

HSBC Asset Management India

Unlocking sustainable investment opportunities



The investment manager of the HSBC Group

HSBC Asset Management

HSBC Asset Management, India (HSBC AMC)

Investment philosophy

Fixed investment process – HSBC AMC

Equity investment process – HSBC AMC

Risk management process

HSBC AMC – Key milestones

Annexures

Supported by the strength of a leading international financial institution

- Founded in 1865 to finance trade between Asia and the West, today HSBC is one of the world's largest banking and financial services organisations
- HSBC's aim is to be acknowledged as the world's leading and most respected international financial institution



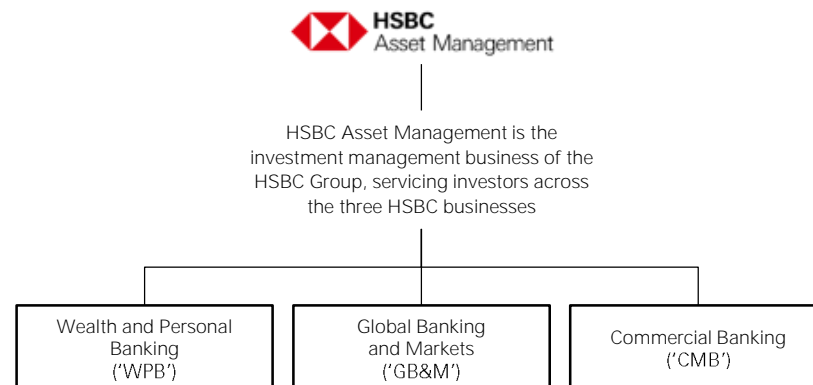
Common equity tier 1 ('CET1') ratio: 15.9%

Credit ratings¹:
A+/F1+ (Fitch);
A3/P-2 (Moody's);
A-/A-2 (S&P)

Profit before tax (adjusted): USD5.4bn

HSBC Asset Management serves clients across HSBC Group's businesses:

- HSBC Group's operating model consists of three global businesses and a Corporate Centre, supported by Digital Business Services and 11 global functions



HSBC Asset Management's vision is to be the trusted asset management partner to our clients, helping them thrive by capturing global growth opportunities

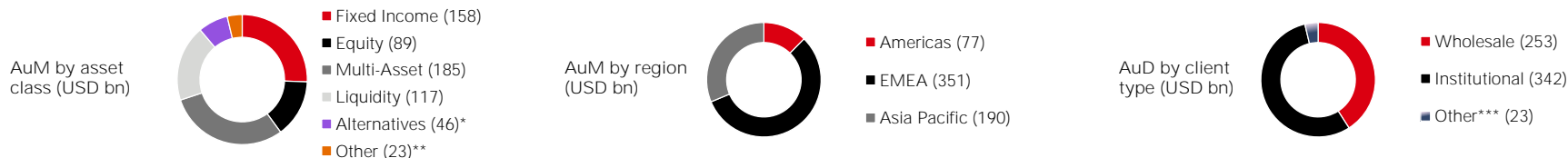
A global network of local experts

4

Investment professionals working across key locations



USD 619 bn under management



- HSBC Asset Management offices - Countries and territories where our investment teams sit are in bold
- 1. Asia-Pacific includes employees and assets of Hang Seng Bank, in which HSBC has a majority holding.
- 2. HSBC Jintrust Fund Management company is a joint venture between HSBC Asset Management and Shanxi Trust Corporation Limited.

* Alternatives assets excludes USD 2.80bn from committed capital ("dry powder") as well as advisory and oversight assets.

** Other in asset class refers to the assets of Hang Seng Bank, in which HSBC has a majority holding, and of HSBC Jintrust Fund Management, a joint venture between HSBC Asset Management and Shanxi Trust Corporation Limited.

*** Other in client type refers to asset distributed by Hang Seng Bank

Source: HSBC Asset Management as at 30 September 2021. Assets under management are presented on a distributed (AUD) basis. Any differences are due to rounding.

The investment management team manages/advises strategies with assets across investment categories

INR 11,736 Cr
AUM as at last day of month ended February '22

AUM for the month ended (28 February 2022)
Asset class wise disclosure of AUM and AAUM

Category	AUM as on the last day of the Month	Average AUM for the Month
Income	2,771	3,047
Equity (other than ELSS)	4,269	4,415
Liquid	3,924	4,478
Equity ELSS	188	195
Fund of Funds investing overseas	584	588
Total	11,736	12,724
Fund of Funds investing Domestic	149	152

Disclosure of percentage of AUM by geography

GEOGRAPHICAL SPREAD	% of Total AUM as on the last day of the Quarter
Top 5 Cities	66%
Next 10 Cities	18%
Next 20 Cities	6%
Next 75 Cities	5%
Others	5%
Total	100%

Offshore advisory (Equity and Fixed Income):
Rs.21550 Cr

Expertise in managing Indian equity and debt

- ◆ Managers/sub-advisors of Indian equity and debt assets from last 17 years

International experience

- ◆ Global presence, local knowledge
- ◆ Ability to identify and position for global trends
- ◆ Supported by global perspective on long term asset prices
- ◆ Inputs on impact of macro economic developments on Indian fixed income markets

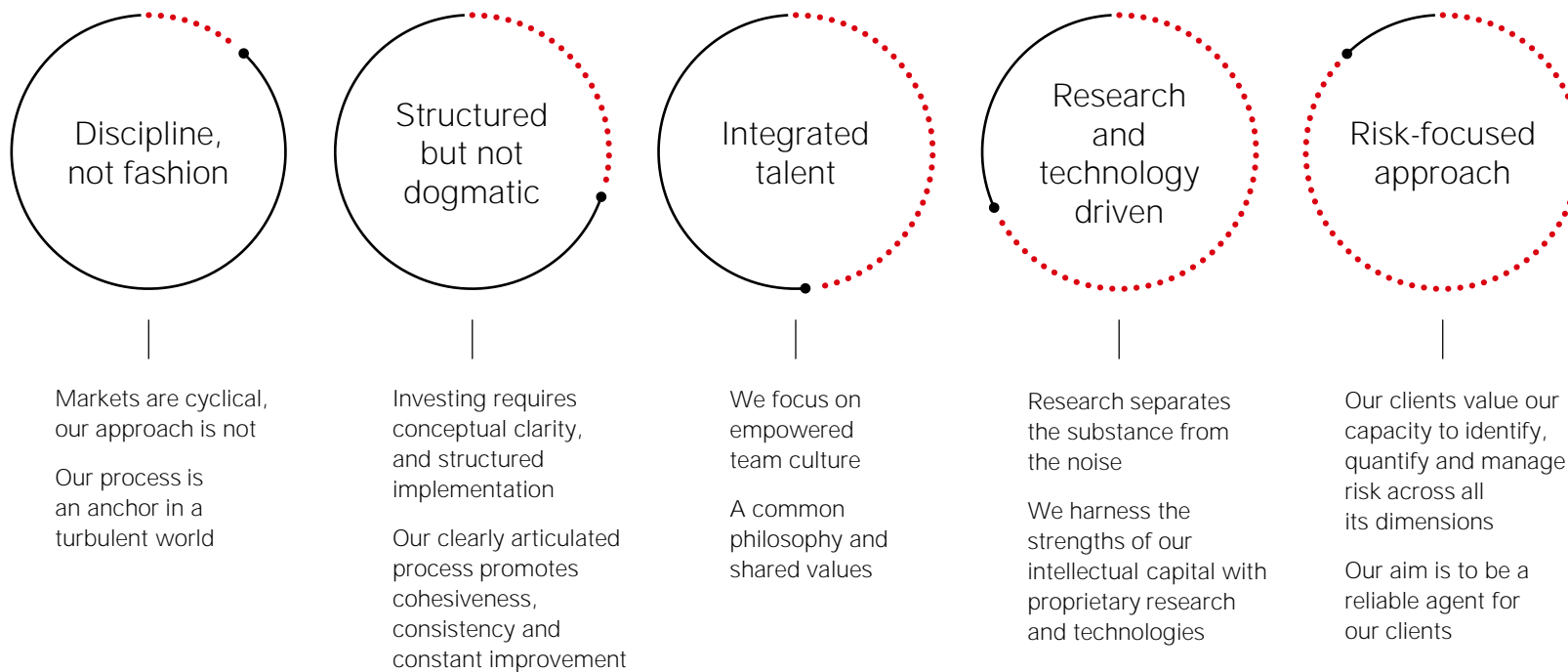
Differentiate Product offerings

- ◆ Clear and differentiated product offerings across asset classes
- ◆ Recognised leader in emerging markets asset management

On the ground presence combined with global oversight

- ◆ Personal local relationships combined with Executive Management engagement and global support through dedicated Official Sector Institutions team based in London
- ◆ Tailored and bespoke approach when working with Official Sector Institutions

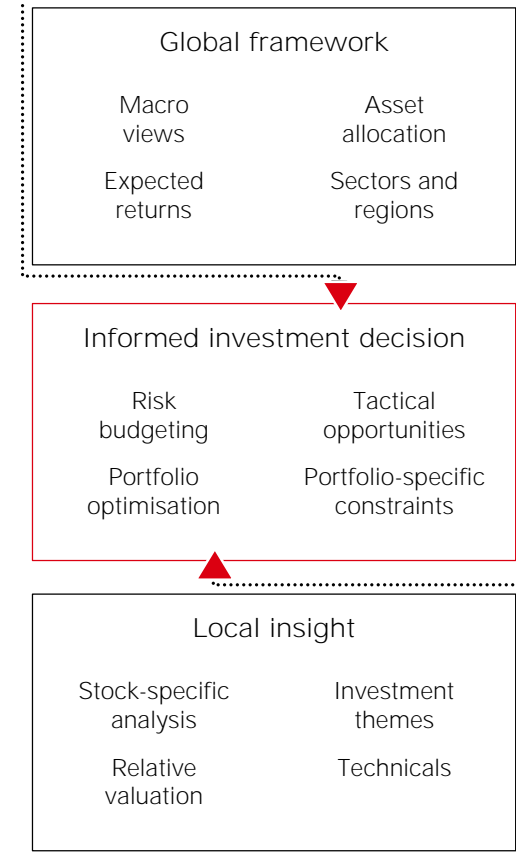
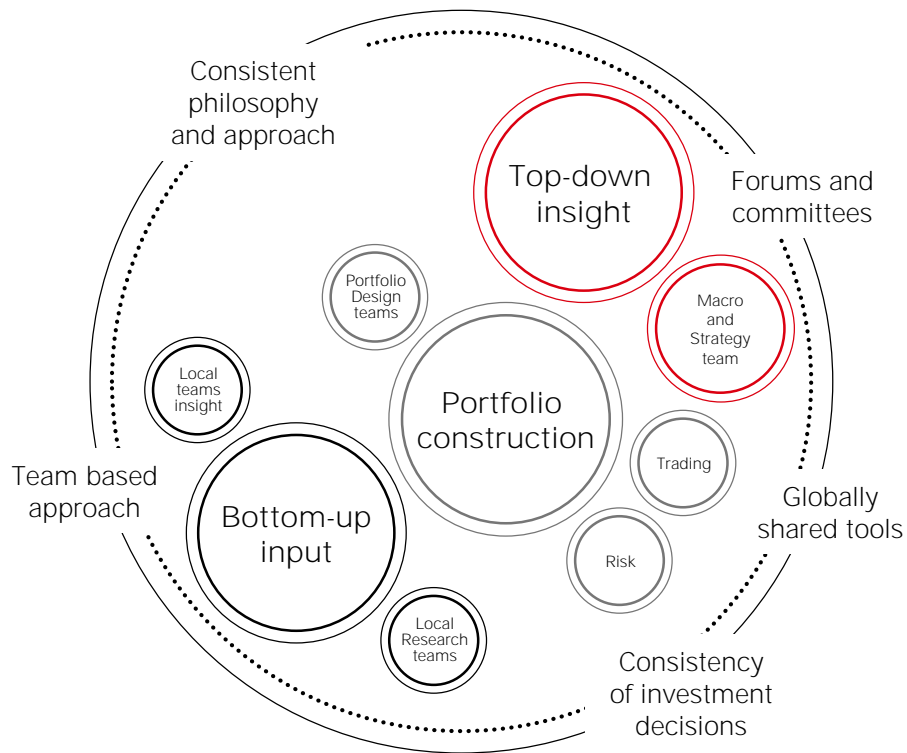
A distinct perspective on asset management



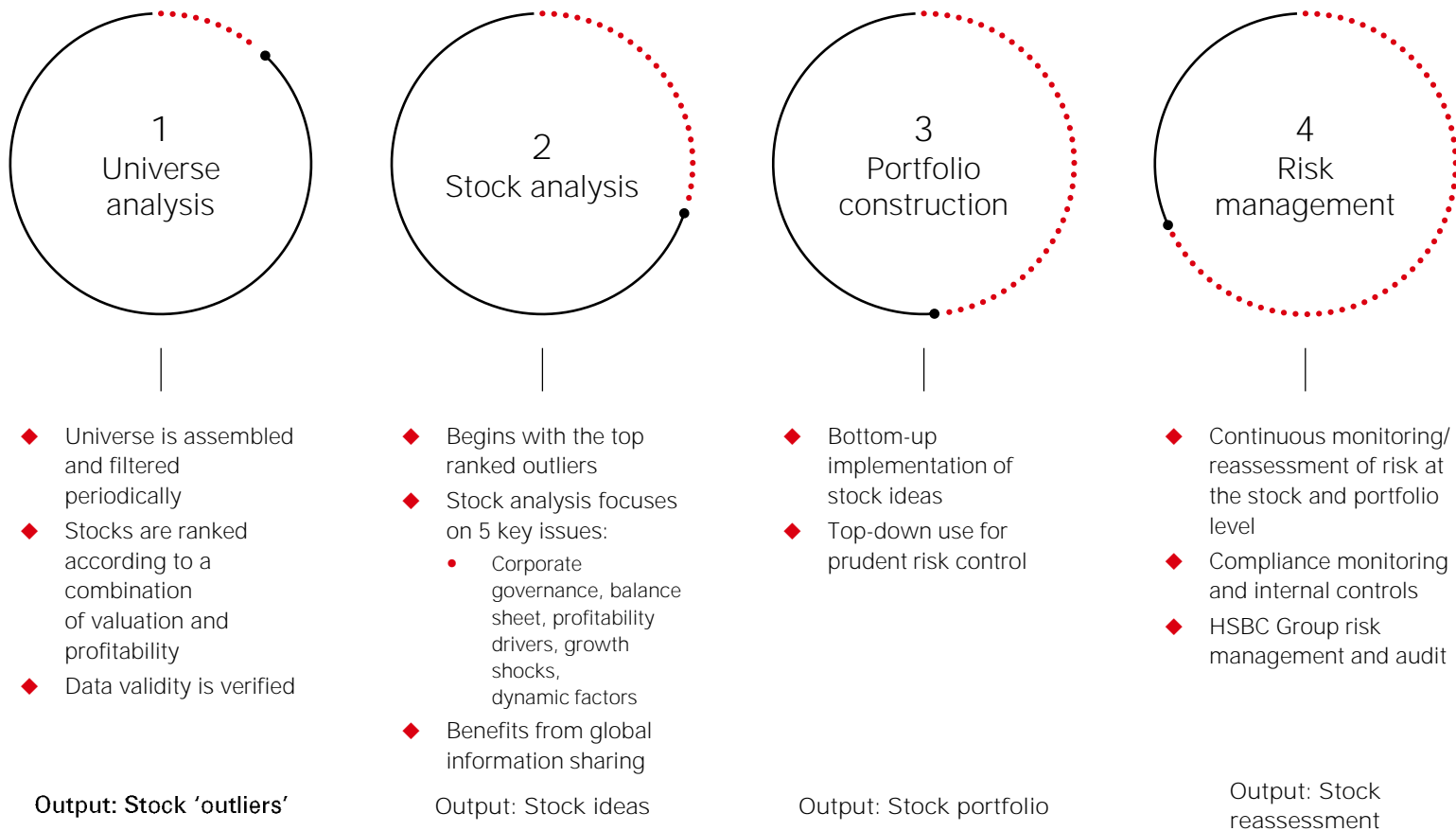
A globally disciplined and structured approach

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Our investment framework integrates global perspective with local insight in a continuous cycle

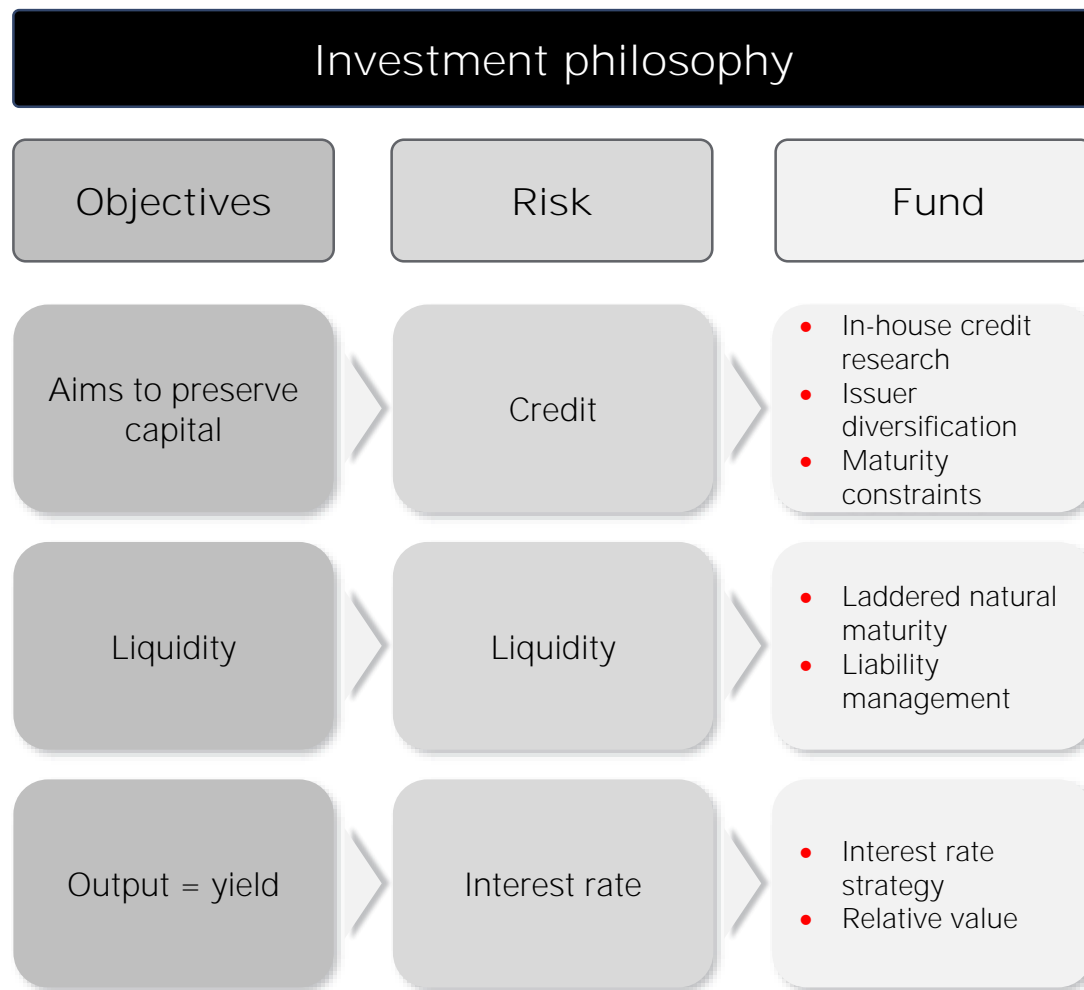


Our process is focused on fundamental research within a proven valuation framework



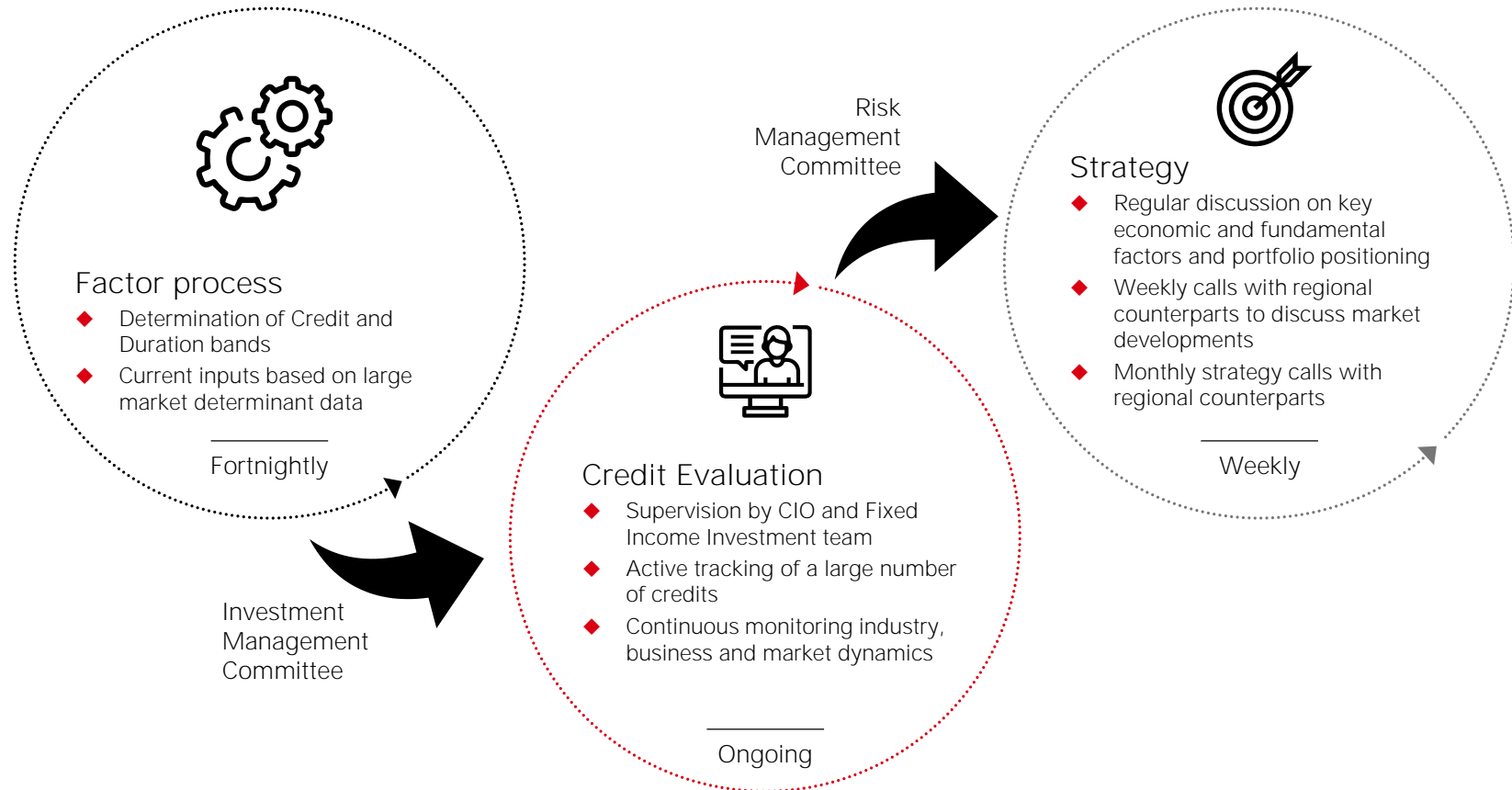
A distinct perspective on asset management

- Liquidity management must be focused on risk management
 - Our aim is to preserve capital and provide liquidity
- There is little differentiation of risk, and hence pricing, across top tier issuers in the money markets
 - Only through professional management can the different types of risk be understood and differentiation be achieved
- Our investment process seeks to manage credit, liquidity, and interest rate risks
- Asset management process is guided by:
 - In-depth research, assessment
 - Monitoring of various potential risks as per the global standard set by Regulator & HSBC Asset Management



Aims to deliver consistent performance

A holistic risk approach to a well diversified portfolio



Aims to maintain credit quality through strong credit research process

Step 1	Rating Criteria	➤	External Long Term Rating/Short Term Rating
Step 2	Fundamental Research:	➤	Industry, business, financial management, ESG and Relative value
Step 3	Tradability and liquidity	➤	Frequency of issuance and secondary liquidity
Step 4	Detailed discussion	➤	at credit forum
Step 6	Continuous Evaluation	➤	Earnings and company announcements Peer and industry impact Market indicators – trades in both equity & debt markets Monitoring at FOMC (internal committee), Risk committee

A strong credit quality process ensures lower risk in underlying investments

Strong and optimum credit process

Balance Risk and Return

Business Risk	Market Risk	Financial Risk	Structure Risk
Robust fundamental research – mitigate downgrade risk	Understand that “less liquidity” and “mispricing” is here to stay	Financial/ratios/Projections	Look for bond covenant protection such as guarantee (from stronger parent)
Monitor existing investments for unpredictable adverse events	Weightage to liquidity of instruments versus credit risk	Profitability	SPV (Special Purpose Vehicle) structures
Identifying investible names is more company specific and not sector specific		Liquidity	DSRA (Debt Service Reserve Account), Escrow, Cash trap
Despite GOI ownership in case of PSU names, fundamentals take precedence		Solvency	Change of control
Markets, business, drivers of growth and risk factors		Capital expenditure/ Working capital	

- ◆ Liquidity and downgrade risks managed through strong and optimum credit process ¹
- ◆ Interest rate risk managed through active duration management
- ◆ Downgrade Risks managed through strong and optimum credit process

Source: HSBC Asset Management India. The information above is provided by and represents the opinions of HSBC Asset Management and is subject to change without notice

1. Liquidity risks managed through evaluation of issuance / traded volumes, minimum holding of regulator specified liquid assets and stress testing.

A continuous evaluation – Risk vs Return

Continuous monitoring and reassessment of risk, differentiates HSBC MF from the Industry

- ◆ Balanced approach to credit
 - To achieve optimal risk adjusted returns
 - Choose operating companies versus holding companies
 - Fundamental research is priority versus 'name lending' even in large groups and liquid names
 - Rating is used only as a filter rather than an active criteria
- ◆ Balanced approach in managing risk – lower issuer concentration
- ◆ No intra-month transactions which we cannot report in the fact sheet
 - We are transparent in our methods and confident of our management process
- ◆ 'True to Label' products
 - Duration and credit strategies are 'true to label'
 - We do not use 'proxy' for credit quality
 - Our duration strategy is played out using a combination of instruments rather than concentrated securities

Considered and Disciplined Investment Process – overview

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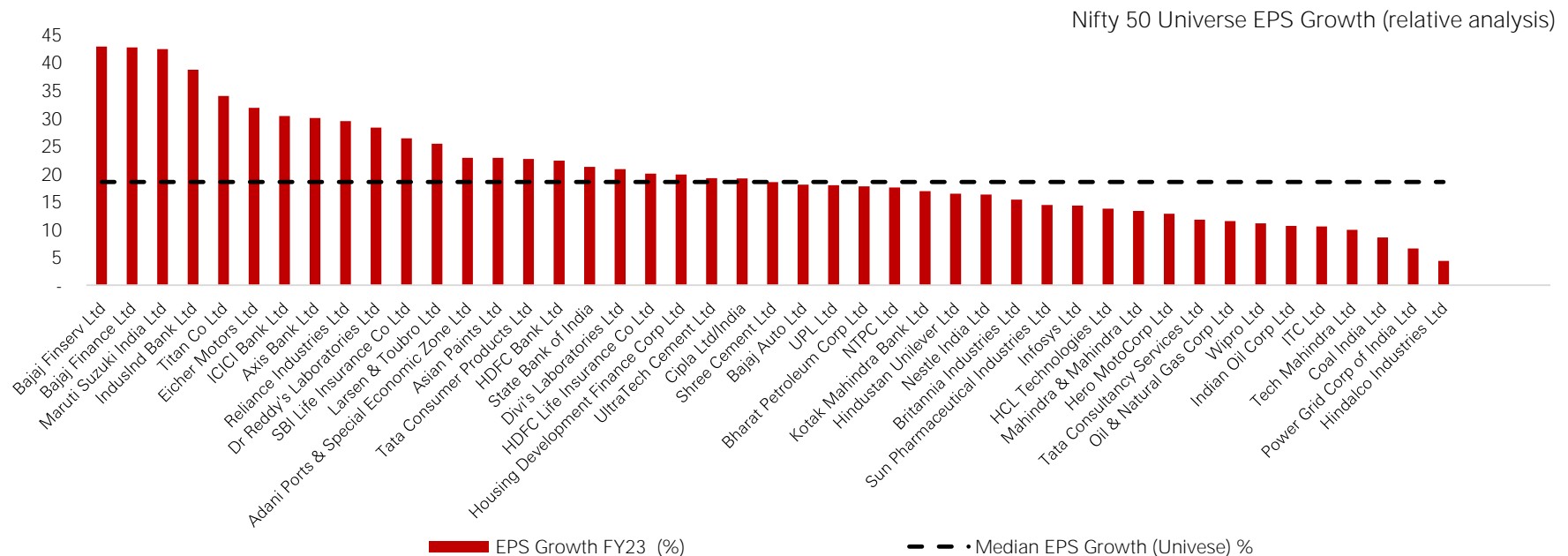


Source: HSBC Asset Management. For illustrative purposes only. Representative overview of the investment process, which may differ by product, client mandate or market conditions.

Disciplined investment process to identify opportunities

- ◆ Aim to invest in stocks that offer long term structural/secular opportunities
- ◆ These positions sometimes require patience and can be non-consensus
- ◆ Hold through cycles, drives alpha over the longer term
- ◆ Identify attractive risk reward opportunities given potential changes in industry cycles
- ◆ Analyse what is reflected in share prices

Stock screening process: an illustration



Source: Bloomberg, HSBC Asset Management. The above information are for illustrative purpose only and it should not be considered as investment research, investment recommendation or advice to any reader of this content to buy or sell investments. The HSBC Asset Management may or may not have any future position in these stocks.

Proprietary fundamental research tailored to process

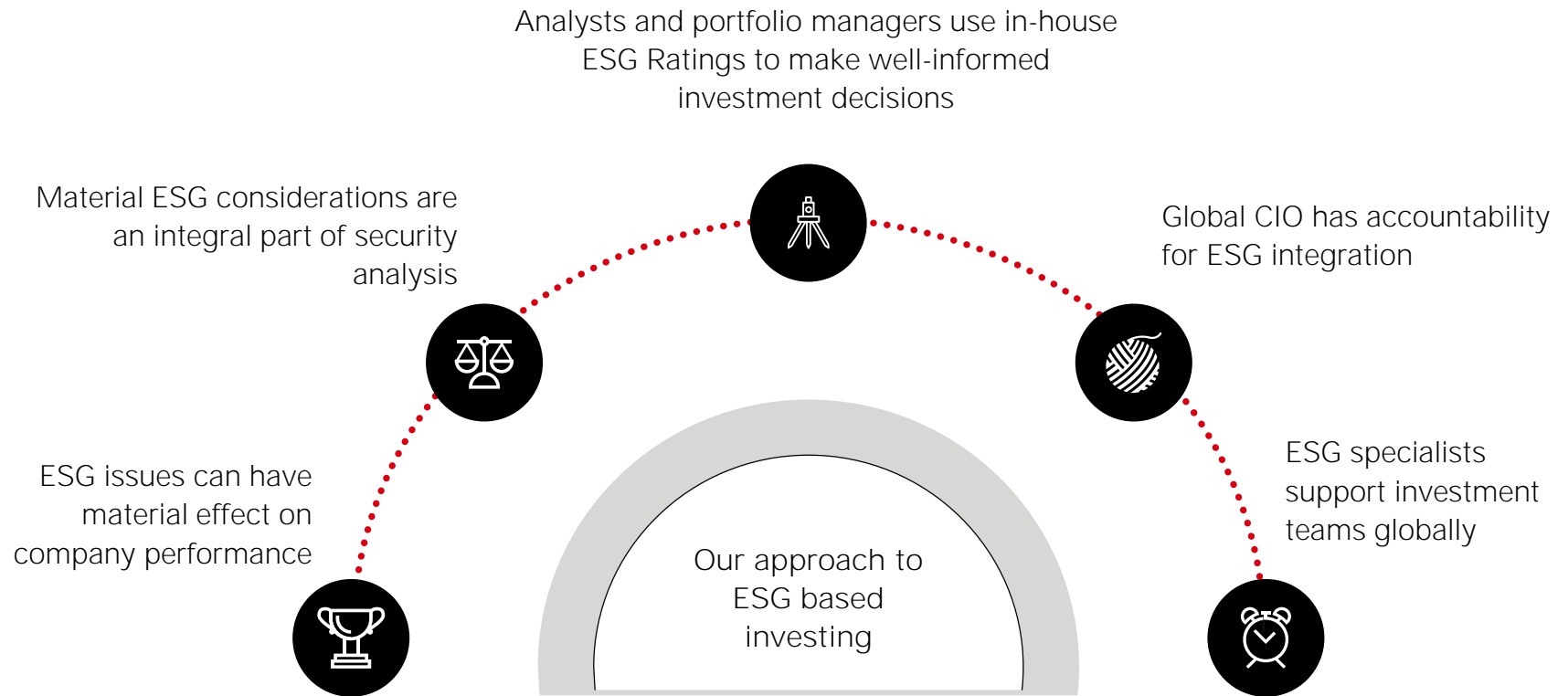
- ◆ Evaluate investment case based on structural/secular or industry cycle opportunities
- ◆ Analysis of source of competitive advantage, operating leverage and financial strength of the company
- ◆ Evaluate the effectiveness of the business model as reflected in current and future returns on capital, cash flow generation

Source: HSBC Asset Management

The information above is provided by, and represents the opinions of, HSBC Asset Management and is subject to change without notice. For illustrative purposes only and does not constitute any investment recommendation in the above mentioned companies. This example is historic and should not be construed as an offer to sell or a solicitation of an offer to purchase or subscribe to any investment. Representative overview of the investment process, which may differ by product, client mandate or market conditions. For illustrative purposes.

Reflecting our discipline and conviction

- ◆ Sector positions driven by bottom-up stock selection based on our investment philosophy and process
- ◆ Comfortable being early into a stock idea: patience
- ◆ Seek to allocate capital to stocks with compelling risk reward relationship based on structural or industry cycle opportunities: discipline
- ◆ Integrated ESG analysis is designed to mitigate risks and capture opportunities
- ◆ Identify, understand & mitigate risks in the portfolio
- ◆ Ensure adequate diversification, and appropriate rebalancing



Three lines of defence model

First Line

Responsible for identifying, recording, reporting and managing risks, and ensuring that the right controls and assessments are in place to mitigate these risks

Pre-trade/Trade

- Risk Calibration**
 - Agree fund by fund specific risk metrics considering:
 - Fund objectives, including performance and volatility
 - Investment strategies employed
 - Liquidity and number of holdings
- Portfolio managers**
 - Validation of investment and credit guidelines
 - Fundamental and valuation
- recommendations**
 - Security eligibility and markets
- Dealing process**
 - Coherence of orders
 - Counterparty risks
 - Pre-trade checks (limits, counterparties, issuers, instruments, etc.)
- Portfolio Risk**
 - Pre-trade checks for consistency with in-house guidelines, client and regulatory limits¹

Post-trade

- Middle Office**
 - Daily valuation reconciliation
 - Trades and positions control; reconciliation with valuation agent, custodian and clearer
- Portfolio Managers**
 - Monitor risk guidelines and portfolio constraints
 - Monitor market risks
 - Quantitative risk metrics
 - Decide on rebalancing
- Research²**
 - Monitor economic and credit events
 - Investment universe
- Business Risk²**
 - Facilitate the Risk and Control Assessment Process
 - Implement on-going testing of key business controls
- Portfolio Risk/Control**
 - Post-trade checks for consistency with in-house guidelines, client and regulatory limits¹
 - Monitoring investment decisions coherence with portfolios' objectives
 - Daily, monthly and quarterly monitoring of investment guidelines and restrictions¹
 - Portfolio analytics, including performance, risk and attribution

Second Line

Risk specialists who set policy and guidelines for managing risk, and provide advice and guidance on effective risk management

Investment & Market Risk

- Risk Management**
 - Oversees all aspects of risk and monitors responses to risk events
- Portfolio Risk/Compliance**
 - Analysis of risk framework. Determination and monitoring of key risk metrics for each fund (e.g. TE, VaR, duration, etc.)
 - Validate front office models
 - Monitors performance and return volatility
- Pre- and post-trade checks for consistency with in-house guidelines, client and regulatory limits¹**
- Liquidity and Counterparty Risk**
 - Agree liquidity framework for all funds
 - Approval of all counterparties and control of exposure limits
 - Liquidity monitoring, including any regulatory requirements

Risk & Compliance

- Advising on and setting policies and procedures**
- Identifying and assessing significant risk areas**
- Providing business with advice and support**
- Oversight and monitoring of business activities**
- Supporting the business to meet changing regulation**
- Operational Risk**
 - Define the overall policy for operational risk management and provide advice and guidance on this
 - Ensure the business is run in accordance with risk appetite, through monitoring, reporting and challenge

Third Line

Independently ensures the effective management of risk

Internal Audit

- HSBC's Audit**
 - Thematic audits
- Regular on-site audits**
- Follow up of audit recommendations**

1. Primary responsibility for adherence lies with the portfolio managers. The tools used may be run by or supported by first or second line functions depending upon local structures.

2. Predominantly post-trade, but also undertaken pre-trade where appropriate.

Source: HSBC Asset Management, as at 30 September 2021. For illustrative purposes only. Representative overview of the investment process, which may differ by product and or asset class, client mandate or market conditions. HSBC Asset Management and HSBC Group have committees at business, country, regional and global levels to oversee risk exposures against risk appetite and the effective operation of the control environment.

1
Markets are not fully efficient, they are prone to mispricing over the short-term. Anomalies can persist for a while, but ultimately prices tend to align with fundamental values. This creates opportunities for research-driven investors

- Whilst individual flair and creativity remain important, our structure and discipline lie at the heart of our investment decisions
- Research underpins our decisions in all asset classes and is central to our approach. Our research departments work closely with our investment teams and are responsible for generating insight, investment ideas and support
- Our robust proprietary tools provide consistency of approach across our teams and locations

2
We believe that good governance – clear investment beliefs and a well-executed process – is the key to delivering long-term value for our clients and to ensure that the portfolios we manage are in line with their investment constraints and objectives

3
We believe that a disciplined approach based on research, intellectual capital and built for purpose' systems has power and predictability



	Equities	Fixed Income	Multi-asset/Others
Local	<ol style="list-style-type: none"> 1. HSBC Large Cap Equity Fund 2. HSBC Flexi Cap Equity Fund 3. HSBC Small Cap Equity Fund 4. HSBC Tax Saver Equity Fund 5. HSBC Infrastructure Equity Fund 6. HSBC Large and Mid Cap Equity Fund 7. HSBC Focused Equity Fund 8. HSBC Mid Cap Fund 	<ol style="list-style-type: none"> 13. HSBC Cash Fund 14. HSBC Low Duration Fund 15. HSBC Short Duration Fund 16. HSBC Debt Fund 17. HSBC Flexi Debt Fund 18. HSBC Overnight Fund 19. HSBC Ultra Short Duration Fund 20. HSBC Corporate Bond Fund 	<ol style="list-style-type: none"> 21. HSBC Managed Solutions – Growth / Moderate / Conservative 22. HSBC Regular Savings Fund 23. HSBC Equity Hybrid Fund
Global	<ol style="list-style-type: none"> 9. HSBC Brazil Fund of Fund 10. HSBC Asia Pacific (Ex Japan) Dividend Yield Fund of Fund 11. HSBC Global Equity Climate Change Fund of Fund 12. HSBC Global Emerging Markets Fund of Fund 		

1. Large Cap Fund – An open ended equity scheme predominantly investing in largecap stocks.
2. Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap stocks.
3. Small Cap Fund - An open ended equity scheme predominantly investing in small cap stocks.
4. An open ended equity linked saving scheme with a statutory lock-in of 3 years and tax benefit.
5. An open ended equity scheme following Infrastructure theme.
6. Large and Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks
7. Focused Fund: An open ended equity scheme investing in maximum 30 stocks across market capitalisation (i.e. Multi-cap)
8. An open ended equity scheme predominantly investing in mid cap stocks.
9. An Open-Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - (HGIF) Brazil Equity Fund
10. An Open Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - (HGIF) Asia Pacific Ex Japan Equity High Dividend Fund
11. An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Equity Climate Change
12. An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Emerging Markets Equity Fund
13. An Open Ended Liquid Scheme. Relatively low interest rate risk and relatively low credit risk.
14. An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months. Please refer Page no. 9 of the SID for explanation on Macaulay duration. Relatively low interest rate risk and moderate credit risk.
15. An open ended Low Duration Debt Scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months.
16. An open-ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. Please refer Page no. 9 of the SID for explanation on Macaulay duration. Moderate interest rate risk and moderate credit risk.
17. An open ended dynamic debt scheme investing across duration. Please refer Page no. 10 of the SID for explanation on Macaulay duration. Relatively high interest rate risk and relatively low credit risk.
18. An open ended debt scheme investing in overnight securities. Relatively low interest rate risk and relatively low credit risk.
19. An Open Ended Ultra-Short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months to 6 months. Please refer Page no. 9 of the SID for explanation on Macaulay duration. Relatively low interest rate risk and relatively low credit risk.
20. An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. Moderate interest rate risk and relatively low credit risk.
21. An Open Ended Fund of Funds Scheme investing in a basket of equity, debt, Gold and other Exchange Traded Funds
22. An open ended Hybrid Scheme investing predominantly in debt instruments.
23. Aggressive Hybrid fund – An open ended hybrid scheme investing predominantly in equity and equity related instruments

Please refer Riskometer on slide numbers 27 - 30. Only open ended schemes have been listed above and close ended schemes are excluded here

Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to the methodology/guidelines prescribed by SEBI to help investors take informed decision based on the maximum interest rate risk and maximum credit risk the fund manager can take in the scheme, as depicted in the PRC matrix.

HSBC AM India – a true 'global asset manager' with an enviable position

2002



Over ~19 years
of existence



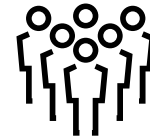
8 Equity Funds

8 Fixed Income Funds

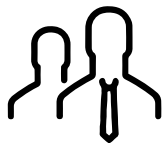
4 Global Funds

5 Hybrid/other Funds

~180,000



Live investors



Team of 14

investment professionals with over 16
years of average industry experience

~Rs.33,286 Cr



assets under
management/advisory

Annexures



Tushar Pradhan
Chief Investment Officer

Tushar has over 25 years of experience in various roles through his career. He is an MBA in Investment Finance, having graduated from the University of Hartford, Connecticut, USA in 1992. Prior to joining HSBC Global Asset Management, India in June 2009, Tushar has also worked in international positions in the United States for a couple of years before returning to India. In India he has worked with HDFC Asset Management and more recently with AIG Global Asset Management in senior asset management roles.

Neelotpal Sahai
Head of Equities &
Fund Manager

Neelotpal Sahai is currently Head of Equities and Fund Manager since September 2017. He has been a Senior Vice President and Portfolio Manager in the Onshore India Equity team in Mumbai since 2013, when he joined HSBC. Neelotpal is responsible for managing three HSBC Mutual Fund equity funds. Neelotpal has been working in the industry since 1991. Previously, Neelotpal was Director at IDFC Asset Management Company Ltd in Mumbai, responsible for equity fund management, and held a variety of positions at Motilal Oswal Securities Ltd. in Mumbai, Infosys Technologies in Mumbai, Vickers Ballas Securities Ltd. in Mumbai, SBC Warburg in Mumbai, UTI Securities Ltd. in Mumbai and HCL HP Ltd. in Mumbai. Neelotpal holds a Bachelor's degree in Engineering from IIT BHU – Varanasi and a Post-Graduate Diploma in Business Management from IIM Kolkata, both in India.

Ritesh Jain
Head of Fixed Income

Ritesh Jain has been a SVP and Head of Fixed Income in the India Fixed Income team since June 2019. He has been working in the industry since 1998. Prior to joining HSBC Global Asset Management, India, Ritesh was a President, CIO - Fixed Income at IIFL Asset Management, Head – Fixed Income at Pramerica Asset Management and Principal PNB Asset Management Company and Head of Fixed Income at Morgan Stanley investment Managers. He holds a Bachelor's degree from University of Calcutta and PGDBA (Finance) from Mumbai University, India.

Equity investment team

Ankur Arora
SVP and Fund Manager

Ankur Arora is a Senior Vice President and Fund Manager – Equities in the onshore India Equity Team. Ankur brings with him more than 16 years of experience spread across fund management, research and strategy. Prior to joining HSBC, Ankur has worked with Aegon Life Insurance, Arvind Ltd, IDFC Asset management, ING Investment Management, Macquarie Securities, Evalueserve and UTI Asset Management in various capacities. A management graduate from of Indian Institute of Management, Lucknow, Ankur also holds a CFA from CFA Institute and a B. Com from Guru Nanak Dev University, Amritsar.

Sheetalkumar
Senior VP and Fund Manager

Sheetalkumar Shah as PMS Fund Manager of HSBC Asset management. Sheetalkumar has a total experience of over 28 years in the Indian stock markets. Prior to joining HSBC, he was Head of PMS at IDBI Capital Markets. He has spent over 12 years at Kotak PMS, managing equity portfolios across market capitalisation. Prior to that, he worked with GIC Asset Management Co Ltd as a Fund Manager for 7 years. By virtue of his long experience, Sheetalkumar has strong relationships with a wide gamut of Indian capital market participants and corporates. Sheetalkumar is an MBA (Finance) from Department of Management Studies, Pune University (PUMBA) and an Engineer (Electronics & Telecommunications) from Government Engineering College, Pune.

Gautam Bhupal
VP and Fund Manager

Gautam Bhupal is Vice President and Fund Manager in the India Equity Investment team since 2008 and has over 16 years of experience in areas of research and Fund Management. Prior to joining HSBC Asset Management, India in 2008, Gautam has worked with UTI Asset Management Company as Equity Research Analyst. He holds a Post Graduate Diploma in Business Management from Management Development Institute, Gurgaon and has completed his CA and CS.

Ranjithgopal K A
VP and Fund Manager

Ranjithgopal K A is a Vice President in the India Equity Investment team and has over 14 years of experience in Equity Research & Sales. He holds a Bachelor of Arts (Economics) degree and holds a Post Graduate Diploma in Business Management from FORE School of Management, New Delhi.

Fixed Income investment team

Kapil Punjabi

VP and Fund Manager,
Fixed Income

Kapil Punjabi has been a Vice President and Fund Manager in the India Fixed Income team. He has been working in the industry since 2006. Prior to joining HSBC Asset Management, India in 2014, Kapil was a Fixed Income Fund Manager at Taurus Asset Management and Edelweiss Asset Management in Mumbai. He holds a Bachelor's and a Master's degree in Management Studies from Mumbai University, India

Aswin Kumar B

VP and Credit Analyst,
Fixed Income and Fund Manager

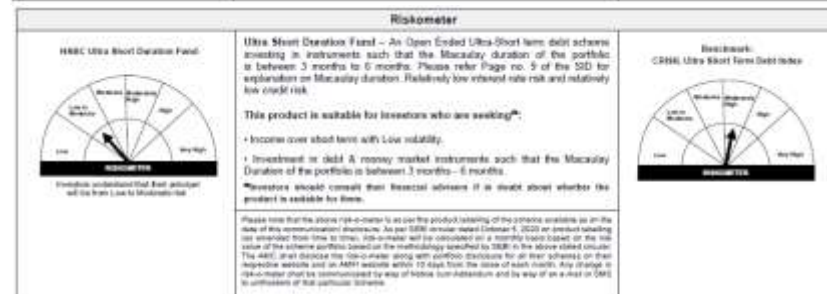
Aswin Kumar Balasubramanian is the Vice President and Credit Analyst in the Fixed Income team Mumbai since September 2015. Aswin has been working in the industry since 2011. Prior to joining HSBC, Aswin worked as a Manager, Ratings at CRISIL Ltd in [Mumbai]. He holds a PGDM from IIM, Lucknow and a B.Tech from IIT, Madras.

Rahul Totla

AVP, Fixed Income

Rahul Totla has been an Associate Vice-President, in the Fixed Income Investment team in Mumbai since 2017, when he joined HSBC. Rahul is responsible for dealing in fixed income securities. Rahul has overall experience of 14 years. Previously, Rahul was Deputy Manager at IDBI Asset Management Company Ltd in Mumbai and was responsible for dealing in various fixed income securities. Rahul holds an MBA in Finance from Mumbai University in India.

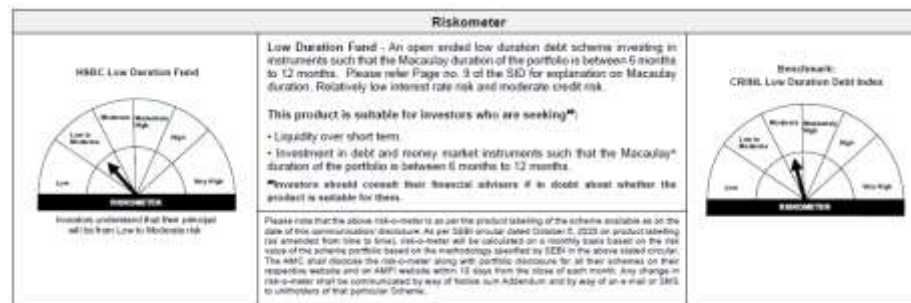
Product Label



Scheme Name	PRC Matrix			
HSBC Overnight Fund HSBC Cash Fund HSBC Ultra Short Duration Fund	Potential Risk Class			
	Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk ↓			
	Relatively Low (Class I)	AI		
	Moderate (Class II)			
	Relatively High (Class III)			



Scheme Name	PRC Matrix			
HSBC Debt Fund	Potential Risk Class			
	Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk ↓			
	Relatively Low (Class I)			
	Moderate (Class II)		III	
	Relatively High (Class III)			



Scheme Name	PRC Matrix			
HSBC Low Duration Fund	Potential Risk Class			
	Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk ↓			
	Relatively Low (Class I)		II	
	Moderate (Class II)			
	Relatively High (Class III)			

Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to the methodology/guidelines prescribed by SEBI to help investors take informed decision based on the maximum interest rate risk and maximum credit risk the fund manager can take in the scheme, as depicted in the PRC matrix. Please refer to the page number 9 of the scheme Offer Document on which the concept of Macaulay's Duration has been explained

[^]The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Please refer to the page number 9 of the scheme Offer Document on which the concept of Macaulay's Duration has been explained

Product Label



Scheme Name	PRC Matrix			
HSBC Short Duration Fund	Potential Risk Class			
	Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Interest Rate Risk ↓			
	Relatively Low (Class I)			
	Moderate (Class II)		III	
	Relatively High (Class III)			



HSBC Flexi Debt Fund	Potential Risk Class			
	Credit Risk →			
	Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Relatively Low (Class I)			
	Moderate (Class II)			
	Relatively High (Class III)	III		



HSBC Corporate Bond Fund	Potential Risk Class		
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)	III		
Relatively High (Class III)			





Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to the methodology/guidelines prescribed by SEBI to help investors take informed decision based on the maximum interest rate risk and maximum credit risk the fund manager can take in the scheme, as depicted in the PRC matrix. Please refer to the page number 9 of the scheme Offer Document on which the concept of Macaulay's Duration has been explained. ^The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Please refer to the page number 9 of the scheme Offer Document on which the concept of Macaulay's Duration has been explained

Product Label



SEBI vide its circular no. SEBI/HO/IMD/IMD-II DF3/P/CIR/2021/652 dated October 27, 2021, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark of the scheme has been classified as Tier 1 benchmark effective from 01 December 2021

Product Label

Riskometer		
HSBC Small Cap Equity Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Small Cap Fund - An open ended equity scheme predominantly investing in small cap stocks. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over. Investment in predominantly small cap equity and equity related securities. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: S&P BSE 250 Small Cap Index 100 

Riskometer		
HSBC Mid Cap Equity Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Mid Cap Fund - (Mid Cap Fund) - An open ended equity scheme predominantly investing in mid cap stocks. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> Long term wealth creation. Investment predominantly in equity and equity related securities of mid cap companies. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: NIFTY Midcap 250 Index 


HSBC Tax Saver Equity Fund Riskometer		
HSBC Tax Saver Equity Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Equity Linked Savings Scheme An open ended equity linked saving scheme with a statutory lock-in of 3 years and tax benefit. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Invests in equity and equity related securities with no capitalisation bias. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: Nifty 500 TRI 

HSBC Infrastructure Equity Fund Riskometer		
HSBC Infrastructure Equity Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Thematic Fund - An open ended equity scheme following Infrastructure theme. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Invests in equity and equity related securities, primarily in themes that play an important role in India's economic development. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: S&P BSE India Infrastructure 100 

HSBC Global Emerging Markets Fund Riskometer		
HSBC Global Emerging Markets Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Fund of Funds (Overseas) - An open ended fund of fund scheme investing in HSBC Global Investment Funds - Global Emerging Markets Equity Fund. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Investment predominantly in units of HSBC Global Investment Funds - Global Emerging Markets Equity Fund. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: MSCI Emerging Markets Index 100 

HSBC Asia Pacific (Ex-Japan) Dividend Yield Fund Riskometer		
HSBC Asia Pacific (Ex-Japan) Dividend Yield Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Fund of Funds (Overseas) - An Open Ended Fund of Funds Scheme investing in HSBC Global Investment Fund - (GGF) Asia Pacific Ex-Japan Equity High Dividend Fund. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Investment in equity and equity related securities of Asia Pacific countries (excluding Japan) through Fund of Funds route. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: MSCI AP Asia Pacific ex Japan TRI 

HSBC Brazil Equity Fund Riskometer		
HSBC Brazil Equity Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Fund of Funds (Overseas) - An Open Ended Fund of Funds Scheme investing in HSBC Global Investment Fund - (GGF) Brazil Equity Fund. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Invests in equity and equity related securities through feeder route in Brazil. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: MSCI Brazil Index 100 

HSBC Global Equity Climate Change Fund of Fund Riskometer		
HSBC Global Equity Climate Change Fund of Fund  <p>Investors understand that their principal will be at Very High risk.</p>	Fund of Funds (Overseas) - An open ended fund of fund scheme investing in HSBC Global Investment Funds - Global Equity Climate Change. This product is suitable for investors who are seeking**: <ul style="list-style-type: none"> To create wealth over long term. Investment predominantly in companies positioned to benefit from climate change through fund of funds route. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them. <p>Please note that the above riskometer is as per the product labelling of the scheme available as on the date of this communication. As per SEBI circular dated October 5, 2020 on product labelling as amended from time to time, riskometer will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the riskometer along with portfolio disclosure for all their schemes in their respective website and on AMFI website within 10 days from the close of each month. Any change in riskometer shall be communicated by way of Notice on Advertisements and by way of an email or SMS to subscribers of that particular Scheme.</p>	Benchmark: MSCI AC World 100 

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