

HSBC ETFs PLC

HSBC MSCI EMERGING MARKETS CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 31 March 2024 | HPEM 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

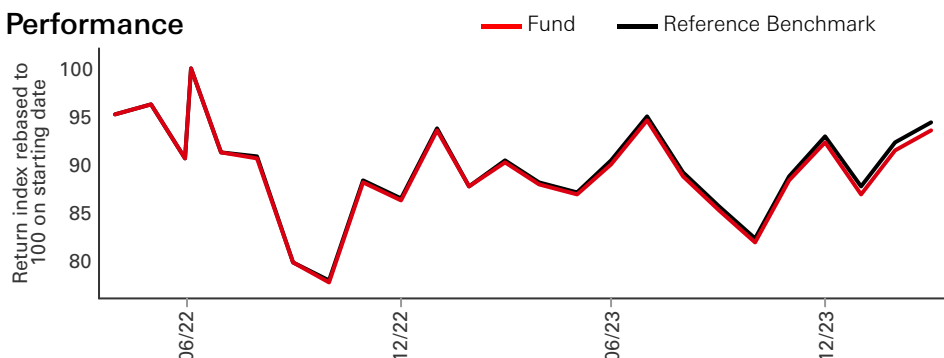
The Index is a subset of the MSCI Emerging Markets Index (Parent Index) and made up of shares of large and mid-sized companies (as measured by the market value of their shares) across emerging market countries. The Index is designed to support investors seeking to pursue opportunities arising from the 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 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.
- 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").

Performance



Share class details

Key metrics

NAV per share	USD 13.10
Performance 1 month	2.26%

Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	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 22,276,555
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%
------------------------------------	---------------

Codes

ISIN	IE000FNVOB27
SEDOL	BNLXVM7

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 does not predict 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 KID 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 March 2024

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
Fund	1.48	2.26	1.48	9.70	3.70	--	--	-3.27
Reference Benchmark	1.57	2.24	1.57	10.15	4.47	--	--	-2.85
Tracking difference	-0.09	0.02	-0.09	-0.46	-0.76	--	--	-0.42
Tracking error	--	--	--	--	0.31	--	--	0.34

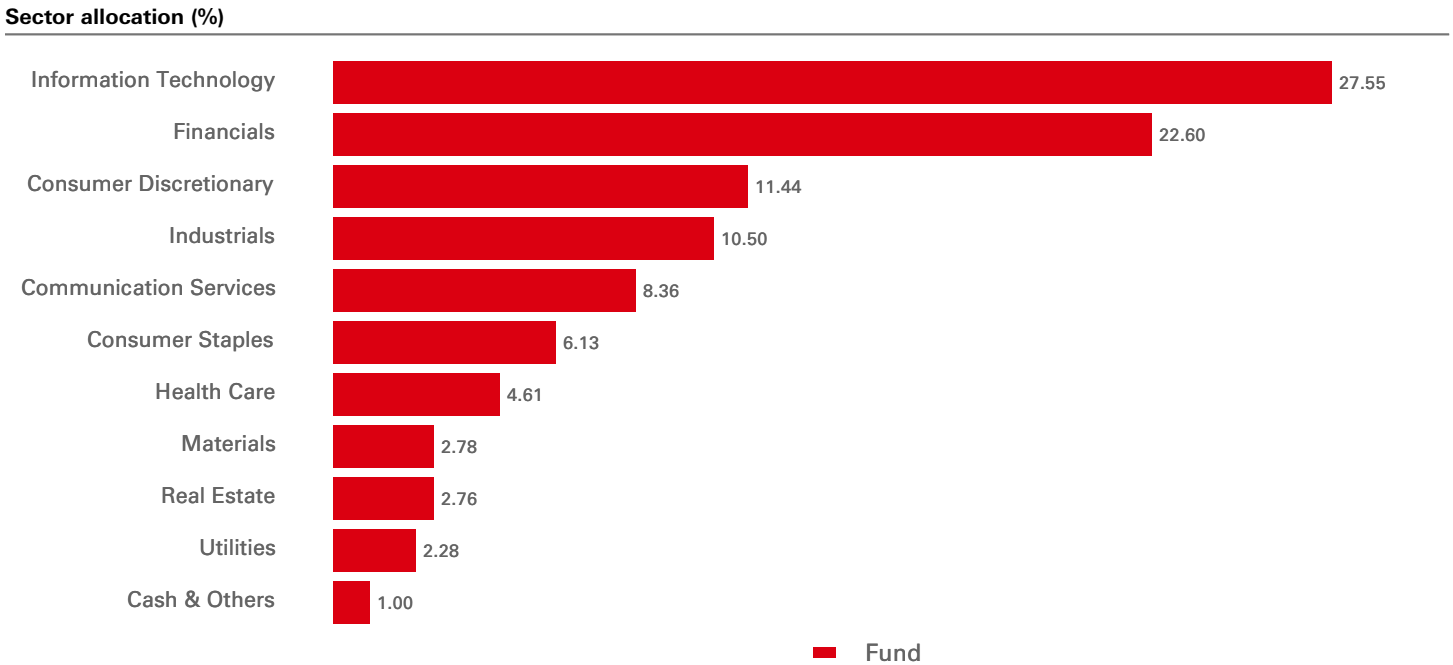
Rolling performance (%)	31/03/23-31/03/24	31/03/22-31/03/23	31/03/21-31/03/22	31/03/20-31/03/21	31/03/19-31/03/20
Fund	3.70	--	--	--	--
Reference Benchmark	4.47	--	--	--	--

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	93.75	380.98	Fund	6.0	5.9	5.2	4.8
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ² e/USD million revenue) Source: S&P Global Trucost			Reference benchmark	5.8	5.7	5.2	4.7

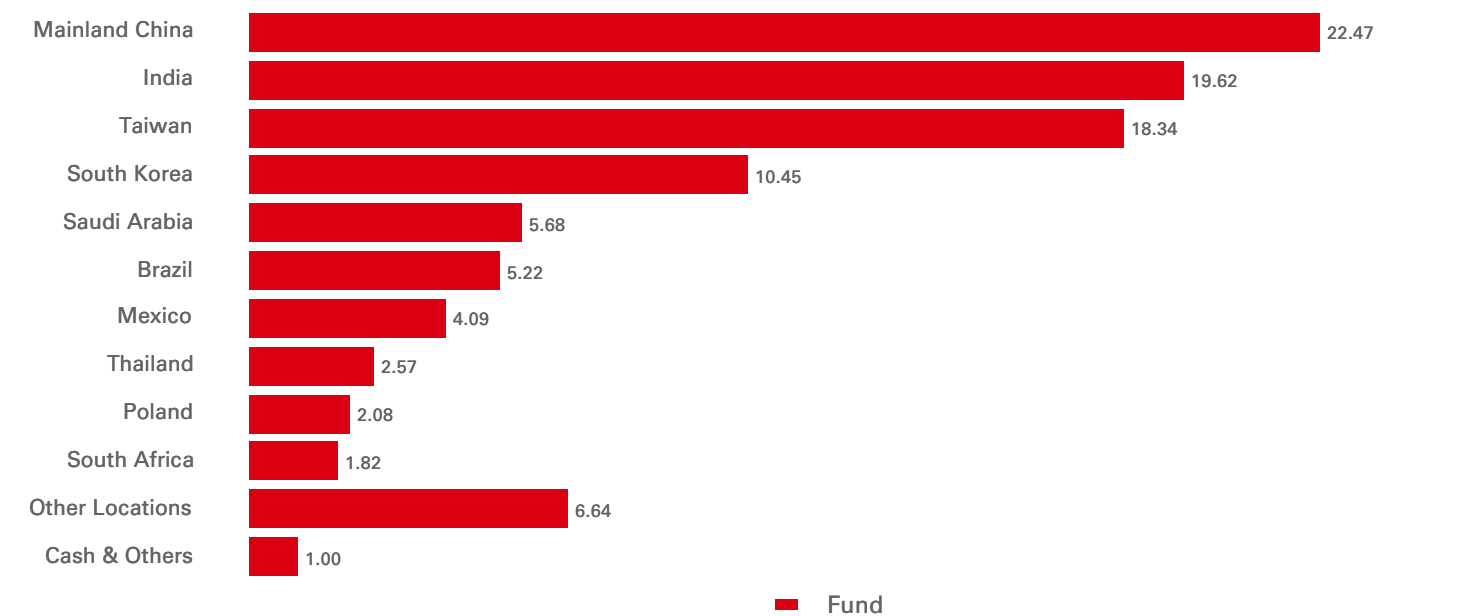
Equity characteristics	Fund	Reference Benchmark
No. of holdings ex cash	417	--
Average market cap (USD Mil)	122,965	122,919
Price/earning ratio	18.43	18.43

Benchmark information	
Index name	100% MSCI Emerging Markets Climate Paris Aligned Index
Index currency	USD
TR Index Bloomberg Ticker	MXEFCLPA
TR Index Reuters RIC	.MIEF0CPA0NUS

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



Geographical allocation (%)



Top 10 holdings	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Information Technology	10.51
Tencent Holdings Ltd	Communication Services	3.86
Samsung Electronics Co Ltd	Information Technology	3.69
Alibaba Group Holding Ltd	Consumer Discretionary	2.36
Bharat Electronics Ltd	Industrials	1.85
Delta Electronics Inc	Information Technology	1.83
Samsung SDI Co Ltd	Information Technology	1.56
Grupo Aeroportuario del Pacifi	Industrials	1.26
MediaTek Inc	Information Technology	1.23
Al Rajhi Bank	Financials	1.21

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	HPHEMEUIV	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	21.62095	4,365.98953

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	BANCO BRADESCO S.A.	1.11
BUPA ARABIA FOR COOPERATIVE	1.84	ASUSTEK COMPUTER INC	1.24
ARAB NATIONAL BANK	1.84	CHINA PACIFIC INSURANCE GR-A	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	HANJIN KAL CORP	56,078.54
ZHEJIANG WEIMING ENVIRONME-A	2,115.38	ACWA POWER CO	53,342.22
XINYI SOLAR HOLDINGS LTD	1,497.92	NTPC LTD	17,616.66
MULTIPLY GROUP	1,029.98	GD POWER DEVELOPMENT CO -A	14,350.49
POSCO FUTURE M CO LTD	907.83	ADANI POWER LTD	12,873.20
MERDEKA COPPER GOLD TBK PT	903.11	ZHEJIANG ZHENENG ELECTRIC-A	12,645.03
SABIC AGRI-NUTRIENTS CO	786.47	CHINA RESOURCES POWER HOLDIN	11,853.81
DIVI'S LABORATORIES LTD	735.40	DATANG INTL POWER GEN CO-A	11,242.76
SK IE TECHNOLOGY CO LTD	641.56	SAUDI ELECTRICITY CO	11,118.80
CIA SANEAMENTO BASICO DE SP	626.81	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	10.510%	10.0	5.9	7.9	7.1	169.7
TENCENT HOLDINGS LTD	3.864%	4.2	9.8	3.8	3.7	36.6
SAMSUNG ELECTRONICS CO LTD	3.539%	8.3	6.4	6.0	4.4	84.8
ALIBABA GROUP HOLDING LTD	2.362%	5.1	5.9	4.5	4.1	40.4
BHARAT ELECTRONICS LTD	1.848%	4.1	3.7	5.2	3.7	25.8
DELTA ELECTRONICS INC	1.834%	7.4	7.4	5.7	4.9	33.6
SAMSUNG SDI CO LTD	1.558%	6.9	6.4	4.7	5.5	112.0
GRUPO AEROPORT DEL PACIFIC-B	1.262%	4.9	6.6	5.9	4.4	36.5
MEDIATEK INC	1.226%	6.3	4.6	6.2	5.0	16.0
AL RAJHI BANK	1.208%	5.5	3.6	5.4	3.5	2.1

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	8.327%	10.0	5.9	7.9	7.1	169.7
SAMSUNG ELECTRONICS CO LTD	4.059%	8.3	6.4	6.0	4.4	84.8
TENCENT HOLDINGS LTD	3.567%	4.2	9.8	3.8	3.7	36.6
ALIBABA GROUP HOLDING LTD	2.029%	5.1	5.9	4.5	4.1	40.4
RELIANCE INDUSTRIES LTD	1.506%	6.8	5.7	5.6	5.9	480.6
SK HYNIX INC	1.031%	6.9	4.6	7.3	5.8	207.2
PDD HOLDINGS INC	0.965%	1.7	6.7	3.3	4.2	37.3
ICICI BANK LTD	0.945%	7.1	5.4	5.5	4.6	10.7
MEITUAN-CLASS B	0.872%	5.0	10.0	4.7	3.9	29.6
INFOSYS LTD	0.828%	8.3	6.3	4.9	7.3	12.4

ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
LEPU MEDICAL TECHNOLOGY-A	0.007%	4.1	7.4	5.2	3.8	24.7
CHANGCHUN HIGH & NEW TECH-A	0.007%	2.7	6.4	3.1	2.3	73.3
ASYMCHEM LABORATORIES TIAN-A	0.008%	4.1	3.4	3.0	5.7	118.5
KAKAOPAY CORP	0.008%	1.5	7.0	5.9	3.4	6.3
SHENZHEN NEW INDUSTRIES BI-A	0.008%	5.6	8.6	4.9	5.6	7.6
SICHUAN SWELLFUN CO LTD-A	0.009%	4.1	4.4	4.7	3.9	66.0
GLOBAL UNICHIP CORP	0.009%	4.1	5.4	5.8	4.6	91.4
SUZLON ENERGY LTD	0.009%	5.0	4.8	6.1	5.2	56.5
ZHEJIANG HUAHAI PHARMACEUT-A	0.010%	4.1	2.9	3.8	3.7	238.2
CHINA TOURISM GROUP DUTY F-A	0.010%	5.5	2.8	5.9	5.4	40.9

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
HONGFA TECHNOLOGY CO LTD-A	0.002%	2.7	6.6	4.9	3.1	36.5
JIANGXI SPECIAL ELECTRIC -A	0.002%	2.4	4.7	6.2	3.3	241.1
CANMAX TECHNOLOGIES CO LTD-A	0.002%	1.6	3.0	2.5	3.5	503.5
RISEN ENERGY CO LTD-A	0.002%	5.3	6.4	4.0	4.7	91.5
SKSHU PAINT CO LTD-A	0.002%	6.3	6.9	0.0	3.0	33.4
ASR MICROELECTRONICS CO LT-A	0.002%	2.2	3.1	3.7	5.1	91.4
GOODWE TECHNOLOGIES CO LTD-A	0.002%	5.0	5.8	7.0	4.1	12.6
VERISILICON MICROELECTRONI-A	0.002%	2.5	3.2	5.0	4.0	71.7
CHENGXIN LITHIUM GROUP CO-A	0.002%	2.6	3.2	3.2	2.5	536.7
HOYMILES POWER ELECTRONICS-A	0.002%	3.5	6.0	6.0	3.3	41.0

Risk disclosures

- 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:



E-mail: etf.client.services@hsbc.com
Website: www.etf.hsbc.com
For more information please contact us at E-mail:
Wholesale.clientservices@hsbc.com.
www.assetmanagement.hsbc.com/uk
To help improve our service and in the interests of security we may record and/or monitor your communication with us.

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 March 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 material is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. This material is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe to any investment.

Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection or target.

This 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. UK based investors in HSBC ETFs plc are advised that 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 United Kingdom by the Financial Conduct Authority under section 264 of the Act. The shares in HSBC ETFs plc 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. Affiliated companies of HSBC Global Asset Management (UK) Limited may make markets in HSBC ETFs plc. All applications are made on the basis of the current HSBC ETFs plc Prospectus, relevant Key Investor Information Document ("KIID"), Supplementary Information Document (SID) and Fund supplement, and most recent annual and semi-annual reports, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8 Canada Square, Canary Wharf, London, E14 5HQ. UK, or from a stockbroker or financial adviser. The indicative intra-day net asset value of the sub-fund[s] 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.

Investors and potential investors should read and note the risk warnings in the prospectus, relevant KIID 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 Investor Information Document (KIID) are available in the local language where they are registered.

To help improve our service and in the interests of security we may record and/or monitor your communication with us. HSBC Global Asset Management (UK) Limited provides information to Institutions, Professional Advisers and their clients on the investment products and services of the HSBC Group.

Approved for issue in the UK by HSBC Global Asset Management (UK) Limited, who are authorised and regulated by the Financial Conduct Authority. www.assetmanagement.hsbc.co.uk

Copyright © HSBC Global Asset Management (UK) Limited 2024. All rights reserved.

Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at www.assetmanagement.hsbc.co.uk

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>