

HSBC Expat

Our Investment & Protection Services



This document contains key facts for consumers considering buying investment and insurance products through our financial advice or non-advised execution only services. You need to read this important document as it explains the services you are being offered, and how you will pay for them. You should also read the Investment and Wealth Terms and Conditions alongside this document.

<https://www.expat.hsbc.com/investments/investment-wealth-services-terms/>

Menu of Services

We offer the following wealth and investment services:

Advisory services:

- **Goal Based Planning** - Designed for customers who want advice across key financial planning need areas. We'll carry out an in-depth assessment of your needs; discussing your circumstances, preferences, risk tolerance level and goals before making recommendations to help you fulfil your personal goals.
- **Investment Only Advice** - Designed for customers with simpler investment needs who only want advice on investing cash funds. We'll assess your objectives, needs, risk tolerance level and preferences before making recommendations to help you fulfil your wealth needs.
- **Protection Only Advice** - Designed for customers wanting advice to protect themselves and their families in the event of illness or death. We'll assess your needs before making recommendations to help protect you and your family.

We offer a limited range of products which means we may not be able to offer products to meet all your needs.

Non-Advised Execution Only services:

If you choose to use the services below you should understand the risks of not taking investment advice and you will receive a reduction in investor protection.

- **Self-directed Execution Only** - Designed for customers who want to give a specific instruction to invest within a product available through HSBC. You will not receive any advice on investments relating to the merits of the transaction or suitability. This instruction will be processed upon your specific instructions and the appropriateness of the investment will not be reviewed.
- **Execution Only Guided** - Designed for customers who want to give an instruction to invest within a product available through HSBC without advice but are not aware of the specific details of the investment. You'll be able to filter the products based on the fund attributes (Asset Class, Geographical Focus, ESG & Sustainable Investments (Environmental, Social, Corporate Governance & Sustainable Investments) or Currency). Upon completion of the filtering process you'll be able to review the details of each product and make a decision to invest, if you choose to do so.

You will not receive any advice on investments relating to the merits of the transaction or suitability. This instruction will be processed upon your specific instructions and the appropriateness of the investment will not be reviewed.

Comparison of services

| Financial Need Areas | Goal Based Planning | Investment Only Advice | Protection Only Advice | Self-directed Execution Only | Execution Only – Guided |
|--------------------------------------|---------------------|------------------------|------------------------|------------------------------|-------------------------|
| Protecting you and your family | | | | | |
| Your children's future and education | | | | | |
| Managing and growing your wealth | | ¹ | | | |
| Planning for your retirement | | | | | |
| Passing on your wealth | | | | | |
| Review your portfolio ² | | | | | |
| Non-advised investment ³ | | | | | |

¹ Restricted to advice on cash funds.

² We only review products sold by HSBC Expat.

³ Investments are done solely on an Execution Only basis with no advice given.

The cost of our services

Advice & Implementation Fee (Advisory Services)

For all advisory services, your financial advisor will only make a recommendation to you after they have assessed your objectives, needs, risk tolerance level and preferences.

Should you choose to implement any of our investment recommendations as set out in your Financial Planning Report, then you will be charged an Advice & Implementation Fee which will be based on the total value of assets implemented. The fee that you will pay will be detailed within the Financial Planning Report.

We will not keep any of the advice or recommendation we implement for you under review. There is no charge for us surrendering your investments.

Commission

Where we recommend investing into a fund and you choose to implement our advice, commission will be payable for specific fund share classes.

Where we recommend a protection product and you choose to implement our advice, commission will be payable.

We will receive commission from the fund provider or insurance company providing the product. We will tell you how much commission will be payable before the product is implemented for you.

All costs will be detailed in your Financial Planning Report but you may ask for this information at any time.

Below is a high level overview of our fees and services:

| Service | Investment Value | Fee |
|--|--|--|
| Goal Based Planning & Investment Only Advice | Up to GBP 499,999/ EUR 599,999/ USD 749,999 Minimum: GBP 25,000/ EUR 25,000/ USD 35,000 as a lump sum | 3% Advice and Implementation Fee ⁴ |
| | GBP 500,000/ EUR 600,000/ USD 750,000 and above | 1.5% Advice and Implementation Fee ⁵ |
| | Regular contributions up to GBP 1,670 per month / EUR 1,870 per month / USD 2,100 per month Minimum: GBP 250 / EUR 300 / USD 350 per month | GBP 595/EUR 650/USD 750 Fixed Fee |
| | Regular contributions over GBP 1,670 per month / EUR 1,870 per month / USD 2,100 per month | 3% of total contributions to be invested in the first 12 months ⁶ |
| Self-directed Execution only | Minimums: GBP/EUR/USD 1,000 as a lump sum GBP/EUR/USD 100 per month | 1% of investment value. Applies to a lump sum purchase and/or to each monthly contribution |
| Execution only guided | Minimums: GBP/EUR/USD 1,000 as a lump sum GBP/EUR/USD 100 per months | Up to 2% of investment value for a lump sum purchase 1% of investment value for each monthly contribution |

⁴ Or 2% Advice and Implementation Fee for any fixed income funds implemented.

⁵ Or 1% Advice and Implementation Fee for any fixed income funds implemented.

⁶ Or 2% of total contributions to be invested in first 12 months into any fixed income funds.

Further more detailed information on each service can be obtained on request.

Fee Payment

The final fee amount will be confirmed to you in the Financial Planning Report (Advisory), disclosed to you directly (Execution only guided) or through our International Investment Centre (Self-directed Execution only), if any. We will deduct the fee(s) from your nominated HSBC account(s). We do not accept payment by cash or cheque. You will pay for our services on the basis of fees, commission or a combination of both as described in this document. In the Isle of Man some of our services attract VAT. We reserve the right to discount or waive our advice fees.

Additional Fees

Separate to our service costs detailed above, any investment into mutual funds could carry additional fees which vary from product to product. Any additional fees will be disclosed in full within your Financial Planning Report (Advisory), disclosed to you directly (Execution only guided) or International Investment Centre (Execution only).

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