

## HSBC ETFs PLC

# HSBC ASIA PACIFIC EX JAPAN SUSTAINABLE EQUITY UCITS ETF

Monthly report 30 June 2024 | HSXD LN | USD



## Investment objective

The Fund aims to track as closely as possible the returns of the FTSE Asia Pacific ex Japan ESG Low Carbon Select 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 seeks to achieve a reduction in carbon emissions and fossil fuel reserves exposure, and an improvement of the FTSE Russell ESG rating.

The Index seeks to achieve a reduction in carbon emissions and fossil fuel reserves exposure, and an improvement of the FTSE Russell ESG rating against that of the Parent Index. It excludes shares of companies with exposure to: tobacco, thermal coal extraction, electricity generation, gambling, adult entertainment and controversial weapons. The Index also applies, among others, the United Nations Global Compact exclusionary criteria.

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 up to 35% in securities from a single issuer during exceptional market conditions.

The Fund may invest up to 10% in funds and up to 15% 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 investments and any income from them can go down as well as up and you may not get back the amount originally invested.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- 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.

### 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	<b>USD 16.52</b>
Performance 1 month	<b>4.43%</b>
Tracking error 3 years	<b>0.34%</b>

### Fund facts

UCITS V compliant	<b>Yes</b>
UK reporting fund status (UKRS)	<b>Yes</b>
ISA eligible	<b>Yes</b>
Dividend treatment	<b>Accumulating</b>
Dividend currency	<b>USD</b>
Fund base currency	<b>USD</b>
Currency Hedged	<b>Not Hedged</b>
Share class base currency	<b>USD</b>
Domicile	<b>Ireland</b>
Inception date	<b>20 August 2020</b>
Shares outstanding	<b>14,610,007</b>
Fund size	<b>USD 289,370,068</b>
Reference benchmark	<b>100% FTSE Asia Pacific ex Japan ESG Low Carbon Select Index</b>
Replication method	<b>Physical- Full</b>
SIPP eligible	<b>Yes</b>
Issuer	<b>HSBC ETFs PLC</b>
Fiscal year end	<b>Dec</b>

### Fees and expenses

Ongoing charge figure <sup>1</sup>	<b>0.250%</b>
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### Codes

ISIN	<b>IE00BKY58G26</b>
SEDOL	<b>BL6XHP3</b>

<sup>1</sup>Ongoing 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.

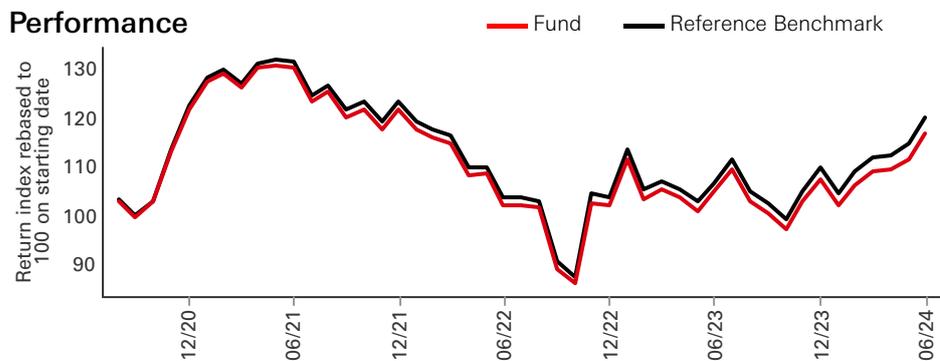
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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 30 June 2024

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
<b>Fund</b>	<b>8.66</b>	<b>4.43</b>	<b>6.97</b>	<b>8.66</b>	<b>11.31</b>	<b>-3.62</b>	--	<b>4.03</b>
Reference Benchmark	9.08	4.65	7.26	9.08	12.38	-3.01	--	4.78
Tracking difference	-0.41	-0.21	-0.29	-0.41	-1.08	-0.61	--	-0.75
Tracking error	--	--	--	--	0.44	0.34	--	0.34

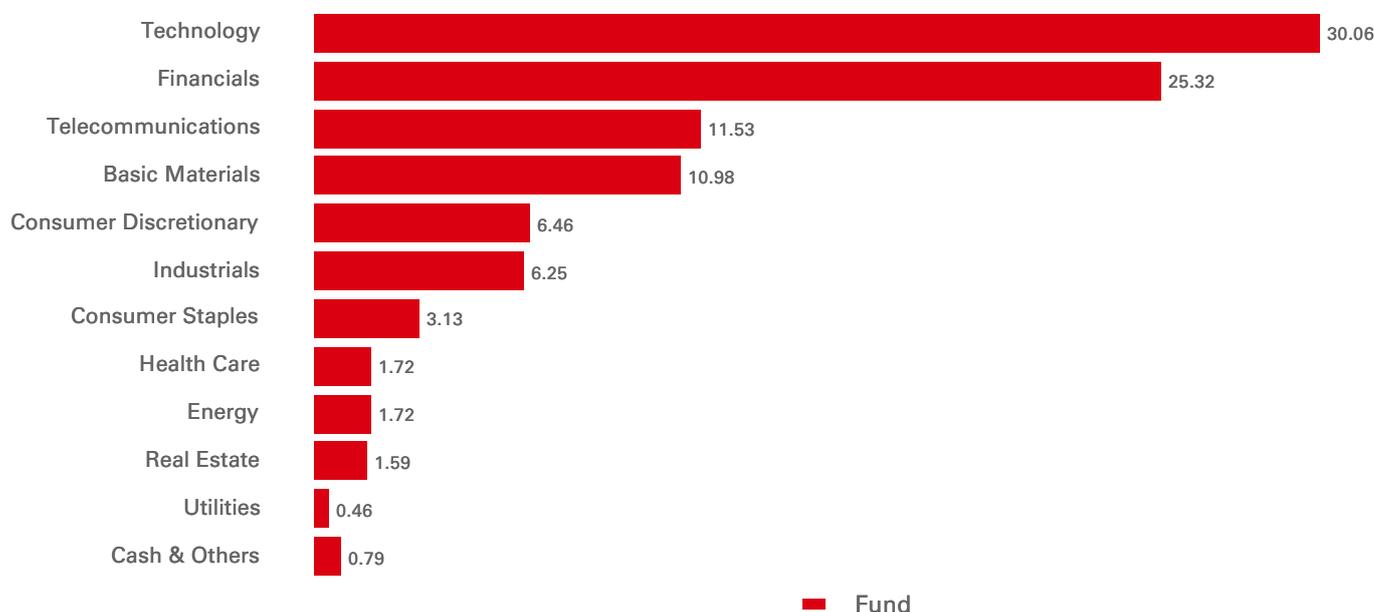
Rolling performance (%)	30/06/23-30/06/24	30/06/22-30/06/23	30/06/21-30/06/22	30/06/20-30/06/21	30/06/19-30/06/20
<b>Fund</b>	<b>11.31</b>	<b>2.50</b>	<b>-21.53</b>	--	--
Reference Benchmark	12.38	2.99	-21.17	--	--

Carbon footprint	Fund	Broad Market Index	FTSE ESG Score	ESG score	E	S	G
Carbon intensity emissions	164.38	337.03	Fund	3.7	3.3	3.6	4.2
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million revenue) Source: S&P Global Trucost			Broad Market Index	3.2	2.7	3.1	3.9

Equity characteristics	Fund	Reference Benchmark
No. of holdings ex cash	642	647
Average market cap (USD Mil)	179,935	179,943
Price/earning ratio	16.11	16.12

Benchmark information	
Index name	100% FTSE Asia Pacific ex Japan ESG Low Carbon Select Index
Index currency	USD
Index Rebalancing Frequency	Annually
TR Index Bloomberg Ticker	ELCAXJN
TR Index Reuters RIC	.TFTELCAJNU

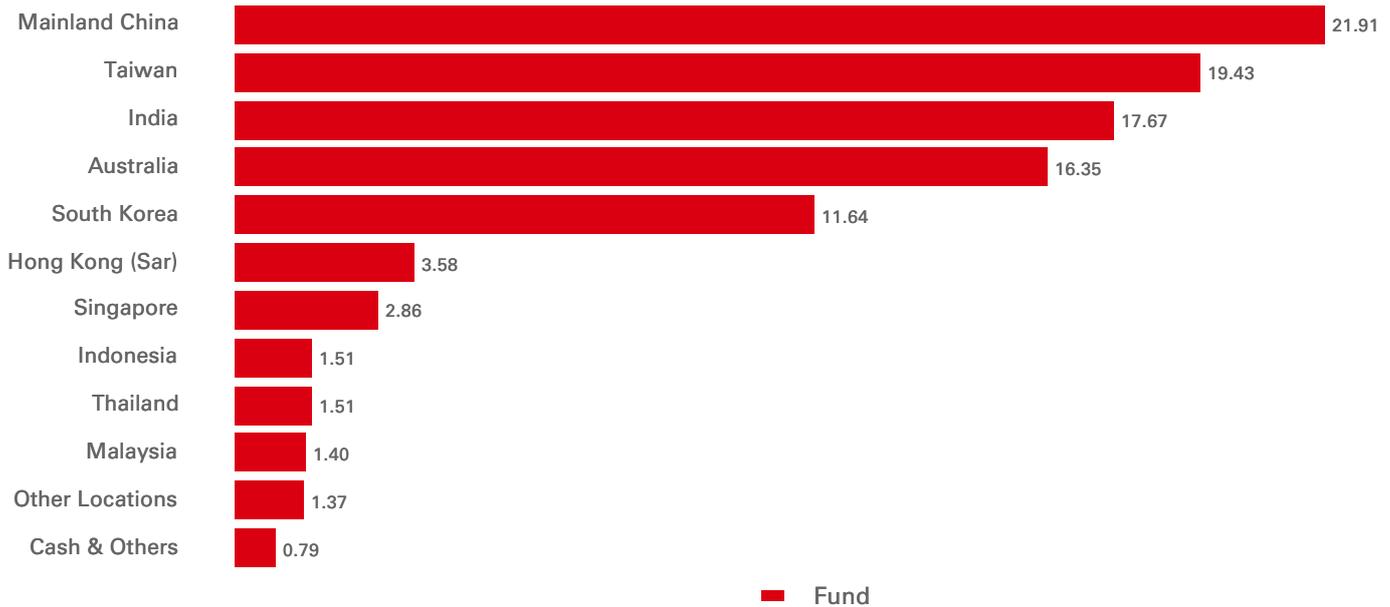
## Sector allocation (%)



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

Broad Market Index: FTSE Asia Pacific Ex Japan  
 Source: HSBC Asset Management, data as at 30 June 2024

**Geographical allocation (%)**



Top 10 holdings	Location	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Taiwan	Technology	15.17
Samsung Electronics Co Ltd	South Korea	Telecommunications	6.32
BHP Group Ltd	Australia	Basic Materials	4.82
Commonwealth Bank of Australia	Australia	Financials	4.04
Infosys Ltd	India	Technology	3.61
PING AN	Mainland China	Financials	2.06
DBS Group Holdings Ltd	Singapore	Financials	2.05
National Australia Bank Ltd	Australia	Financials	1.99
Xiaomi Corp	Mainland China	Telecommunications	1.67
HCL Technologies Ltd	India	Technology	1.65

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE	21 Aug 2020	USD	08:00 - 16:30	HSXD LN	HSXD.L	HSXUSDIV	HSXDUSDINAV =SOLA
LONDON STOCK EXCHANGE	21 Aug 2020	GBP	08:00 - 16:30	HSXJ LN	HSXJ.L	HSXJGBIV	HSXJGBPINAV =SOLA
SIX SWISS EXCHANGE	02 Sep 2020	USD	09:00 - 17:30	HSXD SW	HSXD.S	HSXUSDIV	HSXDUSDINAV =SOLA
NYSE EURONEXT - EURONEXT PARIS	22 Sep 2020	EUR	09:00 - 17:30	HSXD FP	HSXD.PA	H4Z2EUIV	H4Z2EURINAV =SOLA
DEUTSCHE BOERSE AG-XETRA	22 Sep 2020	EUR	09:00 - 17:30	H4Z2 GY	H4Z2.DE	H4Z2EUIV	H4Z2EURINAV =SOLA
BORSA ITALIANA SPA	09 Oct 2020	EUR	09:00 - 17:35	HSXD IM	HSXD.MI	H4Z2EUIV	H4Z2EURINAV =SOLA
BOLSA INSTITUCIONAL DE VALORES	30 Nov 2020	MXN	--	HSXDN MM	HSXD.BIV	--	--

Emissions from reserves (mn tonnes/ USDmn)	Fund	Broad Market Index
Emissions from reserves/market cap	1,572.44397	3,543.47481

### Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Broad Market Index	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
MEDIBANK PRIVATE LTD	0.74	BEIJING UNITED INFORMATION-A	0.17
SAMSUNG FIRE & MARINE INS	0.85	GUANGZHOU YUEXIU CAPITAL H-A	0.39
CHINA RUYI HOLDINGS LTD	0.96	QIFU TECHNOLOGY INC	0.52
ABB INDIA LTD	1.03	37 INTERACTIVE ENTERTAINME-A	0.56
ICICI PRUDENTIAL LIFE INSURA	1.06	DADA NEXUS LTD-ADR	0.72
CHINA EVERBRIGHT LTD	1.11	MEDIBANK PRIVATE LTD	0.74
MERIDIAN ENERGY LTD	1.15	SAMSUNG FIRE & MARINE INS	0.85
AMP LTD	1.20	CHINA RUYI HOLDINGS LTD	0.96
CHINA PACIFIC INSURANCE GR-A	1.24	INSIGNIA FINANCIAL LTD	1.02
MACQUARIE GROUP LTD	1.27	ABB INDIA LTD	1.03

### Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Broad Market Index	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
ANHUI CONCH CEMENT CO LTD-H	10,384.13	GUANGDONG XINBAO ELECTRICA-A	422,348.58
INDOCEMENT TUNGGAL PRAKARSA	10,167.52	BEIJING JINGNENG POWER CO -A	18,256.54
SEMEN INDONESIA PERSERO TBK	9,552.46	INNER MONGOLIA MENGDIAN HU-A	17,958.71
ULTRATECH CEMENT LTD	8,930.68	NTPC LTD	17,616.33
DALMIA BHARAT LTD	8,604.62	NLC INDIA LTD	16,698.53
GRASIM INDUSTRIE-PARTLY PAID	5,329.67	JOINTO ENERGY INVESTMENT C-A	14,953.39
AMBUJA CEMENTS LTD	5,278.70	JINNENG HOLDING SHANXI ELE-A	14,882.57
SOUTH32 LTD	3,887.49	GD POWER DEVELOPMENT CO -A	14,350.49
VEDANTA LTD	3,554.71	GUANGDONG BAOLIHUA NEW-A	13,980.74
CHINA EVERBRIGHT ENVIRONMENT	2,800.72	JSW ENERGY LTD	13,792.42

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: FTSE Asia Pacific Ex Japan

Source: HSBC Asset Management, data as at 30 June 2024

MSCI ESG Score	ESG score	E	S	G
Fund	7.1	6.1	5.3	5.8
Broad Market Index	6.2	5.9	5.1	5.3

### ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	15.164%	0.0	0.0	0.0	0.0	169.7
SAMSUNG ELECTRONICS CO LTD	5.559%	3.8	3.7	4.1	3.4	84.8
BHP GROUP LTD	4.816%	4.0	3.4	3.7	5.0	276.1
COMMONWEALTH BANK OF AUSTRAL	4.039%	4.2	5.0	2.8	4.8	4.6
INFOSYS LTD	3.607%	0.0	0.0	0.0	0.0	12.4
PING AN INSURANCE GROUP CO-H	2.060%	3.1	3.0	3.2	3.0	2.1
DBS GROUP HOLDINGS LTD	2.047%	4.1	5.0	3.3	4.0	4.1
NATIONAL AUSTRALIA BANK LTD	1.993%	4.2	4.0	3.5	5.0	5.7
XIAOMI CORP-CLASS B	1.671%	3.0	2.2	3.4	3.6	2.1
HCL TECHNOLOGIES LTD	1.652%	4.1	3.0	4.3	5.0	13.6

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
TAIWAN SEMICONDUCTOR MANUFAC	8.248%	0.0	0.0	0.0	0.0	169.7
TENCENT HOLDINGS LTD	3.453%	3.3	2.7	3.0	4.5	36.6
SAMSUNG ELECTRONICS CO LTD	3.251%	3.8	3.7	4.1	3.4	84.8
ALIBABA GROUP HOLDING LTD	1.771%	3.1	2.4	2.3	5.0	40.4
BHP GROUP LTD	1.657%	4.0	3.4	3.7	5.0	276.1
COMMONWEALTH BANK OF AUSTRAL	1.643%	4.2	5.0	2.8	4.8	4.6
RELIANCE INDUSTRIES LTD	1.439%	3.3	3.2	2.6	4.3	480.6
HDFC BANK LIMITED	1.311%	0.0	0.0	0.0	0.0	25.3
CSL LTD	1.097%	3.1	1.8	3.2	4.6	31.8
PDD HOLDINGS INC	1.084%	1.0	0.0	0.3	2.5	36.9

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Source of analytics: Trucost / HSBC

Broad Market Index: FTSE Asia Pacific Ex Japan

Source: HSBC Asset Management, data as at 30 June 2024

## ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
MAGELLAN FINANCIAL GROU-CW27*^	0.000%	0.0	0.0	0.0	0.0	0.0
BTS Group Holdings PCL- Warrants 8*^	0.000%	0.0	0.0	0.0	0.0	0.0
GRASIM INDUSTRIE-PARTLY PAID	0.000%	3.1	2.9	2.5	4.3	5,329.7
H WORLD GROUP LTD	0.000%	2.2	1.2	1.9	4.0	139.0
MMG LTD-RIGHTS	0.000%	3.0	2.5	3.0	3.6	255.8
HORIZON CONSTRUCTION DEVELOP*^	0.001%	0.0	0.0	0.0	0.0	0.0
INDOCEMENT TUNGGAL PRAKARSA	0.002%	3.0	2.5	2.9	4.0	10,167.5
EAST BUY HOLDING LTD	0.002%	2.7	1.0	2.7	4.5	26.8
ZHEJIANG HUAYOU COBALT CO -A	0.002%	2.1	1.8	2.0	2.6	207.0
GENSCRIPT BIOTECH CORP	0.002%	1.9	1.4	1.3	3.0	116.1

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
CONTEC MEDICAL SYSTEMS CO -A^	0.000%	1.1	0.0	0.8	3.0	28.7
JILIN YATAI GROUP CO LTD-A^	0.000%	1.0	0.7	0.2	2.5	4,230.3
TOLY BREAD CO LTD-A^	0.000%	0.7	0.4	0.4	1.4	64.9
JIANGSU ZHANGJIAGANG RURA -A^	0.000%	1.7	1.0	2.2	1.9	2.3
SHENZHEN NEW NANSHAN HOLDI-A^	0.000%	0.8	0.8	0.3	1.4	32.0
THREE SQUIRRELS INC-A^	0.000%	0.8	0.4	0.6	1.4	60.3
CANSINO BIOLOGICS INC-A	0.000%	3.0	2.4	2.8	4.0	198.2
HUABAO FLAVOURS & FRAGRANC-A^	0.000%	0.7	0.3	0.4	1.7	50.1
OFFCN EDUCATION TECHNOLOGY-A	0.000%	1.9	1.0	1.7	3.0	21.4
TRANSFAR ZHILIAN CO LTD-A^	0.000%	1.4	0.5	1.2	3.0	71.7

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Source of analytics: Trucost / HSBC

Broad Market Index: FTSE Asia Pacific Ex Japan

Source: HSBC Asset Management, data as at 30 June 2024

## Risk disclosures

- 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").
- 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.

## Index disclaimer

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Source: HSBC Asset Management, data as at 30 June 2024

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### Fund center



### Glossary



## Important information

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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](http://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](mailto:ifsinvestorqueries@hsbc.com), or by visiting [www.etf.hsbc.com](http://www.etf.hsbc.com). Details of the underlying investments of the fund are available on [www.etf.hsbc.com](http://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](http://www.reuters.com).

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

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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](http://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>