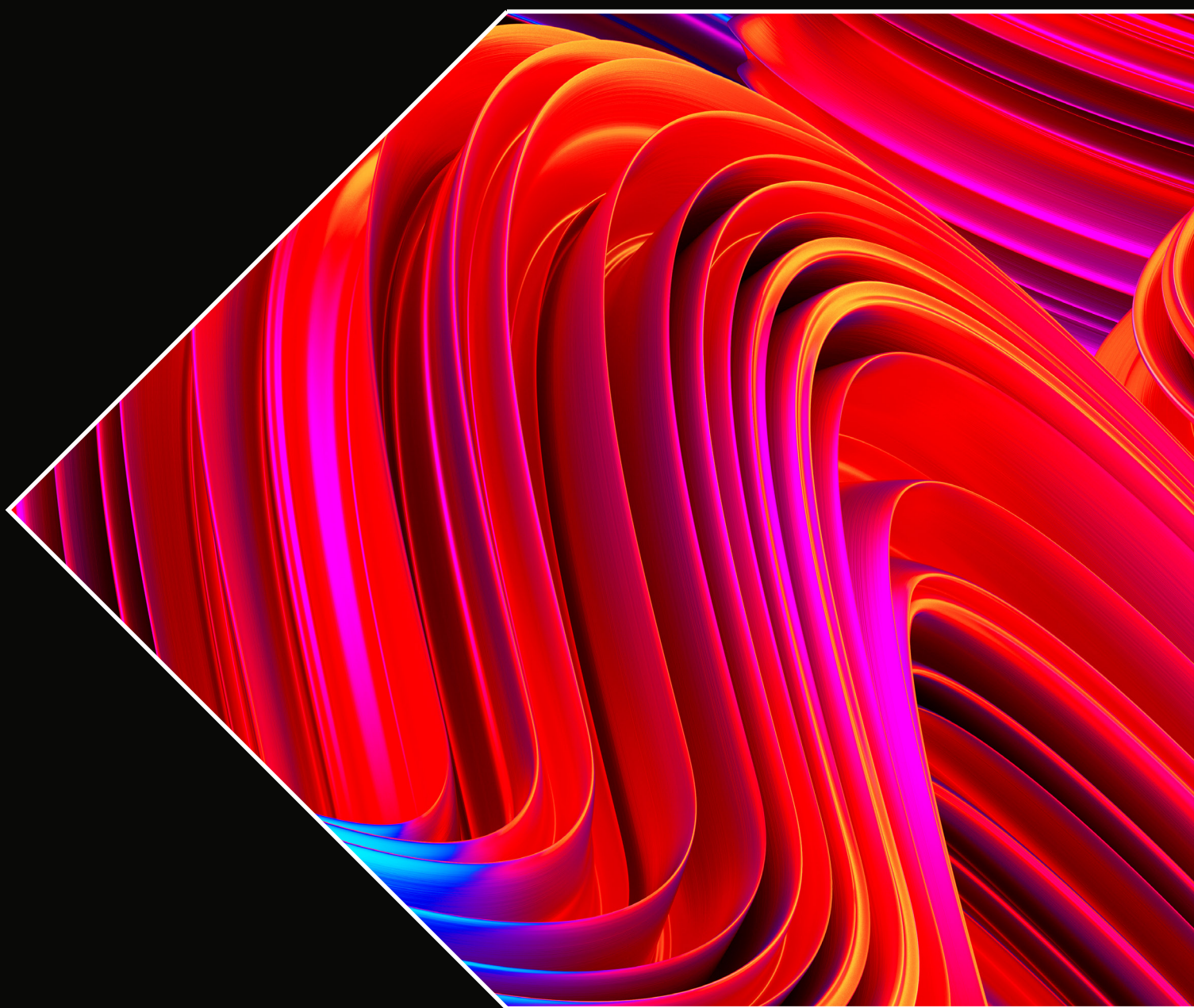


# HSBC Global Funds II ICAV

Annual Report and Financial Statements for the  
financial period ended 31 December 2024



**Additional notes for Hong Kong residents in relation to HSBC Global Funds II ICAV**

The following sub-fund of HSBC Global Funds II ICAV referred to in this document is not authorised in Hong Kong and not available to the public in Hong Kong during the financial period:

HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current Prospectus accompanied by the latest annual.

# Table of Contents

General Information	1
Directors' Report	2
Investment Managers' Report	9
Annual Depositary Report to the Shareholders	11
Independent Auditor's Report	12
Statement of Financial Position	15
Statement of Comprehensive Income	16
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	17
Statement of Cash Flows	18
Notes to the Financial Statements	19
Schedule of Investments	48
Portfolio Changes (Unaudited)	55
Other Additional Disclosures (Unaudited)	58
Appendix - Sustainability Finance Disclosure Regulation Periodic Reports (Unaudited)	64

---

# General Information

## Registered office

3 Dublin Landings  
North Wall Quay  
Dublin 1  
Ireland

## Directors

Anthony Jeffs (Resigned 7 October 2024)  
Feargal Dempsey\*  
Peter Blessing\*  
Suzanne Williams  
Eve Finn (Appointed 13 May 2024)\*  
Xavier Baraton (Appointed 7 October 2024)  
Olga De Tapia (Appointed 1 January 2025)

*\* Independent Non-executive Director*

## Management Company and Global Distributor

HSBC Investment Funds (Luxembourg) S.A.  
18 Boulevard de Kockelscheuer  
L-1821 Luxembourg

## Investment Managers

HSBC Global Asset Management (USA) Inc.  
452 Fifth Avenue  
7<sup>th</sup> Floor 10018  
New York  
United States

HSBC Global Asset Management (France)  
Immeuble Coeur Defense – Tour A  
110 Esplanade du General de Gaulle – La Defense 4  
75419 Paris Cedex 08  
France

## Depository

HSBC Continental Europe  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2 D02 P820  
Ireland

## Administrator

HSBC Securities Services (Ireland) DAC  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

## Legal Adviser as to Irish Law

Arthur Cox LLP  
10 Earlsfort Terrace  
Dublin 2 D02 T380  
Ireland

## Secretary of the ICAV

Goodbody Secretarial Limited  
3 Dublin Landings  
North Wall Quay  
Dublin 1  
Ireland

## Independent Auditor

KPMG  
1 Harbourmaster Place  
IFSC  
Dublin 1  
Ireland

## Paying Agent – Switzerland

HSBC Private Bank (Suisse) SA  
Quai des Bergues 9 - 17  
P.O. Box 2888  
CH 1211 Geneva 1  
Switzerland

## Swiss Representative

HSBC Global Asset Management  
(Switzerland) Ltd  
Gartenstrasse 26  
CH-8002 Zurich  
Switzerland

# Directors' Report

The board of directors of the HSBC Global Funds II ICAV (each a "Director", together the "Directors" or the "Board") submit their annual report together with the audited financial statements For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024 (the "Financial Statements").

## ICAV information

HSBC Global Funds II ICAV (the "ICAV") was incorporated as an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between sub-funds to carry on business under the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act") on 1 December 2023 with registration number C526934. The ICAV is registered by the Central Bank of Ireland (the "Central Bank") as an ICAV pursuant to Part 2, Chapter 1 of the ICAV Act and authorised as a UCITS fund pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "2011 UCITS Regulations"), and is also subject to the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations", and together with the 2011 UCITS Regulations, the "UCITS Regulations").

The ICAV is structured as an umbrella fund and may comprise of several portfolios of assets. The share capital of the ICAV may be divided into different classes of shares with one or more classes representing a separate sub-fund comprising a separate pool of assets and which pursues its investment objective through separate investment policies. The assets of each sub-fund will be invested in accordance with the investment objective and policies applicable to such sub-fund as disclosed in the prospectus of the ICAV (the "Prospectus") and the relevant sub-fund's supplement (the "Supplement").

The sole object of the ICAV is the collective investment in either or both of transferable securities or other liquid financial assets referred to in Regulation 68 of the UCITS Regulations, of capital raised from the public which operates on the principle of risk-spreading.

The ICAV currently consists of 2 active sub-funds in operation as at 31 December 2024.

## Corporate Governance Statement

The Board is committed to maintaining the highest standards of corporate governance and is accountable to Shareholders for the governance of the ICAV's affairs.

The ICAV's corporate governance practices comply with the following:

- i) The European Communities (Directive 2006/43/EC) Regulations which requires the inclusion of a corporate governance statement in the Directors' Report;
- ii) The ICAV Act;
- iii) The Instrument of Incorporation of the ICAV which is available for inspection at the registered office of the ICAV;
- iv) The UCITS Regulations; and
- v) The Irish Funds' Corporate Governance Code for Collective Investment Schemes and Management Companies (December 2011) (the "IF Code").

# Directors' Report (continued)

## Compliance with the IF Code

The Directors have adopted the IF Code with effect from 25 March 2024. The Directors have reviewed and assessed the measures included in the IF Code and consider the corporate governance practices and procedures since the adoption of the IF Code as consistent therewith. The Board considers that the ICAV has complied in all material aspects with the IF Code throughout this accounting period and that it complies with the various other corporate governance requirements prescribed by the legislation noted above.

## Internal controls and risk management systems

The Directors in conjunction with the Management Company are responsible for establishing and maintaining adequate internal control and risk management systems of the ICAV in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the ICAV's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Directors in conjunction with the Management Company have procedures in place designed to ensure that all relevant accounting records are properly maintained and are readily available, including production of annual and interim Financial Statements. The annual and interim Financial Statements of the ICAV are required to be approved by the Directors and filed with the Central Bank. The annual Financial Statements are required to be audited by an independent auditor who reports annually to the Board of Directors on their findings. The Directors evaluate and discuss significant accounting and reporting issues as the need arises.

The Management Company has established processes regarding internal control and risk management systems designed to ensure their effective oversight of the financial reporting process. These include appointing the Administrator to maintain adequate accounting records of the ICAV independently of the Investment Managers and the Depositary. The Administrator is authorised and regulated by the Central Bank and complies with the rules imposed by the Central Bank.

The Management Company also periodically reviews the Administrator's financial accounting and reporting routines along with the independent auditor's performance, qualifications and independence. The Administrator has operating responsibility in respect of its internal controls in relation to the financial reporting process and the Administrator's report to the Directors.

The Directors receive regular presentations and review reports from the Management Company, the Depositary, the Investment Managers and the Administrator. The Directors also have an annual process to consider and address any shortcomings identified and measures recommended by the independent auditor.

## Dealings with shareholders

The Shareholders invest in sub-funds to gain exposure to the expertise of the Investment Managers and investment strategies. The ICAV has appointed the Distributor who is tasked with actively managing the relationship between the ICAV and Shareholders. The Distributor provides the Board with quarterly updates which form the primary information source for the Directors to understand the views of major Shareholders of the ICAV. A senior representative of the Distributor attends each Board meeting and presents a report providing the Directors with additional information on the ongoing shareholder relationships.

The ICAV also communicates with Shareholders through the annual and interim Financial Statements which aim to provide Shareholders with a full understanding of the ICAV's activities and its results. Additional information is also available on the website at [www.assetmanagement.hsbc.com](http://www.assetmanagement.hsbc.com).

The Directors have elected to dispense with the holding of an annual general meeting of Shareholders in accordance with section 89 of the ICAV Act. Notwithstanding this, one or more members of the ICAV holding, or together holding, not less than 10% of the voting rights in the ICAV, or the auditor of the ICAV, may require the ICAV to hold an annual general meeting in a year by giving notice in writing to the ICAV in the previous year or at least one month before the end of that year.

# Directors' Report (continued)

## Composition and operation of the board of directors

Unless otherwise determined by the ICAV in general meeting the number of Directors shall not be less than two. Currently the Board of Directors (the "Board") is composed of six Directors, being those listed in General Information. The Directors meet at least quarterly.

The business of the ICAV is managed by the Directors, who exercise all such powers of the ICAV as are, by the Act or by the Instrument of Incorporation of the ICAV, required to be exercised by the ICAV in a general meeting. A Director may, and the ICAV Secretary on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

The principal responsibility of the Directors is oversight of the business affairs of the ICAV and consistent with these oversight responsibilities the Directors have delegated management functions and responsibilities to duly qualified service providers. Such service providers are subject to ongoing oversight by the Directors.

## Accounting Records

The Directors believe that they have complied with the ICAV's obligation with regard to accounting records by engaging the services of the Administrator, who employs personnel with appropriate expertise and adequate resources, appropriate systems and procedures to provide the ICAV's finance function. The accounting records are retained at the office of the Administrator at 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland.

## Directors and secretary

The names of the persons who were Directors at any time during the financial period ended 31 December 2024 are set out on page 1. All the Directors serve in a non-executive capacity. Goodbody Secretarial Limited held the office of secretary (the "ICAV Secretary") throughout the financial period.

## Directors' and ICAV Secretary's interests

None of the Directors nor the ICAV Secretary or close members of their family held any interest, beneficial or otherwise, in the share capital of the ICAV during or at the end of the financial period.

The Board of Directors are not aware of any contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors had any interest at any time during the period ended 31 December 2024, other than those described in Note 11, 'Related Parties'.

## Employees

The governance framework of the ICAV reflects the fact that, as a collective investment scheme, it has no employees and outsources investment management and administration. The Management Company is responsible on a day-to-day basis, under the supervision of the Directors, for providing marketing, investment management and advice services in respect of all sub-funds. The Management Company employs a number of staff across different categories including senior management to oversee their responsibilities.

# Directors' Report (continued)

## Review of performance, risks, uncertainties and future developments

The ICAV's overall risk management policy focuses on the agreed risk management mechanisms and techniques that are used by the Investment Managers to measure, manage and report the relevant risks which the sub-funds of the ICAV are or might be exposed to. The main risks arising from investment in the ICAV include, but are not limited to, the risks referred to in Note 4 of these Financial Statements. The value of the assets of the ICAV may be affected by uncertainties such as international political developments or conflicts, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations.

The ICAV's business activities and performance during the period together with the factors likely to affect its future development, are set out in the Investment Managers' Reports.

The ICAV will continue its investment objective as set out in the relevant sub-fund's Supplement.

## Key performance indicators

The key performance indicators monitored for each sub-fund include the performance of the sub-funds and the financial position. The financial position of the ICAV is described in the Financial Statements on page 15.

## Segregated liability

The ICAV has segregated liability between its sub-funds and accordingly any liability incurred on behalf of or attributable to any sub-fund shall be discharged solely out of the assets of that sub-fund. As of the date of the financial period end the Directors are not aware of any unrecognised existing or contingent liability of any sub-fund of the ICAV.

## Significant events during the financial period

1. The ICAV was authorised by the Central Bank on 1 December 2023.
2. Eve Finn was appointed to the Board of Directors on 13 May 2024.
3. HSBC Global Funds II ICAV – Global Fixed Term Bond 2028 Fund was approved by the Central Bank on 25 April 2024. The sub-fund was launched on 17 June 2024.
4. On 15 July 2024, Suzanne Williams replaced Anthony Jeffs as Chairperson of the ICAV.
5. HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028 Fund was approved by the Central Bank on 2 July 2024. The sub-fund was launched on 19 July 2024.
6. The updated prospectus to amend the definition of "Business Day" and updated supplement of HSBC Global Funds II ICAV – Global Fixed Term Bond 2028 to include a definition of "Business Day" and "Developed Markets" and reduction of the maximum fee levels were noted by the Central Bank on 13 August 2024.
7. On 7 October 2024, Anthony Jeffs resigned from the Board of Directors and Xavier Baraton was appointed to the Board of Directors.

## Significant events since the financial period end

Significant events since the financial period end are disclosed in Note 13.



# Directors' Report (continued)

## Connected Persons transactions

The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 require that any transaction carried out with the ICAV by the Management Company or Depositary to the ICAV and the delegates or sub-delegates of the Management Company or Depositary (excluding any non-group company sub-custodians appointed by the Depositary) and any associated or group companies of the Management Company, Depositary, delegate or sub-delegate ("Connected Persons") must be conducted at arm's length and must be in the best interests of the Shareholders of the ICAV.

The board of directors of the Management Company is satisfied that there are arrangements, evidenced by written procedures, in place to ensure that any transaction carried out with the ICAV by a Connected Person is conducted at arm's length and in the best interests of the Shareholders of the ICAV.

The board of directors of the Management Company is satisfied that all transactions with a Connected Person entered into during the period complied with the requirements that any transaction carried out with the ICAV by a Connected Person is conducted at arm's length and in the best interests of the Shareholders of the ICAV.

## Auditor

KPMG Chartered Accountants were appointed as statutory auditor on 25 March 2024 and are willing to continue in office in accordance with section 125 of the ICAV Act.

## Results and dividends

The results for the financial period are shown in the Statement of Comprehensive Income. The Board of Directors may declare at its discretion, dividends in respect of each distribution share class of each sub-fund. Dividend distributions during the financial period are set out in Note 10 of the Financial Statements.

## Going concern

The ICAV's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit and liquidity risk are described as part of Note 4. The ICAV has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the ICAV is well placed to manage its business risks successfully.

After making enquiries, the Directors have a reasonable expectation that the ICAV has adequate resources to continue in operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue.

Accordingly, the financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the financial assets and liabilities held at fair value through the profit or loss for all sub-funds.

## Diversity report

The Board acknowledges the importance of diversity to enhance its operation. During the selection process for new Directors, the Board is committed to selecting those with diversity of age, gender and educational and professional background and candidates for appointment are selected based on these attributes. The Board's policy is that selection decisions are based on merit and objective criteria, that recruitment is fair and non-discriminatory and within this context promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. The Board has not set specific targets in respect of diversity but acknowledges its importance and currently has female representation of 50% and Directors with a wide variety of skills and experience.

# Directors' Report (continued)

## Diversity report (continued)

The objective of the Board Diversity and Inclusion Policy is to ensure diversity and inclusion is taken into consideration in the succession planning, selection, nomination, operation and evaluation of the Board.

The Board notes the diversity and inclusion policy of HSBC Group (the "Group"), which is focused on building a more diverse and inclusive workforce, regarding diversity and inclusion as a critical component to developing a sustainable and successful business within the Group and is informed by the Group's deep roots in many geographical regions and its international approach. In particular, it is noted that the Group policy is particularly focused on:

- improving the diversity of its workforce;
- fostering open, inclusive and, where appropriate, challenging discussion; and
- leveraging diversity of thought.

The Board is conscious of its regulatory obligations in relation to Board composition. In considering Board diversity, the Board will also take into account the following non-exhaustive factors:

1. the obligation to have two Directors resident in Ireland on the Board;
2. the obligation for the Company to comply with the Central Bank's Fitness and Probity Regime;
3. the Board's existing arrangements with current Directors;
4. the nature, scale and complexity of the Company and its activities;
5. the obligation to act in the best interests of investors, including in relation to costs; and
6. market sentiment, which may favour the capture of a diverse range of perspectives, insights and challenge on a Board, so as to support good decision-making.

Taking into account the objectives of this ICAV's policy and the factors listed above, new appointments to the Board will be made on merit, taking account of the specific skills and experience, independence and knowledge needed to ensure a rounded Board and the diversity benefits that each candidate can bring to overall Board composition.

## **Statement of Directors' responsibilities in respect of the Directors' report and the Financial Statements**

The Directors are responsible for preparing the Directors' Report and Financial Statements, in accordance with applicable law and regulations.

The ICAV Act requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

## Directors' Report (continued)

### Statement of Directors' responsibilities in respect of the Directors' report and the Financial Statements (continued)

The Financial Statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial period and of the increase in net assets attributable to holders of redeemable participating shares in the ICAV for the financial period. In preparing these Financial Statements, the Directors are required to:

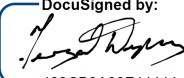
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the assets, liabilities, financial position and increase in net assets attributable to holders of redeemable participating shares in the ICAV and to enable them to ensure that the Financial Statements comply with the ICAV Act and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to a depository for safe-keeping. They are responsible for such internal controls as they determine is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the ICAV's website at [www.assetmanagement.hsbc.com](http://www.assetmanagement.hsbc.com). Legislation in the Republic of Ireland governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Signed on behalf of the Board

DocuSigned by:  
  
 483CB9A00F44444...

**Director**

**30 April 2025**

Signed by:  
  
 0FA17F9C88464D4...

**Director**

# Investment Managers' Report

for the period ended 31 December 2024

## Market Commentary

Global government bond markets fell moderately over the year, although corporate bonds eked out a modest return in aggregate. The backdrop to bond markets was largely favourable for much of the year as inflation continued to ease and the world's major central banks cut interest rates. However, a reacceleration in inflation in several countries and some caution, notably from the US Federal Reserve ("Fed") caused bond yields to surge markedly in the final months of the year. Investors were also concerned about the large level of projected new issues from the US, as well as from Japan, China, the eurozone and UK. Corporate bonds did better than government bonds, benefiting from a greater risk tolerance among investors seeking the higher relative yields on offer.

The world's major central banks eventually began to ease monetary policy as they became more satisfied that the price pressures facing their respective economies had sustainably retreated. The European Central Bank was the first to cut in June and the Bank of England soon followed suit. The Fed was widely expected to cut rates in September (it duly obliged), and these moves continued to drive markets higher. The Fed cut twice more but warned investors in December that the pace of rate cuts would likely slow in 2025, which caused markets to sell off at the end of the year. In contrast, the Bank of Japan ("BoJ") continued to tighten its monetary policy. Having raised rates modestly for the first time in 17 years in March, it did so again in July as it began to pull back from its longstanding ultra-loose monetary policy.

Economic performance was mixed. The US economy seemed to be on track for a soft landing, with gross domestic product remaining resilient. The eurozone and UK economies rebounded in the first half of 2024 following a weak second half of 2023. However, other economic data – such as retail sales and sentiment and confidence indicators – in both Europe and the UK underscored the relatively brittle nature of their respective recoveries. The UK slowed markedly from the summer. Mainland China's economic growth slowed to below the government's 5% target level in the second and third quarters of 2024 as the country's real estate sector continued to weigh on growth. Japan's economy also remained subdued. India was one of the strongest economies, although its economic momentum slowed somewhat over the period.

The US 10-year Treasury yield rose from 3.9% at the start of the period to approximately 4.6% by the end. The yield fell as low as 3.6% in September before rallying in the final quarter of the year. The US yield curve, which had been inverted for over two years, reverted to a mildly upward-sloping curve from September – with long rates once again at a higher level than short rates – as the Fed began to cut interest rates. The 10-year gilt yield increased from 3.8% to approximately 4.6% over the year. The rise in the German 10-year bund yield was less dramatic – it rose from 2.1% to 2.35% – as the economic outlook for the eurozone, and particularly Germany, remained fairly dire. The Japanese 10-year benchmark yield rose above 1% during the period as the BoJ tightened its monetary policy and ended the year close to a more than decade high of approximately 1.1%.

# Investment Managers' Report

for the period ended 31 December 2024

## Compliance with the Sustainable Finance Disclosure Regulation (SFDR) and Taxonomy Regulation

### Article 6 SFDR Funds

HSBC Global Funds II ICAV– Global Fixed Term Bond 2028 does not promote environmental and/or social characteristics within the meaning of Article 8 SFDR or does not have a sustainable investment objective within the meaning of Article 9 SFDR. The sub-fund is required to comply with the requirements of Article 6 SFDR and is categorised and referred to as Article 6 SFDR funds (the “**Article 6 SFDR Fund**”).

The investments underlying the Article 6 SFDR Fund do not take into account the EU criteria for environmentally sustainable economic activities.

### Article 8 SFDR Funds

HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028 promotes environmental and/or social characteristics within the meaning of Article 8 SFDR (the “**Article 8 SFDR Fund**”).

Additional disclosure requirements under SFDR are applicable to this annual report to the extent it relates to sub-funds classified as Article 8 / Article 9 funds under SFDR and such disclosures as they relate to those sub-funds can be found in the Other Additional Disclosures of this report. Such disclosures have in part been prepared using data sourced from third party data providers which was available as at the date of which the disclosures were produced. Similarly, the activities reported in the disclosures may be an output of proprietary analysis, which in turn may utilise data published by underlying investee companies. It has been observed that the availability of data, both from third party data providers and underlying investee companies, continues to be challenging in some respects. Additionally, there may be further regulatory guidance of relevance to the content of the disclosures that is still to be issued. The disclosures included in the Other Additional Disclosures of this report should consequently be read and understood considering these continuing challenges. With the assistance of the Management Company and the Investment Manager, the Board continues to monitor the ongoing development and evolution of sustainability-related regulation and associated guidance and the availability of relevant third party and investee companies' data in this regard.



## Annual Depositary Report to the Shareholders

We, HSBC Continental Europe, appointed Depositary to HSBC Global Funds II ICAV (the "ICAV") provide this report solely in favour of the Shareholders of the ICAV for the year ended 31 December 2024 ("the Accounting Period"). This report is provided in accordance with the UCITS Regulations - European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended ("the Regulations"). We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the ICAV for the Accounting Period and we hereby report thereon to the Shareholders of the Company as follows;

We are of the opinion that the ICAV has been managed during the Accounting Period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documents and the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.

*Claire Mc Ardle*

---

**On behalf of  
HSBC Continental Europe**

30 April 2025

1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

**HSBC Continental Europe**  
1 Grand Canal Square, Grand Canal Harbour, Dublin 2, D02 P820, Ireland  
Tel: +353-1-635-6000 Website: [www.hsbc.ie](http://www.hsbc.ie)

HSBC Continental Europe has a registered branch in Ireland (registration number 908966) having its registered office at 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, D02 P820 and is regulated and supervised by the Central Bank of Ireland as a depositary for Irish authorised investment funds and otherwise regulated by the Central Bank of Ireland for conduct of business rules. HSBC Continental Europe is a company incorporated under the laws of France as a société anonyme (registered number 775 670 284 RCS Paris), having its registered office at 38 Avenue Kléber, 75116 Paris, France. HSBC Continental Europe is supervised by the European Central Bank, as part of the Single Supervisory Mechanism, the French Prudential Supervisory and Resolution Authority (l'Autorité de Contrôle Prudenciel et de Résolution) as the French National Competent Authority and the French Financial Markets Authority (l'Autorité des Marchés Financiers) for the activities carried out over financial instruments or in financial markets



KPMG

Audit  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5  
Ireland

## **Report on the audit of the financial statements to the Shareholders of HSBC Global Funds II ICAV**

### **Opinion**

We have audited the financial statements of HSBC Global Funds II ICAV ('the ICAV') for the period ended 31 December 2024 set out on pages 15 to 54, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Statement of Cash Flows and related notes, including the material accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 December 2024 and of its increase in net assets attributable to holders of redeemable participating shares for the period then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 to 2021 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the ICAV in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## **Report on the audit of the financial statements to the Shareholders of HSBC Global Funds II ICAV (Continued)**

### **Other information**

The Directors are responsible for the other information presented in the Annual Report together with the Financial Statements. The other information comprises the information included in General Information, Directors' Report, Investment Managers' Report, Annual Depositary Report to the Shareholders, Portfolio Changes (unaudited), Other Additional Disclosures (unaudited) and Appendix - Sustainability Finance Disclosure Regulation Periodic Reports (Unaudited).

Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work undertaken during the course of the audit, we have not identified material misstatements in the other information.

### **Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Acts 2015 to 2021**

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

### **Matters on which we are required to report by exception**

The Irish Collective Asset-management Vehicles Acts 2015 to 2021 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

### **Respective responsibilities and restrictions on use**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' responsibilities statement set out on pages 7 and 8, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





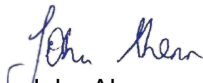
**Report on the audit of the financial statements to the Shareholders of HSBC Global Funds II ICAV (Continued)**

**Auditor's responsibilities for the audit of the financial statements (Continued)**

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

**The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the shareholders of the ICAV, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the ICAV's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

  
John Ahern

30 April 2025

for and on behalf of  
KPMG  
Chartered Accountants, Statutory Audit Firm  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5

## Statement of Financial Position as at 31 December 2024

	Note	Total USD	HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028* EUR	HSBC Global Funds II ICAV– Global Fixed Term Bond 2028** USD
<b>Assets</b>				
Cash and cash equivalents	2(g)	715,624	36,643	677,680
Financial assets at fair value through profit or loss				
- Transferable securities	4(e)	98,993,879	59,812,739	37,057,785
- Financial derivative instruments	4(e)	31,562	-	31,562
Due from shareholders	2(i)	752,410	726,615	-
Interest receivable		7,184	6,938	-
<b>Total assets</b>		<b>100,500,659</b>	<b>60,582,935</b>	<b>37,767,027</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
- Financial derivative instruments	4(e)	40,001	-	40,001
Due to broker	4(d)	265,609	256,503	-
Due to Management Company	3(a)	69,321	36,826	31,188
Other payable		119,157	21,840	96,542
<b>Liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>494,088</b>	<b>315,169</b>	<b>167,731</b>
<b>Net assets attributable to holders of redeemable participating shares</b>	6	<b>100,006,571</b>	<b>60,267,766</b>	<b>37,599,296</b>

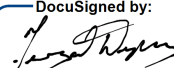
\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

The accompanying notes form an integral part of the Financial Statements.

Signed on behalf of the Board

Director

DocuSigned by:  
  
483CB9A00F44444...

Director

Signed by:  
  
0FA17F9C88464D4...

30 April 2025

# Statement of Comprehensive Income

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

	Note	Total USD	HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028* EUR	HSBC Global Funds II ICAV– Global Fixed Term Bond 2028** USD
<b>Investment Income</b>				
Interest income		7,435	6,875	-
Other income		135	125	-
Net gain on financial assets and liabilities at fair value through profit or loss	13	1,631,046	771,998	796,118
Net (loss)/gain on foreign exchange		(1,327)	-	(1,327)
<b>Total Investment Income</b>		<b>1,637,289</b>	<b>778,998</b>	<b>794,791</b>
<b>Operating expenses</b>				
Management Fees	3(a)	98,408	39,086	56,136
Other expense		63,079	28,886	31,838
<b>Total operating expenses</b>		<b>161,487</b>	<b>67,972</b>	<b>87,974</b>
<b>Operating income</b>		<b>1,475,802</b>	<b>711,026</b>	<b>706,817</b>
<b>Finance costs</b>				
Distributions to redeemable participating shareholders	2(n)	(456,215)	-	(456,215)
Interest expense		(801)	-	(801)
<b>Gain for the financial period after distribution and before tax</b>		<b>1,018,786</b>	<b>711,026</b>	<b>249,801</b>
<b>Increase net assets attributable to holders of redeemable participating shares from operations net of tax</b>		<b>1,018,786</b>	<b>711,026</b>	<b>249,801</b>

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

The accompanying notes form an integral part of the Financial Statements.

# Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

	Total USD	HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028* EUR	HSBC Global Funds II ICAV– Global Fixed Term Bond 2028** USD
Net assets attributable to holders of redeemable participating shares at the beginning of the period	-	-	-
Increase in net assets attributable to holders of redeemable participating shares from operations	1,018,786	711,026	249,801
Proceeds from redeemable participating shares issued	104,496,717	60,148,824	39,444,857
Payments on redemption of redeemable participating shares	(2,735,710)	(592,084)	(2,095,362)
Foreign exchange movement arising on aggregation	(2,773,222)	-	-
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>	<b>100,006,571</b>	<b>60,267,766</b>	<b>37,599,296</b>

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

# Statement of Cash Flows

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

	Total <sup>2</sup> 2024
Note	USD
<b>Cash flows from operating activities</b>	
Increase in net assets attributable to holders of redeemable participating shares	1,018,786
<i>Adjustment for:</i>	
Exchange gains on cash and cash equivalents	(66)
Interest income	(7,435)
Net gain on financial assets and liabilities at fair value through profit or loss	(1,631,046)
Interest expenses	801
Distributions to redeemable participating Shareholders	456,215
	<u>(162,745)</u>
Net increase in due to brokers	265,609
Net increase in accrued expenses	109,526
Interest received	251
Interest paid	(801)
Increase in financial assets at fair value through profit or loss <sup>1</sup>	(97,394,395)
Increase in financial liabilities at fair value through profit or loss	40,001
<b>Cash used in operations</b>	<b><u>(97,142,554)</u></b>
<b>Cash flows from financing activities</b>	
Distributions paid	(377,263)
Proceeds from redeemable participating shares issued	103,744,307
Payment on redemption of redeemable participating shares	(2,735,710)
<b>Net cash provided by financing activities</b>	<b><u>100,631,334</u></b>
<b>Net increase in cash and cash equivalent</b>	<b>3,488,780</b>
Cash and cash equivalents at beginning of the financial period	-
Exchange gains on cash and cash equivalents	66
Foreign exchange movement arising on aggregation	(2,773,222)
<b>Cash and cash equivalents at end of the financial period</b>	<b><u>715,624</u></b>

<sup>1</sup>Financial assets of transferable securities include interest receivable.

<sup>2</sup>Total includes two sub-funds which are launched during the period, HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028 commenced operations on 19 July 2024 and HSBC Global Funds II ICAV – Global Fixed Term Bond 2028 commenced operations on 17 June 2024.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 1. The reporting entity HSBC Global Funds II ICAV (the “ICAV”)

The ICAV was incorporated in Ireland as an open-ended umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds to carry on business under the ICAV Act on 1 December 2023 with registration number C526934. The ICAV is registered by the Central Bank of Ireland as an ICAV pursuant to Part 2, Chapter 1 of the ICAV Act and authorised as a UCITS fund pursuant to the 2011 UCITS Regulations and is also subject to the Central Bank UCITS Regulations.

The assets of each sub-fund will be invested separately in accordance with the investment objective and policies of each sub-fund. Moreover, any liability incurred on behalf of or attributable to any sub-fund may only be discharged solely out of the assets of that sub-fund and the assets of the other sub-funds may not be used to satisfy the liability.

The sole object of the ICAV is the collective investment in either or both of transferable securities or other liquid financial assets referred to in Regulation 68 of the 2011 UCITS Regulations, of capital raised from the public which operates on the principle of risk-spreading.

As at 31 December 2024, the ICAV has 2 sub-funds in operation.

HSBC Global Funds II ICAV – Global Fixed Term Bond 2028 which is registered with the Securities and Futures Commission (the “SFC”) in Hong Kong is regulated under an equivalent jurisdiction in the form of the UCITS Regulations, therefore the SFC accept UCITS Regulations. While the SFC recognises that annual reports of recognised jurisdiction schemes will vary in content, annual reports are expected to offer investors comparable disclosure. Annual reports of recognised jurisdiction schemes will generally be reviewed by the SFC on the basis that they already comply in substance with the Hong Kong disclosure requirements.

## 2. Material accounting policies

### (a) Basis of accounting

The ICAV has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

The Financial Statements have been prepared in accordance with EU IFRS the ICAV Act and the UCITS Regulations. The Financial Statements relate to the ICAV (encompassing all sub-funds).

Interest income and interest receivable on financial assets at fair value through profit or loss has been reclassified to net loss on financial assets and liabilities at fair value through profit or loss in Statement of Comprehensive Income and financial assets at fair value through profit or loss in Statement of Financial Position and the corresponding adjustment has been made to restate the comparative figures in the relevant sub-funds.

### (b) Basis of measurement

The Financial Statements have been prepared on a going concern basis, applying the historical cost convention, except for the non-derivative financial instruments valued at fair value through profit or loss and derivative financial instruments which have been valued at fair value through profit or loss.

Accounting standards require the Board of Directors to make an assessment of the ICAV's ability to continue as a going concern, taking into account all available information about the future, which is at least, but is not limited to, twelve months from the date the accounts are approved.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (b) Basis of measurement (continued)

Having assessed the ICAV's core activities, the financial position, the principal risks and the other matters affecting the future performance of the ICAV included in connection with the Financial Statements, the Directors consider it appropriate to adopt the going concern basis in preparing the Financial Statements. The Directors have arrived at this opinion by considering, among other matters:

- The ICAV's investments comprise readily realisable securities which can be expected to be sold to meet funding requirements if necessary;
- The ICAV's NAV calculations have not been suspended as a result of the difficulties in fair valuing the instruments or for other reasons;
- The ICAV has no material borrowings; and
- The ICAV is in a position to meet all current and future expenses. If any of the sub-fund's expenses will exceed the Ongoing Charges Figure in relation to operating the sub-fund, the Management Company or its affiliates will cover any shortfall from its own assets.

### (c) Functional and presentation currency

#### (i) Presentation currency of the ICAV

The ICAV does not have a functional currency as it does not operate or transact in an economic environment and is structured as an umbrella fund for the segregated sub-funds. The ICAV's presentation currency is USD.

#### (ii) Functional and presentation currency of the sub-funds

The Financial Statements of the sub-funds of HSBC Global Funds II ICAV - Euro Fixed Term Bond 2028 are presented in EUR and HSBC Global Funds II ICAV - Global Fixed Term Bond 2028 are presented in USD. All amounts have been rounded to the nearest EUR and USD unless otherwise indicated.

Functional currency is the currency of the primary economic environment in which the sub-funds operate. If indicators of the primary economic environment are mixed, then the management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The sub-funds' investments and transactions are denominated in USD on total. Management has determined that the functional currency of HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028 is EUR and of HSBC Global Funds II ICAV – Global Fixed Term Bond 2028 is USD.

#### (iii) Translation and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the Statement of Financial Position date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within net (loss)/gain on foreign exchange.

Foreign exchange gains and losses relating to the Financial Assets and Liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income as part of Net gain on financial assets and liabilities at fair value through profit or loss.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (c) Functional and presentation currency (continued)

#### *(iv) Presentational translation*

For the purpose of presenting the Financial Statements of the ICAV:

- the Statement of Financial Position of the sub-funds with functional currencies other than US Dollar were translated to US Dollars at the exchange rate ruling at 31 December 2024; and
- the Statement of Comprehensive Income, proceeds from redeemable participating shares issued, redemptions of redeemable participating shares, equalisation and Statement of Cash Flows of the sub-fund with functional currency other than US Dollar was translated at the US Dollar average monthly rates where those rates represent a reasonable approximation of actual rates.

The translation method resulted in a foreign currency translation amount of USD (2,773,222) due to the use of average rates as referred to above. This has no impact on the net asset value per share of each of the sub-funds.

### (d) Judgements and estimates

The preparation of Financial Statements in conformity with IFRS as adopted by the EU, requires the Board to make judgements, estimates and assumptions which affects the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors which are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities which are not readily apparent from others.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the financial period in which the estimates are revised and in any future periods affected.

#### *Judgements*

The determination of what constitutes an active market and what inputs are "observable" requires judgement by the Board when considering fair value measurement principles and fair value hierarchy disclosures. The determination of the sub-funds functional currencies also requires judgment. Information about judgements made in applying accounting policies that have effects on the amounts recognised in the Financial Statements is included in Note 2 c(ii) and f(iv).

#### *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties that have a risk of resulting in an adjustment to the carrying amounts and levelling classification of assets and liabilities within the period ending 31 December 2024 is included in Note 4 (e).



# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (e) New standards, amendments and interpretations effective from 1 January 2024

**New currently effective requirements:** This table lists the recent changes to the Accounting Standards that are required to be applied by an entity with an annual reporting period beginning on 1 January 2024.

Effective date	New accounting standards or amendments
1 January 2024	<i>Non-current Liabilities with Covenants (Amendments to IAS 1)</i> and <i>Classification of Liabilities as Current or Non-current (Amendments to IAS 1)</i>

### (f) New standards, amendments and interpretations effective for future reporting financial periods that have not been early adopted

#### *IFRS 18 Presentation and Disclosure in Financial Statements*

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.
- Entities' net profit will not change as a result of applying IFRS 18.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The ICAV is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the ICAV's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The ICAV is also assessing the impact on how information is grouped in the Financial Statements, including for items currently labelled as 'other'.

The following new and amended accounting standards are not expected to have a material impact on the ICAV's Financial Statements:

- Lack of Exchangeability (Amendments to IAS 21)
- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (g) Financial assets and liabilities at fair value through profit or loss

#### *(i) Classification and measurement of financial assets and financial liabilities*

The ICAV is an open-ended investment entity and materially all of the financial assets and liabilities of its sub-funds are required to be managed on a fair value through profit or loss basis. This applies to both initial and subsequent recognition.

None of the ICAV's assets qualify for measurement at fair value through other comprehensive income.

#### *Initial recognition*

Assets and liabilities such as cash and cash equivalents, due to/from broker and other short-term receivables and payables are measured at amortised cost at initial recognition and subsequently. All other material assets and liabilities of the ICAV are debt securities, equity investments, investments in unlisted open-ended investment funds, and derivatives and required to be measured at FVTPL at initial recognition and subsequently.

Purchases and sales of investments are recognised on the trade date - the date on which the ICAV commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

#### *Subsequent measurement*

Financial assets at FVTPL are subsequently measured at fair value and financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (g) Financial assets and liabilities at fair value through profit or loss (continued)

#### (ii) Impairment of financial assets

The ICAV assesses on a forward-looking basis the expected credit loss (“ECL”) associated with its financial assets carried at amortised cost. ECLs on assets at amortised cost are considered immaterial. Significantly all of the ICAV’s financial assets measured at amortised cost are short term assets. Therefore, as the term length of these assets is less than one year, the ICAV in effect measures loss allowances based on their life-time ECLs. When estimating ECLs, the ICAV considers reasonable and supportable information that is relevant and available without undue cost or effort, such as counter-party credit ratings.

#### (iii) Derecognition

The ICAV derecognises a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the ICAV neither transfers nor retains substantially all of the risk and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income. Any interest in such transferred financial assets that is created or retained by the ICAV is recognised as a separate asset or liability.

The ICAV derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

#### (iv) Fair value measurement principles

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the ICAV has access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of financial instruments where quoted in an active market is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. The ICAV utilises the last traded market price for both financial assets and financial liabilities where the bid-ask spread is narrow.

If an active quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the Statement of Financial Position date applicable to an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the Statement of Financial Position date.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (g) Financial assets and liabilities at fair value through profit or loss (continued)

#### (v) *Offsetting of financial assets and liabilities*

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position where the ICAV currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously. Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses

### (h) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the ICAV in management of short-term commitments, other than cash collateral provided in respect of derivatives. As at 31 December 2024, all cash is held with HSBC Bank plc.

### (i) Due from/to brokers

These are measured at amortised cost using the effective interest method. The "amortised cost" of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss in the Statement of Comprehensive Income. Any gain or loss on derecognition is also recognised in profit or loss.

### (j) Due from/to shareholders

Due from shareholders relates to subscriptions receivable not settled at the period end and due to shareholders relate to redemptions payable not settled at period end.

### (k) Net gains/(losses) from financial instruments at fair value through profit and loss

Net gains/(losses) from financial instruments at fair value through profit and loss includes all realised gains and losses, unrealised fair value changes, foreign exchange differences and coupon related interest income from debt securities measured at FVTPL.

### (l) Expenses

Expenses are recognised in the Statement of Comprehensive Income on an accrual basis and as the related services are performed.

### (m) Redeemable participating shares

Redeemable participating shares in all share classes are redeemable at the Shareholder's option and are classified as financial liabilities as they fail the identical features test. The redeemable participating shares can be redeemed at any time for cash equal to a proportionate share of a particular sub-fund's net asset value. The participating share is carried at amortized cost and is measured at the present value of the redemption amount that is payable at the Statement of Financial Position date if the shareholder exercised its right to put the share back to the sub-fund.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 2. Material accounting policies (continued)

### (n) Distributions to holders of redeemable participating shares

Distributions to holders of redeemable participating shares are recorded in the Statement of Comprehensive Income as finance costs when declared (i.e. the decision has been through the final required approval stage and cannot be reversed). Further information on distributions is provided in Note 10.

### (o) Income tax expense

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. As such, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a 'chargeable event'. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of shares.

No Irish tax will arise on the ICAV regarding chargeable events.

A chargeable event does not include:

- (i) any transaction in relation to shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arm's length by the ICAV, of shares in the ICAV for other Shares in the ICAV;
- (iii) certain transfers of shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another Irish investment undertaking; or
- (v) the cancellation of shares in the ICAV arising from an exchange in relation to a scheme of amalgamation.

Income, interest and capital gains (if any) received on investments made by the ICAV may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the ICAV or its Shareholders.

### (p) Transaction costs

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs include and commissions paid to brokers and counterparties. Transaction costs are expensed on an accrual basis and are recorded in the Statement of Comprehensive Income as part of other expenses. Transaction costs incurred during the financial period by each sub-fund are detailed in Note 3(f).

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 3. Fees and expenses

### (a) Management fee

The ICAV has a fee structure where, in respect of each of the sub-funds, all of the fees and expenses are paid as one single fee. This is referred to as the “Ongoing Charges Figure” or “OCF” in the Prospectus of the ICAV and is being disclosed in these Financial Statements as the “management fee”.

The management fee is paid to the Management Company to cover fees for providing investment management, distribution, marketing and advice services in respect of all sub-funds. The Management Company is responsible for paying out of the management fee, the fees of the Investment Managers, the Distributors, the operating, administrative and services expenses and may pay part of such fee to recognised intermediaries or such other person as the Management Company may determine, at its discretion.

The management fee covers all of the following operating, administrative and services expenses (but is not an exhaustive list):

- Management Company expenses
- Custody, depository and safekeeping charges
- Administration, domiciliary and fund accounting services
- Legal expenses for advice on behalf of the ICAV
- Audit fees
- Registration fees
- Listing fees (if applicable)
- Directors’ fees and expenses. See Note 3(d)
- Documentation costs
- Costs associated with the collection, reporting and publication of data about the ICAV, its investments and Shareholders as required by laws and regulations from time to time
- Fees charged by third party vendors for publishing fund performance data
- Financial index licensing fees
- Any fees charged for sub-fund expense data analysis if specifically requested by the ICAV to be obtained from an independent third party
- Any industry association fees for the benefit of the ICAV

The management fee is accrued daily and payable monthly in arrears. The management fee of each sub-fund of the ICAV is as listed in the relevant sub-fund’s Supplement and is disclosed in the Other Additional Disclosure section of these Financial Statements.

If a sub-fund’s expenses exceed the management fee for a share class, the Management Company or its affiliates will cover any shortfall from their own assets.

The management fee for the financial period amounted to USD 98,408 of which USD 69,321 was payable at the financial period end.

### (b) Investment Management fees

The Investment Managers shall be entitled to receive from the Management Company a fee in relation to each sub-fund or Class (the “Investment Management Fee”). Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears. The Investment Management fee paid by the Management Company out of the OCF for the financial period from 1 December 2023 (date of incorporation) to 31 December 2024 was USD Nil of which USD Nil was payable at 31 December 2024. There are no performance fees.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 3. Fees and expenses (continued)

### (c) Administrator's and Depositary's fees

The Management Company is responsible for the payment to the Administrator and Depositary out of the OCF, an annual fee, payable monthly in arrears at a rate of 20 basis points of the net asset value of the relevant sub-fund of the ICAV as of each valuation day.

### (d) Directors' fees and expenses

The Directors' fees which are paid out of the OCF for the financial period from 1 December 2023 (date of incorporation) to 31 December 2024 amounted to USD 46,994. Directors' out of pocket expenses for the financial period 31 December 2024 was USD 860.

### (e) Auditor's fees

Fees for the statutory auditor, KPMG Ireland, in respect of the financial period 31 December 2024, relate entirely to the audit of the Financial Statements of the ICAV. Auditor's fees for the financial period amounted to USD 25,740 excluding VAT of which nothing was payable as at 31 December 2024. All payments for the statutory auditor are met from the OCF charge detailed above and levied by the Management Company.

### (f) Transaction cost

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024, the ICAV incurred transaction costs that are identifiable as follows:

Sub-Funds	31 December 2024
HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028*	-
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028**	-

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

## 4. Risks associated with financial instruments

The ICAV's investment activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The ICAV's overall risk management process focuses on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the ICAV's financial performance.

The Management Company seeks to mitigate the financial risk in the ICAV in its daily risk management process. From year to year, the ICAV's exposure to risk will alter as market conditions change and as the components of the portfolio change and are adjusted through trading, subscriptions and redemptions. Regarding the objectives, policies and processes for managing the risk, whilst adapting to the current market conditions, the approach will remain consistent from year to year.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

The ICAV uses the commitment approach to calculate the sub-funds' global exposure.

The sub-funds also have Derivative Instruments ("FDIs") for efficient portfolio management of its assets and for investment purposes. Efficient portfolio management means investment decisions involving transactions that are entered into for one or more of the following specific aims: the reduction of risk; the reduction of cost; or the generation of additional capital or income for the sub-funds with an appropriate level of risk, taking into account the risk profile of the sub-funds and the general provisions of the UCITS Regulations.

### (a) Market risk

Market risk is the risk that changes in market prices such as interest rates, foreign exchange rates or equity and credit spreads will affect the sub-funds' income or the fair value of its holdings of financial instruments.

#### (i) Price risk

Price risk is the risk that the value of instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. It represents the potential loss the ICAV might suffer through holding market positions in the face of price movements.

The securities held by the sub-funds are held at fair value with fair value changes recognised in the Statement of Comprehensive Income. All changes in market conditions will therefore directly affect net investment income for the sub-funds. The sub-funds manage this exposure to individual price movements of underlying positions by only making investments which are in line with the investment restrictions. The investment concentration types within the portfolio are disclosed for each sub-fund in the Schedule of Investments.

The table below outlines the impact on the net assets attributable to holders of redeemable shares upon 5% increase (all other variables remaining constant) in investments as at 31 December 2024:

<b>Sub-Funds</b>	<b>31 December 2024</b>
HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028	EUR 2,990,637
HSBC Global Funds II ICAV – Global Fixed Term Bond 2028	USD 1,852,467

#### (ii) Currency risk

Currency risk is the risk that the fair value of a financial instrument as determined in a sub-fund's functional currency will fluctuate because of changes in foreign exchange rates. Each sub-fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, each sub-fund is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the ICAV's assets or liabilities.



# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (a) Market risk (continued)

#### (ii) Currency risk (continued)

The sub-funds may seek to hedge this currency risk through FX transactions in the forward markets.

There is no currency risk for HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028.

The table below outlines the net foreign currency risk exposure of the sub-fund as at 31 December 2024.

#### HSBC Global Funds II ICAV – Global Fixed Term Bond 2028\*\*

As at 31 December 2024	Other assets/(liabilities) USD	Financial assets/liabilities at fair value through profit or loss* USD	Net Currency Exposure USD
Euro	12,262	786,131	798,393
Hong Kong Dollar	(2,990)	-	(2,990)
Pound Sterling	(2,793)	1,106,161	1,103,368
	6,479	1,892,292	1,898,771

\*Includes interest receivable at fair value through profit or loss.

\*\*commenced operations on 17 June 2024.

The sub-fund has entered into a number of forward exchange contracts for currencies other than EUR. The impact of the hedging has been included in the above table. At 31 December 2024, if any non-functional currencies had strengthened by 5% in relation to the respective functional currency of the sub-fund, with all other variables held constant, net assets attributable to holders of redeemable participating shares would have increased/decreased by the amounts shown below.

#### HSBC Global Funds II ICAV – Global Fixed Term Bond 2028\*

##### As at 31 December 2024

	USD
Euro	39,920
Hong Kong Dollar	(150)
Pound Sterling	55,169
	94,939

\*commenced operations on 17 June 2024.

#### (iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (a) Market risk (continued)

(iii) Interest rate risk (continued)

#### HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028\* as of 31 December 2024

	Interest bearing EUR	Non-interest bearing EUR	Total EUR
<b>Assets</b>			
Financial assets at fair value through profit or loss	59,812,739	-	59,812,739
Cash and cash equivalents	36,643	-	36,643
Due from Shareholders	-	726,615	726,615
Interest Receivable	-	6,938	6,938
<b>Total Assets</b>	<b>59,849,382</b>	<b>733,533</b>	<b>60,582,935</b>
<b>Liabilities</b>			
Due to brokers	-	256,503	256,503
Due to Investment Manager	-	36,826	36,826
Accrued expenses	-	21,840	21,840
<b>Total Liabilities</b>	<b>-</b>	<b>315,169</b>	<b>315,169</b>
<b>Total Interest sensitivity gap</b>	<b>59,849,382</b>		

\*commenced operations on 19 July 2024.

The following tables detail the effect on net assets should interest rates have increased/decreased by 100 bps with all other variables remaining constant, assuming that a 100 bps increase/decrease in the base interest rate would result in a correlating 100 bps increase/decrease in the value of net interest bearing assets. In reality, an increase/decrease of 100 bps would not result in a direct correlating increase/decrease in the fair value of net interest bearing assets, as the movement in the value of the net interest bearing assets would depend on the individual asset class and/or market sentiment towards any sensitivity in the interest rate. The majority of the portfolio of the sub-fund is of fixed rate interest nature and therefore interest income received would not be affected by the fluctuation of interest.

	Interest bearing EUR
Effect on net assets after 100 bps decrease	60,447,876
Effect on net assets after 100 bps increase	(59,250,888)

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (a) Market risk (continued)

(iii) Interest rate risk (continued)

#### HSBC Global Funds II ICAV – Global Fixed Term Bond 2028\* as of 31 December 2024

	Interest bearing USD	Non-interest bearing USD	Total USD
<b>Assets</b>			
Financial assets at fair value through profit or loss	37,057,785	31,562	37,089,347
Cash and cash equivalents	677,680	-	677,680
<b>Total Assets</b>	<b>37,735,465</b>	<b>31,562</b>	<b>37,767,027</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	-	40,001	40,001
Due to Investment Manager	-	31,188	31,188
Accrued expenses	-	96,542	96,542
<b>Total Liabilities</b>	<b>-</b>	<b>167,731</b>	<b>167,731</b>
<b>Total Interest sensitivity gap</b>	<b>37,735,465</b>		

\*commenced operations on 17 June 2024.

The following tables detail the effect on net assets should interest rates have increased/decreased by 100 bps with all other variables remaining constant, assuming that a 100 bps increase/decrease in the base interest rate would result in a correlating 100 bps increase/decrease in the value of net interest bearing assets. In reality, an increase/decrease of 100 bps would not result in a direct correlating increase/decrease in the fair value of net interest bearing assets, as the movement in the value of the net interest bearing assets would depend on the individual asset class and/or market sentiment towards any sensitivity in the interest rate. The majority of the portfolio of the sub-fund is of fixed rate interest nature and therefore interest income received would not be affected by the fluctuation of interest.

	Interest bearing USD
Effect on net assets after 100 bps decrease	38,112,820
Effect on net assets after 100 bps increase	(37,358,110)

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the ICAV. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange clearing house. Exchange clearing house benefit both parties in a transaction as they bear most of the credit risk. If two individuals deal with one another, the buyer bears the credit risk of the seller, and vice versa. When an exchange clearing house is used, the credit risk that is held against both buyer and seller is passed on to the exchange clearing house.

This exposure exists between trade date and settlement date for asset purchase and sale transactions, for securities re-used by counterparty and for the lifetime of derivative transactions. This exposure exists between trade date and settlement date for asset purchase and sale transactions, for securities re-used by counterparty and for the lifetime of derivative transactions. This exposure also exists for collateral held at counterparties. The counterparties and brokers of the sub-funds have the right to re-use assets, which may increase counterparty risk. Assets that are re-used by the counterparties are subject to the risk of the counterparty defaulting on its obligations. It is the policy of the sub-funds to transact the majority of its securities and contractual commitment activity and its derivative transactions with brokers, counterparties and banks that the Directors consider to be well established. The securities traded by the sub-funds also include counterparty risk as to the solvency of the issuer of the securities. The counterparties, brokers and bankers of the sub-funds hold cash as bankers and the sub-funds is thus in a position of general creditor to such counterparties also for such amounts.

HSBC Bank plc, the holding company of the Depositary, HSBC Continental Europe, was rated as AA- by Standard and Poor's as at 31 December 2024.

The Investment Manager monitors the portfolio risk on a daily basis which includes credit ratings with any breaches or concerns being escalated and actioned.

The below table provides an analysis of the ICAV's counterparty's credit rating as reported by Standard and Poor's.

<b>Counterparty</b>	<b>Credit Rating 31 December 2024</b>
Goldman Sachs	A+
HSBC Bank plc	A+

The ICAV will also be exposed to a credit risk in relation to the counterparties with whom it transacts or places margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. The investments in bonds or other debt securities will be subject to the credit risk of the issuers of the bonds or debt securities in which it invests. In the event that any issuer of bonds or other debt securities in which the assets of a sub-fund are invested defaults, becomes insolvent or experiences financial or economic difficulties, this may adversely affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero), which may in turn adversely affect the Net Asset Value of the sub-funds. The ICAV is exposed to credit risk on Cash and cash equivalents, Due from Broker, Due from Shareholders, Dividends receivable,

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (b) Credit risk (continued)

Interest receivable from financial assets at fair value through profit or loss and other receivables as disclosed in the Statement of Financial Position and Debt securities as disclosed in Note 4 (e). The carrying amounts of financial assets represents the maximum exposure to credit risk.

#### Investments in debt securities

At 31 December 2024, the ICAV was invested in corporate debt securities with the following credit quality. The ratings are based on average credit rating which is an average of the vendors: S&P, Fitch, Moody's, and Sovereign Rating. The average fund and benchmark rating includes securities which are not rated (NR).

	Market Value Weight Euro Fixed Term Bond 2028*	Market Value Weight Global Fixed Term Bond 2028**
AA	-	-
A	11.09	25.85
BBB	58.57	52.67
BB	28.98	14.75
B	1.30	4.95
Cash	0.06	1.77
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

#### Concentration of credit risk

As at 31 December 2024 the ICAV's debt securities' exposures were concentrated in the following industries.

<b>Sector</b>	Market Value Weight Euro Fixed Term Bond 2028*	Market Value Weight Global Fixed Term Bond 2028**
Basic Materials	3.66	3.36
Communications	13.72	3.20
Consumer Cyclical	21.02	15.05
Consumer Non-cyclical	14.69	13.60
Diversified	0.18	-
Energy	-	8.05
Financial	27.07	40.05
Industrial	15.38	7.44
Technology	0.71	5.22
Utilities	3.52	2.25
Cash	0.06	1.79
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (b) Credit risk (continued)

#### Average maturity allocation

Average Maturity is the average time (in years) to maturity; the time (in years) to principal repayment for securitised; the time (in years) to probable call/put for non-securitised.

Average Maturity	Market Value Weight Euro Fixed Term Bond 2028*	Market Value Weight Global Fixed Term Bond 2028**
0 -.2 years	9.09	5.62
2 - 5 years	90.91	94.38
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

### (c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The ICAV is exposed to daily cash redemptions of redeemable participating shares and monitors this activity to ensure that funds are available to meet the redemption requirements.

The ICAV's equity investments are considered to be readily realisable as they are all traded on regulated markets. The ICAV has therefore limited exposure to liquidity risk.

The ICAV's financial instruments also comprise investments in derivative contracts traded over-the-counter, which are not traded in an organised public market and which generally may be illiquid. As a result, the ICAV may not be able to liquidate quickly some of its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements, or to respond to specific events such as a deterioration in the credit worthiness of any particular issuer. This risk is mitigated by restricting the exposure to any particular instrument.

The table below analyses the ICAV's financial liabilities into relevant maturity groupings based on the remaining year at the Statement of Financial Position date to the contractual maturity date. Expected cashflows do not vary significantly from contractual cashflows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

## 4. Risks associated with financial instruments (continued)

### (c) Liquidity risk (continued)

## Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

### HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028\*

As at 31 December 2024

	Less than 1 month EUR	1 month 6 months EUR	No stated maturity EUR	Total EUR
<b>Liabilities</b>				
Due to broker	256,503	-	-	256,503
Due to Management Company	36,826	-	-	36,826
Accrued expenses	21,840	-	-	21,840
Net assets attributable to holders of redeemable participating shares	60,267,766	-	-	60,267,766
<b>Total Liabilities</b>	<b>60,582,935</b>	<b>-</b>	<b>-</b>	<b>60,582,935</b>

\*commenced operations on 19 July 2024.

### HSBC Global Funds II ICAV– Global Fixed Term Bond 2028\*\*

As at 31 December 2024

	Less than 1 month USD	1 month 6 months USD	No stated maturity USD	Total USD
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	32,140	7,861	-	40,001
Due to Management Company	31,188	-	-	31,188
Accrued expenses	96,542	-	-	96,542
Net assets attributable to holders of redeemable participating shares	37,599,296	-	-	37,599,296
<b>Total Liabilities</b>	<b>37,759,166</b>	<b>7,861</b>	<b>-</b>	<b>37,767,027</b>

\*\*commenced operations on 17 June 2024.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (d) Balance due from brokers and due to brokers as at 31 December 2024

Broker margin balances (restricted cash) held with HSBC Bank plc at 31 December 2024 amounted to USD Nil. None of these balances were withdrawable. Broker cash balances relate to balances due to/from brokers with respect to open futures contracts.

	Euro Fixed Term Bond 2028* EUR	Global Fixed Term Bond 2028** USD
Balance due from broker		
Margin accounts	-	-
Sales transactions awaiting settlement	-	-
	-	-
Balance due to broker		
Margin accounts	-	-
Purchases transactions awaiting settlement	256,503	-
	<b>256,503</b>	-

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

### (e) Fair value of assets and liabilities

IFRS 13 requires disclosures of financial instruments measured at fair value to be based on a three-level fair value hierarchy that reflects the significance of the inputs in such fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the ICAV has the ability to access at the measurement date;
Level 2	Inputs other than unadjusted quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
Level 3	This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires judgement by the Directors.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors.



# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (e) Fair value of assets and liabilities (continued)

The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Directors' perceived risk of that instrument.

#### *Transferable securities*

Transferable securities with values based on quoted market prices in active markets are classified within Level 1. These include transferable securities that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. Transferable securities classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 investments in equity securities are disclosed in Note 4 (e).

#### *Derivative instruments*

Derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). Exchange-traded derivatives, such as contracts for difference, futures contracts, exchange traded option contracts and total return swaps are typically classified within level 1 or level 2 of the fair value hierarchy depending on whether they are deemed to be actively traded. OTC derivatives, such as forward foreign exchange contracts have inputs which can generally be corroborated by market data and are therefore classified within level 2.

The ICAV has not disclosed the fair values for financial instruments measured at amortised cost, due to/from broker and short-term receivables and payables because their carrying amounts are reasonable approximation of fair values.

No investments have been classified within Level 3 at any time during the year, consequently no reconciliation of Level 3 fair value measurements is required.

For the period ended 31 December 2024, all other assets and liabilities, other than investments at fair value, whose carrying amounts approximate fair value would have been considered to be classified within Level 2 of the fair value hierarchy if such classification was required.

The sub-funds may invest in Financial Derivatives Instruments for investment purposes, for hedging purposes and for efficient portfolio management purposes.

#### *Financial assets at amortised cost*

Financial assets at amortised cost includes cash and cash equivalents, due from broker, due from shareholders, interest receivable and other receivables.

#### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost includes due to broker, due to shareholders, management fees payable, distributions payable and other payable.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (e) Fair value of assets and liabilities (continued)

The following table presents the fair value hierarchy of the ICAV's financial assets and liabilities measured at 31 December 2024.

<b>HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028*</b>				<b>31 December 2024</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
<b>Financial assets at fair value through profit or loss</b>				
Transferable securities				
- Debt securities	1,527,813	58,284,926	-	59,812,739
<b>Total financial assets at fair value through profit or loss</b>	<b>1,527,813</b>	<b>58,284,926</b>	<b>-</b>	<b>59,812,739</b>

<b>HSBC Global Funds II ICAV – Global Fixed Term Bond 2028**</b>				<b>31 December 2024</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Financial assets at fair value through profit or loss</b>				
Transferable securities				
- Debt securities	22,749,452	14,308,333	-	37,057,785
Financial derivatives				
- Forwards	-	31,562	-	31,562
<b>Total financial assets at fair value through profit or loss</b>	<b>22,749,452</b>	<b>14,339,895</b>	<b>-</b>	<b>37,089,347</b>

				<b>31 December 2024</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Financial derivatives				
- Forwards	-	(40,001)	-	(40,001)
<b>Total financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>(40,001)</b>	<b>-</b>	<b>(40,001)</b>

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 4. Risks associated with financial instruments (continued)

### (e) Fair value of assets and liabilities (continued)

The ICAV recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

During the year, there were no transfers between levels within the ICAV.

Cash and cash equivalents include cash in hand and other short term deposits with original maturities of three months or less, net of bank overdrafts and are categorised as Level 2. The carrying amount of these short-term financial assets approximate fair value because of their short-term nature and the high credit quality of counterparties.

All receivable and payable balances are categorised as Level 2. The carrying amount of these short-term financial assets approximate fair value because of their short-term nature and the high credit quality of counterparties.

Redeemable participating shares are redeemable at the shareholder's options and are classified as financial liabilities. The ICAV issues the redeemable shares at the amount equal to the proportionate share of net assets of the ICAV at the time of the redemption, calculated on a basis consistent with that used in these Financial Statements. Accordingly, the carrying amount of net assets attributable to holders of redeemable shares approximates their fair value. The redeemable participating shares can be redeemed at any time for cash equal to a proportionate share of a particular sub-fund's net asset value. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

## 5. Derivative Contracts

The nominal and fair value of derivative instruments is disclosed in the Schedule of Investments for each sub-fund.

### Forward contracts

Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the OTC market. The ICAV may enter into forward foreign exchange contracts to manage the currency risk arising from the ICAV's investment or anticipated investment in investments denominated in foreign currencies. Forward contracts may be used for hedging and currency management of both local and foreign currencies.

### Offsetting assets and liabilities

The ICAV holds a master netting or similar agreements with all key trading counterparties. The ICAV considers that it has a current legally enforceable right to set off the recognised amounts, however is not expected to realise the relevant assets and settle the liabilities simultaneously and therefore has not offset the relevant financial assets and liabilities under such agreements.

None of the financial assets or financial liabilities are offset in the Statement of Financial Position. The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments.

The International Swaps and Derivatives Association ("ISDA") and similar master netting arrangements do not meet the criteria for offsetting in the Statement of Financial Position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the sub-fund or the counterparties. In addition, the sub-funds and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

## Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

### 5. Derivative Contracts (continued)

#### Offsetting assets and liabilities (continued)

#### HSBC Global Funds II ICAV– Global Fixed Term Bond 2028\* as at 31 December 2024

Financial assets which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Assets	Gross amount of recognised Financial Asset USD	Gross amount of Financial Liabilities offset in the Statement of Financial Position USD	Net amount of Financial Asset presented in the Statement of Financial Position USD	Gross amounts not offset in the Statement of Financial Position		Net amount USD
				Financial Instruments USD	Cash Collateral received USD	
Goldman Sachs HSBC Bank plc	23,709	-	23,709	-	-	23,709
	7,853	-	7,853	(7,853)	-	-
	<u>31,562</u>	<u>-</u>	<u>31,562</u>	<u>(7,853)</u>	<u>-</u>	<u>23,709</u>

Financial liabilities which are subject to enforceable master netting arrangements or similar agreements are detailed in the following table.

Description of type of Financial Liabilities	Gross amount of recognised Financial Liabilities USD	Gross amount of Financial Asset offset in the Statement of Financial Position USD	Net amount of Financial Liabilities presented in the Statement of Financial Position USD	Gross amounts not offset in the Statement of Financial Position		Net amount USD
				Financial Instruments USD	Cash Collateral received USD	
Goldman Sachs HSBC Bank plc	-	-	-	-	-	-
	40,001	-	40,001	(7,853)	-	32,148
	<u>40,001</u>	<u>-</u>	<u>40,001</u>	<u>(7,853)</u>	<u>-</u>	<u>32,148</u>

Notional amount for HSBC Global Funds II ICAV - Global Fixed Term Bond 2028 on forwards was USD 6,485,721.

\*commenced operations on 17 June 2024.

#### Calculation of Global Exposure

Global exposure is a measure designed to limit either the incremental exposure and leverage generated by the ICAV through the use of FDI (including embedded derivatives) or the market risk of the sub-funds' portfolio.

In calculating global exposure, the ICAV adopts a commitment approach in managing risks. The commitment approach is applied to all positions in FDI, whether used as part of the sub-funds' general investment policy, for purposes of risk reduction or for the purpose of efficient portfolio management.

## Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

### 6. Net asset value

The following table discloses the dealing Net Asset Value, the shares in issue and Net Asset Value per Share for each Share Class of the sub-funds as at 31 December 2024.

#### HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028\*

	Currency	Net Asset Value 31 December 2024	Shares in Issue	Net Asset Value per Share 31 December 2024
Class AC	EUR	27,825,891	2,706,895	10.28
Class AD	EUR	108,436	10,549	10.28
Class BC	EUR	3,909,090	379,675	10.30
Class BD	EUR	11,517,187	1,125,821	10.23
Class EC	EUR	1,344,247	132,299	10.16
Class IC	EUR	101,897	9,900	10.29
Class ZC	EUR	15,461,018	1,499,600	10.31

#### HSBC Global Funds II ICAV– Global Fixed Term Bond 2028\*\*

	Currency	Net Asset Value 31 December 2024	Shares in Issue	Net Asset Value per Share 31 December 2024
Class AC	USD	8,514,862	823,704	10.34
Class ACEUR	EUR	537,571	50,099	10.73
Class ACHEUR	EUR	583,624	58,626	9.96
Class AD	USD	94,345	9,370	10.07
Class AM	USD	9,024,470	892,264	10.11
Class AMHEUR	EUR	212,345	21,352	9.95
Class AMHGBP	GBP	99,093	10,000	9.91
Class AMHKD	HKD	6,126,107	609,480	10.05
Class BC	USD	784,812	75,917	10.34
Class BCHGBP	GBP	332,167	32,500	10.22
Class BD	USD	23,286	2,315	10.06
Class BM	USD	9,439,565	933,353	10.11
Class BMHGBP	GBP	451,977	44,767	10.10
Class IC	USD	6,442,270	623,150	10.34

\*commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 7. Soft Commission

Neither the ICAV nor the Investment Managers have entered into any soft commission arrangements with respect to the ICAV for the period end.

## 8. Share capital and redeemable participating shares

### Authorised

The authorised share capital of the ICAV is 2 subscriber shares of no par value issued at EUR1.00 each and 1,000,000,000,000,000 participating shares of no-par value.

### Capital Management

2 subscriber shares are held by HSBC Global Asset Management Limited. They entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The holders of subscriber shares have one vote for each subscriber share held. The subscriber shares do not form part of the net asset value of the ICAV. They are thus disclosed in the Financial Statements by way of this note only.

The participating shares entitle the holders to attend and vote at general meetings of the ICAV and to participate in the profits of the ICAV attributable to the relevant sub-fund.

### HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028\*

	<b>Currency</b>	<b>At 1 January 2024</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At 31 December 2024</b>
Class AC	EUR	-	2,764,704	(57,809)	2,706,895
Class AD	EUR	-	10,549	-	10,549
Class BC	EUR	-	379,675	-	379,675
Class BD	EUR	-	1,125,821	-	1,125,821
Class EC	EUR	-	132,364	(65)	132,299
Class IC	EUR	-	9,900	-	9,900
Class ZC	EUR	-	1,499,600	-	1,499,600

\*commenced operations on 19 July 2024.

## Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

### 9. Share capital and redeemable participating shares (continued)

#### HSBC Global Funds II ICAV– Global Fixed Term Bond 2028\*

	<b>Currency</b>	<b>At 1 January 2024</b>	<b>Shares Issued</b>	<b>Shares Redeemed</b>	<b>At 31 December 2024</b>
Class AC	USD	-	825,129	(1,425)	823,704
Class ACEUR	EUR	-	50,099	-	50,099
Class ACHEUR	EUR	-	59,237	(611)	58,626
Class AD	USD	-	9,370	-	9,370
Class AM	USD	-	1,042,997	(150,733)	892,264
Class AMHEUR	EUR	-	21,352	-	21,352
Class AMHGBP	GBP	-	10,000	-	10,000
Class AMHKD	HKD	-	977,877	(368,397)	609,480
Class BC	USD	-	75,917	-	75,917
Class BCHGBP	GBP	-	32,500	-	32,500
Class BD	USD	-	2,315	-	2,315
Class BM	USD	-	933,353	-	933,353
Class BMHGBP	GBP	-	44,767	-	44,767
Class IC	USD	-	628,153	(5,003)	623,150

\*commenced operations on 17 June 2024.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 10. Distributions

The sub-funds declared and paid the following dividends during the financial period ended 31 December 2024.

Sub-funds	Class	Currency	Dividend Ex-Date	Dividend Rate Per Share
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	31 July 2024	0.0353
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	31 July 2024	0.0051
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	31 July 2024	0.0409
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	31 July 2024	0.0233
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	31 July 2024	0.0250
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	29 August 2024	0.0386
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	29 August 2024	0.0382
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHGBP	GBP	29 August 2024	0.0061
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	29 August 2024	0.0400
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	29 August 2024	0.0427
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	29 August 2024	0.0411
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	27 September 2024	0.0347
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	27 September 2024	0.0338
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHGBP	GBP	27 September 2024	0.0333
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	27 September 2024	0.0345
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	27 September 2024	0.0370
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	27 September 2024	0.0361
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	29 October 2024	0.0376
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	29 October 2024	0.0384
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHGBP	GBP	29 October 2024	0.0379
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	29 October 2024	0.0373
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	29 October 2024	0.0400
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	29 October 2024	0.0410
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	27 November 2024	0.0370
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	27 November 2024	0.0384
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHGBP	GBP	27 November 2024	0.0380
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	27 November 2024	0.0369
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	27 November 2024	0.0395



# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 10. Distributions (continued)

Sub-funds	Class	Currency	Dividend Ex-Date	Dividend Rate Per Share
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	27 November 2024	0.0412
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AM	USD	30 December 2024	0.0384
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHEUR	EUR	30 December 2024	0.0386
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHGBP	GBP	30 December 2024	0.0383
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	AMHKD	HKD	30 December 2024	0.0382
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BM	USD	30 December 2024	0.0407
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028*	BMHGBP	GBP	30 December 2024	0.0414

\*commenced operations on 17 June 2024.

## 11. Related parties

### (a) Transactions with key management personnel

The Management Company, the Investment Manager, the Swiss Representative, the Swiss Paying Agent, the Administrator and the Depositary are all wholly owned subsidiaries of HSBC Holdings plc and are therefore considered as related parties to the ICAV. Fees and charges to these parties are disclosed in Note 3(a) to the Financial Statements. As at 31 December 2024, 2 subscriber shares are held by HSBC Global Asset Management Limited and its nominee.

Key management personnel include the Directors of the ICAV. Directors' fees paid to the independent Directors of the ICAV are disclosed in Note 3(d).

The Directors, nor their close family members had no direct or indirect interest in any shares in issue by the ICAV as at 31 December 2024.

### (b) Investment transactions with related parties

In their purchases and sales of investments, the sub-funds utilise the services of members of HSBC Group as broker for certain transactions. Details of such transactions executed during the period ended 31 December 2024 are shown below.

Sub-fund	Currency	Total aggregate value of such transactions for the period	Percentage of such transactions in value to total transactions for the period	Commission paid for the period	Average rate of commission
HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028*	EUR	4,162,323	6.70%	-	0.00%

\* commenced operations on 19 July 2024.

The cash and cash equivalents includes USD Nil and Financial assets at fair value through profit or loss includes USD 4,162,323 in HSBC managed funds.

# Notes to Financial Statements

For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024

## 12. Efficient portfolio management for investment purposes

Subject to the conditions and within the limits laid down by the Central Bank of Ireland, and except as otherwise stated in the investment objective and policies of the sub-funds of the ICAV, the Management Company may employ investment techniques and instruments such as futures, options, forward foreign currency contracts and other derivatives for investment purposes or efficient portfolio management. Furthermore, new techniques and instruments may be developed which may be suitable for use by the ICAV in the future and may employ such techniques and instruments subject to the prior approval of, and any restrictions imposed by, the Central Bank of Ireland.

Realised and unrealised gains and losses on exchange traded derivatives and over the counter markets are recognised in the Statement of Comprehensive Income.

Net loss on financial assets and liabilities at fair value through profit or loss on derivative contracts for the period ended 31 December 2024 is detailed in the following table.

	HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028* EUR	HSBC Global Funds II ICAV– Global Fixed Term Bond 2028** USD
Net loss on financial assets and liabilities at fair value through profit or loss - Derivatives		
Forwards	-	45,474
Total	-	45,474

\* commenced operations on 19 July 2024.

\*\*commenced operations on 17 June 2024.

## 13. Significant events since the financial period end

1. On 1 January 2025, Olga de Tapia was appointed to the Board of Directors.
2. The subscription period for HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028 has been extended until 19 December 2025. The updated supplement to reflect the same was noted by the Central Bank on 1 April 2025.

There were no other material significant events since the financial period end.

## 14. Approval of Financial Statements

The Financial Statements were approved by the Board on 25 April 2025.

# HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028

## Schedule of Investments

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Asset Value
<b>Fixed income</b>			
<i>Euro</i>			
1,400,000	A1 Towers Holding 5.25% 13/07/2028	1,523,274	2.53
400,000	Abertis Infraestructuras 4.125% 31/01/2028	427,726	0.71
100,000	ABN AMRO Bank 4.375% 20/10/2028	105,640	0.18
200,000	Accor 2.375% 29/11/2028	194,415	0.32
300,000	ALD 3.875% 24/01/2028	317,507	0.53
400,000	ALD 4.875% 06/10/2028	426,131	0.71
250,000	American Tower 0.5% 15/01/2028	233,739	0.39
400,000	Arena Luxembourg Finance 1.875% 01/02/2028	385,232	0.64
650,000	Ashland Services 2% 30/01/2028	627,879	1.04
300,000	ASR Nederland 3.625% 12/12/2028	308,787	0.51
630,000	Atlantia SpA 1.875% 12/02/2028	612,445	1.02
1,090,000	Autostrade per l'Italia 2% 04/12/2028	1,041,170	1.73
600,000	Azelis Finance 5.75% 15/03/2028	630,476	1.05
1,100,000	Banco Santander 2.125% 08/02/2028	1,085,871	1.80
700,000	Banque Federative du Credit Mutuel 0.625% 03/11/2028	634,582	1.05
800,000	Banque Federative du Credit Mutuel 2.5% 25/05/2028	788,764	1.31
600,000	BPCE 4.375% 13/07/2028	634,830	1.05
900,000	Caisse Nationale de Reassurance 0.75% 07/07/2028	826,998	1.37
510,000	Celanese US Holdings 0.625% 10/09/2028	450,015	0.75
900,000	Cellnex Finance 1.5% 08/06/2028	860,789	1.43
400,000	CNP Assurances 0.375% 08/03/2028	368,158	0.61
100,000	Commerzbank 2.625% VRN 08/12/2028	99,483	0.17
400,000	Commerzbank 4% 23/03/2026	416,022	0.69
100,000	Continental 4% 01/06/2028	105,520	0.18
200,000	Coty 5.75% 15/09/2028	212,481	0.35
550,000	Crown European Holdings 5% 15/05/2028	584,757	0.97
600,000	Deutsche Bank 1.75% 17/01/2028	586,621	0.97
800,000	Deutsche Bank 4% VRN 12/07/2028	829,966	1.38
286,000	DSV Finance 3.125% 06/11/2028	290,183	0.48
800,000	Dufry One 3.375% 15/04/2028	802,375	1.33
700,000	Elis 1.625% 03/04/2028	672,922	1.12
100,000	ELO SACA 4.875% 08/12/2028	82,767	0.14
800,000	Energia Group Roi Financeco 6.875% 31/07/2028	855,833	1.42
1,050,000	Ford Motor Credit Co 4.165% 21/11/2028	1,072,885	1.78
350,000	Forvia 3.75% 15/06/2028	341,742	0.57
1,000,000	Grand City Properties 0.125% 11/01/2028	909,656	1.51
970,000	Holding d'Infrastructures et des 0.625% 16/09/2028	864,017	1.43
200,000	Huhtamaki Oyj 5.125% 24/11/2028	213,459	0.35
600,000	Icade 1.625% 28/02/2028	578,279	0.96
150,000	IHO Verwaltungs 8.75% 15/05/2028	160,294	0.27
200,000	Iliad 1.875% 11/02/2028	194,593	0.32
400,000	Imerys 1.875% 31/03/2028	392,805	0.65

## HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028

### Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Asset Value
<b>Fixed income (continued)</b>			
<i>Euro (continued)</i>			
300,000	Infra Park Sas 1.625% 19/04/2028	288,816	0.48
500,000	Infrastrutture Wireless Italian 1.625% 21/10/2028	474,808	0.79
300,000	ING Groep NV 2% 20/09/2028	291,247	0.48
1,700,000	International Game Technology 2.375% 15/04/2028	1,657,518	2.75
900,000	IQVIA 2.875% 15/06/2028	883,140	1.47
360,000	Jyske Bank 5% VRN 26/10/2028	380,414	0.63
700,000	La Banque Postale 2% 13/07/2028	673,304	1.12
500,000	LANXESS 1.75% 22/03/2028	482,255	0.80
900,000	Leasys SpA 3.875% 01/03/2028	942,174	1.56
800,000	LKQ European Holdings 4.125% 01/04/2028	815,366	1.35
950,000	Logicor Financing 3.25% 13/11/2028	950,906	1.58
850,000	Lorca Telecom Bondco 4% 18/09/2027	861,510	1.43
150,000	Lottomatica SpA Roma 7.125% 01/06/2028	158,719	0.26
650,000	Molnlycke Holding 4.25% 08/09/2028	681,956	1.13
100,000	Nexans 5.5% 05/04/2028	110,130	0.18
400,000	Nissan Motor 3.201% 17/09/2028	396,182	0.66
900,000	Nomad Foods Bondco 2.5% 24/06/2028	875,024	1.45
650,000	OI European 6.25% 15/05/2028	680,882	1.13
800,000	Optics Bidco 7.875% 31/07/2028	931,991	1.55
1,500,000	Orano 2.75% 08/03/2028	1,508,108	2.50
200,000	Orsted 2.25% 14/06/2028	197,032	0.33
400,000	Paprec Holding 3.5% 01/07/2028	400,932	0.67
1,200,000	Prysmian 3.625% 28/11/2028	1,214,153	2.01
550,000	PVH 3.125% 15/12/2027	549,129	0.91
600,000	Raiffeisen Bank International 5.75% 27/01/2028	677,358	1.12
100,000	Raiffeisen Bank International 6% VRN 15/09/2028	108,594	0.18
100,000	RCI Banque 4.875% 14/06/2028	107,136	0.18
700,000	RCI Banque 4.875% 21/09/2028	740,102	1.23
470,000	Rexel 2.125% 15/06/2028	451,910	0.75
1,000,000	Roadster Finance Designated Act 2.375% 08/12/2032	959,688	1.59
400,000	Santander UK Group Holdings 3.53% VRN 25/08/2028	408,894	0.68
600,000	Schaeffler 3.375% 12/10/2028	594,361	0.99
300,000	SELP Finance 3.75% 10/08/2027	308,893	0.51
400,000	SES 2% 02/07/2028	378,407	0.63
560,000	Silgan Holdings 2.25% 01/06/2028	540,348	0.90
200,000	Societa Iniziative 1.625% 08/02/2028	194,406	0.32
800,000	Societe Generale 2.125% 27/09/2028	770,997	1.28
600,000	Solvay 3.875% 03/04/2028	629,359	1.04
300,000	Stellantis 3.375% 19/11/2028	300,803	0.50
100,000	Stena International 7.25% 15/02/2028	106,913	0.18
850,000	Stora Enso 2.5% 21/03/2028	848,567	1.41
850,000	TDC Net 5.056% 31/05/2028	908,829	1.51

## HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028

### Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR	% of Net Asset Value
<b>Fixed income (continued)</b>			
<i>Euro (continued)</i>			
1,200,000	TDF Infrastructure 5.625% 21/07/2028	1,304,386	2.16
500,000	Tele2 AB 2.125% 15/05/2028	491,165	0.81
730,000	Telefonaktiebolaget LM Ericsson 5.375% 29/05/2028	802,422	1.33
800,000	Telenet Finance Lux Note 3.5% 01/03/2028	808,979	1.34
400,000	Teleperformance 5.25% 22/11/2028	423,642	0.70
200,000	Teollisuuden Voima 1.375% 23/06/2028	189,606	0.31
260,000	Tereos Finance 4.75% 30/04/2027	265,022	0.44
1,100,000	UBS Group 0.25% 24/02/2028	1,012,307	1.68
350,000	UBS Group 4.625% VRN 17/03/2028	374,209	0.62
100,000	Unibail Rodamco 0.75% 25/10/2028	92,032	0.15
150,000	UniCredit 3.875% VRN 11/06/2028	155,919	0.26
1,000,000	Valeo 1% 03/08/2028	909,678	1.51
300,000	Verallia 1.625% 14/05/2028	288,807	0.48
500,000	Verisure Holding 3.25% 15/02/2027	499,774	0.83
260,000	Verisure Holding 7.125% 01/02/2028	277,166	0.46
360,000	Virgin Money 4.625% VRN 29/10/2028	377,745	0.63
100,000	Volvo Car 4.25% 31/05/2028	104,904	0.17
900,000	Vonovia 0.25% 01/09/2028	814,770	1.35
100,000	Vonovia 1.875% 28/06/2028	97,301	0.16
750,000	Wienerberger 4.875% 04/10/2028	798,099	1.32
1,350,000	WMG Acquisition 2.75% 15/07/2028	1,340,007	2.22
200,000	ZF Finance 3.75% 21/09/2028	192,450	0.32
		59,812,739	99.24
	Total financial assets and liabilities designated at fair value through profit or loss	59,812,739	99.24
	Cash and/or other net assets	455,027	0.76
	Total net assets attributable to redeemable participating shareholders	60,267,766	100.00
		<b>Fair Value</b>	<b>% of Total</b>
<b>Analysis of Total Assets</b>		<b>EUR</b>	<b>Assets</b>
*Transferable securities admitted to an official stock exchange listing		59,812,739	98.73
Other current assets		770,196	1.27
<b>Total Assets</b>		60,582,935	100.00

# HSBC Global Funds II ICAV – Global Fixed Term Bond 2028

## Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Asset Value
<b>Fixed Income</b>			
<b>Euro</b>			
100,000	INEOS Finance 6.625% 15/05/2028	108,582	0.29
100,000	Loxam 6.375% 15/05/2028	108,794	0.29
200,000	NatWest Markets 4.25% 13/01/2028	224,010	0.60
150,000	OI European Group 6.25% 15/05/2028	162,705	0.43
		604,091	1.61
<b>United States Dollar</b>			
200,000	ABN AMRO Bank 6.339% VRN 18/09/2027	208,076	0.55
175,000	Adient Global Holdings 7% 15/04/2028	179,765	0.48
760,000	AerCap Ireland Capital 5.75% 06/06/2028	777,481	2.07
775,000	Air Lease Corporation 5.3% 01/02/2028	797,472	2.12
305,000	American Airlines 7.25% 15/02/2028	321,193	0.85
1,200,000	American Tower 5.5% 15/03/2028	1,236,453	3.29
800,000	Amgen 5.15% 02/03/2028	819,057	2.18
190,000	Antero Midstream Partners 5.75% 15/01/2028	193,641	0.52
290,000	Archrock Partners 6.25% 01/04/2028	293,116	0.78
200,000	Ardagh Metal Packaging Finance 6% 15/06/2027	199,117	0.53
95,000	Ashton Woods 6.625% 15/01/2028	98,504	0.26
335,000	AstraZeneca Finance 4.875% 03/03/2028	342,202	0.91
1,005,000	Aviation Capital Group 6.25% 15/04/2028	1,050,586	2.80
805,000	Avolon Holdings Funding 6.375% 04/05/2028	835,718	2.22
600,000	Banco Santander 5.552% VRN 14/03/2028	614,682	1.63
50,000	Bank of America 5.933% VRN 15/09/2027	51,742	0.14
110,000	Bank of Montreal 5.203% 01/02/2028	113,077	0.30
495,000	Bank of Nova Scotia 5.25% 12/06/2028	501,817	1.33
400,000	Barclays 4.836% 09/05/2028	395,456	1.05
500,000	Berry Global 5.5% 15/04/2028	510,710	1.36
280,000	BHP Billiton Finance 4.75% 28/02/2028	284,144	0.76
190,000	Bombardier 6% 15/02/2028	193,667	0.52
1,000,000	BPCE 5.125% 18/01/2028	1,023,050	2.72
400,000	CaixaBank 6.684% VRN 13/09/2027	418,579	1.11
310,000	Calpine 5.125% 15/03/2028	305,525	0.81
370,000	Capital One Financial Corporation 4.927% VRN 10/05/2028	371,459	0.99
105,000	Cargo Aircraft Management 4.75% 01/02/2028	106,308	0.28
100,000	Carnival Holdings Bermuda 10.375% 01/05/2028	108,312	0.29
195,000	Cascades IncCascades USA 5.375% 15/01/2028	194,231	0.52
245,000	CCO Holdings 5.0% 01/02/2028	241,431	0.64
175,000	Clarios Global 6.75% 15/05/2028	179,801	0.48
65,000	Clear Channel Worldwide Holding 5.125% 15/08/2027	63,890	0.17
225,000	CNH Industrial Capital 4.55% 10/04/2028	224,227	0.60
24,000	Colt Merger 8.125% 01/07/2027	25,229	0.07
200,000	Community Health Systems 8% 15/12/2027	200,527	0.53
250,000	Constellium 5.625% 15/06/2028	246,290	0.66
660,000	Daimler Truck Finance North America 5.125% 19/01/2028	678,076	1.80

# HSBC Global Funds II ICAV – Global Fixed Term Bond 2028

## Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Asset Value
<b>Fixed income (continued)</b>			
<b>United States Dollar (continued)</b>			
145,000	Dana 5.625% 15/06/2028	143,481	0.38
900,000	Dell International Corporation 5.25% 01/02/2028	928,988	2.47
510,000	Deutsche Bank 5.706% VRN 08/02/2028	527,507	1.40
95,000	DIRECTV Holdings 5.875% 15/08/2027	94,753	0.25
40,000	Earthstone Energy Holdings 8% 15/04/2027	41,542	0.11
405,000	Energy Transfer Partners 4.95% 15/06/2028	404,949	1.08
300,000	Eni USA 7.3% 15/11/2027	322,361	0.86
400,000	EPR Properties 4.95% 15/04/2028	397,720	1.06
130,000	EQM Midstream Partners 7.5% 01/06/2027	133,445	0.35
1,005,000	Fiserv 5.45% 02/03/2028	1,038,057	2.76
800,000	Ford Motor Credit 6.8% 12/05/2028	835,289	2.22
105,000	Fortress Transportation and Infra 5.5% 01/05/2028	104,162	0.28
10,000	Frontier Communications 5% 01/05/2028	9,866	0.03
950,000	GE HealthCare Technologies 5.65% 15/11/2027	980,665	2.61
200,000	General Motors Financial 2.4% 10/04/2028	185,021	0.49
650,000	General Motors Financial 5.8% 23/06/2028	663,807	1.77
120,000	Genesis Energy 7.75% 01/02/2028	124,107	0.33
250,000	GGAM Finance 8% 15/06/2028	263,532	0.70
500,000	Global Payments 4.45% 01/06/2028	491,256	1.31
100,000	Global Payments 4.95% 15/08/2027	102,078	0.27
600,000	GLP Capital 5.75% 01/06/2028	607,969	1.62
15,000	Griffon 5.75% 01/03/2028	15,004	0.04
500,000	Howmet Aerospace 6.75% 15/01/2028	538,628	1.43
770,000	Hyundai Capital America 5.68% 26/06/2028	782,072	2.08
500,000	IQVIA 5.7% 15/05/2028	509,357	1.35
115,000	Iron Mountain 5.25% 15/03/2028	114,337	0.30
130,000	Kaiser Aluminum Corporation 4.625% 01/03/2028	124,364	0.33
15,000	L Brands 5.25% 01/02/2028	15,108	0.04
400,000	Lloyds Banking Group 5.462% 05/01/2028	414,080	1.10
750,000	Lowes Cos 6.875% 15/02/2028	810,377	2.16
170,000	Marriott Ownership Resorts 4.75% 15/01/2028	165,857	0.44
165,000	Matador Resources 6.875% 15/04/2028	169,868	0.45
90,000	Match Group 4.625% 01/06/2028	86,119	0.23
180,000	Mineral Resources 8% 01/11/2027	186,585	0.50
115,000	Morgan Stanley 2.475% VRN 21/01/2028	110,866	0.29
300,000	Morgan Stanley 5.652% VRN 13/04/28	308,680	0.82
200,000	Nationwide Building Society 6.557% VRN 18/10/2027	207,910	0.55
400,000	NatWest Group 5.583% 01/03/2028	412,584	1.10
170,000	Navient Corporation 4.875% 15/03/2028	164,750	0.44
180,000	NCL Corporation 8.375% 01/02/2028	194,583	0.52
535,000	NextEra Energy Capital Holdings 4.9% 28/02/2028	543,739	1.45
230,000	NOVA Chemicals 5.25% 01/06/2027	224,705	0.60
250,000	Occidental Petroleum 5% 01/08/2027	255,869	0.68
200,000	Occidental Petroleum 7.15% 15/05/2028	211,704	0.56

# HSBC Global Funds II ICAV – Global Fixed Term Bond 2028

## Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Asset Value
<b>Fixed income (continued)</b>			
<b>United States Dollar (continued)</b>			
580,000	Philip Morris International 4.875% 15/02/2028	592,421	1.58
55,000	Phillips 66 4.95% 01/12/2027	55,638	0.15
300,000	Prime Security Services Borrower 6.25% 15/01/2028	307,294	0.82
80,000	Royal Bank of Canada 6% 01/11/2027	83,383	0.22
100,000	SCIH Salt Holdings 4.875% 01/05/2028	94,982	0.25
100,000	Sealed Air Corporation 6.125% 01/02/2028	102,948	0.27
75,000	Service Properties Trust 5.5% 15/12/2027	70,656	0.19
400,000	Societe Generale 5.519% VRN 19/01/2028	411,373	1.09
95,000	Springleaf Finance Corporation 6.625% 15/01/2028	99,135	0.26
400,000	Standard Chartered 5.688% VRN 14/05/2028	408,179	1.09
90,000	Standard Industries 4.75% 15/01/2028	88,166	0.23
95,000	Tallgrass Energy Partners 5.5% 15/01/2028	93,848	0.25
425,000	Targa Resources Partners 5% 15/01/2028	430,702	1.15
50,000	Taylor Morrison Communities 5.75% 15/01/2028	51,027	0.14
115,000	TEGNA 4.625% 15/03/2028	110,658	0.29
55,000	Thermo Fisher Scientific 4.8% 21/11/2027	55,702	0.15
585,000	TMobile USA 4.95% 15/03/2028	593,160	1.58
825,000	TorontoDominion Bank 5.156% 10/01/2028	850,481	2.26
55,000	Toyota Motor Credit Corporation 4.625% 12/01/2028	56,182	0.15
5,000	Uber Technologies 7.5% 15/09/2027	5,203	0.01
400,000	UBS Group 4.751% VRN 12/05/2028	400,247	1.06
20,000	United Wholesale Mortgage 5.75% 15/06/2027	19,818	0.05
600,000	UnitedHealth Group 5.25% 15/02/2028	622,043	1.65
295,000	Venture Global 8.125% 01/06/2028	309,041	0.82
185,000	VOC Escrow 5% 15/02/2028	184,416	0.49
600,000	Wells Fargo 5.707% VRN 22/04/2028	616,605	1.64
375,000	WRKCo 4% 15/03/2028	368,074	0.98
		36,453,694	96.95
	<b>Total fixed income*</b>	<b>37,057,785</b>	<b>98.56</b>
	<b>Forward contracts**</b>		
	Buy USD 258,401 / Sell EUR 225,000 <sup>2</sup>	9,116	0.03
	Buy USD 172,675 / Sell EUR 150,000 <sup>2</sup>	6,485	0.02
	Buy USD 120,805 / Sell EUR 105,000 <sup>2</sup>	4,472	0.01
	Buy USD 609,514 / Sell EUR 584,908 <sup>1</sup>	3,749	0.01
	Buy USD 114,429 / Sell EUR 100,000 <sup>2</sup>	3,635	0.01
	Buy USD 569,841 / Sell GBP 453,892 <sup>1</sup>	1,402	-
	Buy USD 222,577 / Sell EUR 213,592 <sup>1</sup>	1,369	-
	Buy USD 417,075 / Sell GBP 332,210 <sup>1</sup>	1,026	-
	Buy USD 124,940 / Sell GBP 99,517 <sup>1</sup>	307	-
	Buy USD 66 / Sell EUR 63 <sup>1</sup>	1	-
		31,562	0.08



# HSBC Global Funds II ICAV – Global Fixed Term Bond 2028

## Schedule of Investments (continued)

as at 31 December 2024

Holdings	Financial assets at fair value through profit or loss	Fair Value USD	% of Net Asset Value
<b>Forward contracts** (continued)</b>			
	Total financial assets designated at fair value through profit or loss	37,089,347	98.64
<b>Forward contracts**</b>			
	Buy EUR 549,796 / Sell USD 581,398 <sup>1</sup>	(11,996)	(0.04)
	Buy GBP 453,892 / Sell USD 576,086 <sup>1</sup>	(7,647)	(0.03)
	Buy GBP 332,210 / Sell USD 421,646 <sup>1</sup>	(5,597)	(0.01)
	Buy EUR 213,592 / Sell USD 225,869 <sup>1</sup>	(4,661)	(0.01)
	Buy EUR 582,537 / Sell USD 607,768 <sup>1</sup>	(3,752)	(0.01)
	Buy GBP 99,517 / Sell USD 126,309 <sup>1</sup>	(1,677)	-
	Buy GBP 452,806 / Sell USD 568,341 <sup>1</sup>	(1,404)	-
	Buy EUR 212778 / Sell USD 221994 <sup>1</sup>	(1,370)	-
	Buy GBP 331,414 / Sell USD 415,975 <sup>1</sup>	(1,027)	-
	Buy EUR 35175 / Sell USD 36991 <sup>1</sup>	(562)	-
	Buy GBP 99,257 / Sell USD 124,583 <sup>1</sup>	(308)	-
		(40,001)	(0.10)
	Total financial liabilities designated at fair value through profit or loss	(40,001)	(0.10)
	Total financial assets and liabilities designated at fair value through profit or loss	37,049,346	98.54
	Cash and/or other net assets	549,950	1.46
	Total net assets attributable to redeemable participating shareholders	37,599,296	100.00

<sup>1</sup>The counterparty for the forward contracts is HSBC Bank

<sup>2</sup>The counterparty for the forward contracts is Goldman Sachs

Analysis of Total Assets	Fair Value USD	% of Total Assets
*Transferable securities admitted to an official stock exchange listing or traded on a regulated market	37,057,785	98.12
**Financial derivative instruments traded over-the-counter	31,562	0.08
Other current assets	677,680	1.80
<b>Total Assets</b>	<b>37,767,027</b>	<b>100.00</b>

## HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028\*

### Portfolio Changes (unaudited)

for the period ended 31 December 2024

<b>Purchases</b>	<b>Cost in EUR</b>	<b>Sales</b>	<b>Proceeds in EUR</b>
International Game Technology 2.375% 15/04/2028	1,639,377	UBS Group 0.25% VRN 03/11/2026	(389,250)
A1 Towers Holding 5.25% 13/07/2028	1,501,289	La Banque Postale 1% VRN 09/02/2028	(383,073)
Orano 2.75% 08/03/2028	1,493,595	Societe Generale 3% 12/02/2027	(300,409)
WMG Acquisition 2.75% 15/07/2028	1,322,592	KBC Group 4.5% VRN 06/06/2026	(205,531)
TDF Infrastructure 5.625% 21/07/2028	1,291,162	Jyske Bank 0.05% VRN 02/09/2026	(146,463)
Prysmian 3.625% 28/11/2028	1,211,517	Santander UK Group Holdings 3.53% VRN 25/08/2028	(102,838)
Banco Santander 2.125% 08/02/2028	1,084,452	Rexel 2.125% 15/06/2028	(96,001)
Ford Motor Credit 4.165% 21/11/2028	1,073,553	IQVIA 2.875% 15/06/2028	(95,531)
Autostrade per l'Italia 2% 04/12/2028	1,052,317		
UBS Group 0.25% 24/02/2028	1,011,677		
IQVIA 2.875% 15/06/2028	973,650		
Roadster Finance Designated Act 2.375% 08/12/2032	961,571		
Logicor Financing 3.25% 13/11/2028	952,610		
Leasys SpA 3.875% 01/03/2028	939,286		
Optics Bidco 7.875% 31/07/2028	920,766		
TDC Net 5.056% 31/05/2028	899,650		
Valeo 1% 03/08/2028	898,685		
Grand City Properties 0.125% 11/01/2028	894,371		
Nomad Foods Bondco 2.5% 24/06/2028	865,385		
Cellnex Finance 1.5% 08/06/2028	858,898		
Holding d'Infrastructures et des 16/09/2028	854,099		
Lorca Telecom Bondco 4% 18/09/2027	853,708		
Energia Group Roi Financeco 6.875% 31/07/2028	849,304		
Stora Enso 2.5% 21/03/2028	840,429		
Deutsche Bank 4% VRN 12/07/2028	816,735		
LKQ European Holdings 4.125% 01/04/2028	813,753		
Caisse Nationale de Reassurance 0.75% 07/07/2028	812,729		
Wienerberger 4.875% 04/10/2028	810,344		
Vonovia 0.25% 01/09/2028	805,081		
Dufry One 3.375% 15/04/2028	794,546		
Telenet Finance Lux Note 3.5% 01/03/2028	792,907		
Banque Federative du Credit Mutuel 2.5% 25/05/2028	791,660		
Telefonaktiebolaget LM Ericsson 5.375% 29/05/2028	790,212		
Societe Generale 2.125% 27/09/2028	768,293		
RCI Banque 4.875% 21/09/2028	746,600		
OI European 6.25% 15/05/2028	686,404		
Molnlycke Holding 4.25% 08/09/2028	682,078		
La Banque Postale 2% 13/07/2028	676,110		
Raiffeisen Bank International 5.75% 27/01/2028	666,983		
Elis 1.625% 03/04/2028	662,007		
Banque Federative du Credit Mut 0.625% 03/11/2028	628,234		

\*commenced operations on 19 July 2024.

## HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028\*

### Portfolio Changes (unaudited) (continued)

for the period ended 31 December 2024

<b>Purchases</b>	<b>Cost in EUR</b>
BPCE 4.375% 13/07/2028	625,604
Azelis Finance 5.75% 15/03/2028	624,327
Solvay 3.875% 03/04/2028	620,566
Ashland Services 2% 30/01/2028	612,725

\*commenced operations on 19 July 2024.

The Portfolio Changes reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the period. At a minimum the largest 20 purchases and largest 20 sales must be given. Where there are less than 20 purchases and sales during the period that meets the above criteria, all of the purchases and sales have been disclosed.

## HSBC Global Funds II ICAV – Global Fixed Term Bond 2028\*

### Portfolio Changes (unaudited) (continued)

for the period ended 31 December 2024

<b>Purchases</b>	<b>Cost in USD</b>	<b>Sales</b>	<b>Proceeds in USD</b>
United States Treasury Note Bond 4% 30/06/2028	5,429,293	United States Treasury Note Bond 4% 30/06/2028	(5,426,717)
American Tower 5.5% 15/03/2028	1,244,745	Enel Finance America 7.1% 14/10/2027	(904,006)
Dell International Corporation 5.25% 01/02/2028	1,116,530	Energy Transfer Partners 4.95% 15/06/2028	(205,158)
GE HealthCare Technologies 5.65% 15/11/2027	1,095,623	Dell International Corporation 5.25% 01/02/2028	(187,926)
Aviation Capital Group 6.25% 15/04/2028	1,045,008	Amgen 5.15% 02/03/2028	(155,468)
Fiserv 5.45% 02/03/2028	1,041,354	Lowes Cos 6.875% 15/02/2028	(136,625)
BPCE 5.125% 18/01/2028	1,009,896	Taylor Morrison Communities 5.75% 15/01/2028	(128,299)
Amgen 5.15% 02/03/2028	973,692	GE HealthCare Technologies 5.65% 15/11/2027	(111,702)
Lowes Cos 6.875% 15/02/2028	959,802	Eni USA 7.3% 15/11/2027	(111,538)
Enel Finance America 7.1% 14/10/2027	910,005	UnitedHealth Group 5.25% 15/02/2028	(110,178)
TorontoDominion Bank 5.156% 10/01/2028	849,499	AstraZeneca Finance 4.875% 03/03/2028	(77,276)
Ford Motor Credit 6.8% 12/05/2028	841,221	NOVA Chemicals 5.25% 01/06/2027	(75,328)
Avolon Holdings Funding 6.375% 04/05/2028	837,386	Post Holdings 5.625% 15/01/2028	(65,610)
Air Lease Corporation 5.3% 01/02/2028	794,996	Clarios Global 6.75% 15/05/2028	(52,824)
Hyundai Capital America 5.68% 26/06/2028	793,116	Earthstone Energy Holdings 8% 15/04/2027	(51,324)
AerCap Ireland Capital 5.75% 06/06/2028	779,289	Standard Industries 4.75% 15/01/2028	(49,170)
UnitedHealth Group 5.25% 15/02/2028	732,931	Colt Merger 8.125% 01/07/2027	(46,934)
General Motors Financial 5.8% 23/06/2028	672,946	Sealed Air Corporation 6.125% 01/02/2028	(41,054)
Daimler Truck Finance North America 5.125% 19/01/2028	671,813	Avis Budget Car Rental 4.75% 01/04/2028	(28,774)
GLP Capital 5.75% 01/06/2028	617,447	Uber Technologies 7.5% 15/09/2027	(5,094)
Wells Fargo 5.707% VRN 22/04/2028	616,939		
Banco Santander 5.552% VRN 14/03/2028	614,564		
Energy Transfer Partners 4.95% 15/06/2028	603,770		
TMobile USA 4.95% 15/03/2028	597,582		
Philip Morris International 4.875% 15/02/2028	588,858		
NextEra Energy Capital Holdings 4.9% 28/02/2028	543,414		
Howmet Aerospace 6.75% 15/01/2028	535,799		
IQVIA 5.7% 15/05/2028	522,234		
Deutsche Bank 5.706% VRN 08/02/2028	520,750		
Bank of Nova Scotia 5.25% 12/06/2028	514,939		
Berry Global 5.5% 15/04/2028	508,514		
Global Payments 4.45% 01/06/2028	488,621		

\*commenced operations on 17 June 2024.

The Portfolio Changes reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the period. At a minimum the largest 20 purchases and largest 20 sales must be given. Where there are less than 20 purchases and sales during the period that meets the above criteria, all of the purchases and sales have been disclosed.

## Other Additional Disclosures (unaudited)

as at 31 December 2024

### Exchange rates

The following exchange rates were used to translate assets and liabilities into the functional currency USD of the sub-funds USD:

	<b>31 December</b>
USD	<b>2024</b>
Euro	0.9657
Hong Kong Dollar	7.7680
U.K. Sterling	0.7985

The following exchange rates were used to translate assets and liabilities into the functional currency EUR for HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028\*

	<b>31 December</b>
EUR	<b>2024</b>
Hong Kong Dollar	8.0437
U.K. Sterling	0.8268

\*commenced operations on 19 July 2024.

## Other Additional Disclosures (unaudited) (continued)

as at 31 December 2024

### Operating Charges Figure

The OCF for each sub-fund For the financial period from 1 December 2023 (date of incorporation) to 31 December 2024 is as follows:

Sub-fund	Share Class	31 December 2024
HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028	Class AC	0.80%
	Class AD	0.80%
	Class BC	0.50%
	Class BD	0.50%
	Class EC	1.10%
	Class IC	0.50%
	Class ZC	0.20%
HSBC Global Funds II ICAV– Global Fixed Term Bond 2028	Class AC	0.70%
	Class ACEUR	0.70%
	Class ACHEUR	0.71%
	Class AD	0.70%
	Class AM	0.70%
	Class AMHEUR	0.72%
	Class AMHGBP	0.72%
	Class AMHKD	0.70%
	Class BC	0.40%
	Class BCHGBP	0.42%
	Class BD	0.40%
	Class BM	0.40%
	Class BMHGBP	0.42%
	Class IC	0.40%

## Other Additional Disclosures (unaudited) (continued)

as at 31 December 2024

### Total Expense Ratio

The Total Expense Ratio (“TER”) for each Sub–Fund for the period ended 31 December 2024 is as follows:

<b>Sub–fund</b>	<b>Share Class</b>	<b>31 December 2024</b>
HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028	Class AC	0.80%
	Class AD	0.80%
	Class BC	0.50%
	Class BD	0.50%
	Class EC	1.10%
	Class IC	0.50%
	Class ZC	0.20%
HSBC Global Funds II ICAV – Global Fixed Term Bond 2028	Class AC	0.70%
	Class ACEUR	0.70%
	Class ACHEUR	0.71%
	Class AD	0.70%
	Class AM	0.70%
	Class AMHEUR	0.72%
	Class AMHGBP	0.72%
	Class AMHKD	0.70%
	Class BC	0.40%
	Class BCHGBP	0.42%
	Class BD	0.40%
	Class BM	0.40%
	Class BMHGBP	0.42%
	Class IC	0.40%

## Other Additional Disclosures (unaudited) (continued)

as at 31 December 2024

### Sub-fund Performance Data

The percentage total return of one share of each sub-fund, as calculated in accordance with the Swiss Funds Association guidelines is as follows:

Sub-fund	Share Class	Benchmark	Inception to 31/12/2024		01/01/2024 to 31/12/2024	
			Fund	Benchmark	Fund	Benchmark
HSBC Global Funds II ICAV – Euro Fixed Term Bond 2028	Class AC	Not Benchmarked	-	-	-	-
	Class AD		-	-	-	-
	Class BC		-	-	-	-
	Class BD		-	-	-	-
	Class EC		-	-	-	-
	Class IC		-	-	-	-
	Class ZC	-	-	-	-	
HSBC Global Funds II ICAV – Global Fixed Term Bond 2028	Class AC	Not Benchmarked	-	-	-	-
	Class ACEUR		-	-	-	-
	Class ACHEUR		-	-	-	-
	Class AD		-	-	-	-
	Class AM		-	-	-	-
	Class AMHEUR		-	-	-	-
	Class AMHGBP		-	-	-	-
	Class AMHKD		-	-	-	-
	Class BC		-	-	-	-
	Class BCHGBP		-	-	-	-
	Class BD		-	-	-	-
	Class BM		-	-	-	-
	Class BMHGBP		-	-	-	-
	Class IC		-	-	-	-



## **Other Additional Disclosures (unaudited) (continued)**

as at 31 December 2024

### **Sub-fund Performance Data (continued)**

References to benchmarks are for illustrative purposes only. There is no guarantee that a sub-fund will outperform its benchmark.

Past performance is not an indication of current or future performance and the performance data does not take account of commissions and costs incurred on the creation and redemption of shares. The Prospectus, sub-fund Supplements, Key Investor Information Documents in respect of the Sub-funds, Instrument of Incorporation of the ICAV, annual and semi-annual reports of the ICAV, as well as a list of the purchases and sales on the account of the Sub-funds can be obtained free of charge by Swiss investors from the representative of the ICAV in Switzerland, HSBC Global Asset Management (Switzerland) AG, Gartenstrasse 26, P.O Box, CH-8002 Zurich, Switzerland.

## Other Additional Disclosures (unaudited) (continued)

as at 31 December 2024

### Management Company's Remuneration Policy

The Management Company has implemented a remuneration policy pursuant to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards to depositary functions, remuneration policies and sanctions (the "UCITS V Directive"), which was transposed into Luxembourg law on 1 June 2016 by way of the Luxembourg law of 10 May 2016.

The remuneration policy, which has been approved by the Management Company's board of directors, includes measures to avoid conflicts of interest and seeks to promote sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profile and instrument of incorporation of the ICAV nor impair compliance with the Management Company's duty to act in the best interest of the ICAV.

The remuneration policy, which describes how remuneration and benefits are determined, is available at <http://www.global.assetmanagement.hsbc.com/luxembourg>, or on request from the Management Company.

Total amount of remuneration paid by the Management Company to its staff during the financial period ending 31 December 2024 is as follows:

Fixed remuneration USD 2,589,530

Variable remuneration USD 305,615

Number of beneficiaries 20

of which, the fixed and variable remuneration of senior management and of identified staff\* of the investment advisers is:

Fixed remuneration USD 1,216,388

Variable remuneration USD 186,035

Number of beneficiaries 7

The annual review of the remuneration policy, including a review of the existing remuneration structure as well as implementation of the regulatory requirements and compliance with them, was completed during the period and no irregularities were identified. Furthermore, there were no material changes made to the remuneration policy in the past financial year.

Neither the Management Company nor the ICAV pay any remuneration to the identified staff of any delegate.

*\*Identified staff are defined as members of staff whose actions have a material impact on the risk profile of the ICAV*

## **Appendix - Sustainability Finance Disclosure Regulation Periodic Reports – Unaudited**

### **Compliance with the Sustainable Finance Disclosure Regulation (SFDR) and Taxonomy Regulation**

#### **Article 6 SFDR Funds**

HSBC Global Funds II ICAV– Global Fixed Term Bond 2028 does not promote environmental and/or social characteristics within the meaning of Article 8 SFDR or does not have a sustainable investment objective within the meaning of Article 9 SFDR. The sub-fund is required to comply with the requirements of Article 6 SFDR and is categorised and referred to as Article 6 SFDR funds (the “Article 6 SFDR Fund”).

The investments underlying the Article 6 SFDR Fund do not take into account the EU criteria for environmentally sustainable economic activities.

#### **Article 8 SFDR Funds**

HSBC Global Funds II ICAV– Euro Fixed Term Bond 2028 promotes environmental and/or social characteristics within the meaning of Article 8 SFDR (the “Article 8 SFDR Fund”).

Additional disclosure requirements under SFDR are applicable to this annual report to the extent it relates to sub-funds classified as Article 8 / Article 9 funds under SFDR and such disclosures as they relate to those sub-funds can be found in the Other Additional Disclosures of this report. Such disclosures have in part been prepared using data sourced from third party data providers which was available as at the date of which the disclosures were produced. Similarly, the activities reported in the disclosures may be an output of proprietary analysis, which in turn may utilise data published by underlying investee companies. It has been observed that the availability of data, both from third party data providers and underlying investee companies, continues to be challenging in some respects. Additionally, there may be further regulatory guidance of relevance to the content of the disclosures that is still to be issued. The disclosures included in the Other Additional Disclosures of this report should consequently be read and understood considering these continuing challenges. With the assistance of the Management Company and the Investment Manager, the Board continues to monitor the ongoing development and evolution of sustainability-related regulation and associated guidance and the availability of relevant third party and investee companies’ data in this regard.

**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?**

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> <u>  </u>%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> <u>  </u>%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b></p> <p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 22.90% of sustainable investments</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
---	--



**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

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

(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?***

<b>Indicator</b>	<b>Sub-Fund</b>	<b>Reference Benchmark</b>
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%
	0.00%	

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

<b>Largest Investments</b>	<b>Sector</b>	<b>% Assets</b>	<b>Country</b>
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



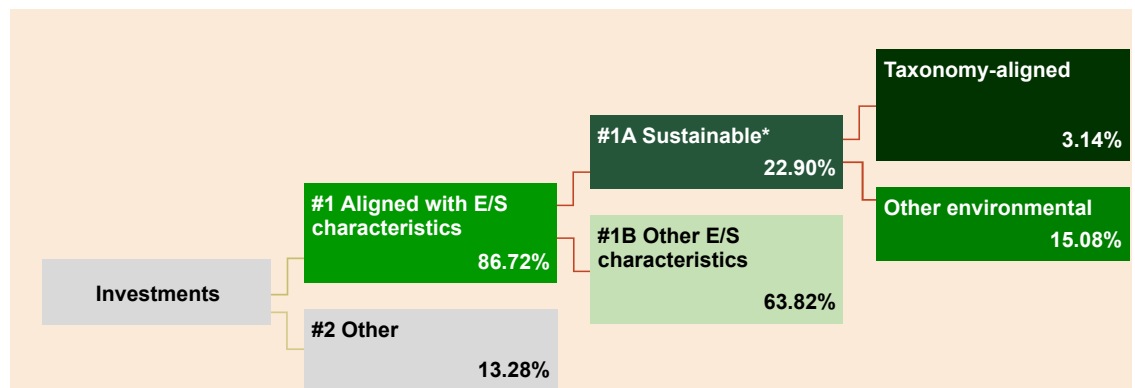


## What was the proportion of sustainability-related investments?

22.90% of the portfolio was invested in sustainable investments.

**Asset allocation** describes the share of investments in specific assets.

### 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%
<i>Electric Utilities</i>	4.07%
Consumer Staples	1.91%
Health Care	1.51%
Information Technology	1.48%
Cash & Derivatives	0.12%
Total	100.00%



## 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 environmental 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<sup>1</sup>?

Yes:  In fossil gas  In nuclear energy

No

<sup>1</sup> 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.

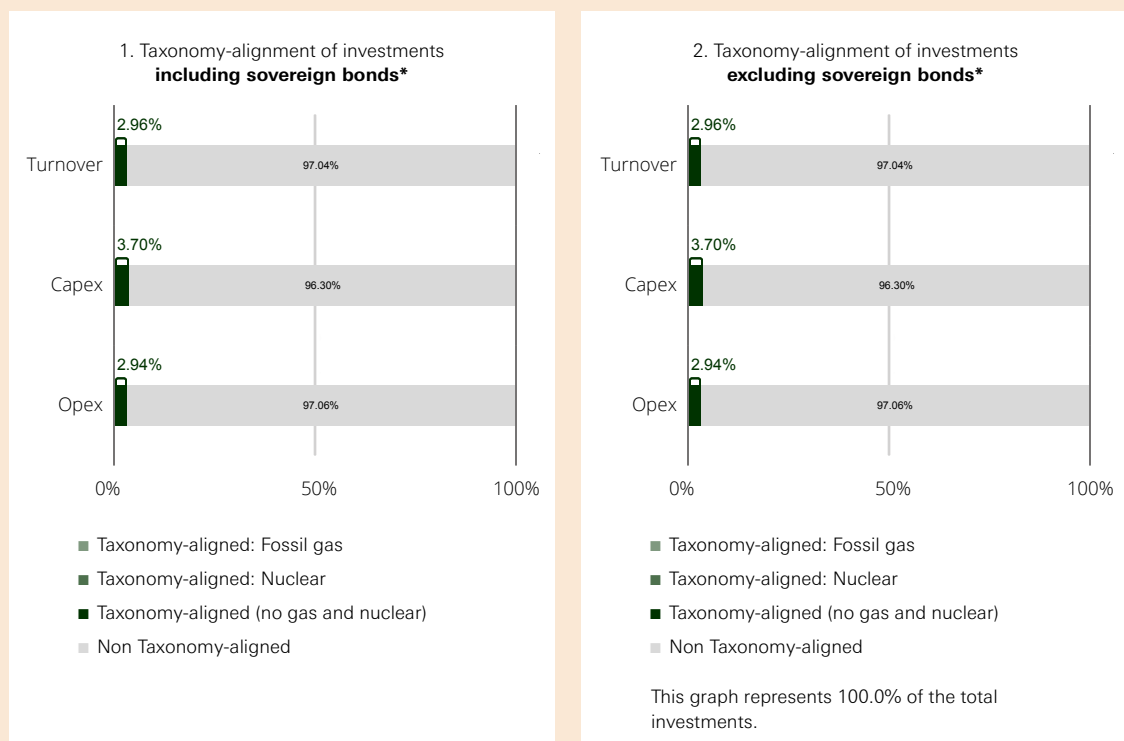
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** 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.

**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.

*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.

### ● 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.

 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.

● **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
Revenue - Taxonomy-aligned: Nuclear	0.00%	Available
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%	

 **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.

- ***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.

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