

HSBC ETFs PLC

HSBC MSCI EMERGING MARKETS CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 31 May 2024 | HPEF LN | USD



Investment objective

The Fund aims to track as closely as possible the returns of the MSCI Emerging Markets Climate Paris Aligned Index (the Index). The Fund will invest in or gain exposure to shares of companies which make up the Index. The Fund qualifies under Article 8 of SFDR.



Investment strategy

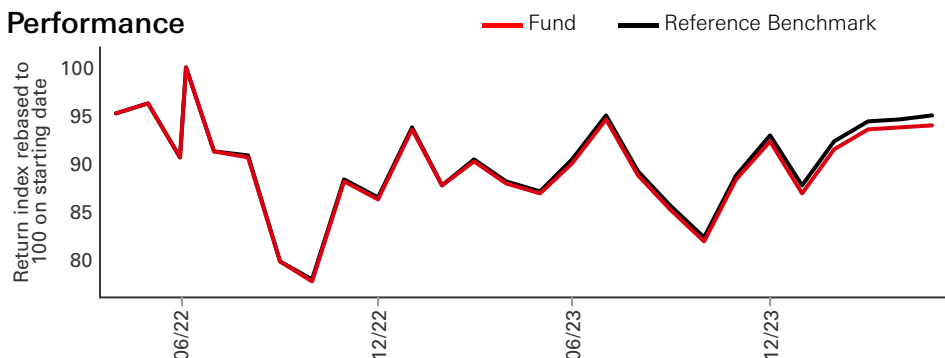
The Index is a subset of the MSCI Emerging Markets Index (Parent Index) and made up of shares of large and mid-sized companies (as measured by the market value of their shares) across emerging market countries. The Index is designed to support investors seeking to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements. It excludes shares of companies with exposure to controversial weapons, ESG controversies, tobacco, environmental harm, thermal coal mining, oil and gas, and power generation. The Fund will be passively managed and will aim to invest in the shares of the companies in generally the same proportion as in the Index. The Fund may invest in China A-shares, up to up to 35% in securities from a single issuer during exceptional market conditions, up to 10% in other funds and up to 10% in total return swaps and contracts for difference. See the Prospectus for a full description of the investment objectives and derivative usage.



Main risks

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- The value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Performance



Share class details

Key metrics

NAV per share	USD 13.16
Performance 1 month	0.18%

Fund facts

UCITS V compliant	Yes
Dividend treatment	Accumulating
Dividend currency	USD
Fund base currency	USD
Currency Hedged	Not Hedged
Share class base currency	USD
Domicile	Ireland
Inception date	7 April 2022
Shares outstanding	1,700,000
Fund size	USD 22,366,889
Reference benchmark	100% MSCI Emerging Markets Climate Paris Aligned Index
Replication method	Physical- Full
SIPP eligible	Yes
Issuer	HSBC ETFs PLC
Fiscal year end	Dec

Fees and expenses

Ongoing charge figure ¹	0.180%
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Codes

ISIN	IE000FNVOB27
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¹Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KIID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

Source: HSBC Asset Management, data as at 31 May 2024

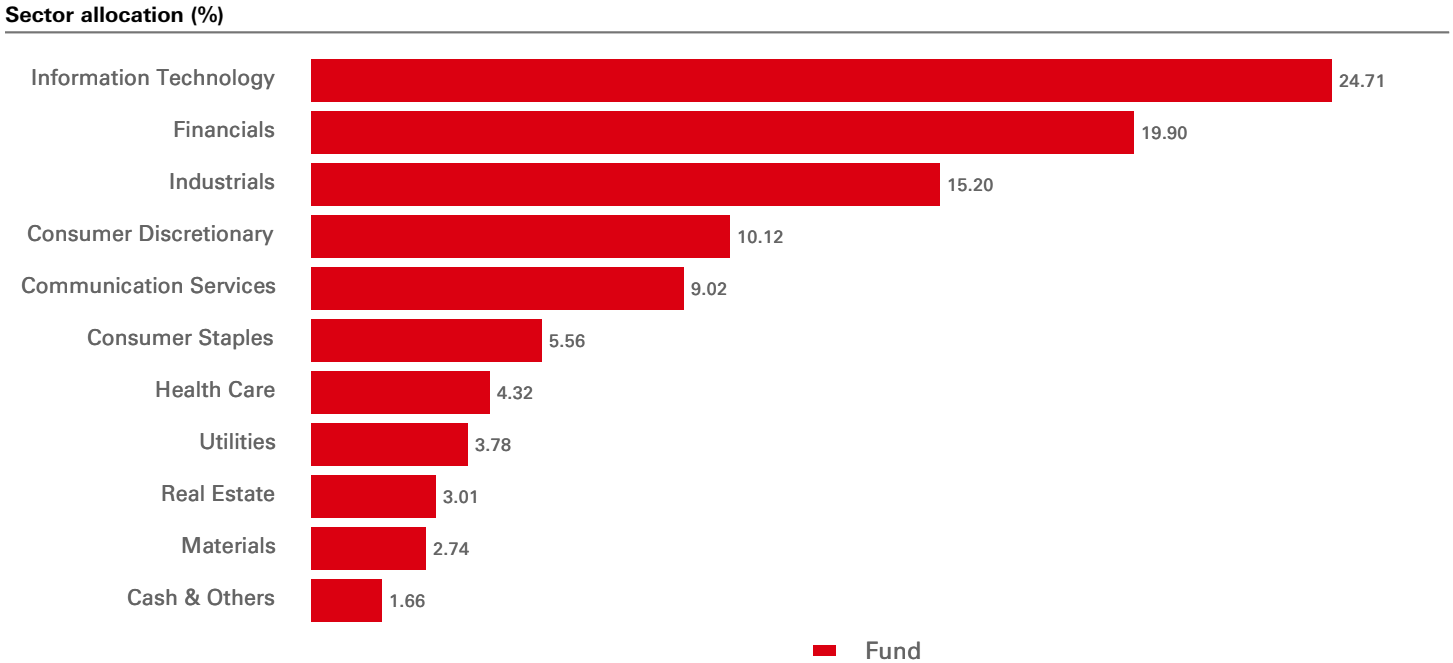
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
Fund	1.89	0.18	2.67	6.40	8.25	--	--	-2.84
Reference Benchmark	2.12	0.23	2.78	6.87	8.98	--	--	-2.39
Tracking difference	-0.22	-0.05	-0.11	-0.47	-0.73	--	--	-0.45
Tracking error	--	--	--	--	0.31	--	--	0.33

Calendar year performance (%)	2019	2020	2021	2022	2023
Fund	--	--	--	--	6.89
Reference Benchmark	--	--	--	--	7.60

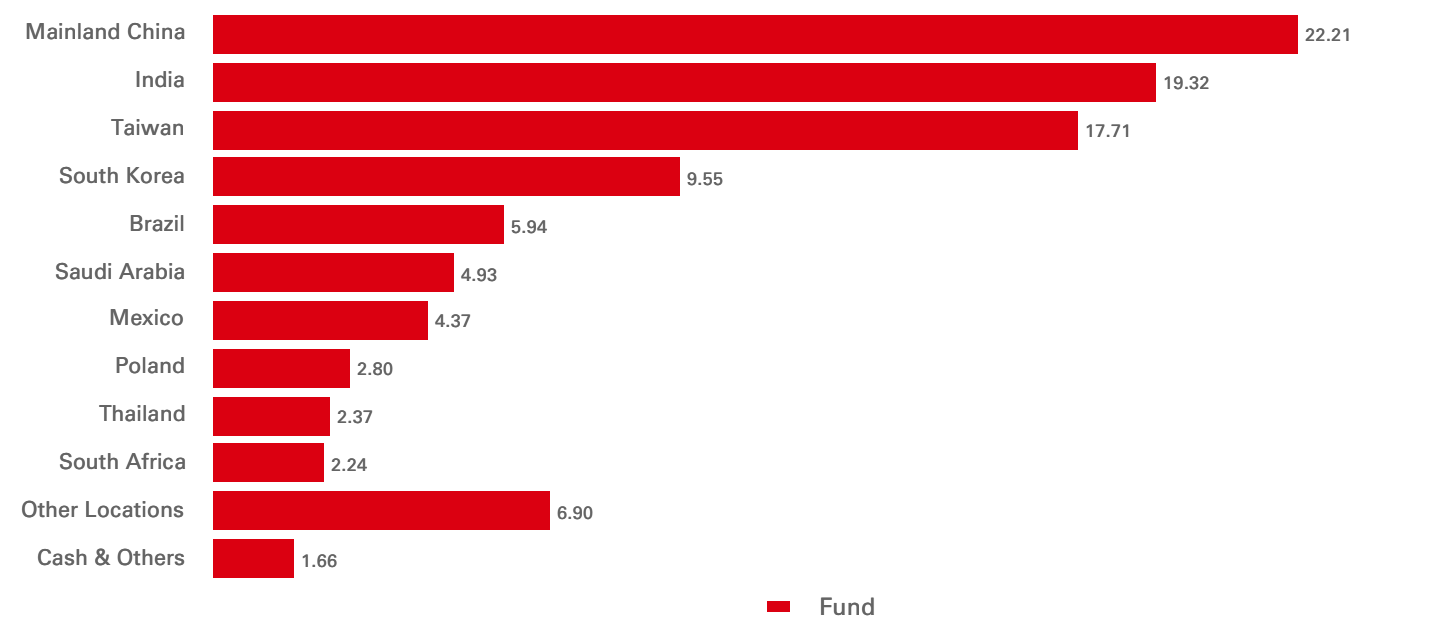
Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	91.94	442.56	Fund	5.8	6.0	5.2	4.9
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ² e/USD million) Source of analytics: Trucost			Reference benchmark	5.7	5.8	5.1	4.7

Equity characteristics	Fund	Reference Benchmark	Benchmark information
No. of holdings ex cash	381	--	Index name100% MSCI Emerging Markets Climate Paris Aligned Index
Average market cap (USD Mil)	121,957	121,004	Index currencyUSD
Price/earning ratio	18.33	18.51	TR Index Bloomberg TickerMXEFCLPA
			TR Index Reuters RIC.MIEF0CPA0NUS

Fund facts
Fund managerHSBC Global Asset Management (UK) Limited
CustodianHSBC Continental Europe
Fund administratorHSBC Securities Services (Ireland) DAC



Geographical allocation (%)



Top 10 holdings	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Information Technology	10.45
Tencent Holdings Ltd	Communication Services	4.58
Bharat Electronics Ltd	Industrials	2.39
Delta Electronics Inc	Information Technology	1.73
Alibaba Group Holding Ltd	Consumer Discretionary	1.71
Infosys Ltd	Information Technology	1.62
Ecopro Co Ltd	Industrials	1.57
Samsung Electronics Co Ltd	Information Technology	1.54
Grupo Aeroportuario del Pacifi	Industrials	1.47
Samsung SDI Co Ltd	Information Technology	1.40

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE	08 Apr 2022	USD	08:00 - 16:30	HPEM LN	HPEM.L	HPEUSDIV	HPEMUSDINA V=SOLA
LONDON STOCK EXCHANGE	08 Apr 2022	GBP	08:00 - 16:30	HPEF LN	HPEF.L	HPEFGBIV	HPEFGBPINAV =SOLA
NYSE EURONEXT - EURONEXT PARIS	14 Apr 2022	EUR	--	HPEM.PA	HPEM.PA	HPEMEUIV	HPEMEUIv.P
DEUTSCHE BOERSE AG-XETRA	14 Apr 2022	EUR	--	HP8E.DE	HP8E.DE	HP8EEUIV	HP8EEUIv.P
BORSA ITALIANA SPA		EUR	--	HPEM.MI	HPEM.MI	HPEMEUIV	HPEMEUIv.P
NYSE EURONEXT - EURONEXT PARIS	14 Apr 2022	EUR	09:00 - 17:30	HPEM FP	HPEF.PA	HPPEURIV	HPPEEURINAV =SOLA
DEUTSCHE BOERSE AG-XETRA	14 Apr 2022	EUR	--	HP8E GY	HP8E.DE	HPPEURIV	HPPEEURINAV =SOLA
BORSA ITALIANA SPA	28 Apr 2022	EUR	09:00 - 17:35	HPEM IM	HPEM.MI	HPPEURIV	HPPEEURINAV =SOLA
SIX SWISS EXCHANGE		USD	--	HPEM SW	HPEM.S	HPEUSDIV	HPEMUSDINA V=SOLA

Emissions from reserves (mn tonnes/ USDmn)	Fund	Reference benchmark
Emissions from reserves/market cap	21.54780	8,560.07199

Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO ² e/USD million)
BANCO BTG PACTUAL SA-UNIT	0.14	BANCO BTG PACTUAL SA-UNIT	0.14
B3 SA-BRASIL BOLSA BALCAO	0.95	GUANGZHOU YUEXIU CAPITAL H-A	0.39
CHINA RUYI HOLDINGS LTD	0.96	QIFU TECHNOLOGY INC	0.52
GRUPO FINANCIERO INBURSA-O	1.48	37 INTERACTIVE ENTERTAINME-A	0.56
THE SAUDI NATIONAL BANK	1.72	SAMSUNG FIRE & MARINE INS	0.85
PROLOGIS PROPERTY MEXICO SA	1.72	B3 SA-BRASIL BOLSA BALCAO	0.95
CHINA LITERATURE LTD	1.78	CHINA RUYI HOLDINGS LTD	0.96
ITAU UNIBANCO HOLDING S-PREF	1.84	ICICI PRUDENTIAL LIFE INSURA	1.06
BUPA ARABIA FOR COOPERATIVE	1.84	BANCO BRADESCO S.A.	1.11
ARAB NATIONAL BANK	1.84	ASUSTEK COMPUTER INC	1.24

Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO ² e/USD million)
MESAIEED PETROCHEMICAL HOLDI	3,673.18	ACWA POWER CO	53,342.22
ZHEJIANG WEIMING ENVIRONME-A	2,115.38	NTPC LTD	17,616.33
HARMONY GOLD MINING CO LTD	1,692.08	GD POWER DEVELOPMENT CO -A	14,350.49
MULTIPLY GROUP	1,029.98	JSW ENERGY LTD	13,792.42
POSCO FUTURE M CO LTD	907.83	ADANI POWER LTD	12,873.20
DIVI'S LABORATORIES LTD	735.40	ZHEJIANG ZHENENG ELECTRIC-A	12,645.03
CIA SUD AMERICANA DE VAPORES	707.31	CHINA RESOURCES POWER HOLDIN	11,853.81
SK IE TECHNOLOGY CO LTD	641.56	DATANG INTL POWER GEN CO-A	11,242.76
CIA SANEAMENTO BASICO DE SP	626.81	SAUDI ELECTRICITY CO	11,118.80
ZHAOJIN MINING INDUSTRY - H	608.62	HUADIAN POWER INTL CORP-A	10,920.18

ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	10.449%	10.0	6.7	7.9	7.1	169.7
TENCENT HOLDINGS LTD	4.577%	4.2	9.8	3.8	3.7	36.6
BHARAT ELECTRONICS LTD	2.387%	3.7	3.6	4.5	3.4	25.8
DELTA ELECTRONICS INC	1.728%	7.4	7.4	5.7	5.0	33.6
ALIBABA GROUP HOLDING LTD	1.708%	5.1	5.9	4.5	3.0	40.4
INFOSYS LTD	1.617%	8.3	6.3	4.9	7.3	12.4
ECOPRO CO LTD	1.573%	2.6	3.7	5.7	4.6	59.0
SAMSUNG ELECTRONICS CO LTD	1.537%	8.3	6.4	5.6	4.4	84.8
GRUPO AEROPORT DEL PACIFIC-B	1.473%	5.3	6.6	5.6	4.8	36.5
SAMSUNG SDI CO LTD	1.400%	6.9	6.4	4.9	5.5	112.0

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	8.577%	10.0	6.7	7.9	7.1	169.7
TENCENT HOLDINGS LTD	4.177%	4.2	9.8	3.8	3.7	36.6
SAMSUNG ELECTRONICS CO LTD	3.482%	8.3	6.4	5.6	4.4	84.8
ALIBABA GROUP HOLDING LTD	2.048%	5.1	5.9	4.5	3.0	40.4
RELIANCE INDUSTRIES LTD	1.433%	6.8	6.2	5.6	5.9	480.6
PDD HOLDINGS INC	1.230%	1.7	6.7	3.3	3.9	37.3
SK HYNIX INC	1.025%	6.9	4.3	7.3	5.8	207.2
ICICI BANK LTD	0.959%	7.1	5.4	5.5	4.6	10.7
MEITUAN-CLASS B	0.936%	5.0	10.0	4.7	3.9	29.6
CHINA CONSTRUCTION BANK-H	0.935%	8.6	6.9	6.2	5.7	17.0

ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
IMEIK TECHNOLOGY DEVELOPME-A	0.006%	3.9	6.1	3.2	5.8	12.0
CHANGCHUN HIGH-TECH INDUST-A	0.006%	2.7	6.4	3.1	2.4	73.3
LEPU MEDICAL TECHNOLOGY-A	0.008%	4.1	7.4	5.2	3.8	24.7
SICHUAN SWELLFUN CO LTD-A	0.008%	4.1	4.1	4.7	3.9	66.0
HITHINK ROYALFLUSH INFORMA-A	0.009%	1.5	8.0	2.9	3.5	11.5
SHENZHEN NEW INDUSTRIES BI-A	0.009%	5.1	8.6	4.5	5.6	7.6
CSPC INNOVATION PHARMACEUT-A	0.010%	5.5	1.1	4.8	4.0	36.3
ASYMCHEM LABORATORIES TIAN-A	0.010%	4.1	3.4	3.0	5.6	118.5
BANCO DEL BAJIO SA	0.010%	4.5	0.0	5.3	4.5	6.4
GLOBAL UNICHIP CORP	0.010%	4.1	5.4	5.8	5.4	91.4

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
GUANGZHOU KINGMED DIAGNOST-A	0.002%	8.1	9.2	6.7	5.4	16.0
SICHUAN HEBANG BIOTECHNOL- A	0.002%	0.7	2.5	1.7	2.2	118.4
BEIJING ORIENTAL YUHONG-A	0.002%	6.9	5.0	6.8	4.1	65.8
XIAMEN FARATRONIC CO LTD-A	0.002%	1.8	4.1	3.7	2.6	188.2
BEIQI FOTON MOTOR CO LTD-A	0.002%	2.8	6.7	3.1	1.7	15.8
HANGZHOU TIGERMED CONSULTI-A	0.002%	7.4	9.5	5.4	6.6	28.1
SHENZHEN KANGTAI BIOLOGICA-A	0.002%	0.0	5.0	2.9	3.0	193.7
SHANGHAI MOONS' ELECTRIC C-A	0.002%	1.5	5.7	4.0	3.6	41.0
SHANGHAI CONSTRUCTION GROU-A	0.002%	1.5	4.5	2.9	2.2	15.3
JONJEE HIGH-TECH INDUSTRIA-A	0.002%	2.4	1.3	4.3	5.4	53.4

Risk disclosures

- To the extent that the Fund seeks to replicate index performance by holding individual securities, there is no guarantee that its composition or performance will exactly match that of the target index at any given time (“tracking error”).
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Source: HSBC Asset Management, data as at 31 May 2024

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Glossary



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Further information about the Company including the Prospectus, the most recent annual and semi-annual reports of the Company and the latest share prices, may be obtained free of charge, in English, from the Administrator by emailing ifsinvestorqueries@hsbc.com, or by visiting www.etf.hsbc.com. Details of the underlying investments of the fund are available on www.etf.hsbc.com. The indicative intra-day net asset value of the fund is available on at least one major market data vendor terminal such as Bloomberg, as well as on a wide range of websites that display stock market data, including www.reuters.com.

The most recent Prospectus is available in English, German and French. Key Information Document (PRIIPs KID) are available in the local language where they are registered.

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Further Information can be found in the prospectus.

Term: The management company cannot terminate the Fund unilaterally. The Board of Directors may furthermore decide to liquidate the Fund in certain circumstances set out in the prospectus and articles of incorporation of the Fund. Further additional and complete information (including but not limited to) investor rights, costs and charges, please refer to the prospectus.

Detailed information for article 8 and 9 sustainable investment products, as categorised under the Sustainable Finance Disclosure Regulation (SFDR), including; description of the environmental or social characteristics or the sustainable investment objective; methodologies used to assess, measure and monitor the environmental or social characteristics and the impact of the selected sustainable investments and; objectives and benchmark information, can be found at: <https://www.assetmanagement.hsbc.co.uk/en/intermediary/investment-expertise/sustainable-investments/sustainable-investment-product-offering>