

**HSBC ETFs PLC**

# HSBC MSCI USA CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 30 June 2024 | HPAU LN | 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 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.
- 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	<b>USD 38.66</b>
Performance 1 month	<b>4.10%</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>3 August 2021</b>
Shares outstanding	<b>683,960</b>
Fund size	<b>USD 27,595,837</b>
Reference benchmark	<b>100% MSCI USA Climate Paris Aligned 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>0.120%</b>
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**Codes**

ISIN	<b>IE00BP2C1S34</b>
SEDOL	<b>BNVVJ05</b>

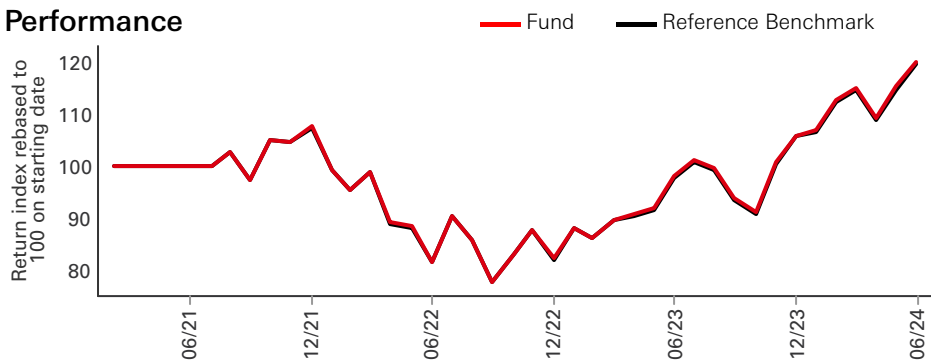
<sup>1</sup>Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

**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>13.19</b>	<b>4.10</b>	<b>4.41</b>	<b>13.19</b>	<b>22.23</b>	--	--	<b>6.48</b>
Reference Benchmark	13.15	4.10	4.40	13.15	22.14	--	--	6.36
Tracking difference	0.05	0.00	0.01	0.05	0.09	--	--	0.13
Tracking error	--	--	--	--	0.03	--	--	0.07

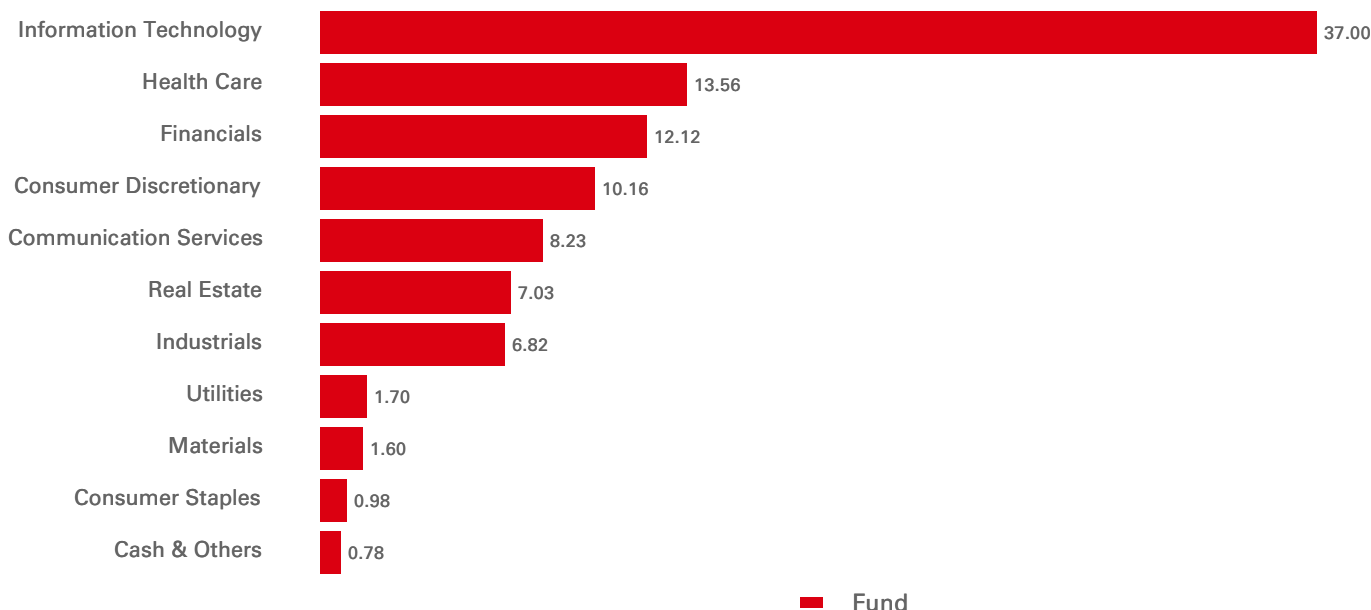
Rolling performance (%)	30/06/23-30/06/24	30/06/22-30/06/23	30/06/21-30/06/22	30/06/20-30/06/21	30/06/19-30/06/20
<b>Fund</b>	<b>22.23</b>	<b>20.04</b>	--	--	--
Reference Benchmark	22.14	19.86	--	--	--

Carbon footprint	Fund	Broad Market Index	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	39.32	94.85	Fund	6.9	7.0	5.1	5.6
			Broad Market Index	6.7	6.8	5.1	5.5

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

Equity characteristics	Fund	Reference Benchmark	Benchmark information
No. of holdings ex cash	255	254	Index name 100% MSCI USA Climate Paris Aligned Index
Average market cap (USD Mil)	978,943	978,951	Index currency USD
Price/earning ratio	27.25	27.23	TR Index Bloomberg Ticker MXUSCLPA
			TR Index Reuters RIC .MIUS0CPAONUS

## Sector allocation (%)



Top 10 holdings	Sector	Weight (%)
Microsoft Corp	Information Technology	7.70
NVIDIA Corp	Information Technology	7.17
Apple Inc	Information Technology	6.88
Alphabet Inc	Communication Services	3.92
Amazon.com Inc	Consumer Discretionary	3.71
Meta Platforms Inc	Communication Services	2.40
Eli Lilly & Co	Health Care	2.09
Tesla Inc	Consumer Discretionary	1.91
Broadcom Inc	Information Technology	1.69
Visa Inc	Financials	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	331.59713

### 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)
MATCH GROUP INC	0.28	MATCH GROUP INC	0.28
ETSY INC	0.54	TOAST INC-CLASS A	0.43
AFLAC INC	0.57	ETSY INC	0.54
PINTEREST INC- CLASS A	0.62	AFLAC INC	0.57
ELEVANCE HEALTH INC	0.62	THE CIGNA GROUP	0.60
BLOCK INC	0.68	EVEREST GROUP LTD	0.61
ARCH CAPITAL GROUP LTD	0.70	PINTEREST INC- CLASS A	0.62
METLIFE INC	0.88	ELEVANCE HEALTH INC	0.62
HARTFORD FINANCIAL SVCS GRP	0.91	SYNCHRONY FINANCIAL	0.64
OKTA INC	0.96	BLOCK INC	0.68

### 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)
WASTE MANAGEMENT INC	795.65	VISTRA CORP	6,920.55
DIGITAL REALTY TRUST INC	741.14	ENERGY INC	4,775.06
HILTON WORLDWIDE HOLDINGS IN	634.61	PPL CORP	3,502.27
UNION PACIFIC CORP	382.06	AMEREN CORPORATION	3,264.38
EQUINIX INC	363.51	AES CORP	3,192.36
CSX CORP	287.36	ALLIANT ENERGY CORP	3,147.17
NEWMONT CORP	263.48	SOUTHERN CO/THE	2,906.91
FIRST SOLAR INC	234.19	ENTERGY CORP	2,873.69
AVANTOR INC	221.25	DUKE ENERGY CORP	2,797.42
OLD DOMINION FREIGHT LINE	217.77	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 30 June 2024

## ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	7.702%	7.9	8.4	5.3	4.5	32.9
NVIDIA CORP	7.172%	10.0	6.2	8.0	6.4	5.1
APPLE INC	6.883%	5.7	4.8	5.0	5.0	3.4
AMAZON.COM INC	3.714%	4.6	6.4	4.1	4.9	50.9
ALPHABET INC-CL C	2.598%	4.7	7.5	4.7	2.9	28.8
META PLATFORMS INC-CLASS A	2.395%	2.2	10.0	2.4	3.5	34.2
ELI LILLY & CO	2.090%	7.0	5.7	4.1	6.2	20.5
TESLA INC	1.907%	6.2	9.0	1.3	3.0	7.5
BROADCOM INC	1.693%	6.9	5.2	5.4	6.5	8.7
VISA INC-CLASS A SHARES	1.619%	7.6	10.0	5.5	5.9	2.3

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	6.612%	7.9	8.4	5.3	4.5	32.9
APPLE INC	6.475%	5.7	4.8	5.0	5.0	3.4
NVIDIA CORP	6.473%	10.0	6.2	8.0	6.4	5.1
AMAZON.COM INC	3.792%	4.6	6.4	4.1	4.9	50.9
META PLATFORMS INC-CLASS A	2.315%	2.2	10.0	2.4	3.5	34.2
ALPHABET INC-CL A	2.250%	4.7	7.5	4.7	2.9	28.8
ALPHABET INC-CL C	1.962%	4.7	7.5	4.7	2.9	28.8
ELI LILLY & CO	1.533%	7.0	5.7	4.1	6.2	20.5
BROADCOM INC	1.481%	6.9	5.2	5.4	6.5	8.7
JPMORGAN CHASE & CO	1.217%	6.0	8.9	3.9	4.5	7.1

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Source of analytics: Trucost / HSBC

Broad Market Index: MSCI USA

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
GRAIL INC	0.001%	6.8	10.0	5.5	5.9	9.2
EPAM SYSTEMS INC	0.007%	5.0	5.3	3.1	6.4	13.7
PAYCOM SOFTWARE INC	0.008%	6.6	9.0	6.3	5.4	4.1
BAXTER INTERNATIONAL INC	0.010%	6.2	10.0	6.0	4.8	52.0
TRANSUNION	0.010%	6.8	10.0	5.7	6.4	2.3
BANK OF AMERICA CORP	0.011%	6.2	9.9	3.9	4.7	7.6
MCCORMICK & CO-NON VTG SHRS	0.012%	8.4	5.2	6.1	5.5	12.3
SUPER MICRO COMPUTER INC	0.012%	2.3	2.8	3.0	5.2	3.1
COINBASE GLOBAL INC -CLASS A	0.012%	4.2	6.7	4.1	5.0	5.5
WP CAREY INC	0.012%	6.0	4.4	5.6	7.3	9.3

Broad Market Index	Weight	ESG score	E	S	G	Carbon intensity emissions
SOUTHWEST AIRLINES CO	0.009%	3.1	2.9	3.8	4.4	784.4
UNITY SOFTWARE INC	0.009%	4.3	5.9	4.0	5.1	2.1
FOX CORP - CLASS B	0.009%	6.7	9.7	5.9	5.1	4.8
BIO-RAD LABORATORIES-A	0.011%	5.7	10.0	5.6	5.2	37.4
PARAMOUNT GLOBAL-CLASS B	0.012%	7.1	10.0	5.9	4.5	11.9
UIPATH INC - CLASS A	0.012%	7.9	5.6	6.4	5.2	0.9
WESTLAKE CORP	0.012%	4.3	3.9	0.9	5.3	577.9
ASPEN TECHNOLOGY INC*	0.012%	7.7	6.7	5.2	6.1	0.0
U-HAUL HOLDING CO-NON VOTING	0.012%	4.7	6.1	5.2	3.2	23.5
PAYLOCITY HOLDING CORP	0.012%	7.8	7.0	6.4	5.8	3.9

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Source of analytics: Trucost / HSBC

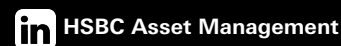
Broad Market Index: MSCI USA

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

## 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.

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To help improve our service and in the interests of security we may record and/or monitor your communication with us.

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## Glossary



## Index disclaimer

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

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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.

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.

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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>