

HSBC ETFs PLC

HSBC MSCI AC ASIA PACIFIC EX JAPAN CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 31 May 2024 | HPAX LN | USD

Investment objective

The Fund aims to track as closely as possible the returns of the MSCI AC Asia Pacific ex Japan 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 AC Asia Pacific ex-Japan Index (Parent Index) and made up of shares of large and mid-sized companies from certain developed and emerging market countries in the Asia Pacific region (excluding Japan). 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.

Fund facts

Fund manager	HSBC Global Asset Management (UK) Limited
Custodian	HSBC Continental Europe
Fund administrator	HSBC Securities Services (Ireland) DAC

Share class details

Key metrics

NAV per share	USD 15.69
Performance 1 month	1.54%

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	11 April 2022
Shares outstanding	1,065,000
Fund size	USD 16,711,883
Reference benchmark	100% MSCI AC Asia Pacific ex Japan 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	0.250%
------------------------------------	---------------

Codes

ISIN	IE000XFORJ80
------	---------------------

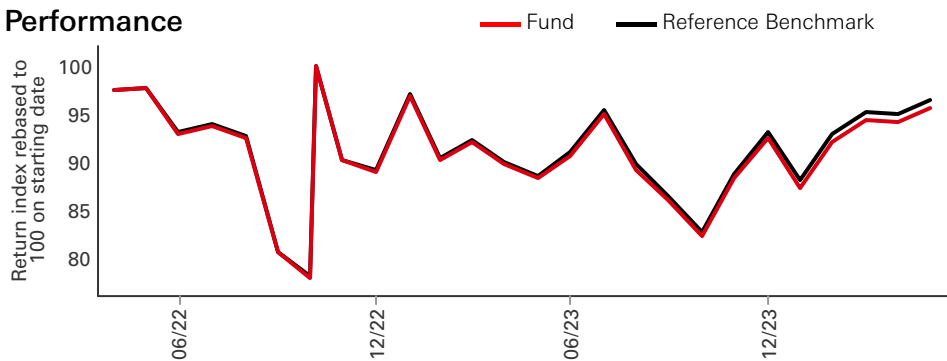
¹Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

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



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
Fund	3.32	1.54	3.82	8.16	8.17	--	--	-2.10
Reference Benchmark	3.65	1.61	3.98	8.64	8.93	--	--	-1.63
Tracking difference	-0.33	-0.07	-0.16	-0.48	-0.76	--	--	-0.47
Tracking error	--	--	--	--	0.25	--	--	0.24

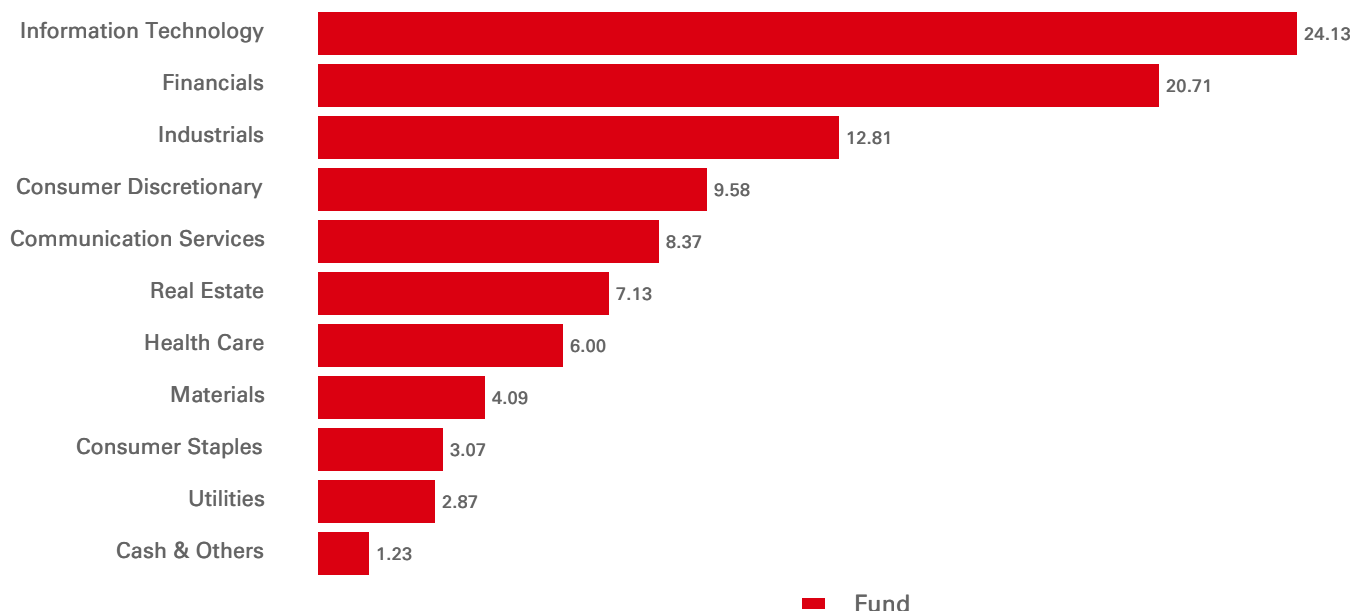
Calendar year performance (%)	2019	2020	2021	2022	2023
Fund	--	--	--	--	3.94
Reference Benchmark	--	--	--	--	4.53

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	74.62	301.75	Fund	6.4	6.5	5.1	5.5
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ₂ e/USD million) Source of analytics: Trucost			Reference benchmark	6.2	6.0	5.1	5.2

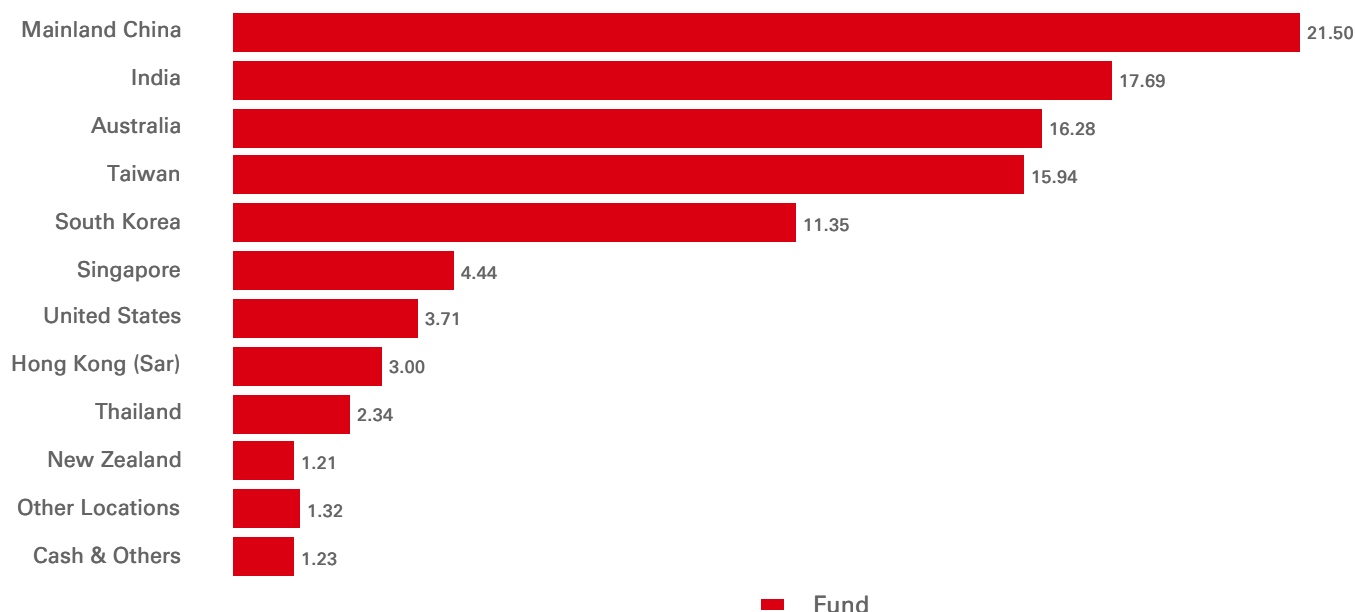
Equity characteristics	Fund	Reference Benchmark
No. of holdings ex cash	338	--
Average market cap (USD Mil)	123,636	123,131
Price/earning ratio	22.62	22.76

Benchmark information	
Index name	100% MSCI AC Asia Pacific ex Japan Climate Paris Aligned Index
Index currency	USD
Benchmark type	Net Return
TR Index Bloomberg Ticker	NU739400
TR Index Reuters RIC	.MISX00ES5NUS

Sector allocation (%)



Geographical allocation (%)



Top 10 holdings	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Information Technology	10.06
Tencent Holdings Ltd	Communication Services	4.29
Goodman Group	Real Estate	2.51
Commonwealth Bank of Australia	Financials	2.47
James Hardie Industries PLC	Materials	2.21
Samsung SDI Co Ltd	Information Technology	2.02
Ecopro Co Ltd	Industrials	1.76
Bharat Electronics Ltd	Industrials	1.52
AIA Group Ltd	Financials	1.52
Delta Electronics Inc	Information Technology	1.47

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE	12 Apr 2022	USD	08:00 - 16:30	HPAJ LN	HPAJ.L	HPAPUSIV	HPAJUSDINAV =SOLA
LONDON STOCK EXCHANGE	12 Apr 2022	GBP	08:00 - 16:30	HPAX LN	HPAX.L	HPAXGBIV	HPAXGBPINAV =SOLA
NYSE EURONEXT - EURONEXT PARIS	14 Apr 2022	EUR	09:00 - 17:30	HPAJ FP	HPAJ.PA	HPAJUEIV	HPAJEURINAV =SOLA
DEUTSCHE BOERSE AG-XETRA	14 Apr 2022	EUR	09:00 - 17:30	HP2A GY	HP2A.DE	HPAJUEIV	HPAJEURINAV =SOLA
BORSA ITALIANA SPA	28 Apr 2022	EUR	09:00 - 17:35	HPAJ IM	HPAJ.MI	HPAJUEIV	HPAJEURINAV =SOLA
SIX SWISS EXCHANGE		USD	--	HPAJ SW	--	HPAPUSIV	HPAJUSDINAV =SOLA

Emissions from reserves (mn tonnes/ USDmn)	Fund	Reference benchmark
Emissions from reserves/market cap	0.00000	3,461.42868

Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO²e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO²e/USD million)
MEDIBANK PRIVATE LTD	0.74	GUANGZHOU YUEXIU CAPITAL H-A	0.39
CHINA RUYI HOLDINGS LTD	0.96	QIFU TECHNOLOGY INC	0.52
MERIDIAN ENERGY LTD	1.15	37 INTERACTIVE ENTERTAINME-A	0.56
MACQUARIE GROUP LTD	1.27	MEDIBANK PRIVATE LTD	0.74
QBE INSURANCE GROUP LTD	1.29	SAMSUNG FIRE & MARINE INS	0.85
SUNCORP GROUP LTD	1.53	CHINA RUYI HOLDINGS LTD	0.96
SEEK LTD	1.58	ICICI PRUDENTIAL LIFE INSURA	1.06
CHINA LITERATURE LTD	1.78	MERIDIAN ENERGY LTD	1.15
SBI LIFE INSURANCE CO LTD	1.88	PRO MEDICUS LTD	1.17
CSC FINANCIAL CO LTD-A	2.37	ASUSTEK COMPUTER INC	1.24

Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO²e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO²e/USD million)
ZHEJIANG WEIMING ENVIRONME-A	2,115.38	NTPC LTD	17,616.33
DIVI'S LABORATORIES LTD	735.40	GD POWER DEVELOPMENT CO -A	14,350.49
SK IE TECHNOLOGY CO LTD	641.56	JSW ENERGY LTD	13,792.42
ZHAOJIN MINING INDUSTRY - H	608.62	ADANI POWER LTD	12,873.20
L&F CO LTD	536.78	ZHEJIANG ZHENENG ELECTRIC-A	12,645.03
TONGWEI CO LTD-A	518.35	CHINA RESOURCES POWER HOLDIN	11,853.81
AIRPORTS OF THAILAND PCL-FOR	494.58	DATANG INTL POWER GEN CO-A	11,242.76
NORTHERN STAR RESOURCES LTD	439.05	HUADIAN POWER INTL CORP-A	10,920.18
BEIJING ENTERPRISES WATER GR	381.89	ANHUI CONCH CEMENT CO LTD-A	10,384.13
ASSET WORLD CORP PCL-FOREIGN	339.94	HUANENG POWER INTL INC-A	10,250.80

ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	10.061%	10.0	6.7	7.9	7.1	169.7
TENCENT HOLDINGS LTD	4.295%	4.2	9.8	3.8	3.7	36.6
GOODMAN GROUP	2.508%	7.9	5.3	7.1	7.1	17.9
COMMONWEALTH BANK OF AUSTRAL	2.472%	8.3	6.6	3.8	7.8	4.9
JAMES HARDIE INDUSTRIES-CDI	2.210%	8.0	5.1	4.5	7.9	183.3
SAMSUNG SDI CO LTD	2.017%	6.9	6.4	4.9	5.5	112.0
ECOPRO CO LTD	1.762%	2.6	3.7	5.7	4.6	59.0
BHARAT ELECTRONICS LTD	1.522%	3.7	3.6	4.5	3.4	25.8
AIA GROUP LTD	1.516%	8.0	6.3	5.7	6.4	2.4
DELTA ELECTRONICS INC	1.471%	7.4	7.4	5.7	5.0	33.6

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	8.209%	10.0	6.7	7.9	7.1	169.7
TENCENT HOLDINGS LTD	3.998%	4.2	9.8	3.8	3.7	36.6
SAMSUNG ELECTRONICS CO LTD	3.333%	8.3	6.4	5.6	4.4	84.8
BHP GROUP LTD	1.974%	6.7	2.1	3.6	8.9	214.0
ALIBABA GROUP HOLDING LTD	1.960%	5.1	5.9	4.5	3.0	40.4
COMMONWEALTH BANK OF AUSTRAL	1.749%	8.3	6.6	3.8	7.8	4.9
RELIANCE INDUSTRIES LTD	1.372%	6.8	6.2	5.6	5.9	480.6
CSL LTD	1.183%	8.2	5.3	4.6	6.9	31.8
PDD HOLDINGS INC	1.177%	1.7	6.7	3.3	3.9	37.3
AIA GROUP LTD	1.142%	8.0	6.3	5.7	6.4	2.4

ESG score for ten lowest holdings by weight


Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
XPENG INC - ADR	0.001%	10.0	8.6	4.7	6.1	25.6
BEIGENE LTD-ADR	0.003%	5.0	5.0	3.6	6.1	40.4
JIANGSU PACIFIC QUARTZ CO -A	0.005%	0.0	2.1	1.2	3.2	56.5
LI AUTO INC - ADR	0.005%	10.0	8.6	4.6	5.2	25.0
AIER EYE HOSPITAL GROUP CO-A	0.005%	3.6	7.5	4.4	4.2	37.0
WUXI APPTec CO LTD-A	0.008%	7.9	10.0	5.7	6.9	87.9
SK BIOSCIENCE CO LTD	0.008%	6.8	6.0	4.7	5.5	52.2
SANY HEAVY INDUSTRY CO LTD-A	0.008%	2.6	4.9	5.6	3.5	30.5
LEPU MEDICAL TECHNOLOGY-A	0.008%	4.1	7.4	5.2	3.8	24.7
CHANGJIANG SECURITIES CO L-A	0.008%	2.0	3.2	2.1	4.4	5.6

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.

Follow us on:

 **HSBC Asset Management**

Glossary



Index disclaimer

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

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

Important information

The material contained herein is for marketing purposes and is for your information only. This document is not contractually binding nor are we required to provide this to you by any legislative provision. It does not constitute legal, tax or investment advice or a recommendation to any reader of this material to buy or sell investments. You must not, therefore, rely on the content of this document when making any investment decisions.

This document is distributed in France, Italy, Spain and Sweden by HSBC Asset Management (France) and is only intended for professional investors as defined by MIFID, in Switzerland by HSBC Asset Management (Switzerland) AG and is only intended for qualified investors in the meaning of Art. 10 para 3 (CISA).

The information contained herein is subject to change without notice.

The material contained herein is for information purposes only and does not constitute investment advice or a recommendation to any reader of this material to buy or sell investments. Care has been taken to ensure the accuracy of this document, but HSBC Asset Management accepts no responsibility for any errors or omissions contained herein. The information contained herein is subject to change without notice. All non-authorised reproduction or use of this commentary and analysis will be the responsibility of the user and will be likely to lead to legal proceedings. This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The commentary and analysis presented in this document reflect the opinion of HSBC Asset Management on the markets, according to the information available to date. They do not constitute any kind of commitment from HSBC Asset Management. Consequently, HSBC Asset Management will not be held responsible for any investment or disinvestment decision taken on the basis of the commentary and/or analysis in this document. All data from HSBC Asset Management unless otherwise specified. Any third party information has been obtained from sources we believe to be reliable, but which we have not independently verified.

The fund is a sub-fund of HSBC ETFs plc ("the Company"), an investment company with variable capital and segregated liability between sub-funds, incorporated in Ireland as a public limited company, and is authorised by the Central Bank of Ireland. The company is constituted as an umbrella fund, with segregated liability between sub-funds. Shares purchased on the secondary market cannot usually be sold directly back to the Company.

Investors must buy and sell shares on the secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value per share when buying shares and may receive less than the current Net Asset Value per Share when selling them. Affiliated companies of HSBC Global Asset Management (UK) Limited may make markets in HSBC ETFs plc. UK based investors are advised they may not be afforded some of the protections conveyed by the Financial Services and Markets Act (2000), (the Act). The Company is recognised in the UK by the Financial Conduct Authority under section 264 of the Act. The shares in the company have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. Investors and potential investors should read and note the risk warnings in the prospectus, relevant KID and Fund supplement (where available) and additionally, in the case of retail clients, the information contained in the supporting SID.

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.

Please note that funds included in this material may be covered by regulations outside of the European Economic Area (The EEA). Local regulations may vary, and can potentially impact your right to funds.

HSBC Asset Management is the brand name for the asset management business of HSBC Group. The above document has been produced by HSBC Asset Management (France) and has been approved for distribution/issue by the following entities :

In France by HSBC Asset Management (France), a Portfolio Management Company authorised by the French regulatory authority AMF (no. GP99026); in Italy and Spain through the Milan and Madrid branches of HSBC Asset Management (France), regulated by Banca d'Italia and Commissione Nazionale per le Società e la Borsa (Consob) in Italy, and the Comisión Nacional del Mercado de Valores (CNMV) in Spain. In Sweden, through the Stockholm branch of HSBC Asset Management (France), regulated by the Swedish Financial Supervisory Authority Finansinspektionen).

HSBC Asset Management (France) - 421 345 489 RCS Nanterre. Portfolio management company authorised by the French regulatory authority AMF (no. GP99026) with capital of 8.050.320 euros. Postal address: 75419 Paris cedex 08, France. Offices: Immeuble Coeur Défense, 110, esplanade du Général Charles de Gaulle, 92400 Courbevoie - La Défense 4 . (Website: <https://fi.assetmanagement.hsbc.com>).

HSBC Asset Management (Switzerland) AG, Gartenstrasse 26, P.O. Box, CH-8027 Zurich, Switzerland. (Website: www.assetmanagement.hsbc.com/ch)

Copyright © 2024. HSBC Asset Management (France). All rights reserved

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>