Template 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 include 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 Euro Equity Value

Legal Entity Identifier: 213800U91NS2H3SK4P47

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investment 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 **37.3%** 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**

Unless specified otherwise, all actual data within this periodic report are calculated on the closing date of the accounting year.

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

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using the ESG internal proprietary methodology of the investment manager, and by investing in issuers that demonstrate good environmental, social and governance practices.

This financial product, managed by HSBC Global Asset Management (France) (HSBC), has a binding ESG integration approach at each step of the investment process and improves its ESG profile compared to its benchmark (MSCI EMU Value index is used for performance comparison only).

The financial product includes the identification and analysis of a company's environmental and social factors, including but not limited to physical risks of climate change and human capital management, that may have a material impact on a security issuer's financial performance and valuation. This identification and analysis are an integral part of the investment decision making process. In addition, HSBC also considers corporate governance practices that protect minority investor interests and promote long term sustainable value creation:

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention or operate in sensitive sectors as defined by HSBC Responsible Investment (RI) Policy and BNP Paribas Asset Management Responsible Business Conduct (RBC) Policy.

Furthermore, the financial product promotes better environmental and social outcomes through the exercise of voting rights according to the BNP Paribas Asset Management Stewardship policy, where applicable. The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

More information on the general responsible investing framework of the investment manager, HSBC Global Asset Management (France), or specific exclusions applied in its investment process can be found at the website https://www.assetmanagement.hsbc.co.uk/en/ .

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

How did the sustainability indicators perform?

Indicator	Fund
ESG Score	6.18
E Pillar	7.58
S Pillar	5.70
G Pillar	5.99
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13. Board gender diversity	42.16%
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

The data in this SFDR Periodic Report are as at 31 December 2023

...and compared to previous periods ?

Indicator	Fund
ESG Score	6.20
E Pillar	7.60
S Pillar	5.90
G Pillar	5.90
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13. Board gender diversity	NA
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

The data in this SFDR Periodic Report are as at 31 December 2022

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 sustainable investments made by this financial product are aligned to its environmental characteristics. The management of the financial product by the Investment Manager includes the identification and analysis of a company's ESG credentials as an integral part of the investment decision making process with the aim of reducing sustainability risk and enhancing returns.

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

Do no significant harm is completed as part of HSBC's standard investment process for sustainable assets, which will include the 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, anti-corruption and anti-bribery matters.

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

The Investment Manager reviews all SFDR mandatory Principal Adverse Impacts to assess the relevance to the financial product. HSBC's Responsible Investment Policy sets out the approach taken to identify and respond to principal adverse sustainability impacts and how HSBC considers ESG sustainability risks as these can adversely impact the securities invested in. HSBC uses third party screening providers to identify companies and governments with a poor track record in managing ESG risks and, where potential material risks are identified, HSBC also carry out further due diligence. Sustainability impacts, including the relevant Principal Adverse Impacts, identified by screening are a key consideration in the investment decision making process.

The approach taken means that among other things the following points are scrutinised:

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

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

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

HSBC is committed to the application and promotion of global standards. Key areas of focus for HSBC's Responsible Investment Policy are the ten principles of the United Nations Global Compact (UNGC). HSBC is also a signatory of the UN Principles of Responsible Investment. This provides the framework used in HSBC's approach to investment by identifying and managing sustainability risks. Companies in which the product invests are expected to comply with the UNGC and related standards. Companies having clearly violated one, or with at least two presumed violations, of the ten principles of the UNGC are systematically excluded. The Investment Manager conducts enhanced due diligence on companies that are considered to be non-compliant with the UN Global Compact Principles or are considered to be high risk as determined by its proprietary ESG ratings. Companies are also evaluated in accordance with international standards like the OECD Guidelines.

The EU Taxonomy sets out a 'do not 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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU 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 product considers some principal adverse impacts on sustainability factors. The investment manager applies HSBC RI Policy that sets out its ambitions and approach to responsible investment, commitment to the UNPRI across its business, and describes how the requirements of the EU SFDR are met. In addition, its RI Implementation Procedures set out the approach to identify and address principal adverse sustainability impacts and consider ESG sustainability risks in its investments. Besides, the investment manager applies the BNP Paribas Asset Management RBC policy establishing a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography of these economic activities.

This financial product, managed by HSBC, has a binding and significant ESG integration approach at each step of the investment process and improves its ESG profile compared to its benchmark. The ESG integration approach results in screening out securities with the lowest ESG rating based on BNP Paribas Asset Management and HSBC ESG rating methodologies. Besides, the investment manager undertakes due diligence where significant ESG risks are identified according to its ESG research proprietary platform. As such, the investment manager applies an internal extra-financial analysis on a minimum of 90% of the assets of the financial product. This results on a comprehensive ESG assessment, peer ranking, overall ESG risk assessment and supporting research document for each of the companies in the investment universe. The outcome may influence the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified. Therefore, the ESG Integration framework includes a series of commitments, which are material to consideration of principal adverse sustainability impacts and guides the internal ESG integration process.

In addition, the average portfolio ESG score of the financial product is better than the one of its benchmarks, based on the investment manager's internal scoring methodology. Thus, the financial product considers principal adverse sustainability impacts throughout the investment process. Besides, the Stewardship teams regularly identifies adverse impacts through ongoing research, collaboration and dialogue with other long-term investors, other experts and NGOs.

Actions to address or mitigate principal adverse sustainability impacts depend on their severity and materiality. These actions are guided by the RI and RBC Policies, the financial product ESG integration criteria, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment.

- Engagement with issuers with the aim of encouraging them to improve their ESG practices and, thus, mitigate potential adverse impacts.

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues.

- Ensuring all securities included in the portfolio have supportive ESG research.

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

13. Board Gender Diversity

14. Exposure to controversial weapons (including anti-personnel mines, cluster munitions, chemical weapons and biological 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: from 01.01.2023 to 29.12.2023

Largest investments	Sector	% Assets*	Country**
ALLIANZ	Financials	4,20%	Germany
TOTALENERGIES	Energy	3,86%	France
IBERDROLA SA	Utilities	3,60%	Spain
AXA SA	Financials	3,23%	France
SANOFI SA	Health Care	2,93%	France
KONINKLIJKE AHOLD DELHAIZE NV	Consumer Staples	2,73%	Netherlands
ING GROEP NV	Financials	2,68%	Netherlands
ENGIE SA	Utilities	2,48%	France
MERCK	Health Care	2,45%	Germany
MICHELIN	Consumer Discretionary	2,42%	France
KONINKLIJKE KPN NV	Communication	2,38%	Netherlands
METSO CORPORATION	Industrials	2,36%	Finland
ACS ACTIVIDADES DE CONSTRUCCION Y	Industrials	2,34%	Spain
RELX PLC	Industrials	2,34%	United Kingdom
SIEMENS N AG N	Industrials	2,27%	Germany

Source of data: BNP Paribas Asset Management, expressed as a quarterly weighted average.
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference.
** Any difference with the portfolio statements above are coming from the use of different data's sources.

What was the proportion of sustainability-related investments?

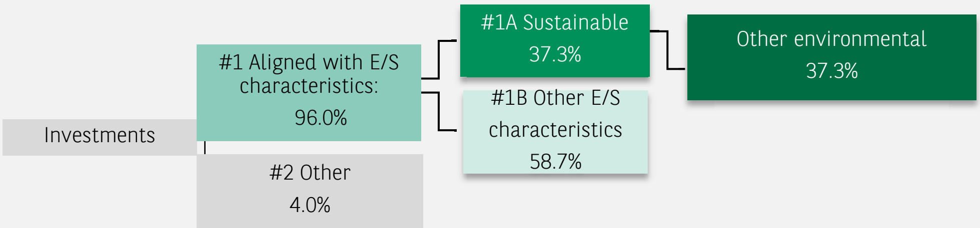
What was the asset allocation ?

Asset allocation describes the share of investments in specific assets.

The proportion of the investments of the financial product used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product is 96.0%.

The proportion of sustainable investments of the financial product is 37.3%.

The remaining proportion of the investments is mainly used as described under the question: " What investments were included under 'other', what was their purpose and were there any minimum environmental or social safeguards?"



#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 sustainable investments with environmental or social objectives.

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

In which economic sectors were the investments made ?

Sectors	% Asset
Industrials	28,56%
Information Technology	22,23%
Consumer Discretionary	13,53%
Financials	13,50%
Consumer Staples	9,11%
Health Care	6,02%
Materials	2,91%
Cash	1,89%
Communication Services	1,01%
Energy	0,73%
Oil & Gas Refining & Marketing	0,73%
Utilities	0,52%

Source of data: BNP Paribas Asset Management, expressed as a quarterly weighted average.
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, and it did not do so.

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.

Taxonomy-aligned activities are expressed as a share of: :
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

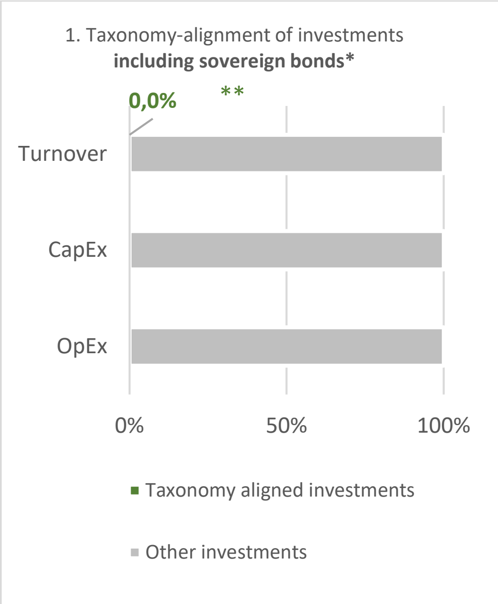
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

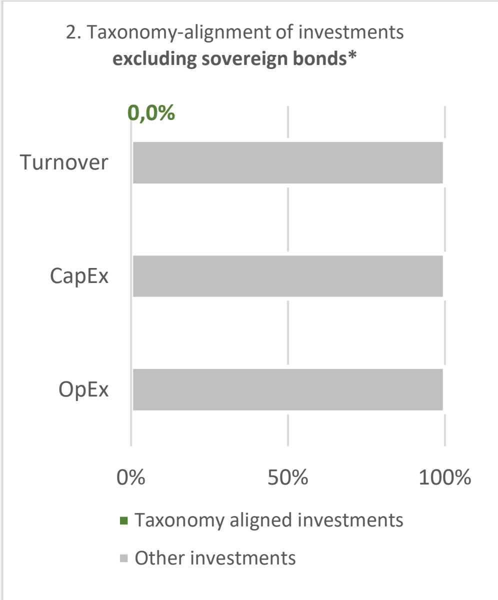
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

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*

** *Real taxonomy aligned*

[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 not significantly harm 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.

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

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.

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 investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

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

Not applicable.

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 not aligned with the EU taxonomy was **37.3%.**

What was the share of socially sustainable investments?

Socially sustainable investments represent **0%** of the financial product.

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

The remaining proportion of the investments is used for liquidity, efficient portfolio management, and/or hedging purposes. Notably:

- Securities that Harris believes can be held by the portfolio in order to achieve its investment objective but are not deemed to promote E/S Characteristics;

- Cash and cash-equivalents held as liquidity, risk management purposes, or collateral management purposes.

These investments, if any, are made in compliance with the investment manager internal processes, including the risk management policy and the RBC policy as minimum environmental or social safeguards. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks.

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

- The financial product should comply with the BNP Paribas Asset Management RBC policies by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as those operating in sensitive sectors (tobacco, coal, controversial weapons), as they are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information can be found at: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com);

- The financial product should comply with the HSBC exclusion lists as defined by HSBC Responsible Investment (RI) Policy;

- The financial product should have at least 90% of its assets covered by the ESG analysis based on the investment manager's proprietary methodology.

- The financial product should have an average portfolio ESG score above the benchmark, based on the investment manager's internal scoring methodology.

  More information on the general responsible investing framework of the investment manager, HSBC Global Asset Management (France), or specific exclusions applied in its investment process can be found at the website www.assetmanagement.hsbc.co.uk/en/intermediary/about-us/

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

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

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