

HSBC ETFs PLC

HSBC MSCI USA CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 29 February 2024 | HPAU SW | USD



Investment objective

The Fund aims to track as closely as possible the returns of the MSCI USA 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 designed to support investors seeking to reduce their exposure to transition and physical climate risks and who wish to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements. It incorporates the task force on Climate-related Financial Disclosures recommendations and is designed to exceed the minimum standards of the EU Paris-Aligned Benchmark. The Fund is passively managed and aims to invest in the shares of the companies in the same proportion as in the Index. There may be circumstances when it is not possible for the Fund to invest in all constituents of the Index. If the Fund cannot invest directly in the companies that constitute the Index, it may gain exposure by using other investments such as depositary receipts, funds or derivatives. The Fund may invest up to 35% in securities from a single issuer during exceptional market conditions, up to 10% in total return swaps and contracts for difference, and up to 10% in other funds. 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.
- 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").

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 36.31
Performance 1 month	5.23%

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	3 August 2021
Shares outstanding	802,552
Fund Size	USD 30,803,930
Reference benchmark	100% MSCI USA 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	0.120%
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Codes

ISIN	IE00BP2C1S34
Valoren	112312823

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.

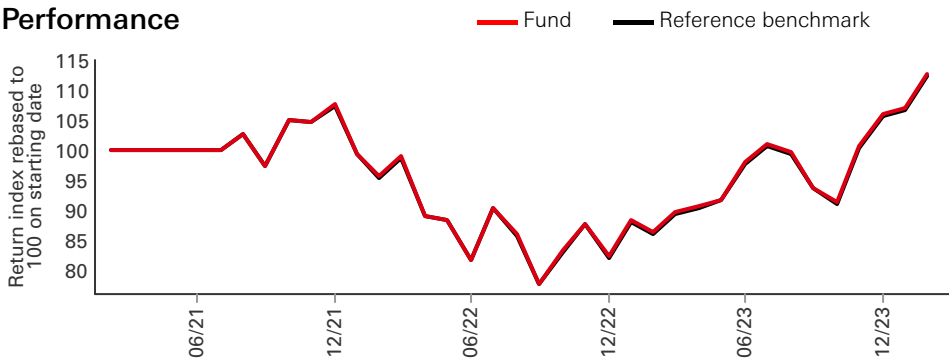
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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 29 February 2024

Performance



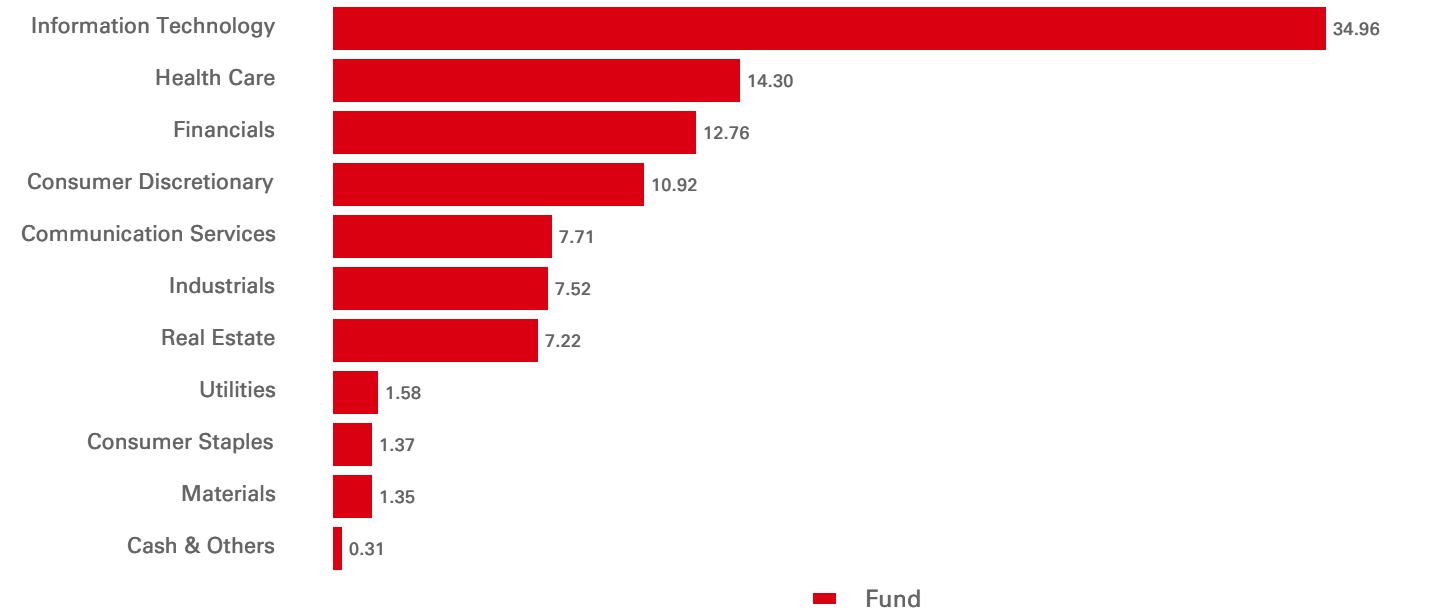
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
Fund	6.32	5.23	11.78	13.14	30.42	--	--	4.77
Reference benchmark	6.30	5.22	11.76	13.09	30.30	--	--	4.64
Tracking difference	0.02	0.01	0.02	0.05	0.12	--	--	0.13
Tracking error	--	--	--	--	0.09	--	--	0.07

Rolling Performance (%)	28/02/23-29/02/24	28/02/22-28/02/23	28/02/21-28/02/22	29/02/20-28/02/21	28/02/19-29/02/20
Fund	30.42	-9.63	--	--	--
Reference benchmark	30.30	-9.78	--	--	--

Carbon footprint	Fund	Broad Market Index	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	39.65	95.17	Fund	6.8	7.0	5.1	5.6
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ₂ e/USD million) Source of analytics: Trucost			Broad Market Index	6.6	6.8	5.1	5.5

Equity characteristics	Fund	Reference benchmark	Benchmark Information
No. of holdings ex cash	263	264	Index name 100% MSCI USA Climate Paris Aligned Index
Average Market Cap (USD Mil)	780,731	780,481	Index currency USD
Price/earning ratio	26.10	26.10	TR Index Bloomberg Ticker MXUSCLPA
			TR Index Reuters RIC .MIUS0CPA0NUS

Sector Allocation (%)



Top 10 Holdings	Sector	Weight (%)
Microsoft Corp	Information Technology	7.58
Apple Inc	Information Technology	6.84
NVIDIA Corp	Information Technology	5.26
Amazon.com Inc	Consumer Discretionary	3.62
Alphabet Inc	Communication Services	3.09
Meta Platforms Inc	Communication Services	2.48
Eli Lilly & Co	Health Care	2.01
Visa Inc-Class A Shares	Financials	1.86
Tesla Inc	Consumer Discretionary	1.74
Digital Realty Trust Inc	Real Estate	1.62

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE	04 Aug 2021	USD	08:00 - 16:30	HPAU LN	HPAU.L	HPATUSIV	HPAUUSDINAV =SOLA
BORSA ITALIANA SPA	11 Aug 2021	EUR	09:00 - 17:35	HPAU IM	HPAU.MI	HPAUEUIV	HPAUEURINAV =SOLA
NYSE EURONEXT - EURONEXT PARIS	10 Aug 2021	EUR	09:00 - 17:30	HPAU FP	HPAU.PA	HPAUEUIV	HPAUEURINAV =SOLA
DEUTSCHE BOERSE AG-XETRA	10 Aug 2021	EUR	09:00 - 17:30	HPAU GY	HPAU.DE	HPAUEUIV	HPAUEURINAV =SOLA
SIX SWISS EXCHANGE	27 Aug 2021	USD	09:00 - 17:30	HPAU SW	HPAU.S	HPATUSIV	HPAUUSDINAV =SOLA

Emissions from reserves (mn tonnes/ USDmn)	Fund	Broad Market Index
Emissions from reserves/market cap	0.00000	498.50042

Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Broad Market Index	Carbon intensity emissions (tonnes CO ² e/USD million)
MATCH GROUP INC	0.28	MATCH GROUP INC	0.28
ETSY INC	0.54	ETSY INC	0.54
AFLAC INC	0.57	AFLAC INC	0.57
PINTEREST INC- CLASS A	0.62	THE CIGNA GROUP	0.60
ELEVANCE HEALTH INC	0.62	PINTEREST INC- CLASS A	0.62
BLOCK INC	0.68	ELEVANCE HEALTH INC	0.62
ARCH CAPITAL GROUP LTD	0.70	SYNCHRONY FINANCIAL	0.64
METLIFE INC	0.88	BLOCK INC	0.68
HARTFORD FINANCIAL SVCS GRP	0.91	ARCH CAPITAL GROUP LTD	0.70
PROLOGIS INC	0.96	PRUDENTIAL FINANCIAL INC	0.73

Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Broad Market Index	Carbon intensity emissions (tonnes CO ² e/USD million)
NEXTERA ENERGY INC	2,523.41	VISTRA CORP	6,920.55
DIGITAL REALTY TRUST INC	741.14	EVERGY INC	4,775.06
HILTON WORLDWIDE HOLDINGS IN	634.61	PPL CORP	3,431.28
UNION PACIFIC CORP	382.06	AMEREN CORPORATION	3,264.38
EQUINIX INC	363.51	AES CORP	3,192.36
DARLING INGREDIENTS INC	300.51	ALLIANT ENERGY CORP	3,147.17
CORNING INC	276.72	SOUTHERN CO/THE	2,906.91
NEWMONT CORP	263.48	ENTERGY CORP	2,873.69
FIRST SOLAR INC	234.19	DUKE ENERGY CORP	2,797.42
AVANTOR INC	221.25	AMERICAN ELECTRIC POWER	2,620.75

Company carbon data, can often be “partially disclosed”, i.e. partial geographic coverage, or incomplete operational data. Trucost* undertakes analysis and research to assess company reported results. The proprietary Trucost model enables an estimate of total emissions which relies on more than just reported financial data. Where securities are not covered by Trucost, HSBC assigns a proxy value based on the average intensity score of comparable companies.*Trucost are a division of S&P Global; they assess risks relating to climate change, natural resource constraints, and broader environmental, social, and governance factors.
 Source of analytics: Trucost / HSBC
 Broad Market Index: MSCI USA
 Source: HSBC Asset Management, data as at 29 February 2024

ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	7.584%	9.3	8.4	6.4	5.7	32.9
APPLE INC	6.844%	5.7	4.7	5.0	4.1	3.4
NVIDIA CORP	5.262%	9.1	6.2	7.5	5.9	5.1
AMAZON.COM INC	3.617%	4.6	6.3	4.0	4.8	50.9
META PLATFORMS INC-CLASS A	2.481%	2.2	10.0	2.4	3.9	34.2
ALPHABET INC-CL C	2.018%	4.7	7.5	4.6	2.9	28.8
ELI LILLY & CO	2.011%	7.0	5.7	4.1	6.4	20.5
VISA INC-CLASS A SHARES	1.856%	7.1	10.0	5.2	5.9	2.3
TESLA INC	1.739%	6.2	9.0	1.3	4.1	7.5
DIGITAL REALTY TRUST INC	1.615%	8.4	8.0	5.4	6.0	741.1

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	6.533%	9.3	8.4	6.4	5.7	32.9
APPLE INC	5.939%	5.7	4.7	5.0	4.1	3.4
NVIDIA CORP	4.371%	9.1	6.2	7.5	5.9	5.1
AMAZON.COM INC	3.677%	4.6	6.3	4.0	4.8	50.9
META PLATFORMS INC-CLASS A	2.433%	2.2	10.0	2.4	3.9	34.2
ALPHABET INC-CL A	1.833%	4.7	7.5	4.6	2.9	28.8
ALPHABET INC-CL C	1.611%	4.7	7.5	4.6	2.9	28.8
ELI LILLY & CO	1.360%	7.0	5.7	4.1	6.4	20.5
BROADCOM INC	1.294%	5.9	5.2	5.7	5.8	8.7
TESLA INC	1.292%	6.2	9.0	1.3	4.1	7.5

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ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
NEXTERA ENERGY INC	0.009%	7.4	7.7	5.9	6.1	2,523.4
VAIL RESORTS INC	0.010%	8.5	6.0	5.6	6.6	81.1
EQUITY LIFESTYLE PROPERTIES	0.010%	3.7	4.6	2.9	6.1	34.6
PAYCOM SOFTWARE INC	0.010%	6.8	9.0	6.3	5.5	4.1
ZOOM VIDEO COMMUNICATIONS-A	0.010%	5.0	5.9	4.3	4.8	10.0
TRANSUNION	0.012%	6.8	10.0	5.7	6.4	2.3
EPAM SYSTEMS INC	0.012%	5.0	5.3	3.1	6.6	13.7
MCCORMICK & CO-NON VTG SHRS	0.012%	8.4	5.2	6.0	5.5	12.3
BAXTER INTERNATIONAL INC	0.013%	6.2	10.0	5.4	5.4	52.0
ZILLOW GROUP INC - C	0.013%	4.2	10.0	4.0	3.6	5.4

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
SIRIUS XM HOLDINGS INC	0.008%	5.1	6.0	5.5	4.4	7.1
LIBERTY GLOBAL LTD-C	0.008%	4.0	10.0	6.3	2.0	9.6
FOX CORP - CLASS B	0.009%	6.7	9.7	5.9	5.1	4.8
LIBERTY MEDIA CORP-LIBER-NEW	0.011%	2.2	6.7	5.3	2.0	8.6
SOUTHWEST AIRLINES CO	0.011%	3.1	2.8	3.8	3.8	784.4
WESTLAKE CORP	0.012%	4.6	4.2	0.9	5.3	577.9
PARAMOUNT GLOBAL-CLASS B	0.012%	6.9	10.0	5.8	5.4	11.9
ASPEN TECHNOLOGY INC	0.012%	7.4	6.3	4.8	5.8	33.3
SAMSARA INC-CL A	0.013%	6.2	6.0	5.6	4.3	10.1
BILL HOLDINGS INC	0.014%	5.0	5.1	3.6	6.1	8.0

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Risk Disclosure

- 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 29 February 2024

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Glossary



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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. (Potential) investors are kindly asked to consult the latest issued Key Information Document (KID), prospectus, articles of incorporation and the (semi-)annual report of the fund which may be obtained free of charge at the head office of the representative: HSBC Asset Management (Switzerland) AG, Gartenstrasse 26, Postfach, CH-8002 Zürich, Schweiz. Paying agent: HSBC Private Bank (Suisse) S.A., Quai des Bergues 9-17, P. O. Box 2888, CH-1211 Geneva 1. Investors and potential investors should read and note the risk warnings in the prospectus and relevant KID. Before subscription, investors should refer to the prospectus for general risk factors and to the KID for specific risk factors associated with this fund. Issue and redemption expenses are not taken into consideration in the calculation of performance data.

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 can be found in the prospectus.