

## HSBC Global Investment Funds

# GLOBAL EQUITY CLIMATE CHANGE

Monthly report 29 February 2024 | Share class AD

Fund center



## Risk Disclosure

- The Fund invests mainly in equities of companies that may benefit from the transition to a low carbon economy, while promoting ESG characteristics.
- The Fund is subject to the emerging market risk and geographic concentration risks associated with investing in a specific sector.
- The Fund may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Fund's investments may involve currency, volatility, liquidity, equity market risks, ESG investment policy risks, risk associated with small/mid-capitalisation companies, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Investors should not invest solely based on factsheet and should read the offering documents for details.



## Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of shares. In particular, the Fund invests in companies that may benefit from the transition to a low carbon economy by having a higher environmental, social and governance rating compared of its reference benchmark. The Fund qualifies under Article 8 of SFDR.



## Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will invest at least 70% of its assets in shares (or securities similar to shares) of companies of any size with revenue exposure to climate transition themes. The Fund invests in companies, that are based in, or carry out the larger part of their business activities in, both developed markets and emerging markets. The Fund can invest up to 20% in China A and China B-shares. For China A-shares, up to 10% through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, and up to 10% in CAAPs. The Fund may invest up to 10% in Real Estate Investment Trusts, and may also invest up to 10% in other funds, including HSBC funds. See the Prospectus for a full description of the investment objectives and derivative usage.

## Share Class Details

### Key metrics

NAV per Share	USD 12.27
Volatility 3 years	20.32%

### Fund facts

UCITS V compliant	Yes
Dividend treatment	Distributing
Distribution Frequency	Annually
Dividend ex-date	31 May 2023
Dividend annualised yield*	0.00%
Dividend Amount	0.000000
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Luxembourg
Inception date	9 November 2007
Fund Size	USD 306,118,943
Reference benchmark	100% MSCI AC World Net
Managers	Henry Wong Benedicte Mougeot

### Fees and expenses

Minimum initial investment (HK) <sup>1</sup>	USD 1,000
Maximum initial charge (HK)	5.000%
Management fee	1.500%

### Codes

ISIN	LU0323240290
Bloomberg ticker	HSCLADU LX

<sup>1</sup>Please note that initial minimum subscription may vary across different distributors

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. \*The fund may pay dividends out of capital or gross of expenses.

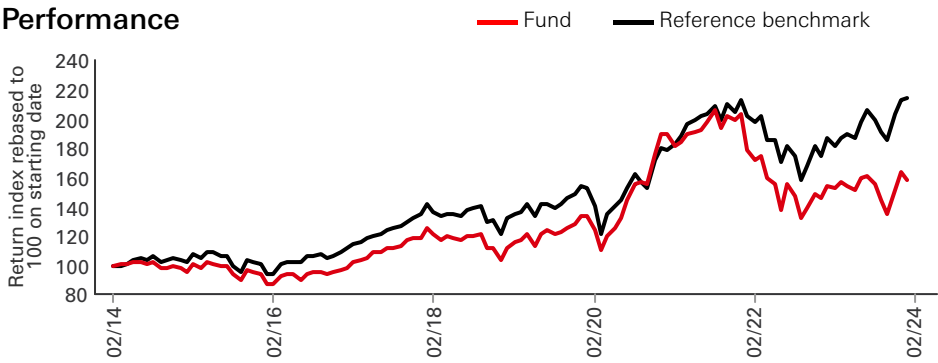
Reference Performance Benchmark: MSCI AC World Net since 30 Sep 2011.

Prior to that, the benchmark was HSBC Global Climate Change.

For definition of terms, please refer to the Glossary QR code.

Source: HSBC Asset Management, data as at 29 February 2024

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
AD	-0.02	3.13	8.22	5.41	7.36	-9.79	41.38
Reference benchmark	4.65	4.29	9.94	11.66	23.15	21.80	64.80

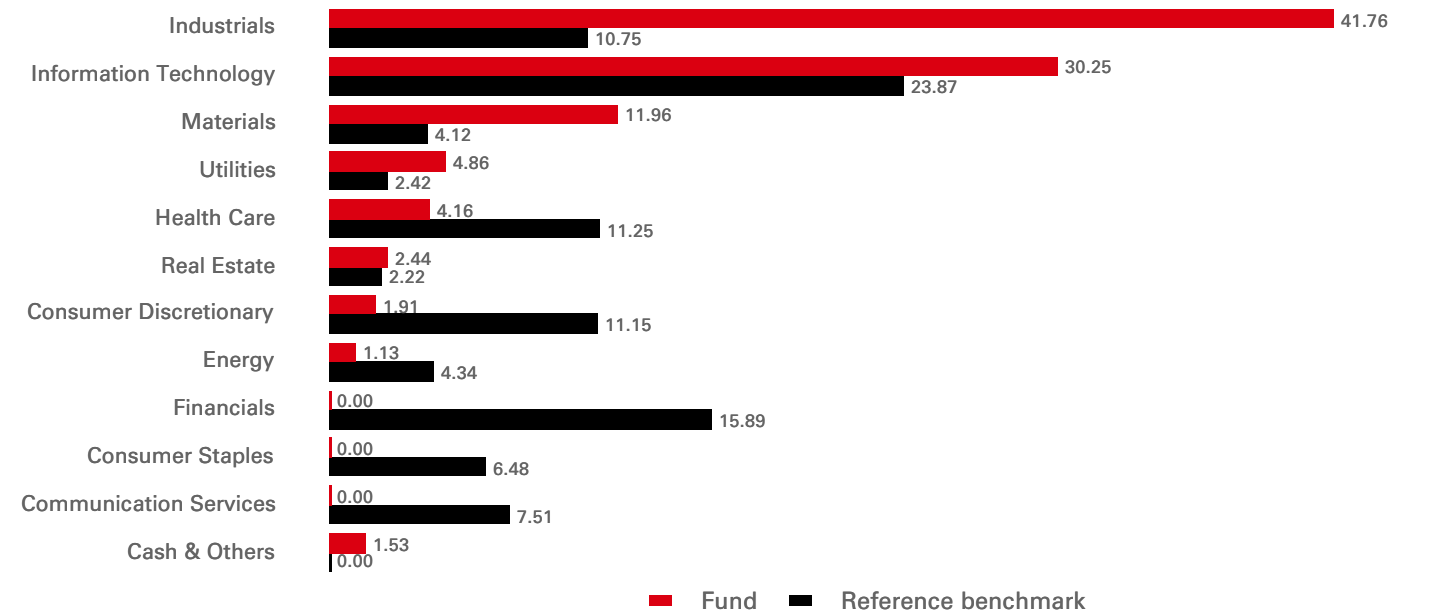
Calendar year performance (%)	2019	2020	2021	2022	2023
AD	29.77	41.23	7.01	-28.06	11.96
Reference benchmark	27.24	16.26	18.79	-18.15	22.10

The calendar year return of the first year is calculated between share class inception date and calendar year end of first year if the share class has less than 5-year history. Results are cumulative

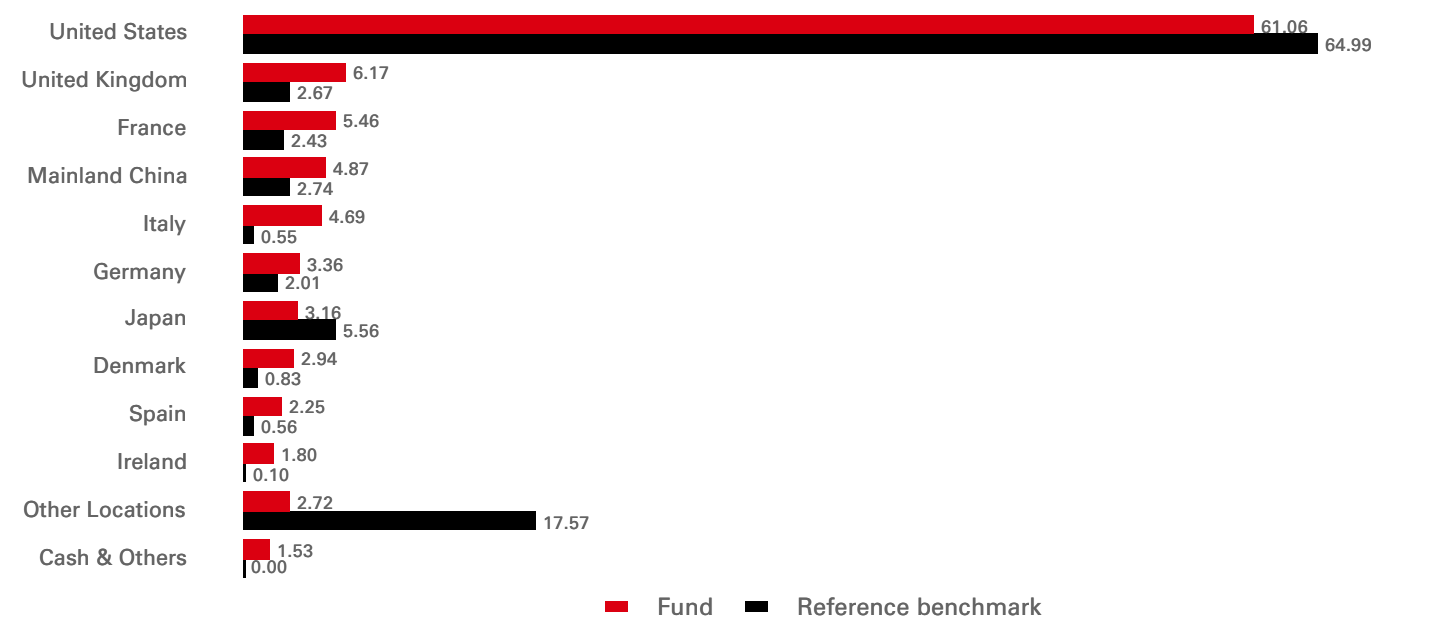
Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	61.64	126.88	Fund	8.1	7.1	5.5	6.4
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million) Source of analytics: Trucost			Reference benchmark	6.8	6.6	5.2	5.6

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	AD	Reference benchmark
No. of holdings ex cash	42	2,943	Volatility	20.32%	16.32%
Average Market Cap (USD Mil)	197,409	491,229	Information ratio	-1.29	--
			Beta	1.16	--

Sector Allocation (%)



Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
Schneider Electric SE	United States	Industrials	4.92
Trane Technologies PLC	United States	Industrials	4.81
Prysmian SpA	Italy	Industrials	4.69
Microsoft Corp	United States	Information Technology	4.69
Accenture PLC	United States	Information Technology	4.63
Ecolab Inc	United States	Materials	4.60
Autodesk Inc	United States	Information Technology	4.49
Capgemini SE	France	Information Technology	3.90
Watts Water Technologies Inc	United States	Industrials	3.73
Verisk Analytics Inc	United States	Industrials	3.47

## Monthly performance commentary

At sector level, stock selection was negative for the month. Positive performance came from Materials and Industrials, though this was offset by negative stock selection in Information Technology and Utilities.

At country level, stock selection was negative for the month. Positive performance came from USA and Italy, though this was offset by negative stock selection in Japan and Spain.

USA Industrials security, SCHNEIDER ELECTRIC SE with total effect 0.43% was the top contributor. Additionally, USA Materials security, ECOLAB INC was the second largest contributor with total effect 0.38%. USA Industrials security, ADVANCED DRAINAGE SYSTEMS IN also contributed with total effect 0.37%.

On the other side, detractors included Spanish Utilities security EDP RENOVAVEIS SA with total effect -0.58%, USA Information Technology holding, NVIDIA CORP with total effect -0.55%, and Finnish Energy holding, NESTE OYJ with total effect -0.37%.

During this period, positions were initiated in CADENCE DESIGN SYS INC. Positions were closed in NIBE INDUSTRIER AB, and BRENNTAG SE.

Sector and Country allocation effects are residual to stock selection. At a country level, effects were negative, given an underweight exposure to Spain. At sector level, effects were positive, given an overweight exposure to Industrials.

## Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
PROLOGIS INC	0.96	INDUSTRIVARDEN AB-A SHS	0.01
AUTODESK INC	2.19	WHEATON PRECIOUS METALS CORP	0.03
ACCENTURE PLC-CL A	2.96	3I GROUP PLC	0.09
VERISK ANALYTICS INC	3.66	ST JAMES'S PLACE PLC	0.11
CAPGEMINI SE	3.77	BANCO BTG PACTUAL SA-UNIT	0.14
TRIMBLE INC	6.13	SAGAX AB-B	0.18
AGILENT TECHNOLOGIES INC	7.72	HANNOVER RUECK SE	0.18
AZBIL CORP	8.36	IGM FINANCIAL INC	0.22
CADENCE DESIGN SYS INC	9.41	SWISS RE AG	0.24
VESTAS WIND SYSTEMS A/S	10.29	M&G PLC	0.25

## Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
WASTE MANAGEMENT INC	795.65	HANJIN KAL CORP	56,078.54
VEOLIA ENVIRONNEMENT	754.61	ACWA POWER CO	53,342.22
SSE PLC	530.60	NTPC LTD	17,616.66
SMURFIT KAPPA GROUP PLC	245.58	GD POWER DEVELOPMENT CO -A	14,350.49
FIRST SOLAR INC	234.19	ADANI POWER LTD	12,873.20
DSM-FIRMENICH AG	147.71	ZHEJIANG ZHENENG ELECTRIC-A	12,645.03
BYD CO LTD-H	129.39	CHINA RESOURCES POWER HOLDIN	11,853.81
NESTE OYJ	92.95	DATANG INTL POWER GEN CO-A	11,752.53
BALL CORP	81.82	SAUDI ELECTRICITY CO	11,107.54
INFINEON TECHNOLOGIES AG	81.29	HUADIAN POWER INTL CORP-A	10,920.18

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

For definition of terms, please refer to the Glossary QR code.

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
SCHNEIDER ELECTRIC SE	4.921%	10.0	8.7	5.7	7.4	14.3
TRANE TECHNOLOGIES PLC	4.806%	10.0	7.8	7.9	5.2	22.6
PRYSMIAN SPA	4.687%	6.5	4.2	5.9	6.8	47.5
MICROSOFT CORP	4.685%	9.3	8.4	6.4	5.7	32.9
ACCENTURE PLC-CL A	4.629%	7.4	7.5	4.6	5.9	3.0
ECOLAB INC	4.600%	9.4	8.5	4.0	5.7	33.1
AUTODESK INC	4.489%	10.0	6.4	7.2	6.4	2.2
CAPGEMINI SE	3.902%	6.9	6.7	3.8	7.3	3.8
WATTS WATER TECHNOLOGIES-A	3.733%	7.9	4.8	5.5	6.1	13.9
VERISK ANALYTICS INC	3.468%	5.9	10.0	4.7	6.9	3.7

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	4.165%	9.3	8.4	6.4	5.7	32.9
APPLE INC	3.786%	5.7	4.7	5.0	4.1	3.4
NVIDIA CORP	2.787%	9.1	6.2	7.5	5.9	5.1
AMAZON.COM INC	2.344%	4.6	6.3	4.0	4.8	50.9
META PLATFORMS INC-CLASS A	1.551%	2.2	10.0	2.4	3.9	34.2
ALPHABET INC-CL A	1.168%	4.7	7.5	4.6	2.9	28.8
ALPHABET INC-CL C	1.027%	4.7	7.5	4.6	2.9	28.8
ELI LILLY & CO	0.867%	7.0	5.7	4.1	6.4	20.5
BROADCOM INC	0.825%	5.9	5.2	5.7	5.8	8.7
TESLA INC	0.824%	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
SYENSQO SA	0.494%	7.1	6.1	5.0	6.2	351.5
VEOLIA ENVIRONNEMENT	0.511%	7.0	5.5	7.3	6.7	754.6
ENPHASE ENERGY INC	0.556%	8.5	5.8	8.4	5.5	13.0
SUNGROW POWER SUPPLY CO LT-A	0.640%	5.8	7.1	4.7	4.7	45.6
WASTE MANAGEMENT INC	0.769%	5.8	6.1	5.2	6.2	795.6
NARI TECHNOLOGY CO LTD-A	1.010%	2.7	6.6	5.8	3.3	10.6
SPIE SA	1.048%	4.8	10.0	3.2	7.4	16.5
TRIMBLE INC	1.064%	8.5	4.2	6.2	6.2	6.1
VERALTO CORP	1.075%	9.4	5.2	6.5	7.3	28.0
DSM-FIRMENICH AG	1.096%	10.0	7.6	8.4	7.4	147.7

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
HONGFA TECHNOLOGY CO LTD-A	0.000%	2.7	6.6	4.9	3.1	36.5
HANGZHOU TIGERMED CONSULTI-A	0.000%	7.4	9.5	5.4	6.7	28.1
JIANGXI SPECIAL ELECTRIC -A	0.000%	2.4	4.7	6.2	3.3	241.1
HANGZHOU CHANG CHUAN TECHN-A	0.000%	0.0	2.0	2.2	2.7	31.1
RISEN ENERGY CO LTD-A	0.000%	5.3	6.4	4.0	4.7	91.5
GOODWE TECHNOLOGIES CO LTD-A	0.000%	5.0	5.8	7.0	4.1	12.6
CANMAX TECHNOLOGIES CO LTD-A	0.000%	1.6	3.0	2.5	3.5	503.5
HOYMILES POWER ELECTRONICS-A	0.000%	3.5	6.0	6.0	3.3	41.0
SHENZHEN KEDALI INDUSTRY C-A	0.000%	1.8	5.5	2.3	3.4	75.3
FANGDA CARBON NEW MATERIAL-A	0.000%	0.0	3.5	2.7	2.0	138.9

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#### Glossary



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## Benchmark disclosure

The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark.

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**Source: HSBC Asset Management, data as at 29 February 2024**



Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AD	USD	Annually	31 May 2023	0.000000	0.00%

The above table cites the last dividend paid within the last 12 months only.  
Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may be comprised of both distributed income and capital.  
The calculation method of annualised yield from August 2019 is the compound yield calculation:  $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n) - 1$ , n depends on the distributing frequency. Annually distribution is 1; semi-annually distribution is 2; quarterly distribution is 4; monthly distribution is 12.  
The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield.  
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