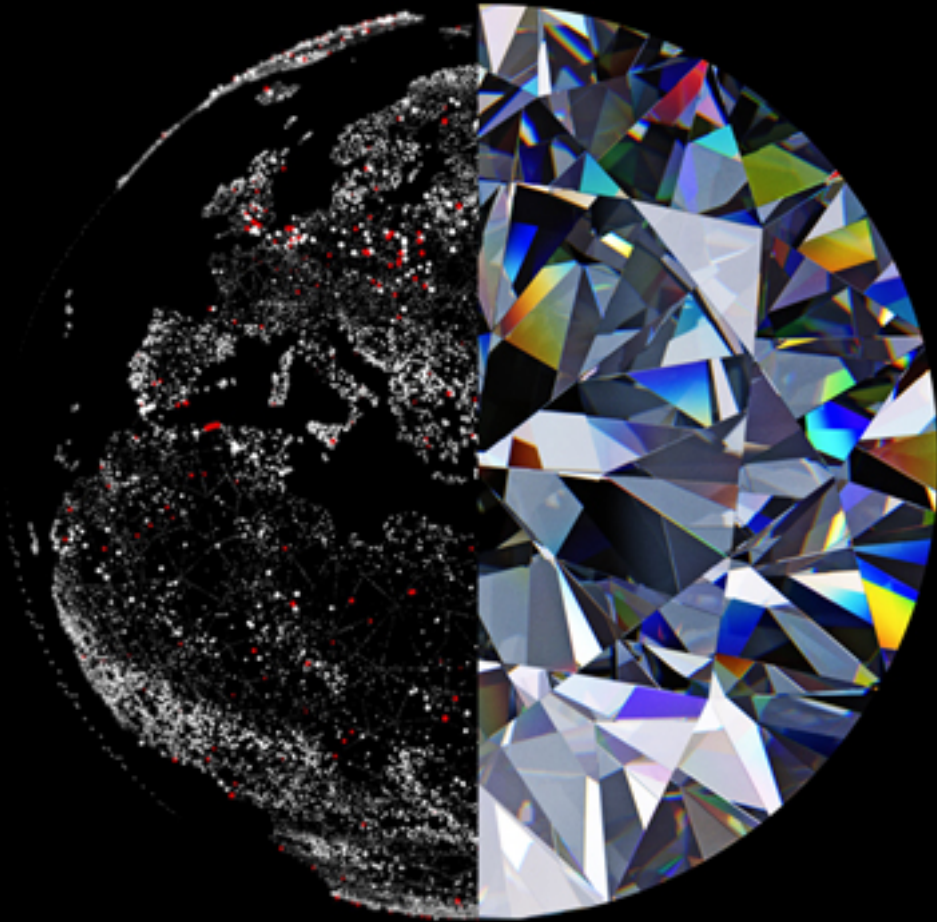


Be **SELECTIVE** when
Managing your Wealth.

HSBC SELECT BALANCED (B)

Monthly Report
March 2026



Objective and investment policy

The objective of the mutual fund is to offer flexible, active management on equity and fixed-income markets over a minimum investment period of five years. Despite operating within larger allocation limits, the mutual fund's profile may be compared with an allocation made up of 50% equities and 50% public and private bonds on average, exposed in developed markets with a euro bias as well as in emerging markets.

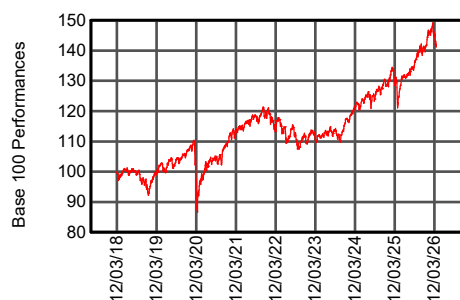
The mutual fund is managed actively without any reference to a benchmark index.

The investment strategy is discretionary and is based on a portfolio management process organised around three pillars:

- a medium/long-term strategic asset allocation depending on the manager's level of conviction (asset classes, geographical areas, sectors),
- a tactical allocation resulting from the manager's short-term convictions in order to strive to take advantage of market opportunities,
- a selection of undertakings for collective investment (UCI) and managers able to, according to us, generate performance over time.

Performance and risk analysis

Fund's performance



Net Cumulated performance

	1 month	1 year	3 years	5 years	7 years	12/03/2018*
Portfolio	-4.48%	9.90%	27.24%	24.58%	41.33%	42.11%

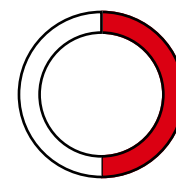
Indicators & ratios (weekly)

	1 year	3 years	5 years	12/03/2018*
Fund's volatility	8.38%	6.96%	7.35%	8.07%
Sharpe ratio	0.73	0.83	0.36	0.43

Net performance by calendar year

	2026	2025	2024	2023	2022	2021
Portfolio	0.29%	10.26%	9.23%	7.74%	-9.26%	9.48%
	2020	2019	2018			
Portfolio	2.82%	14.53%	-6.65%			

The performance figures relate to the past performance which should not be seen as an indication of future returns. The capital invested in the fund can increase or decrease and is not guaranteed. Future returns will depend, inter alia, on market conditions, fund manager's skill, fund risk level and fees.



Strategic Allocation
50% Equities

Fund Details

Total Asset

(EUR) 138 213 760.17

Net asset value

(BC)(EUR) 142.11

Number of underlying funds

21

Legal Form

Mutual Fund regulated under French law

Investment horizon

> 5 years

Dividend Policy

(BC): Accumulation Shares

Start Date of Management*

12/03/2018

Risk and Reward Profile

Lower risk ← Higher risk
Typically lower rewards ← Typically higher rewards



Do not run any unnecessary risk. Read the Key Information Document (KID).

The risk and reward indicator is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The value of an investment, and any income from it, may fall as well as rise, and you may not get back the amount you originally invested. The category is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest category does not mean a risk-free investment. This Mutual Fund is classified in category 3 because its price or simulated data has shown low to medium fluctuations historically.

Analysis of the investment strategy

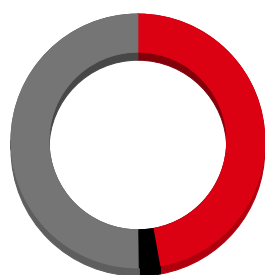
Portfolio Composition

	27/02/2026 % TNA	31/03/2026 % TNA	Variation*
Equities**	54.89%	50.17%	▼
North America	20.14%	21.75%	▲
Europe	18.95%	16.80%	▼
Emerging Markets	8.86%	7.08%	▼
Global	4.84%	4.39%	◁▷
Japan	2.78%	0.53%	▼
Pacific ex-Japan	0.39%	0.37%	◁▷
Asia ex-Japan	-1.07%	-0.74%	◁▷
Bonds**	42.80%	43.12%	◁▷
Europe	33.09%	37.81%	▲
Global	10.63%	10.44%	◁▷
Emerging Markets	4.50%	3.98%	▼
Pacific ex-Japan	2.00%	0.42%	▼
Asia ex-Japan	1.35%	-1.78%	▼
Japan	-5.38%	-2.37%	▲
North America	-3.38%	-5.38%	▼
Commodities	2.28%	2.65%	◁▷
Alternative	0.61%	0.00%	Exit
Global	0.61%	0.00%	Exit
Money Market & Cash	-0.59%	4.06%	▲
Total	100.00%	100.00%	

* There is a change over the period if the difference in weighting is greater than 0.5% in absolute value terms.

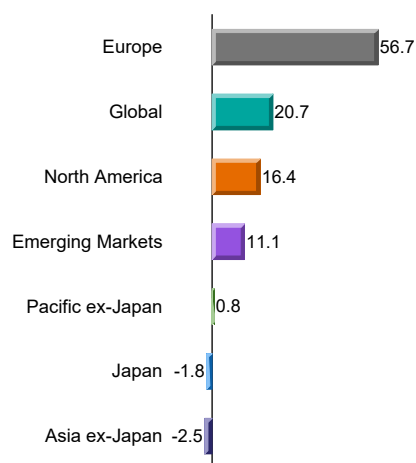
** Including fixed income and equity market exposure via derivatives.

Asset Allocation as at 31/03/2026



■ Bonds & Money Market	47,2 %
■ Commodities	2,6 %
■ Equities	50,2 %
Total:	100,0 %

Regional Allocation*** as at 31/03/2026



***except cash

Main Lines

	Asset Class	Weight	Monthly Performance*	Performance Contribution**	
1	HSBC S And P 500 UCITS ETF	Equities	9.49%	-3.96%	-0.38%
2	HSBC EURO GVT BOND FUND-ZC	Bonds	9.11%	-2.79%	-0.26%
3	HSBC GIF-EURO CREDIT BD-ZC	Bonds	6.87%	-2.32%	-0.15%
4	HSBC MSCI Emerging Markets UCITS ETF	Equities	4.38%	-9.43%	-0.44%
5	HS GL FD-CRO AS TR FD-S1CH E	Bonds	4.37%	-3.51%	-0.15%
Total			34.23%		

* Monthly return in Euro of underlying funds is based on HSBC SELECT BALANCED portfolio at the end of 03/31/2026 and 02/27/2026. The return is calculated with the following formula : end of month valuation ÷ preceding end of month valuation - 1.

** The performance contribution is calculated as follows : monthly return x monthly average weight.

Main decisions taken during the month

New positions

	Asset Class	Regional Zone
▶ ISHARES MSCI EM LATAM	Equities	Emerging Markets

Positions liquidated

	Asset Class	Regional Zone
◀ STRUCT INV SI CRSS AST-EEH	Alternative	Global
◀ HSBC-GL EQ SUS HEALTH-ZC	Equities	Global
◀ ISHARES MSCI EMU SML-C ACC	Equities	Europe
◀ HSBC GIF-RMB FIXED INC-ZC	Bonds	Emerging Markets

Positions added

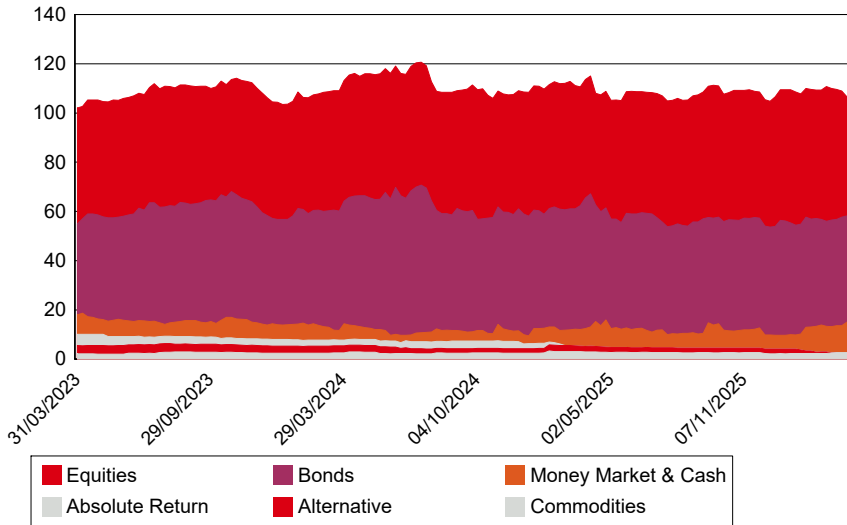
	Asset Class	Regional Zone
▲ AM EU GOV INF LNK BD-ETF ACC	Bonds	Europe
▲ HSBC GLF-USD LIQUIDITY-W	Money Market & Cash	Global
▲ ISHARES EDGE MSCI ERP MINVOL	Equities	Europe
▲ SS SPD S And P EUR DVD ARI UC-EI	Equities	Europe
▲ SS SPDR S And P 5LV UCITS ETF-UI	Equities	North America

Positions reduced

	Asset Class	Regional Zone
▼ HSBC GBF ICAV -MLTFAC E E-ZC	Equities	Europe
▼ HSBC GIF-EUROLAND VAL-ZC	Equities	Europe
▼ HSBC STAND EUR MON MRK-Z EUR	Money Market & Cash	Europe
▼ HSBC EURO GVT BOND FUND-ZC	Bonds	Europe
▼ HSBC MSCI Emerging Markets UCITS ETF	Equities	Emerging Markets

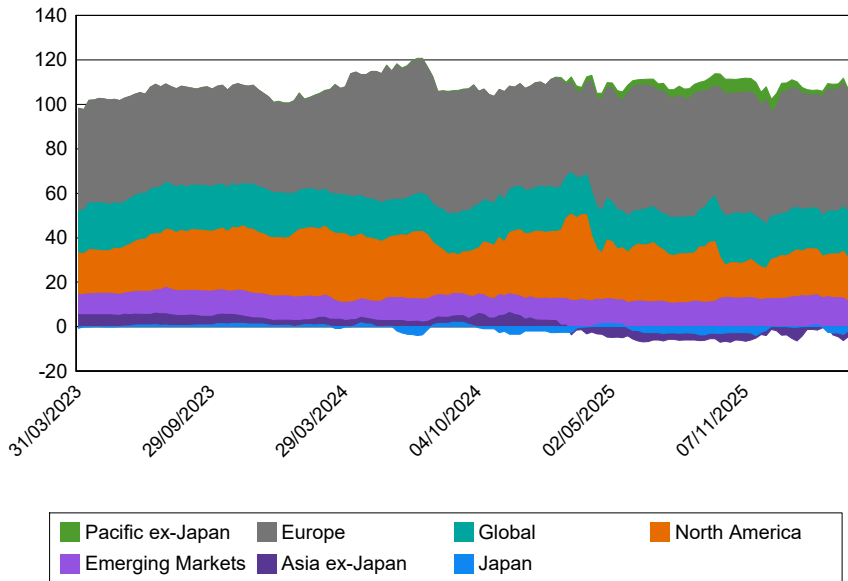
Sub-Fund's History

Historical Asset Allocation*



*derivative products' off-balance-sheet commitment included (except options)

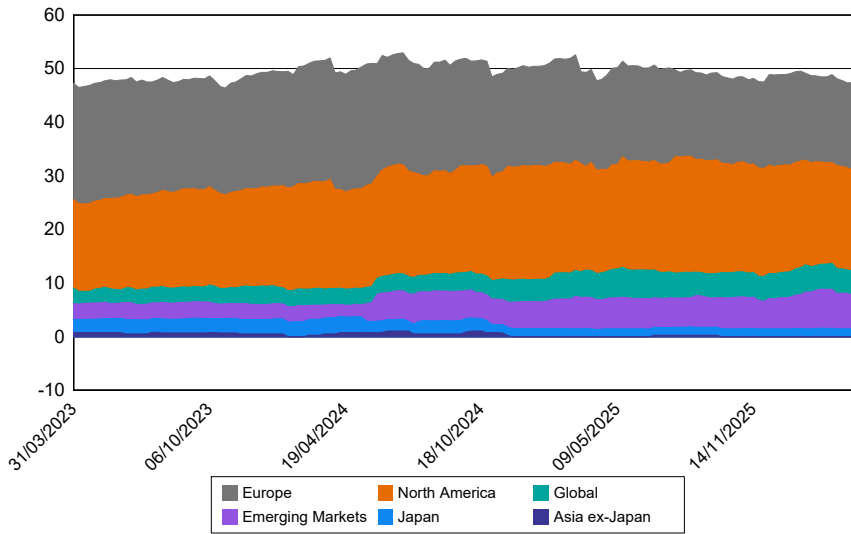
Historical Allocation by Region**



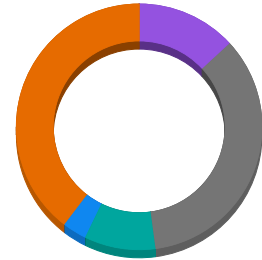
**except cash

Equity component Analysis*

Historical Allocation by Region



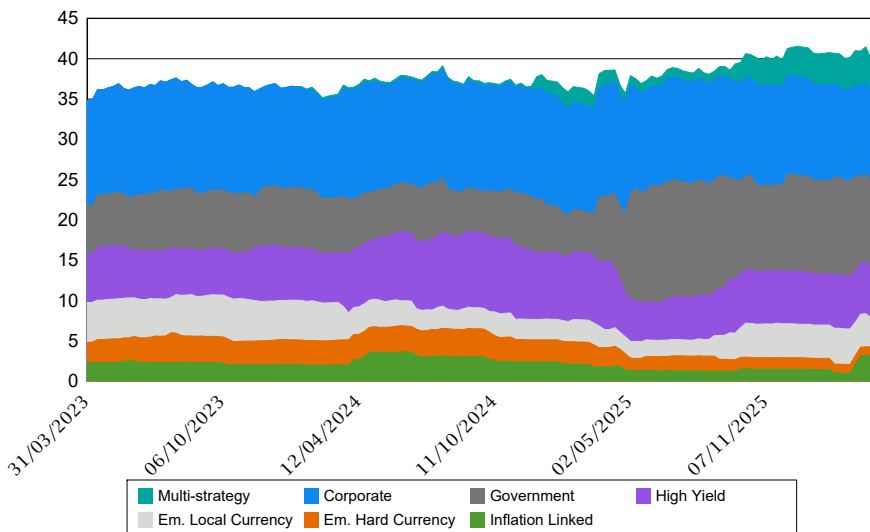
Equity as at 31/03/2026



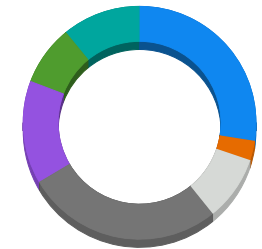
Asia ex-Japan	0,0 %
Emerging Markets	13,1 %
Europe	34,7 %
Global	9,3 %
Japan	3,2 %
North America	39,7 %
Total:	100,0 %

Bond component Analysis*

Historical Allocation by Strategy



Bonds as at 31/03/2026



Corporate	27,5 %
Em. Hard Currency	2,7 %
Em. Local Currency	9,0 %
Government	27,2 %
High Yield	14,3 %
Inflation Linked	8,3 %
Multi-strategy	10,9 %
Total:	100,0 %

*except derivative products' off-balance-sheet commitment

Fund Manager Commentary

Economic Environment

In March, financial markets were heavily influenced by the escalation of the conflict in the Middle East, marked by US and Israeli strikes against Iran, followed by a regional response and a near-complete blockage of the Strait of Hormuz, through which around 20% of the world's oil transits. The price of a barrel rose above USD 100 and ended the month at USD 118.35, triggering a major energy shock and heightened volatility.

In the United States, growth remains broadly resilient, but the latest indicators point to a slowdown: fourth-quarter GDP was revised to 0.7% quarter-on-quarter and the unemployment rate stands at 4.4%. Headline and core inflation came in at 2.4% and 2.5% year-on-year in February. The Federal Reserve kept rates unchanged in a 3.50%–3.75% range, adopting a wait-and-see stance amid conflict-related uncertainty.

In the euro area, activity slowed: the composite PMI fell from 51.9 in February to 50.5 in March, with services close to stagnation and a slight improvement in manufacturing. The ECB held rates at 2%, while its updated projections incorporate average inflation of 2.6% in 2026.

Over the month, the MSCI World index (in euros) fell by -4.91%, euro area equities by -8.46%, and emerging markets by -13.26% (in euros). The US 10-year Treasury yield rose to 4.32% (+38 bps) and the German Bund to 3.00% (+36 bps). The euro depreciated against the dollar, with the US currency appreciating by 2.35% over the month.

Performance & current holdings

The overweight in equities—particularly our initial preference for Europe and emerging markets versus the United States—detracted from performance. We are reducing our equity exposure via European markets.

In both Europe and the United States, exposure to more defensive stocks (high dividend, low volatility), increased at the end of February, partly offset the underperformance of growth stocks. We are exiting US small caps and reducing value stocks in Europe to continue reallocating towards securities that are less sensitive to growth. Country allocation within Europe was beneficial, driven by our preference for the Netherlands and Spain over France and Germany.

In emerging markets, our positioning in Latin America contributed positively, while our holdings in South Korea were a drag.

The thematic sleeve was a headwind over the month following profit-taking in precious metals and transition-related metals. We are introducing a listed infrastructure companies fund, funded by trimming the AI-related allocation.

On the fixed income side, our caution on interest-rate sensitivity helped limit the impact of rising yields. However, our preference for UK debt weighed on performance. We are increasing inflation-linked issuance at the expense of nominal bonds. We are reducing exposure to higher-risk debt, such as high yield and emerging market local-currency debt.

Lastly, diversification contributed positively through our commodities positions.

Outlook

The surge in energy prices slowed the theme of growth broadening beyond the US AI mega-caps, which had supported strong performance in Europe and emerging markets. While energy disruptions could favour US equities on a relative basis, a pullback in oil prices below USD 100 could quickly revive the theme. The duration of the conflict and its impact on growth and inflation will be the key drivers in the weeks and months ahead.

Within equities, we have increased the United States at the expense of Europe and Japan. We maintain a positive bias towards emerging markets. We continue to strengthen income and low-volatility stocks, at the expense of value and growth stocks.

Within fixed income, we are keeping overall duration close to neutral and increasing inflation-linked bonds.

In addition, we are paying closer attention to alternative assets—particularly trend-following strategies—as well as commodities, including gold, to enhance portfolio resilience and diversify sources of return.

Fund Management Team



Stéphane Mesnard

Fund manager

Stéphane Mesnard has been a multi-asset fund manager since November 2012 and he has been working in this sector since he joined the HSBC group in 2005. Before taking up his current position, he worked in the financial engineering department at Louvre Gestion (formerly Banque du Louvre), an investment management firm dedicated to the HSBC group's private banking activities in France. He gained a Master's degree in finance from Paris II - Panthéon Assas University and qualified as a Chartered Financial Analyst (CFA) in 2009.



Laurence Jobert

Fund manager

Laurence Jobert has been a multi-asset fund manager since December 2014. She joined HSBC in 2007 as an equity fund manager then as a relationship manager. Prior to joining HSBC, Laurence worked for La Banque Postale Asset Management as quantitative equity fund manager from 1999 to 2007. Laurence holds an Applied Mathematics Master's Degree I from Paris I and Paris VII University and a Master's Degree II in Quantitative Methods for Management from Paris X Nanterre University. She also holds a SFAF (Société des Analystes Financiers) financial analyst degree and a CIIA (Certified International Investment Analyst) degree.

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Fund Details

Legal Form

Mutual Fund regulated under French law

Investment horizon

> 5 years

Dividend Policy

(BC): Accumulation Shares

*Start Date of Management

12/03/2018

Base Currency

EUR

Valuation

Daily

Subscriptions & Redemptions

Ten thousandths of share

Dealing / Payment Date

Daily - D (Business Day) before 12:00 pm (Paris) / D+2 (Business Day)

Initial Fee / Exit Fee

2.00% / Nil

Minimum Initial Investment

Whole shares

Portfolio Management Company

HSBC Global Asset Management (France)

Custodian

Caceis Bank

Central Paying Agent

Caceis Bank

ISIN Code

(BC): FR0013313962

Fees

Real internal management fees

0.55% inc. taxes

Maximum internal management fees

0.55% inc. taxes

Maximum indirect fixed management fees

1.00% inc. taxes

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The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark.

Document updated on 09/04/2026.

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