

Important Notes: Information mentioned in this document is intended to provide you with a general summary of the ILP Sub-Fund and are subject to change. Please read the Policy (including Policy Illustration, Product Summary and Fund Summary) for the full details of the standard terms and conditions and the exclusions of the insurance product and ILP Sub-Fund.

This Product Highlights Sheet ("PHS") is an important document.

- It highlights the key terms and risks of the ILP Sub-Fund and complements the Product Summary and Fund Summary.
- It is important to read the Product Summary and the Fund Summary before deciding whether to purchase the ILP Sub-Fund. If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP Sub-Fund if you do not understand it or are not comfortable with the accompanying risks.
- Unless otherwise defined, capitalised terms in this PHS have been defined in the Fund Summary.

Investment risk rating is used as a guide to determine the ILP Sub-Fund that is suitable to the risk profile as indicated in the Bank's Risk Profile Questionnaire (RPQ). It is currently only applicable to customers of HSBC Bank (Singapore) Limited (the "Bank").

HSBC Global Investment Funds– Global Short Duration Bond (the "ILP Sub-Fund")

Product Type	ILP Sub-Fund ¹	Launch Date	27 February 2015
Manager	HSBC Investment Funds (Luxembourg) S.A.	Custodian	HSBC Continental Europe, Luxembourg
Capital Guaranteed	No	Dealing Frequency	Each Dealing Day
Name of Guarantor	N.A.	Expense Ratio as at 30 June 2023	Class AC SGD Hedged: 0.72% Class AC USD: 0.70%
ILP Sub-Fund Share Class	HSBC Global Investment Funds – Global Short Duration Bond – AC SGD Hedged HSBC Global Investment Funds – Global Short Duration Bond – AC USD		

ILP SUB-FUND SUITABILITY

WHO IS THE ILP SUB-FUND SUITABLE FOR?

The ILP Sub-Fund is only suitable for potential investors who:

- Seek total return over the long term.
- Are comfortable with the risks related to investing in Investment Grade and Non-Investment Grade fixed income securities from developed or Emerging Markets
- Understand that the principal of the Sub-Fund will be at risk.

Further Information

Refer to Section 5 and Section 7 of the Fund Summary for further information on the ILP Sub-Fund.

KEY FEATURES OF THE ILP SUB-FUND

WHAT ARE YOU INVESTING IN?

The ILP Sub-Fund invests 100% into HSBC Global Investment Funds – Global Short Duration Bond (the "Sub-Fund"). The Sub-Fund is incorporated in the Grand Duchy of Luxembourg and qualifying as an Undertaking for Collective Investment in Transferable Securities (UCITS) complying with the provisions of Part I of the 2010 Law.

Refer to Section 2, Section 5 and Section 16 of the Fund Summary for further information on features of the ILP Sub-Fund.

¹The ILP Sub-Fund is not classified as Excluded Investment Product.

<p>The Sub-Fund aims to provide long term total return by investing in a portfolio of bonds with an average duration expected to be between 6 months and 3 years.</p> <p>The Sub-Fund does not intend to declare dividend.</p>	
Investment Strategy	
<p>The Sub-Fund invests in normal market conditions a minimum of 70% of its net assets in Investment Grade and Non-Investment Grade fixed income and other similar securities which are either issued or guaranteed by governments, government agencies, supranational bodies or by companies domiciled in, based in or carry out the larger part of their business in, developed or Emerging Markets.</p> <p>The Sub-Fund may invest up to 20% of its net assets in Non-Investment Grade rated fixed income securities. The Sub-Fund will not invest more than 10% of its net assets in securities issued by or guaranteed by any single sovereign issuer with a credit rating below Investment Grade.</p> <p>Investment in onshore Chinese fixed income securities include, but are not limited to, onshore fixed income securities denominated in RMB, issued within the People's Republic of China ("PRC") and traded on the China Interbank Bond Market ("CIBM"). The Sub-Fund may invest in the CIBM either through Bond Connect and/or the CIBM Initiative.</p> <p>The Sub-Fund is managed to provide a US Dollar return. The Sub-Fund's primary currency exposure is to the US dollar. The Sub-Fund will normally hedge currency exposures into US dollar.</p> <p>The Sub-Fund may invest in fixed income securities issued in Emerging Markets to a level below 30% of its net assets. The Sub-Fund may invest up to 20% of its net assets in Asset Backed Securities ("ABS") and Mortgage Backed Securities ("MBS"). The Sub-Fund may invest up to 10% of its net assets in contingent convertible securities, however this is not expected to exceed 5%. The Sub-Fund may also invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).</p> <p>The Sub-Fund may also invest in financial derivative instruments.</p> <p>The Sub-Fund may enter into Securities Lending transactions for up to 29% of its net assets, however this is not expected to exceed 25%.</p> <p>The Sub-Fund is actively managed and does not track a benchmark. The Sub-Fund has an internal or external target to outperform the reference benchmark, Bloomberg Barclays Global Aggregate 1-3 Years Hedged USD.</p>	<p>Refer to Section 5 of the Fund Summary for the further information on the investment focus and approach of the ILP Sub-Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The management company - HSBC Investment Funds (Luxembourg) S.A. • Investment adviser – HSBC Global Asset Management (UK) Limited • Custodian/Depository Bank – HSBC Continental Europe, Luxembourg 	<p>Refer to Section 3 of the Fund Summary for further information on the roles and responsibilities of these entities and what happens if they become insolvent.</p>
Key Risks	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>The value of the Fund may rise or fall. These risk factors may cause you to lose some or all of your investment.</p>	<p>Refer to Section 7.1 of the Fund Summary for further information on risks of the ILP Sub-Fund.</p>
Market and Credit Risks	

<p>You are exposed to Foreign Exchange Risk The underlying assets of the Sub-Fund may be denominated in currencies other than the currency of the share class you have invested into. The value of your investment may rise or fall in line with movements in the relevant exchange rates.</p> <p>You are exposed to Interest Rate Risk When interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality.</p> <p>You are exposed to Credit Risk A bond or money market security could lose value if the issuer's financial health deteriorates.</p>	<p>Refer to Section 7.2 of the Fund Summary for further information on market risk of the Underlying Sub-Fund.</p>
<p>Liquidity Risks</p>	
<p>The Sub-Fund is not listed in Singapore and there is no secondary market for its Shares. You can only redeem your investment on a Dealing Day through HSBC Life.</p> <p>Investment of the Sub-Fund's assets in relatively illiquid investments may restrict the ability of the Sub-Fund to dispose of its investments at a price and time that it wishes to do so. This may result in a loss to the Sub-Fund.</p>	<p>Refer to Section 7.1 of the Fund Summary for information on liquidity risks of the ILP Sub-Fund and Section 9 of the Fund Summary for further information on Suspension of Dealings of the ILP Sub-Fund.</p>
<p>Product-Specific Risks</p>	
<p>You are exposed to Emerging Markets Risk Emerging markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.</p> <p>You are exposed to Derivative Risk Financial derivative instruments may be leveraged and their prices can be very volatile. Investment in these instruments may result in losses in excess of the original amount invested. If the issuers of the derivative instruments default, or such securities or their underlying assets cannot be realized, or perform badly, investors may suffer substantial or, in certain cases, total loss of their investments. Governmental regulation and supervision of transactions on the OTC markets is generally lesser than of transactions on organised exchanges. Thus, investing in OTC derivatives involves higher counterparty risk and liquidity risk.</p> <p>You are exposed to Non-Investment Grade Debt / Unrated Debt Risk Credit risk may be greater for Non-Investment Grade securities as they may be subject to a higher risk of default and greater price volatility. Investment grade bonds may be subject to the risk of being downgraded to noninvestment grade bonds. In the event of downgrading, the Sub-Fund's investment value in the relevant security may be adversely affected.</p> <p>You are exposed to Asset-Backed Securities (ABS) Risk Investment in ABS entails additional risks pertaining to the underlying pool of assets (e.g. receivables) such as credit risk, interest rate risk, prepayment risk, counterparty risk and liquidity risk.</p> <p>You are exposed to Contingent Convertible Securities (CoCos) Risk Contingent convertible securities (CoCo bonds) are comparatively untested, their income payments may be cancelled or suspended, and they are more vulnerable to losses than equities and can be highly volatile.</p> <p>You are exposed to China Interbank Bond Market Risk (CIBM) Investments in the CIBM are subject to these risks: market and liquidity risks, Chinese local credit rating risks, counterparty and settlement risk, operational risk, quasi-Government/local Government bond risk, urban investment bonds risk and regulatory risk.</p>	<p>Refer to Section 7.2 of the Fund Summary for further information on specific risks of the Underlying Sub-Fund.</p>
<p>FEES AND CHARGES</p>	

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you as a percentage of your investment amount:

Premium Charge*	Currently Nil
Surrender Penalty*	Surrender penalty may apply. You should also refer to the Product Summary for information on the surrender penalty, if applicable.
Switching Fee*	Currently Nil

Payable by the ILP Sub-Fund from asset value of the portfolio:

Management Fee	0.50% p.a.
Operating, Administrative and Servicing Expenses	0.20% p.a. The maximum rate for (i) the Operating, Administrative and Servicing Expenses and (ii) Operating Currency Hedged Share Class Fee is set at 1% of the net asset value of the relevant Share Class in the Sub-Fund.

* HSBC Life reserves the right to review and amend the fees and charges by giving you at least thirty (30) days' advance notice.

Refer to Section 8 of the Fund Summary and Section 5 of the Product Summary for further information on fees, charges and Surrender Penalty (if applicable).

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

Valuations are available on each Dealing Day. The net asset value of the Shares of the Sub-Fund for each Dealing Day is published on the website at www.assetmanagement.hsbc.com/sg.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You can exit or partially exit the ILP Sub-Fund at any time by informing HSBC Life (Singapore) Pte. Ltd. ("HSBC Life"), either directly or through your Financial Consultant from whom you purchased the ILP Sub-Fund. If your application reaches our correspondence address before 3.30pm on a business day, it will be processed on the same business day. If your application is received after 3:30pm, it will be processed on the next business day. The units withdrawn will be realised at the unit price of the ILP Sub-Fund on the valuation date immediately following the date we accept your written application. The withdrawal proceeds will usually be paid out within 6 business days from the day we process your valid application to exit or partially exit the ILP Sub-Fund.

The following is an illustration of the withdrawal amount** that you will receive from the ILP Sub-Fund based on withdrawal of 1,000 units, and unit price of \$1.50 assuming the policy is surrendered in the first year with surrender penalty charge of 70% on the account value.

$$(1,000 \times \$1.50) - 70\% (1,000 \times \$1.50) = \$450$$

Gross withdrawal amount - surrender penalty charge = Net withdrawal amount

** You should also refer to the Product Summary for information on any surrender penalty that may be applicable.

If you decide to terminate the Investment-Linked Policy within the free-look period of receiving your Investment-Linked Policy, HSBC Life will refund the initial premium you paid without interest, without incurring the fees and charges as stated above, less any medical and/or underwriting expenses incurred in accepting your application; and a sum to account for market fluctuation in respect of your units as determined by HSBC Life. Please note that no top-up, fund switching, partial withdrawal or surrender is allowed during the free-look period.

Refer to Section 13 of the Product Summary for more information on valuation, and Sections 7 and 8 of the Product Summary for more information on withdrawal and switching.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

Please contact your Financial Consultant or call Customer Service Hotline at +65 6880 4888, Mondays to Fridays (excluding public holidays), 9am to 5pm.

GLOSSARY

"Business Day" – A day on which banks are open for normal banking business in Singapore.

“Dealing Day” – Any Business Day (other than days during a period of suspension of dealing in Shares) and which is also for the Sub-Fund, a day where stock exchanges and regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.

“Emerging Markets” – Markets in countries that are not amongst the following groups of industrialised countries: United States and Canada, Switzerland and Members of the European Economic Area, the UK, Japan, Australia and New Zealand, and may include those countries in the preceding groups that do not have fully developed financial markets.

“Other Eligible UCI” – An open-ended Undertaking for Collective Investment within the meaning of Article 1 paragraph (2) points a) and b) of Directive 2009/65/EC and complying with the following:

- it is authorised under laws which provide that it is subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, or if cooperation between authorities is sufficiently ensured;
- the level of protection for its unitholders is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive 2009/65/EC, as amended;
- its business is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of its assets can, according to its management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs. Closed-ended UCIs are not considered as other Eligible UCIs, but may qualify as transferable securities.

“UCITS” – An Undertaking for Collective Investment in Transferable Securities authorised pursuant to directive 2009/65/EC, as amended.