Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: HSBC Global Funds II ICAV - Euro Fixed Term Bond 2028 **Legal Entity Identifier:** 213800FKW187JW5TNZ24

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☑ **No**
☐ It made **sustainable investments with an environmental objective:** _%	☑ It **promoted Environmental/ Social (E/S) characteristics and** while it did not have as its objective a sustainable investment, it had a proportion of 22.90% 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**

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

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

The environmental and/or social characteristic promoted by this Sub-Fund was the promotion of good ESG practices amongst investee issuers as determined by the Investment Manager which were achieved through investment in issuers that were not engaged in the Excluded Activities, as defined below, which included responsible business practices by investing in issuers aligned with the United Nations Global Compact ("UNGC"). The good ESG practices promoted were:

(i) positive impact on climate change, which was achieved through not investing in certain issuers engaged with thermal coal;
(ii) peace and stability, which was achieved through not investing in certain issuers involved with banned weapons and controversial weapons;
(iii) public health achieved through not investing in certain issuers involved with tobacco; and

(iv) human rights and anti-corruption achieved as a result of not investing in issuers which were non-compliant with the UNGC principles.

Separate to the characteristics promoted by the Sub-Fund but as part of the ESG strategy of the Sub-Fund, the portfolio construction process at the Launch Date (as defined in the Supplement) involved the Investment Manager selecting securities to create a portfolio with a higher weighted average ESG rating than the weighted average ESG rating of to 70% ICE BofA 1-5 Year Euro Corporate Index and 30% ICE BofA 0-5 Year Euro Developed Markets High Yield Index (the “Blended Benchmark”). The ESG ratings used by the Investment Manager for this purpose are published by third party provider MSCI. Due to the buy-and-maintain nature of the Sub-Fund’s investment strategy which is expected to result in a relatively low portfolio turnover, the portfolio’s ESG rating is not calculated on a continuous basis and so an improved ESG rating compared to the Blended Benchmark is not a characteristic promoted by the Sub-Fund. Rather, the purpose of this step in the portfolio construction process was to create a portfolio with a higher weighted average ESG rating than that of the Blended Benchmark from inception. Due to the buy-and-maintain nature of the Sub-Fund’s investment strategy, the weighted average ESG rating of the portfolio is not expected to deviate materially throughout the Term (as defined in the Supplement) due to the Sub-Fund’s low portfolio turnover).

The Sub-Fund did not use derivatives to attain the environmental and/or social characteristics of the Sub-Fund.

The performance of the sustainability indicators the Sub-Fund used to measure the attainment of the environmental or social characteristics that it promoted can be seen in the table below. The sustainability indicators were calculated by the Investment Manager and utilise data from third party data vendors.

The data can be based on company/issuer disclosures, or estimated by the data vendors in the absence of company/issuer reports. Please note that it was not always possible to guarantee the accuracy, timeliness or completeness of data provided by third party vendors.

How did the sustainability indicators perform?

Indicator	Sub-Fund	Reference Benchmark
ESG Score	7.04	6.98
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%	0.09%
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%	0.00%
Exposure to Excluded Activities	0.00%*	N/A

The data is based on the four-quarter average holdings of the financial year ending on 31 December 2024.

Reference Benchmark - 70% ICE BofA 1-5 Year Euro Corporate Index; 30% ICE BofA 0-5 Year Euro Developed Markets High Yield Index

As disclosed in the SFDR Annex, the ESG Score is not intended to be used as a sustainability indicator to measure the performance of the environmental and social characteristics, but is disclosed for informational purposes, given it was considered in the portfolio construction process at the Launch Date.

*The Sub-Fund did not invest in any of the excluded activities detailed in the Prospectus / SFDR Annex.

…and compared to previous periods?

This Sub-Fund launched in the reference period, and as such there are no previous periods to compare against.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable Investments in the Sub-Fund were, amongst others:

1. Companies with sustainable product and/or services or quantifiable projects (e.g. CAPEX, OPEX and Turnover) linked to sustainable goals or outcomes;
2. Companies that demonstrated qualitative alignment and/or convergence with UN Sustainable Development Goals or sustainable themes (e.g. Circular Economy);
3. Companies that were transitioning with credible progress. (e.g the transition to or use of renewable energy or other low-carbon alternatives).
4. Sustainable Bonds as defined by bonds with specific uses of proceeds aligned to supporting sustainability goals (e.g. Green Bonds, Social Bonds).

Whilst the Sub-Fund did not commit to investing a minimum proportion in sustainable investments, the sustainable investments it made contributed to the above sustainable investment objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The principle of 'do no significant harm' applied only to the underlying sustainable investments of the Sub-Fund. The sustainable investments were deemed to not have caused significant harm against any environmental or social sustainable investment objective following assessment against the below considerations:

- Banned & controversial weapons involvement;
- Tobacco production revenues above 0%;
- Thermal coal extraction revenues above 10%;
- Thermal coal power generation revenues above 10%;
- Compliance with United Nations Global Compact principles; and
- Involvement in controversies of the highest levels.

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

The indicators for adverse impacts on sustainability factors were taken into account through assessment of companies against the involvement considerations detailed above.

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, anti-corruption and anti-bribery matters.

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

Sustainable investments were assessed for compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The approach taken to consider principal adverse impacts meant that the Investment Manager scrutinised issuers’ commitment to lower-carbon transition, adoption of sound human rights principles and employees’ fair treatment, and implementation of rigorous supply chain management practices such as those aiming to alleviate child and forced labour.

The Investment Manager paid attention to the robustness of corporate governance and political structures which included the level of board independence, respect of shareholders’ rights, existence and implementation of rigorous anti-corruption and bribery policies, as well as audit trails. 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 was also taken into account. Investment in issuers carrying out business activities that are deemed harmful to the environment were also excluded.

The Sub-Fund considered the principal adverse impacts that are listed below:

- violation of the UNGC principles and OECD Guidelines for Multinational Enterprises and
- share of investment involved in controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: Based on the four-quarter average holdings of the reference period as at 31/12/2024

Largest Investments	Sector	% Assets	Country
International Game Technology Plc 2.375% 15-apr-2028	Consumer Discretionary	2.43%	United States of America
A1 Towers Holding Gmbh 5.25% 13-jul-2028	Communication Services	2.20%	Austria
Orano Sa 2.75% 08-mar-2028	Utilities	2.13%	France
Wmg Acquisition Corp 2.75% 15-jul-2028	Communication Services	2.07%	United States of America
Tdf Infrastructure Societe Par Actions Simplifiee 5.625% 21-jul-2028	Communication Services	2.02%	France
Autostrade Per L'italia S.p.a. 2.0% 04-dec-2028	Industrials	1.79%	Italy
Lkq European Holdings Bv 4.125% 01-apr-2028	Consumer Discretionary	1.79%	United States of America
Ford Motor Credit Company Llc 4.165% 21-nov-2028	Consumer Discretionary	1.78%	United States of America
Valeo Se 1.0% 03-aug-2028	Consumer Discretionary	1.72%	France
Groupama Assurances Mutuelles Sa 0.75% 07-jul-2028	Financials	1.67%	France
Logicor Financing Sarl 3.25% 13-nov-2028	Real Estate	1.67%	Luxembourg
Roadster Finance Dac 2.375% 08-dec-2027	Consumer Discretionary	1.63%	Germany
Tdc Net A/s 5.056% 31-may-2028	Communication Services	1.59%	Denmark
Deutsche Bank Aktiengesellschaft 4.0% 12-jul-2028	Financials	1.58%	Germany
Banco Santander, S.a. 2.125% 08-feb-2028	Financials	1.54%	Spain

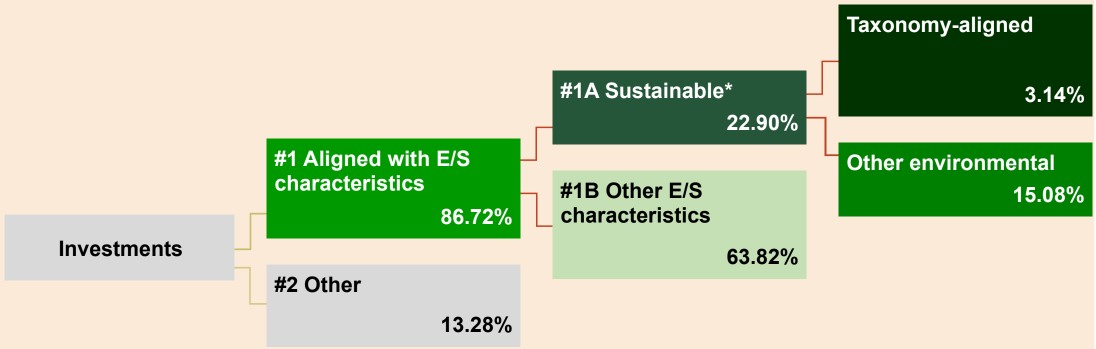
Cash and derivatives were excluded

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

22.90% of the portfolio was invested in sustainable investments.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

*A company or issuer considered as a sustainable investment may contribute to both a social and environmental objective, which can be aligned or non-aligned with the EU Taxonomy. The figures in the above diagram take this into account, but one company or issuer may only be recorded once under the sustainable investments figure (#1A Sustainable).

The percentages of Taxonomy-aligned and Other Environmental, do not equal #1A Sustainable investment due to differing calculation methodologies of sustainable investments and Taxonomy-aligned investments.

In which economic sectors were the investments made?

Sector / *Sub-Sector*	**% Assets**
Financials	24.47%
Consumer Discretionary	19.48%
Communication Services	14.66%
Industrials	12.31%
Materials	12.30%
Real Estate	6.57%
Utilities	5.17%
Electric Utilities	*4.07%*
Consumer Staples	1.91%
Health Care	1.51%
Information Technology	1.48%
Cash & Derivatives	0.12%
Total	100.00%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

3.14% of the Sub-Fund's investments were deemed sustainable investments with an enviromental objective aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

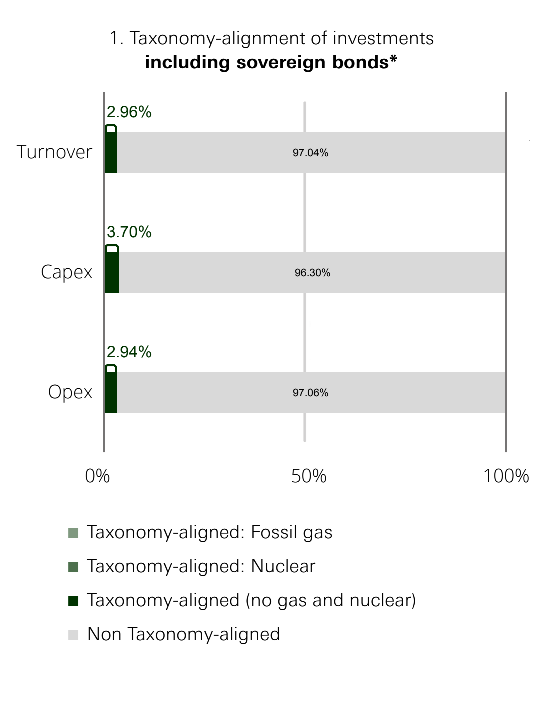
☐ In fossil gas ☐ In nuclear energy

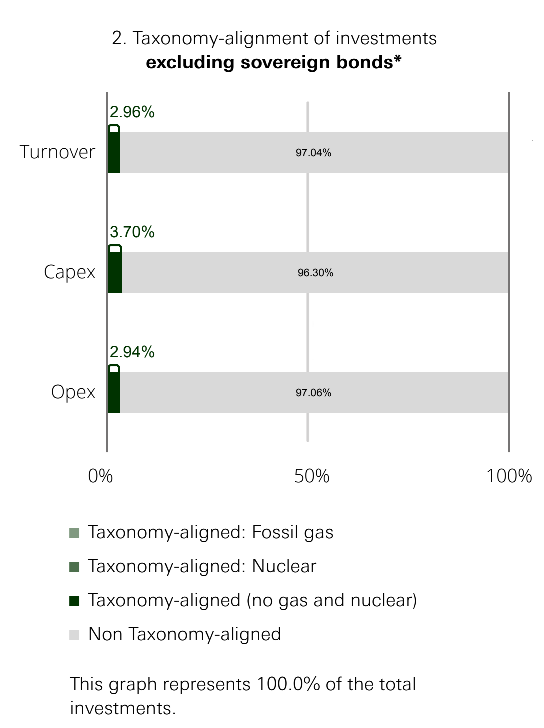
☑ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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' consist of all sovereign exposures.*

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.

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

For the reference period the Sub-Fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 1.62%.

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

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Indicator	2023-24	2022-23
Revenue - Taxonomy-aligned: Fossil gas	0.00%	No Data Available
Revenue - Taxonomy-aligned: Nuclear	0.00%	
Revenue - Taxonomy-aligned (no gas and nuclear)	2.96%	
Revenue - Non Taxonomy-aligned	97.04%	
CAPEX - Taxonomy-aligned: Fossil gas	0.00%	
CAPEX - Taxonomy-aligned: Nuclear	0.00%	
CAPEX - Taxonomy-aligned (no gas and nuclear)	3.70%	
CAPEX - Non Taxonomy-aligned	96.30%	
OPEX - Taxonomy-aligned: Fossil gas	0.00%	
OPEX - Taxonomy-aligned: Nuclear	0.00%	
OPEX - Taxonomy-aligned (no gas and nuclear)	2.94%	
OPEX - Non Taxonomy-aligned	97.06%	

are 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 sustainable investments with an environmental objective not aligned with the EU Taxonomy were 15.08%. Due to lack of coverage and data, the sub-fund did not commit to making any EU Taxonomy aligned investments.

What was the share of socially sustainable investments?

The Sub-Fund did not invest in socially sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

A portion of the investments in certain Euro-denominated investment grade and Non-Investment Grade fixed and/or floating rate bonds purchased by the Investment Manager which were acquired for investment purposes may not have applied minimum environmental and/or social safeguards. This may have also included investments that were not aligned for other reasons such as corporate actions and non-availability of data.

The Sub-Fund may have held cash, cash equivalents (being money market instruments (including bills, commercial paper, bank deposits, discount notes and certificates of deposit)) and other short-term debt instruments and the units or shares of eligible CIS which were money market funds for ancillary liquidity purposes, as well as FDIs which may have been used for hedging and efficient portfolio management.

Cash, and financial derivative instruments did not promote the environmental and/or social characteristics promoted by Sub-Fund and no minimum environmental and/or social safeguards were applied.

The proceeds of bonds maturing prior to the Term Date may have been invested in other short term debt instruments, units or shares of eligible CIS which were money market funds which were generally not aligned with the environmental and/or social characteristics promoted by the Sub-Fund and no minimum environmental and/or social safeguards were applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Sub-Fund aimed to generate total return during the Sub-Fund's term.

The Excluded Activities, as defined in the Prospectus, which together with fundamental qualitative issuer analysis, were used to determine the Sub-Fund’s investible universe.

The Sub-Fund included the identification and analysis of an issuer’s ESG Credentials as an integral part of the investment decision-making process, to help assess risks and potential returns. The ESG Credentials were:
• environmental and/or social factors, which are physical risks of climate change and human capital management, that may have a material impact on an issuer’s financial performance and valuation ; and
• corporate governance practices that protect minority investor interests and promote long term sustainable value creation.

Notwithstanding the Excluded Activities, the exclusion or inclusion of an issuer in the Sub-Fund’s investment universe was at the discretion of the Investment Manager. Issuers with an improving ESG score may have been included in the Sub-Fund’s investment universe even when their ESG score was still below the ESG Rating Level.

The Sub-Fund was actively managed without reference to a benchmark.
HSBC Asset Management is a signatory of the UN Principles of Responsible Investment and UK Stewardship Code. The HSBC Asset Management's stewardship team met with companies regularly to improve the understanding of their business and strategy, signal support or concerns we have with management actions and promote best practice.

Further information on shareholder engagement and voting policy can be found on our website: https://www.assetmanagement.hsbc.co.uk/en/individual-investor/about-us/responsible-investing/policies

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

The Sub-Fund did not have a reference benchmark.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

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

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

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

  Not applicable.

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

  Not applicable.