Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: HSBC RESPONSIBLE INVESTMENT FUNDS - EUROPE EQUITY GREEN TRANSITION

V1
Data as of December 31, 2024
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Legal entity identifier:
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Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Does this financial product have a sustainable investment objective?

☑ **Yes**	☐ **No**
☑ It made **sustainable investments with an environmental objective: 98.94%**	☐ It promoted Environmental and/or Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of _% sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☑ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: _%**	☐ It promoted E/S characteristics but **did not make any sustainable investments.**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** This regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the Taxonomy.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators

The subfund invests in shares issued by European companies that provide the solutions necessary for the decarbonisation of players in the green transition. Portfolio companies are selected for their best environmental, social, and governance practices and for their financial quality. Therefore, the fund contributes to the environmental objectives set out in Article 9 of the Taxonomy Regulation and, in particular, to the objectives of climate change mitigation and adaptation.

measure how the environmental or social characteristics promoted by the financial product are attained.

In addition, the subfund will:
- Exclude issuers that have one or more confirmed breaches or at least two presumed breaches of one of the ten principles of the United Nations Global Compact or of the OECD Guidelines for Multinational Enterprises.
- Exclude shares of companies involved in the production of controversial weapons or their components. Controversial weapons include, but are not limited to, anti-personnel mines, depleted uranium weapons and white phosphorus when used for military purposes. This exclusion is in addition to the exclusion policy on weapons prohibited by international treaties.
- Exclude shares of companies in the Defence sector.
- Exclude shares of companies primarily involved in the exploration, production, and exploitation of fossil fuels.
- Exclude shares of companies engaged in thermal coal activities. With regard to electricity generation, companies that derive more than 5% of their revenue from electricity generated using thermal coal are partially excluded. Mining companies are completely excluded.
- Exclude shares of companies in the nuclear sector.
- Exclude shares of companies involved in tobacco production.
- Carefully consider environmental issues through voting and engagement activities.

The subfund is actively managed and does not track a benchmark. The indicator used by the subfund to measure performance is the MSCI Europe GDP weighted. However, it has not been designated to determine whether the subfund attains the sustainable investment objective.

- ***How did the sustainability indicators perform?***

Indicator	Fund	Benchmark
Emissions avoided	-226.90	-54.52
3. GHG emissions intensity of beneficiary companies - tonnes of CO2 equivalent per million euros of revenue	91.45	96.89
4. Exposure to companies active in the fossil fuel sector	0.00%	9.75%
10. Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	0.00%	0.00%
14. Exposure to companies involved in the production of controversial weapons or their components (anti-personnel mines, depleted uranium weapons, white phosphorus when used for military purposes)	0.00%	0.33%

The data in this report are as of 31 December 2024, based on the average of the positions at the end of each of the four quarters of the financial year ended 31 December 2024.

Benchmark - MSCI Europe GDP

- ***…and compared to previous periods?***

Indicator	End of the financial year	Fund	Benchmark Reference
Emissions avoided	31 December 2024	-226.90	-54.52
	31 December 2023	-192.11	-68.23
	31 December 2022	-252.86	-111.28
3. GHG emissions intensity of beneficiary companies - tonnes of CO2 equivalent per million euros of revenue	31 December 2024	91.45	96.89
	31 December 2023	138.74	113.08
	31 December 2022	126.81	149.69
4. Exposure to companies active in the fossil fuel sector	31 December 2024	0.00%	9.75%

4. Exposure to companies active in the fossil fuel sector	31 December 2023	3.01%	11.50%
	31 December 2022	3.46%	13.98%
10. Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	31 December 2024	0.00%	0.00%
	31 December 2023	0.00%	0.00%
	31 December 2022	0.00%	0.00%
14. Exposure to companies involved in the production of controversial weapons or their components (anti-personnel mines, depleted uranium weapons, white phosphorus when used for military purposes)	31 December 2024	0.00%	0.33%
	31 December 2023	0.00%	0.00%
	31 December 2022	0.00%	0.00%

- ***To what extent have sustainable investments do no significant harm to a sustainable investment objective?***

The principle of "do no significant harm" to environmental or social objectives applies only to the underlying sustainable investments of the subfund. This principle is incorporated into the investment decision-making process, which includes consideration of principal adverse impacts.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights and anti-corruption and anti-bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

HSBC Asset Management's "do no significant harm" (DNSH) assessment of issuers as part of its sustainable investment process includes consideration of principal adverse impacts (PAI). It involves a holistic analysis of the company's multiple sustainability impacts rather than focusing on a single factor. When an issuer is identified as potentially controversial, it cannot be considered a sustainable investment. All relevant PAIs are thus examined and integrated into the investment process according to an approach that combines exclusions (sectoral, the most severe ESG controversies, norms-based exclusions, etc.) with voting and shareholder engagement activities to instil and maintain a positive change dynamic within companies. Furthermore, a company will not qualify as sustainable if it does not comply with the principles of the United Nations Global Compact and its associated international standards, conventions, and treaties or if it is involved in weapons banned by international conventions. With the exception of these last two PAIs, we use proxies. In our view, the setting of exclusion thresholds (e.g. GHG emissions) for each PAI is not always relevant and could compromise the fact that many sectors and companies are in a transition strategy. In addition, engagement is essential to ensure that companies with limited disclosure, particularly in emerging economies, are initially excluded from the definition of sustainable investment and allow us to be a catalyst for positive environmental or social change. For example, we use a 10% threshold on revenues from thermal coal mining (and coal-fired power generation) as an exclusion filter to indirectly address all PAIs related to greenhouse gas emissions. HSBC's sustainable investment methodology is available on the management company's website: www.assetmanagement.hsbc.fr/fr/retail-investors/about-us/responsible-investors/policies

Were the fund's sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

HSBC is committed to applying and promoting international standards. The ten principles of the United Nations Global Compact are among the priorities of HSBC's Responsible Investment Policy. These principles include non-financial risks such as human rights, labour standards, the environment, and anti-corruption. HSBC is also a signatory to the United Nations Principles for Responsible Investment. They provide a framework for the identification and management of sustainability risks. In this subfund, companies with a proven violation of one of the 10 principles of the United Nations Global Compact or at least two alleged violations are systematically excluded. Companies are also assessed according to international standards such as the OECD Guidelines for Multinational Enterprises.

How did this financial product take into consideration principal adverse impacts on sustainability factors?

The principal adverse impacts of investments are considered in the management of the subfund as follows:

• For the selection of investments, the manager has chosen two environmental indicators: "Greenhouse Gas Intensity" and "Exposure to companies active in the fossil fuel sector". The subfund's consideration of these indicators stems from, in particular, the application of our coal phase-out policy as well as sectoral exclusions set out by the label guidelines. In addition, the manager favours, all other things being equal, companies that emit the least CO2 within their sector or are working to reduce their carbon intensity.

• Exclusion of issuers:

- Considered non-compliant with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.
- Exposed to controversial weapons.

• Lastly, the subfund takes into consideration the principal adverse impacts in its engagement approach, which incorporates several levers for action including 1) direct dialogue with companies about their consideration of environmental and social issues to ensure that they are able to face the future and maintain long-term financial viability, 2) the exercising of voting rights by which we express our support for positive development initiatives or, conversely, our disagreement when directors do not meet our expectations, and 3) a gradual escalation procedure with companies when the ESG risks or controversies to which they are exposed are not managed. In practice, the Greenhouse Gas Intensity indicator is taken into consideration, in particular, through dialogue with companies to assess how their carbon neutrality transition plans take into account impacts on employees, supply chains, communities and consumers.

What were this financial product's largest investments?

The list comprises the investments making up the **largest proportion of the financial product's investments** at: Average of the positions at the end of each of the four quarters of the reference period ended 31/12/2024

Largest investments	Sector	% of assets	Country
Compagnie de Saint-Gobain SA	Industry	4.66%	France
Schneider Electric SE	Industry	4.30%	France
Prysmian S.p.A.	Industry	4.29%	Italy
AB B Ltd.	Industry	4.18%	Switzerland
Sika AG	Materials	3.87%	Switzerland
Munchener Ruckversicherungs-Gesellschaft AG	Financial	3.83%	Germany
E.ON SE	Utilities	3.70%	Germany
SPIE SA	Industry	3.53%	France
Royal KPN NV	Telecommunications services	3.20%	Netherlands
Arcadis NV	Industry	2.87%	Netherlands
Kingspan Group Plc	Industry	2.82%	Ireland
ASML Holding NV	Information technology	2.74%	Netherlands
Norsk Hydro ASA	Materials	2.72%	Norway
BELIMO Holding AG	Industry	2.63%	Switzerland
Veolia Environnement SA	Utilities	2.62%	France

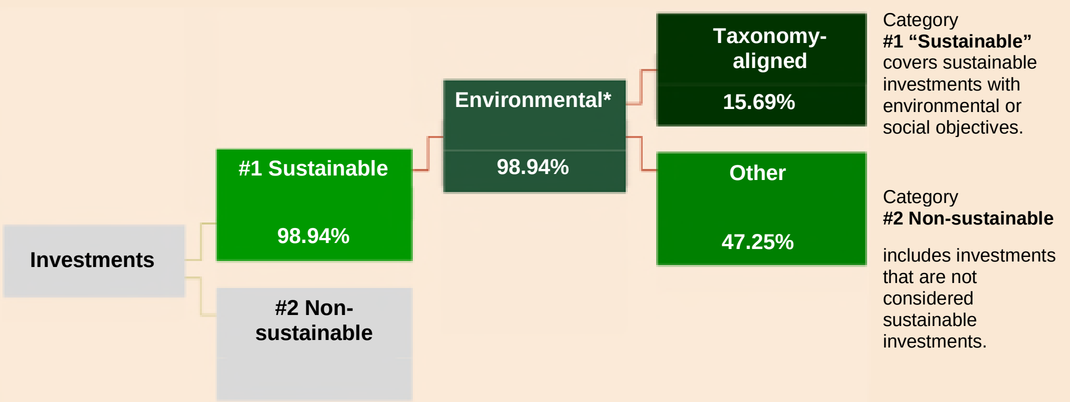
Cash and derivatives are excluded

What was the proportion of sustainability-related investments?

The proportion of sustainable investments was 98.94%.
The management company's sustainable investment methodology is available in the section "SFDR" Appendix of Regulation (EU) 2019/2088 of the annual report.

Asset allocation describes the share of investments in specific assets.

- ***What was the asset allocation?***



* A company or issuer that is considered a sustainable investment can contribute to both an environmental and a social objective that may or may not be aligned with the EU taxonomy. The figures in the chart above take this into account, but a company or issuer can only be counted once in category #1A Sustainable.

- ***In which economic sectors were the investments made?***

Sector / *Sub-Sector* **% assets**

Industry	44.05%
Materials	14.08%
Utilities	13.16%
Electricity	*1.49%*
Diversified businesses	*6.25%*
Information technology	11.27%
Consumer discretionary	6.32%
Financial	6.25%
Telecommunications services	3.17%
Cash and derivatives	1.06%
Consumer staples	0.66%
Total	100.00%

To comply with the EU Taxonomy, the criteria applicable to **natural gas** include emission limits and switching to entirely renewable sources of electricity or to low-carbon fuel by the end of 2035. For **nuclear energy,** the criteria include comprehensive safety and waste management rules.

EU Taxonomy-aligned activities are expressed as a percentage of:

- **revenue** to reflect the share of revenue generated by green activities of investee companies;

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The proportion of sustainable investments aligned with the EU taxonomy is shown in the asset allocation table above.

- **Has the financial product invested in natural gas and/or nuclear energy generation activities that are compliant with the EU Taxonomy?**

☑ Yes:

☑ In natural gas ☑ In nuclear energy

☐ No

[1] Natural gas and/or nuclear energy generation activities only qualify as EU Taxonomy-eligible if they help mitigate climate change (“mitigation of climate change”) and cause no significant harm to any of the EU Taxonomy objectives (see the explanatory note in the sidebar on the left). The set of criteria for natural gas and nuclear energy generation activities that are compliant with the EU Taxonomy are set out in Commission Delegated Regulation (EU) 2022/1214.

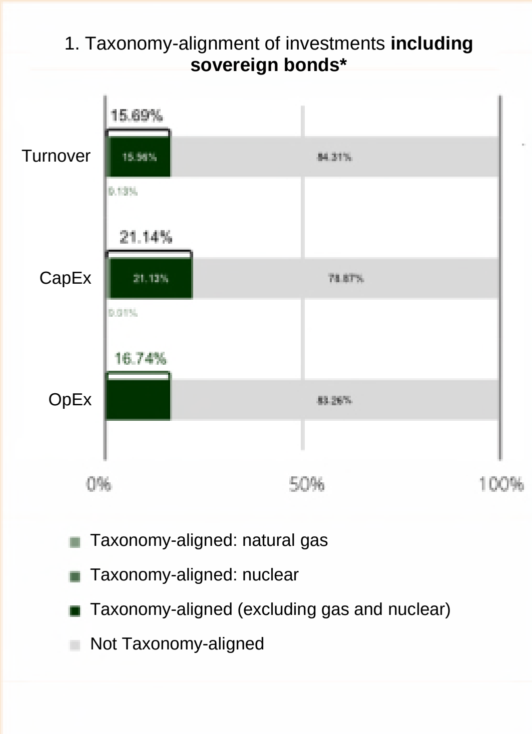
- **capital expenditure** (CapEx) to show the green investments made by investee companies, relevant for a transition to a green economy;

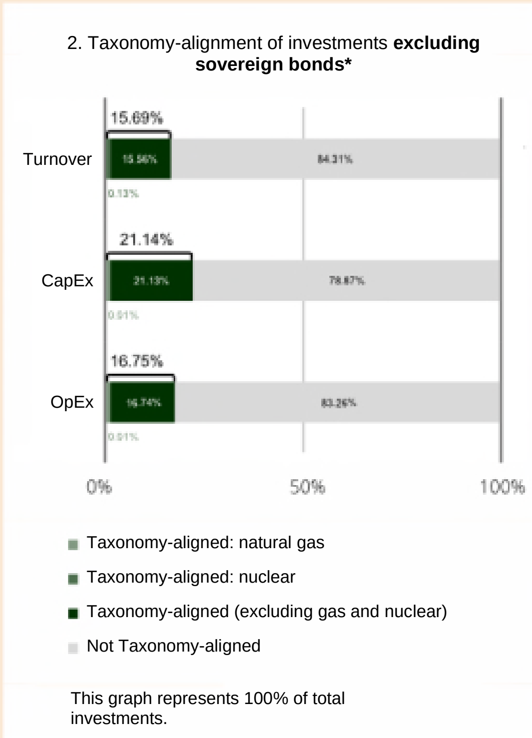
- **operational expenses** (OpEx) reflecting green operational activities of investee companies.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

The two graphs below show, in green, the percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, "sovereign bonds" include all sovereign exposures.*

- ***What was the share of investments made in transitional and enabling activities?***

During the reporting period, the proportion of investments made in transitional activities was 1.66% and the proportion of investments made in enabling activities was 16.78%.

- ***How did the percentage of EU Taxonomy-aligned investments compare with previous reference periods?***

Indicator	**2023-24**	**2022-23**	**2021-22**
Revenue - Taxonomy aligned: fossil gas	N/A	N/A	0.00%
Turnover - Taxonomy-aligned: nuclear	0.13%	0.06%	0.00%
Revenue - Taxonomy aligned (excluding gas and nuclear)	15.56%	11.06%	0.00%
Revenue - Not Taxonomy-aligned	84.31%	88.89%	100.00%
CapEx - Taxonomy-aligned: natural gas	0.01%	N/A	0.00%
CapEx - Taxonomy-aligned: nuclear	N/A	N/A	0.00%
CapEx - Taxonomy-aligned (excluding gas and nuclear)	78.87%	85.16%	100.00%
CapEx - Not Taxonomy-aligned	21.13%	14.84%	0.00%
CapEx - Taxonomy-aligned: natural gas	N/A	N/A	0.00%
OpEx - Taxonomy-aligned: nuclear	N/A	N/A	0.00%
OpEx - Taxonomy-aligned (excluding gas and nuclear)	16.74%	11.68%	0.00%
OpEx - Not Taxonomy-aligned	83.26%	88.32%	100.00%

This symbol denotes sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 47.25%.

What was the share of socially sustainable investments?

0.00%

What investments were included under "Non-sustainable", what was their purpose and were they covered by any minimum environmental or social safeguards?

The "non-sustainable" category is composed of cash.

What measures have been taken to achieve the sustainable investment objective during the reporting period?

The portfolio is composed in such a way that all the equities that make up the portfolio contribute to the sustainable objective of the strategy. The management measures have been taken in line with the sustainable investment objective.

How did this financial product perform compared to the sustainability benchmark?

The subfund is actively managed and does not track a benchmark. There is no benchmark representative of our management philosophy and therefore of our investment universe, nor has any index been designated to determine whether the subfund is aligned with the environmental or social characteristics that it promotes. The information requested in this section is therefore not applicable to this product.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators designed to determine the benchmark's alignment with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with its benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable