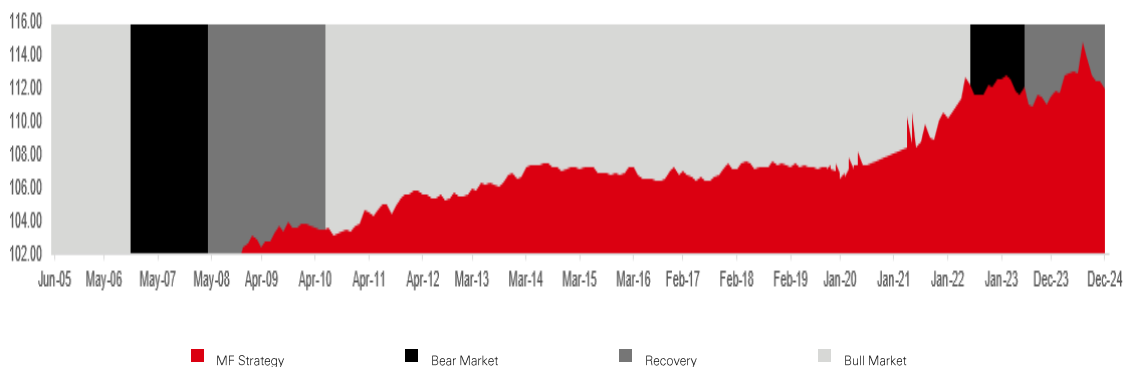
Why invest in our strategy?

Core Exposure



Combining factors can enhance returns across a variety of market cycles

Value Added to investment (HSBC US Multi-Factor Equity Strategy vs S&P 500) – growth over time

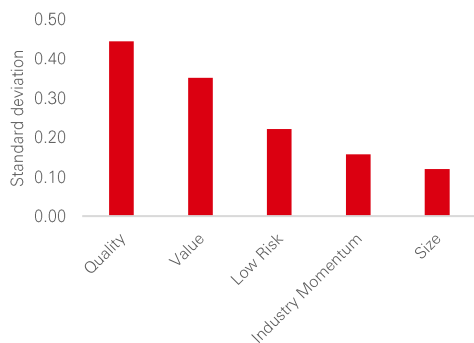


Strong Diversification

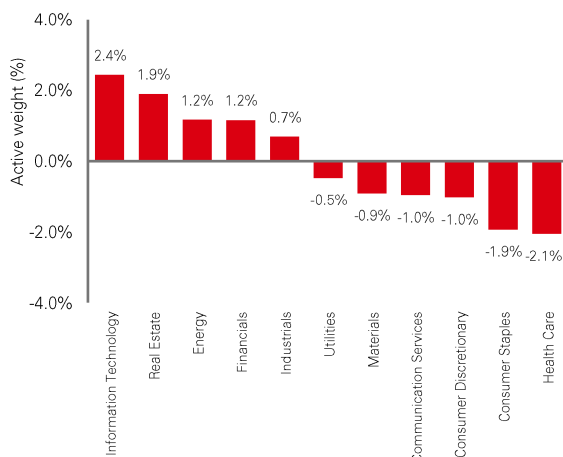


Well-diversified across stocks, sectors and factors

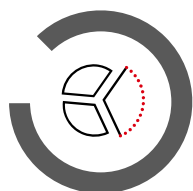
Active factor exposures



Active sector weightings (%)



Strong Risk Management



Seeks to deliver optimal portfolio given risk, constraints and objectives

Optimisation objectives and constraints



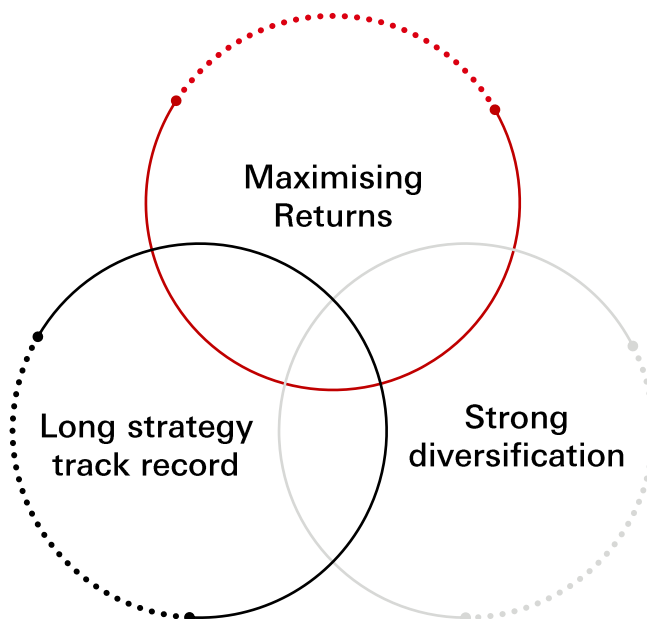
Indicative optimisation constraints

| | |
|-------------------------------|----------|
| Tracking error ex-ante | 2.5% |
| Max active sector limit | +/- 2% |
| Max active sub-industry limit | +/-3% |
| Max active stock limit | +/-0.80% |
| Turnover | 3%-5% |

Diversification does not ensure a profit or protect against loss. The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. This information should not be construed as a recommendation to invest in the specific country, product, strategy, sector or security.

Source: HSBC Asset Management as end of December 2024.

Aims to deliver better risk-adjusted returns than the index through a diversified portfolio



Core exposure that aims to achieve strong long-term performance **regardless of market cycle / economic regime**

Strategy characteristics

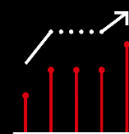
| | |
|--|---|
| Investment Objective | The strategy is actively managed and aims to provide long-term capital growth by investing in a diversified portfolio of US stocks |
| Investment Policy | The Strategy invests mainly in equities of companies incorporated in the US or those that earn the majority of their revenue from the US. |
| Strategy Launch | 26 July 2006 |
| UCITS V Compliant | Yes |
| Strategy AUM (USD M) | 785 |
| Base Currency | USD |
| Number of Holdings | ~100-200 |
| Reference Benchmark | S&P 500 |
| Number of Holdings in Benchmark | ~500 |
| ISINs of available funds | IE000N3I61K2, GB00B19DCX31 |

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

Source: HSBC Asset Management as end December 2024.

Consistent Excess Returns

- ◆ **Long track record** starting in **2006**
- ◆ Targeting superior **Risk-adjusted Returns**



Performance (%)

| | 3M | YTD | 1Y | 3Y (ann.) | 5Y (ann.) | 10Y (ann.) |
|--|--------------|-------------|-------------|-------------|-------------|-------------|
| HSBC US Multi-Factor Equity Strategy (USD) | 1.46 | 25.01 | 25.01 | 8.93 | 15.05 | 13.00 |
| S&P 500 Net | 2.31 | 24.50 | 24.50 | 8.43 | 13.98 | 12.49 |
| Difference | -0.85 | 0.51 | 0.51 | 0.50 | 1.07 | 0.51 |

Key metrics (3-year)

| | HSBC US Multi-Factor Equity Strategy (USD) | S&P 500 Net |
|------------------------|--|-------------|
| Ex-post tracking error | 1.88% | - |
| Alpha | 0.55% | - |
| Beta | 0.99 | 1.00 |
| Information Ratio | 0.24 | - |

Rolling period returns

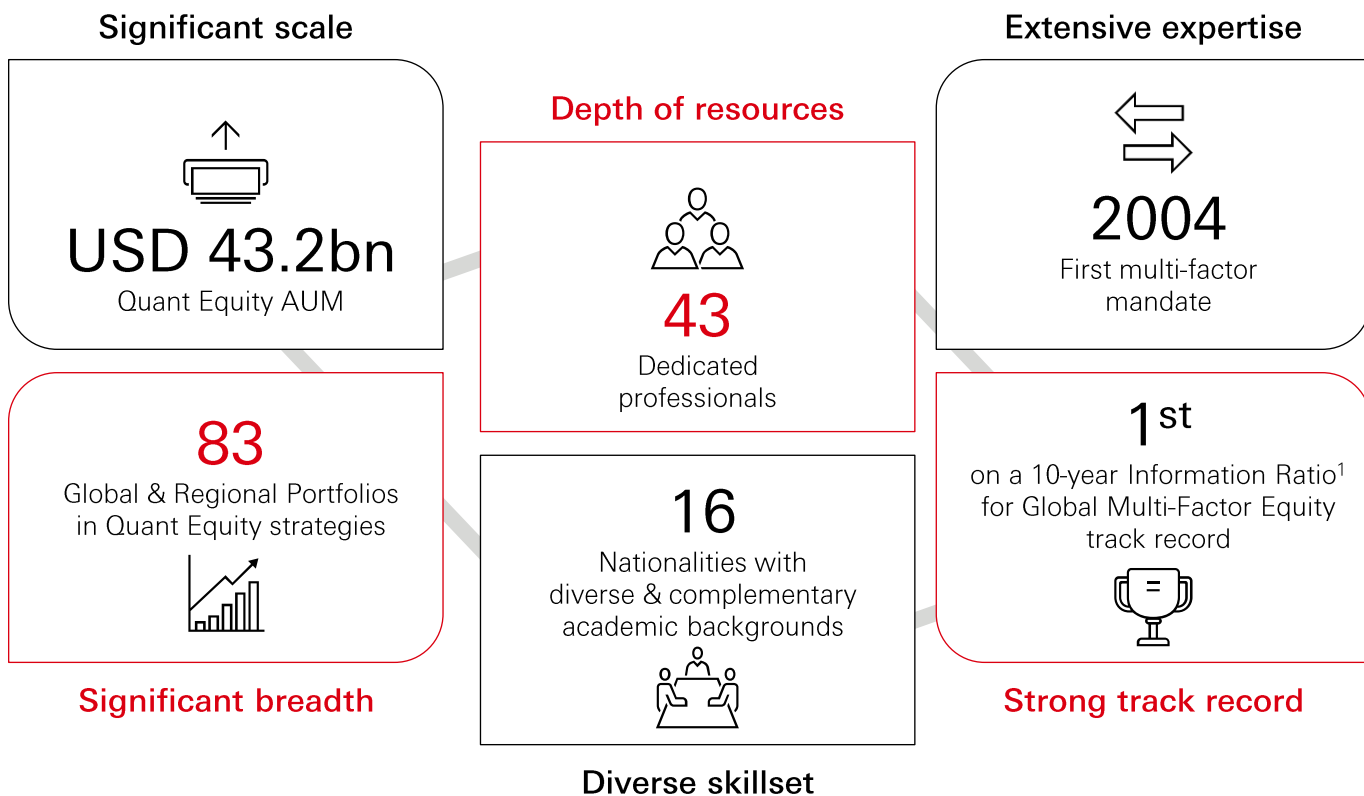
| | 31.12.2023 to 31.12.2024 | 31.12.2022 to 31.12.2023 | 31.12.2021 to 31.12.2022 | 31.12.2020 to 31.12.2021 | 31.12.2019 to 31.12.2020 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| HSBC US Multi-Factor Equity Strategy (USD) | 25.01% | 24.49% | -16.96% | 32.59% | 17.62% |
| S&P 500 Net | 24.50% | 25.67% | -18.51% | 28.16% | 17.75% |

| | 31.12.2018 to 31.12.2019 | 31.12.2017 to 31.12.2018 | 31.12.2016 to 31.12.2017 | 31.12.2015 to 31.12.2016 | 31.12.2014 to 31.12.2015 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| HSBC US Multi-Factor Equity Strategy (USD) | 30.13% | -4.86% | 21.35% | 11.63% | 0.44% |
| S&P 500 Net | 30.70% | -4.94% | 21.10% | 11.23% | 0.75% |

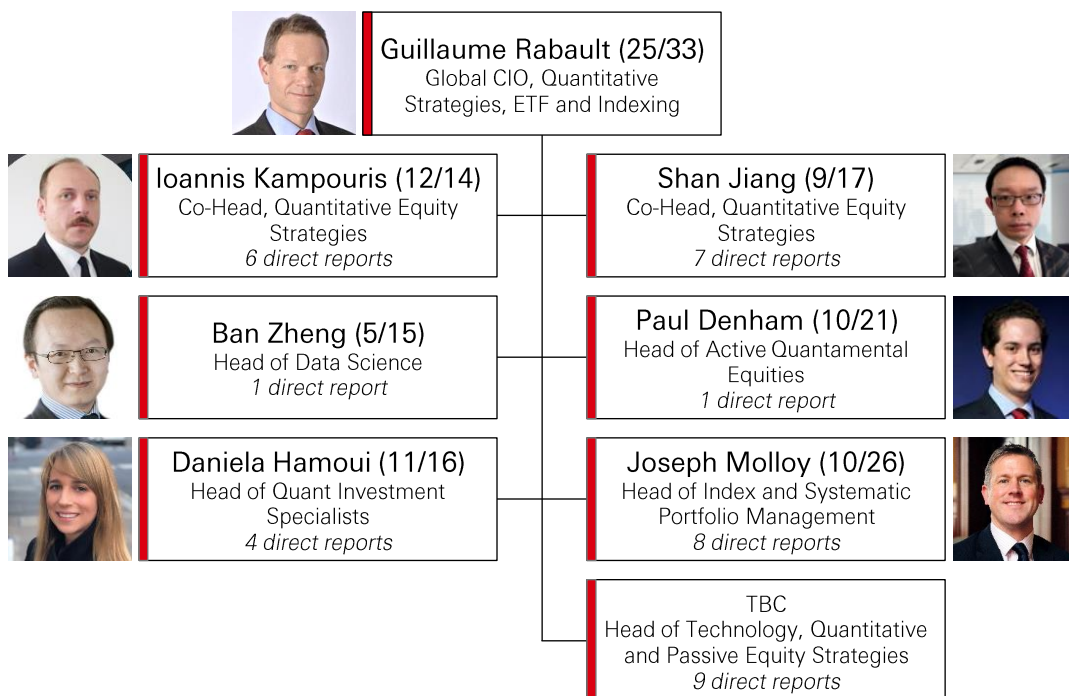
Past performance does not predict future returns.

Past performance is shown gross of fees, meaning any potential returns will be reduced by the deduction of investment management fees and any other expenses incurred. This Strategy is denominated in USD and the costs may increase or decrease as a result of currency and exchange rate fluctuations. Source: HSBC Asset Management, as end of December 2024. HSBC US Multi-Factor Equity Strategy relates to the Equity Multi-Factor Core US Composite. Data is supplemental to the GIPS® compliant presentation at the end of this document.

Well-resourced portfolio management & research team



HSBC Quantitative Equity team Years in HSBC / Industry experience



Past performance does not predict future returns. The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

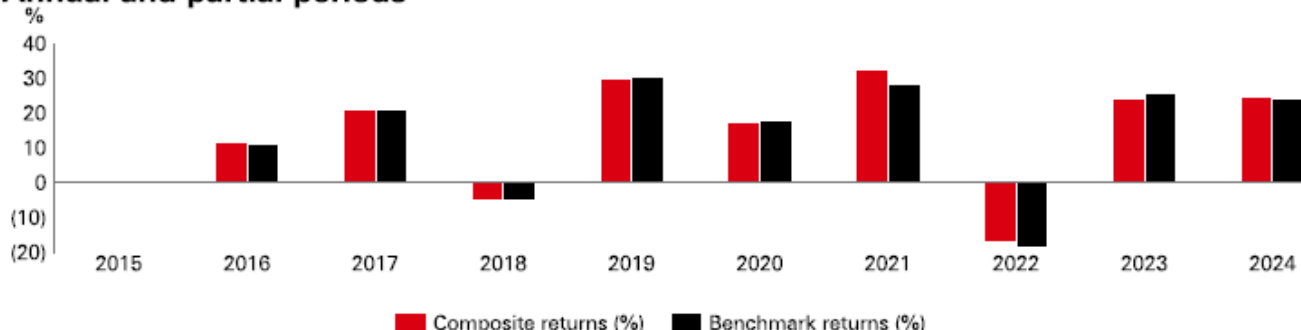
Source: HSBC Asset Management as December 2024. (/) denotes years in HSBC and industry experience. The team may change from time to time without any notice.

(1) Source: The peer group is extracted from eVestment Global Smart Beta Equity peer group of 90+ competitor products. For peer group criteria/methodology, please refer to <https://www.evestment.com/>. Data as at September 2024.

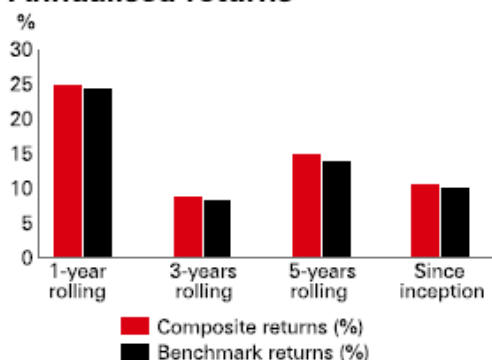
GIPS® report to 31 December 2024

| | |
|---------------------|-------------------|
| Benchmark name: | S&P 500 Net (555) |
| Inception date: | 31 July 2006 |
| Reporting currency: | USD |
| Return type: | Gross |

Annual and partial periods



Annualised returns



| Period | Composite returns (%) | Benchmark returns (%) |
|-----------------|-----------------------|-----------------------|
| 1-year rolling | 25.01 | 24.50 |
| 3-years rolling | 8.93 | 8.43 |
| 5-years rolling | 15.05 | 13.98 |
| Since inception | 10.86 | 10.15 |

| Year | Returns | | Accounts and dispersion | | | Risk, 3-year standard deviation | | AUM | | |
|------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|---------------------------------|----------------------|----------------------|---------------|-----------------------|
| | Composite returns (%) | Benchmark returns (%) | Accounts at end | 90th percentile returns | 10th percentile returns | Composite volatility | Benchmark volatility | Composite at end (m) | % firm assets | Total firm at end (m) |
| 2024 | 25.01 | 24.50 | ≤5 | 25.08 | 25.08 | 17.05 | 17.14 | 785.12 | | |
| 2023 | 24.49 | 25.67 | ≤5 | 24.49 | 24.49 | 17.26 | 17.29 | 402.89 | | |
| 2022 | (16.96) | (18.51) | ≤5 | (16.96) | (16.96) | 20.71 | 20.86 | 279.13 | 0.07 | 399,106.53 |
| 2021 | 32.59 | 28.16 | ≤5 | 32.59 | 32.59 | 16.96 | 17.17 | 280.35 | 0.07 | 427,704.00 |
| 2020 | 17.62 | 17.75 | ≤5 | 17.62 | 17.62 | 18.15 | 18.53 | 232.67 | 0.06 | 401,218.93 |
| 2019 | 30.13 | 30.70 | ≤5 | 30.13 | 30.13 | 11.74 | 11.93 | 185.11 | 0.06 | 327,265.51 |
| 2018 | (4.86) | (4.94) | ≤5 | (4.86) | (4.86) | 10.69 | 10.79 | 158.70 | 0.06 | 253,946.01 |
| 2017 | 21.35 | 21.10 | ≤5 | 21.35 | 21.35 | 9.96 | 9.92 | 139.41 | 0.05 | 275,420.02 |
| 2016 | 11.63 | 11.23 | ≤5 | 11.63 | 11.63 | 10.62 | 10.57 | 122.86 | 0.05 | 227,899.34 |
| 2015 | 0.44 | 0.75 | ≤5 | 0.44 | 0.44 | 10.60 | 10.47 | 121.03 | 0.05 | 223,598.72 |

Disclosures

HSBC Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. HSBC Asset Management has been independently verified for the periods 1 January 2006 through 31 December 2022. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

The composite creation date is 26/09/2018

A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request. The Firm's policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

Prior to 2011, HSBC Asset Management maintained eight distinct GIPS Firms. The Firms were defined by legal business entity. All existing group Firms were thereafter amalgamated into a single global Firm definition. Historical performance shown prior to January 1, 2006 reflects the performance of a legacy Firm GIPS composite.

HSBC Asset Management (the Firm) consists of discretionary accounts and sub-accounts managed as discrete mandates within specified local HSBC Asset Management entities. The Firm comprises the following: HSBC Global Asset Management (Deutschland) GmbH, HSBC Global Asset Management (Hong Kong) Limited, HSBC Global Asset Management (USA) Inc., HSBC Global Asset Management (France), HSBC Global Asset Management (Canada) Limited (Until 28th March 2024), and HSBC Global Asset Management (UK) Limited, inclusive of authorised mutual funds and mandates investing primarily in Securitised Credit (known as Asset Backed Securities (ABS) until April 2022) and Infrastructure Debt & Equity managed in these locations. The firm excludes all other portfolios and funds managed by the Alternative Investments and Securitised Credit teams (with the exception of Securitised Credit and Infrastructure Debt & Equity funds referenced herein), LDI products, French regulated employee (FCPE) schemes, and private client accounts as these products operate under a materially different philosophy and process and/or regulatory environment.

The Equity Multi-Factor Core US composite contains all discretionary multi-factor US equity strategies which aim to provide investors with consistent outperformance against its market capitalisation weighted index with a targeted tracking error.

Actual management fees are negotiable at the discretion of HSBC.

Performance returns are calculated gross of investment management fees and other non-trading related expenses. Gross returns were used to calculate all risk measures presented in this GIPS Composite Report.

The performance presented in this composite report is calculated net of unreclaimable withholding taxes.

Warnings: The historical performance presented in these reports should not be seen as an indication of future performance; The value of your investment and any income from it can go down as well as up. Where overseas securities are held the rate of exchange may cause the value of the investment to go down as well as up. Investors should also be aware that other performance calculation methods may produce different results, and that the results for specific portfolios and for different periods may vary from the returns presented in these reports; Comparisons of investment returns should consider qualitative circumstances and should be made only to portfolios with generally similar investment objectives. In the USA, this information is intended for use solely in one-on-one presentations.

Portfolios in the composite may invest in swaps, futures, options, and forwards for the purpose of risk hedging and/or return enhancement.

The dispersion of the returns are measured by the spread of gross returns from individual portfolios within a composite. The dispersion of returns are measured by the percentiles of gross portfolio returns represented within the composite.

The GIPS Total Firm AUM is calculated and shown on a quarterly basis.

Prior to 01/01/2020, the standard annual investment management fee schedule for separately managed institutional accounts was as follows: 0.25% of assets per annum for the first \$100 million USD, 0.225% for the next \$100 million USD and 0.20% for the next \$300 million USD.

From 01/01/2020 to 31/12/23 the standard annual investment management fee schedule for separately managed institutional accounts was as follows: 0.20% of assets per annum up to first \$200 million, 0.15% \$200-\$500 million and 0.10% for the balance over \$500 million. From 01/01/24 the standard annual investment management fee for separately managed institutional accounts is 0.20% p.a. with a minimum investment of USD 100 million.

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'Global' was removed from the Firm name effective 01 December 2021 as part of rebranding, and does not affect the composition of the firm or the strategies managed within it.

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Key Risks

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

- ◆ **Counterparty Risk:** The possibility that the counterparty to a transaction may be unwilling or unable to meet its obligations
- ◆ **Derivatives Risk:** Derivatives can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
- ◆ **Exchange Rate Risk:** Changes in currency exchange rates could reduce or increase investment gains or investment losses, in some cases significantly.
- ◆ **Investment Leverage Risk:** Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- ◆ **Liquidity Risk:** Liquidity Risk is the risk that a Fund may encounter difficulties meeting its obligations in respect of financial liabilities that are settled by delivering cash or other financial assets, thereby compromising existing or remaining investors.
- ◆ **Operational Risk:** Operational risks may subject the Fund to errors affecting transactions, valuation, accounting, and financial reporting, among other things.

Further information on the potential risks can be found in the Key Investor Information Document (KIID) and/ or the Prospectus or Offering Memorandum.

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