

HSBC ETFs PLC

HSBC MSCI WORLD CLIMATE PARIS ALIGNED UCITS ETF

Monthly report 31 May 2022 | HPAW LN

Investment objective

The Fund aims to track as closely as possible the returns of the MSCI World Climate Paris Aligned Index (the Index). The Fund will invest in, or gain exposure to shares of companies which make up the Index.

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").

Share class details

Key metrics	
NAV per share	USD 21.50
Fund facts	
UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	Yes
Dividend treatment	Accumulating
Dividend currency	USD
Share class base currency	USD
Domicile	Ireland
Inception date	7 July 2021
Shares outstanding	7,800,000
Fund size	USD 167,720,974
Reference benchmark	100% MSCI World 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	IE00BP2C1V62
SEDOL	BP2C1V6

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 KIID before making any final investment decisions. Performance figures will only be published once the share class has achieved a twelve months track record.

Source: HSBC Asset Management, data as at 31 May 2022

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception
Fund	--	--	--	--	--	--	--	--
Reference Benchmark	--	--	--	--	--	--	--	--
Tracking difference	--	--	--	--	--	--	--	--

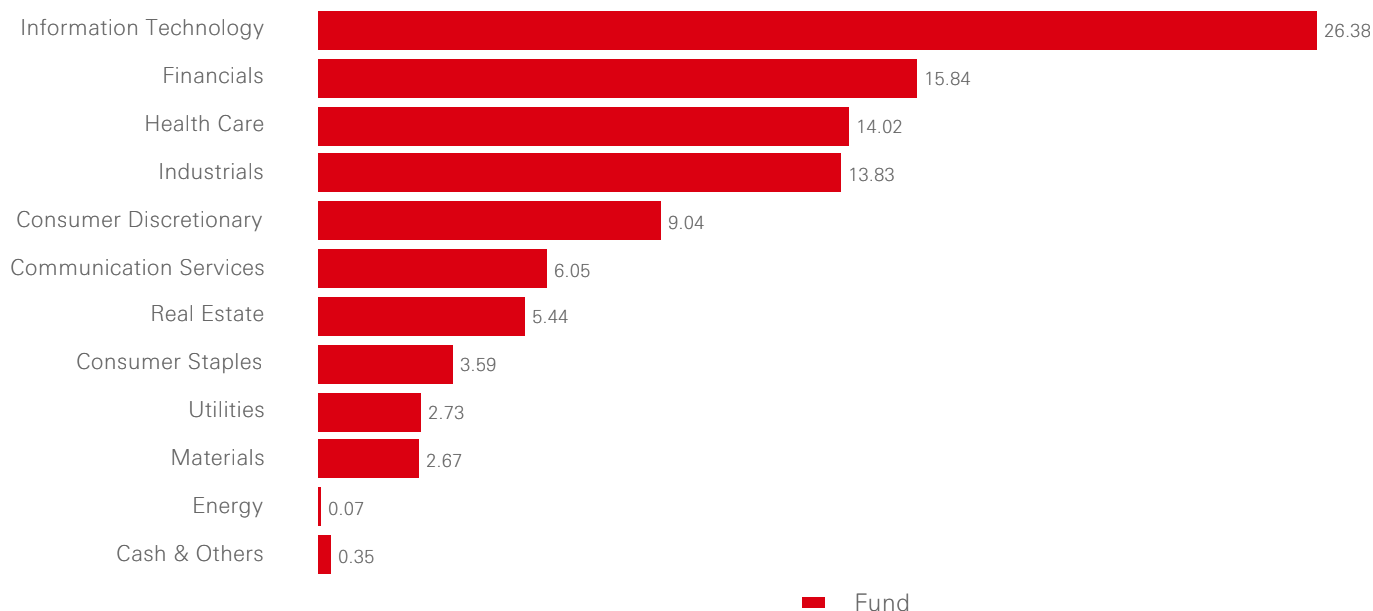
Rolling performance (%)	31/05/21-31/05/22	31/05/20-31/05/21	31/05/19-31/05/20	31/05/18-31/05/19	31/05/17-31/05/18
Fund	--	--	--	--	--
Reference Benchmark	--	--	--	--	--

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	42.48	164.62	Fund	6.9	6.9	5.2	5.2
			Reference benchmark	6.6	6.6	5.2	5.2

Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO₂e/USD million revenue)
Source: S&P Global Trucost

Equity characteristics	Fund	Reference Benchmark	Benchmark information			
No. of holdings ex cash	638	668	Index name	100% MSCI World Climate Paris Aligned Index		
Average market cap (USD Mil)	350,583	350,377	Index currency	USD		
Price/earning ratio	18.43	18.43	Benchmark type	Net Return		
			TR Index Bloomberg Ticker	MXWOCPLPA		
			TR Index Reuters RIC	.MIWO0CPA0NUS		

Sector allocation (%)

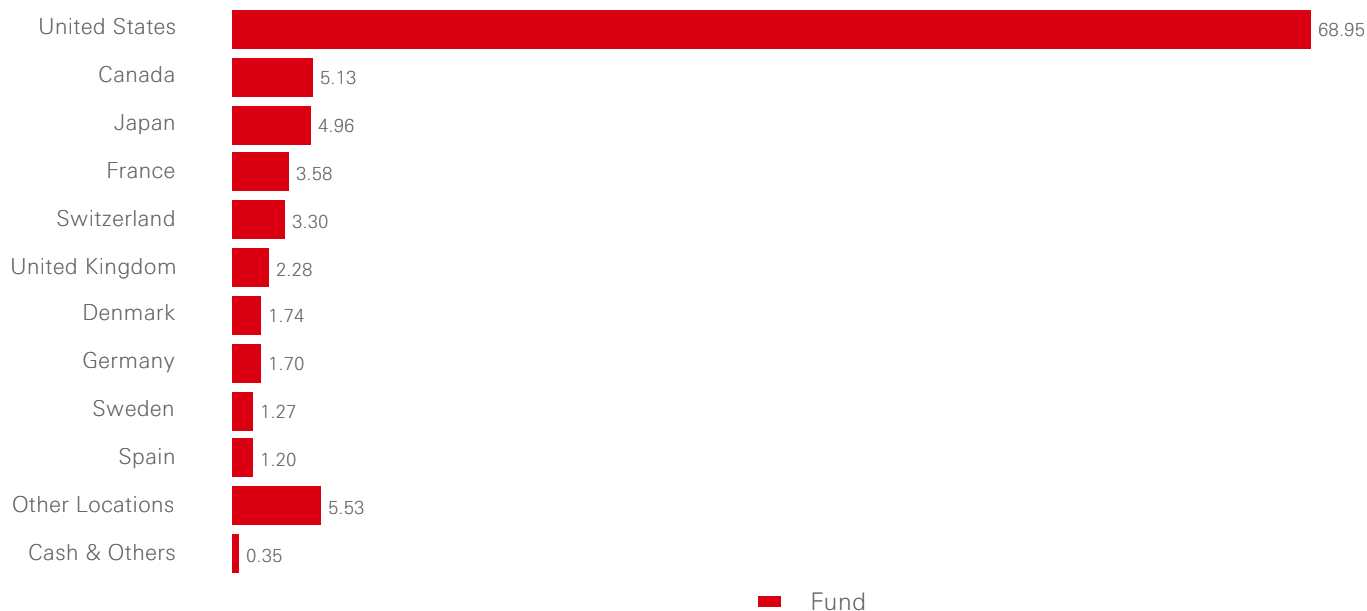


Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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Geographical allocation (%)



Top 10 holdings	Sector	Weight (%)
Apple Inc	Information Technology	5.14
Microsoft Corp	Information Technology	3.98
Alphabet Inc	Communication Services	2.55
Amazon.com Inc	Consumer Discretionary	2.01
Tesla Inc	Consumer Discretionary	1.48
Schneider Electric Se	Industrials	1.08
NVIDIA Corp	Information Technology	1.01
JPMorgan Chase & Co	Financials	1.00
Johnson & Johnson	Health Care	0.95
UnitedHealth Group Inc	Health Care	0.94

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE	08 Jul 2021	USD	08:00 - 16:30	HPAW LN	HPAW.L	HPAWUSIV	HPAWUSiv.P
LONDON STOCK EXCHANGE	08 Jul 2021	GBP	--	HPAO LN	HPAO.L	HPAWGBIV	HPAWGBiv.P
DEUTSCHE BOERSE AG-XETRA	10 Aug 2021	EUR	09:00 - 17:30	HPAW GY	HPAW.DE	HPAWEUIV	HPAWEUiv.P
NYSE EURONEXT - EURONEXT PARIS	10 Aug 2021	EUR	09:00 - 17:30	HPAW FP	HPAW.PA	HPAWEUIV	HPAWEUiv.P
BORSA ITALIANA SPA	11 Aug 2021	EUR	09:00 - 17:35	HPAW IM	HPAW.MI	HPAWEUIV	HPAWEUiv.P
SIX SWISS EXCHANGE	27 Aug 2021	USD	09:00 - 17:30	HPAW SW	HPAW.S	HPAWUSIV	HPAWUSiv.P

Emissions from reserves (mn tonnes/ USDmn)	Fund	Reference benchmark
Emissions from reserves/market cap	0.00001	0.00133

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)
WHEATON PRECIOUS METALS CORP	0.02	WHEATON PRECIOUS METALS CORP	0.02
INDUSTRIVARDEN AB-C SHS	0.05	INDUSTRIVARDEN AB-A SHS	0.05
SWISS LIFE HOLDING AG-REG	0.29	ST JAMES'S PLACE PLC	0.21
NN GROUP NV	0.30	M&G PLC	0.25
SWISS RE AG	0.33	SWISS LIFE HOLDING AG-REG	0.29
GJENSIDIGE FORSIKRING ASA	0.33	NN GROUP NV	0.30
IGM FINANCIAL INC	0.34	SWISS RE AG	0.33
SAMPO OYJ-A SHS	0.45	GJENSIDIGE FORSIKRING ASA	0.33
LINCOLN NATIONAL CORP	0.47	IGM FINANCIAL INC	0.34
IA FINANCIAL CORP INC	0.49	SAMPO OYJ-A SHS	0.45

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)
NORTHLAND POWER INC	903.50	VISTRA CORP	8,269.14
DIGITAL REALTY TRUST INC	767.86	CLEVELAND-CLIFFS INC	6,052.39
EDP-ENERGIAS DE PORTUGAL SA	698.16	SOUTH32 LTD	4,914.45
ROCKWOOL A/S-B SHS	654.47	EVERGY INC	4,875.18
TERNA-RETE ELETTRICA NAZIONA	591.15	LAFARGEHOLCIM LTD-REG	4,722.82
EDISON INTERNATIONAL	588.05	AMEREN CORPORATION	4,697.71
AVANTOR INC	479.70	RWE AG	4,604.96
UNION PACIFIC CORP	475.13	CF INDUSTRIES HOLDINGS INC	4,536.22
ANTOFAGASTA PLC	457.26	AES CORP	4,473.66
ELIA GROUP SA/NV	412.78	CLP HOLDINGS LTD	4,419.45

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

Source: HSBC Asset Management, data as at 31 May 2022

ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
APPLE INC	5.140%	6.1	4.1	5.6	3.1	3.4
MICROSOFT CORP	3.978%	9.8	8.1	6.9	5.5	29.5
AMAZON.COM INC	2.014%	5.6	5.5	4.8	5.1	43.8
ALPHABET INC-CL C	1.674%	5.1	7.1	5.4	1.3	32.4
TESLA INC	1.480%	6.9	9.0	1.9	4.5	24.2
SCHNEIDER ELECTRIC SE	1.079%	9.3	8.7	5.4	5.9	18.4
NVIDIA CORP	1.013%	9.1	5.4	7.0	5.6	7.1
JPMORGAN CHASE & CO	0.996%	7.1	9.3	4.5	4.4	7.2
JOHNSON & JOHNSON	0.946%	5.1	6.3	5.4	2.9	12.2
UNITEDHEALTH GROUP INC	0.939%	5.6	10.0	5.0	4.6	0.7

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
APPLE INC	4.509%	6.1	4.1	5.6	3.1	3.4
MICROSOFT CORP	3.594%	9.8	8.1	6.9	5.5	29.5
AMAZON.COM INC	2.044%	5.6	5.5	4.8	4.9	43.8
ALPHABET INC-CL A	1.270%	5.1	7.1	5.4	1.3	32.4
TESLA INC	1.237%	6.9	9.0	1.9	4.5	24.2
ALPHABET INC-CL C	1.203%	5.1	7.1	5.4	1.3	32.4
JOHNSON & JOHNSON	0.876%	5.1	6.3	5.4	2.9	12.2
UNITEDHEALTH GROUP INC	0.868%	4.2	10.0	4.9	4.6	0.7
NVIDIA CORP	0.867%	9.1	5.4	7.0	5.6	7.1
META PLATFORMS INC-CLASS A	0.830%	2.2	10.0	2.5	2.9	32.3

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Source of analytics: Trucost / HSBC

Source: HSBC Asset Management, data as at 31 May 2022

ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
ATLAS COPCO AB- A RDS	0.000%	7.4	5.4	4.5	7.2	11.3
BOLIDEN AB-RED SHS	0.002%	10.0	5.4	6.8	7.6	191.4
BAUSCH HEALTH COS INC	0.008%	5.4	4.0	4.7	4.9	92.0
KYOWA KIRIN CO LTD	0.008%	6.9	5.3	5.8	5.8	14.5
BLOCK INC - CDI	0.008%	6.4	7.0	5.7	3.3	11.8
LA FRANCAISE DES JEUX SAEM	0.008%	6.3	10.0	4.8	5.4	0.9
WIX.COM LTD	0.009%	7.9	6.7	4.7	6.9	14.3
PALANTIR TECHNOLOGIES INC-A	0.009%	2.6	3.6	2.9	4.1	9.7
TAYLOR WIMPEY PLC	0.009%	7.6	5.5	6.0	7.6	6.1
ASAHI INTECC CO LTD	0.009%	5.5	6.7	6.6	4.4	80.1

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
WELCIA HOLDINGS CO LTD	0.004%	4.9	2.6	4.9	3.9	50.5
SHARP CORP	0.004%	5.5	3.7	5.5	3.9	52.3
KORNIT DIGITAL LTD	0.004%	8.3	4.6	8.2	5.5	43.9
KOEI TECMO HOLDINGS CO LTD	0.004%	3.7	7.0	2.9	4.9	13.2
FUTU HOLDINGS LTD-ADR	0.004%	5.0	6.5	3.3	5.2	7.6
CHEWY INC - CLASS A	0.004%	2.7	0.7	3.6	3.8	48.9
ITO EN LTD	0.004%	5.6	5.7	4.6	4.6	8.5
NISSHIN SEIFUN GROUP INC	0.004%	4.1	2.3	5.4	4.4	43.1
HIKARI TSUSHIN INC	0.004%	4.6	0.8	6.6	2.6	21.9
IIDA GROUP HOLDINGS CO LTD	0.004%	2.4	3.1	3.1	2.7	31.8

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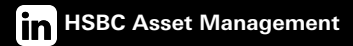
Source of analytics: Trucost / HSBC

Source: HSBC Asset Management, data as at 31 May 2022

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.
- Further information on the potential risks can be found in the Key Investor Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Glossary



Index disclaimer

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Source: HSBC Asset Management, data as at 31 May 2022

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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.

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