

## HSBC Global Investment Funds

# GLOBAL EQUITY CLIMATE CHANGE

Monthly report 31 October 2023 | Share class AC

Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this UCITS presents disproportionate communication on the consideration of non-financial criteria in its investment policy.



### 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.



### 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.
- 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.

### Share Class Details

#### Key metrics

NAV per Share	<b>USD 10.60</b>
Performance 1 month	<b>-6.24%</b>
Volatility 3 years	<b>20.64%</b>

#### Fund facts

UCITS V compliant	<b>Yes</b>
Dividend treatment	<b>Accumulating</b>
Dealing frequency	<b>Daily</b>
Valuation Time	<b>17:00 Luxembourg</b>
Share Class Base Currency	<b>USD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>9 November 2007</b>
Fund Size	<b>USD 266,768,386</b>
Reference benchmark	<b>100% MSCI AC World Net</b>
Managers	<b>Henry Wong Benedicte Mougeot</b>

#### Fees and expenses

Ongoing Charge Figure <sup>1</sup>	<b>1.850%</b>
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#### Codes

ISIN	<b>LU0323239441</b>
Bloomberg ticker	<b>HSCLAUC LX</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.

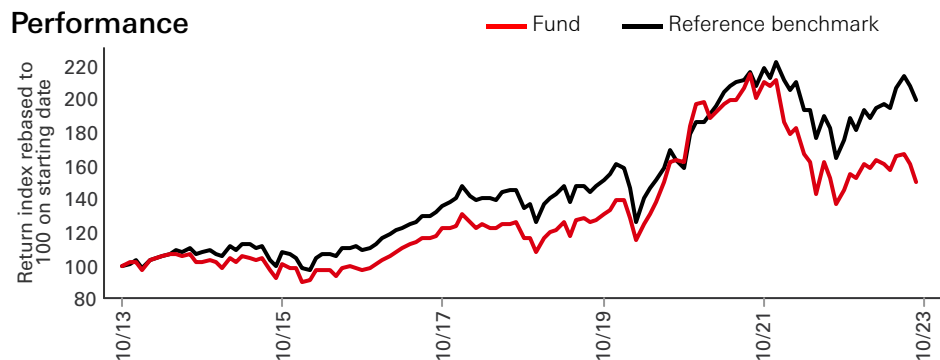
Past performance does not predict future returns. Future returns will depend inter alia on market developments, the fund manager's skill, the fund's level risk and management costs and if applicable subscription and redemption costs. The return, the value of money invested in the fund may become negative as a result of price losses and currency fluctuations. There is no guarantee that all of your invested capital can be redeemed. Unless stated otherwise, inflation is not taken into account.

This is a marketing communication. Please refer to the prospectus and to the KIID before making any final investment decisions.

Until 1 December 2013 the name of the sub-fund is HSBC Global Investment Funds – Climate Change. Please refer to the prospectus for the fund's prior investment objective.

Source: HSBC Asset Management, data as at 31 October 2023

## Performance



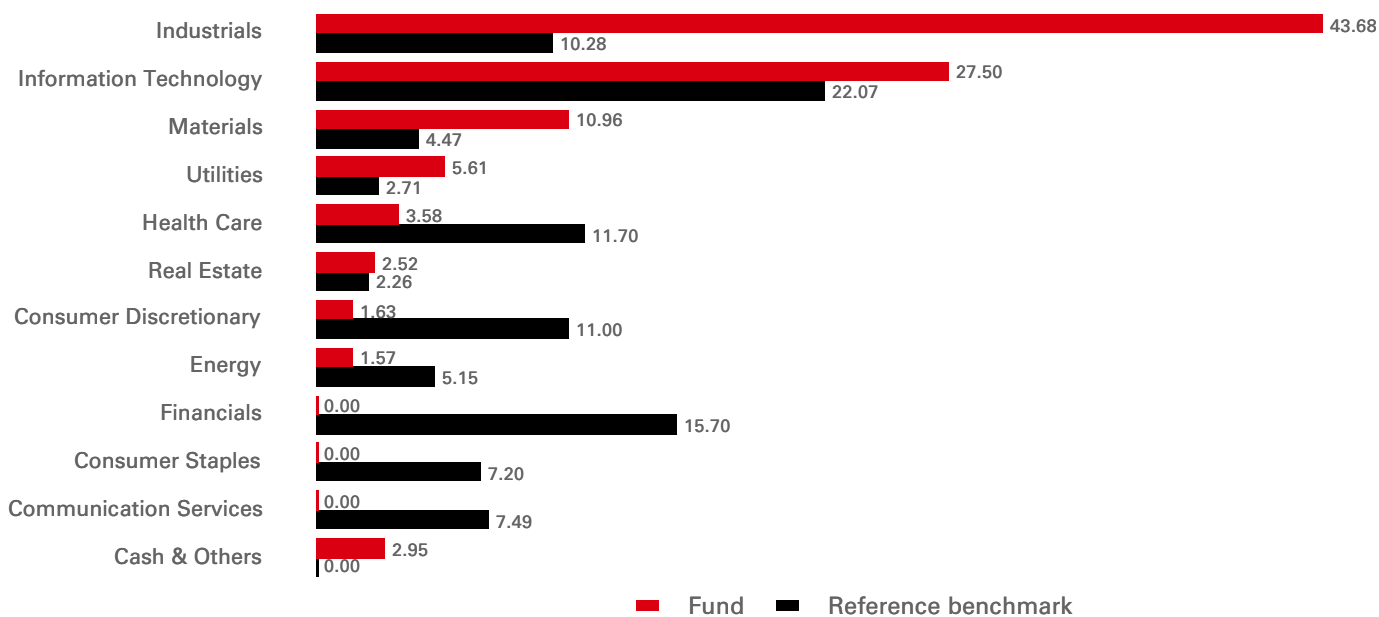
Performance (%)	Year to date	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann
AC	-7.05	-6.24	-15.49	-12.19	-2.47	-4.48	3.98	3.52
Reference benchmark	6.40	-3.01	-9.62	-1.93	10.50	6.68	7.47	6.81

Calendar year performance (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AC	23.27	-0.83	-3.19	2.91	22.69	-13.24	29.77	41.23	7.01	-28.06
Reference benchmark	22.80	4.16	-2.36	7.86	23.97	-10.01	27.24	16.26	18.79	-18.15

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	66.37	147.11	Fund	8.1	7.2	5.6	6.3
Carbon intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million)			Reference benchmark	6.8	6.6	5.1	5.6
Source of analytics: Trucost							

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	AC	Reference benchmark
No. of holdings ex cash	40	2,948	Volatility	20.64%	16.81%
Average Market Cap (USD Mil)	183,116	398,389	Information ratio	-1.33	--
			Beta	1.13	--

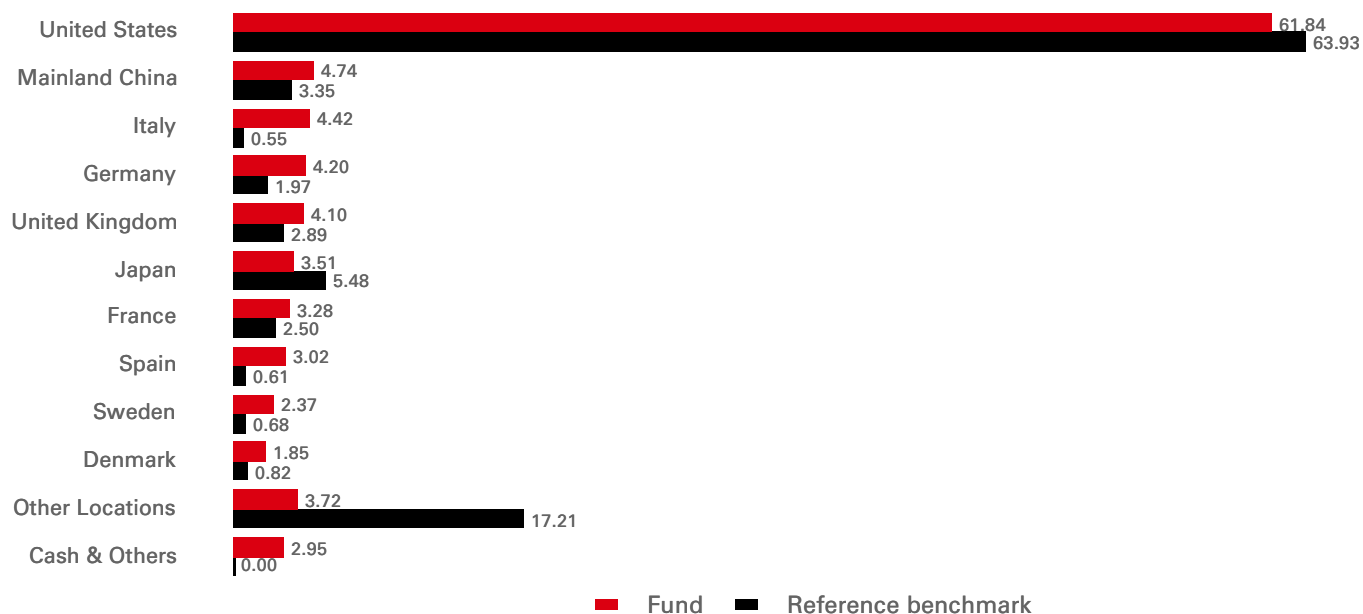
## Sector Allocation (%)



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Source: HSBC Asset Management, data as at 31 October 2023

## Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
Microsoft Corp	United States	Information Technology	5.44
Trane Technologies PLC	United States	Industrials	4.93
Verisk Analytics Inc	United States	Industrials	4.89
Ecolab Inc	United States	Materials	4.68
Schneider Electric SE	United States	Industrials	4.58
Deere & Co	United States	Industrials	4.48
Accenture PLC	United States	Information Technology	4.44
Prysmian SpA	Italy	Industrials	4.42
Autodesk Inc	United States	Information Technology	4.08
Watts Water Technologies Inc	United States	Industrials	3.89

## Monthly performance commentary

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

At country level, stock selection was negative for the month. Positive performance came from Mainland China and Switzerland, though this was offset by negative stock selection in USA and Germany.

USA Consumer Discretionary security, TESLA INC with total effect 0.19% is the top contributor. Additionally, USA Information Technology security, MICROSOFT CORP was the second largest contributor with total effect 0.13%. USA Industrials security, WATTS WATER TECHNOLOGIES also contributed with total effect 0.11%.

On the other side, detractors included German Information Technology security INFINEON TECHNOLOGIES AG with total effect -0.37%, USA Industrials holding, HUBBELL INC with total effect -0.35%, and USA Industrials holding, SENSATA TECHNOLOGIES HOLDING with total effect -0.31%.

During this period, positions were initiated in VERALTO CORP, and VEOLIA ENVIRONNEMENT.

Positions were closed in ORSTED and SOLAREEDGE TECHNOLOGIES INC.

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

## Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sub>2</sub> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sub>2</sub> e/USD million)
PROLOGIS INC	1.13	INDUSTRIVARDEN AB-A SHS	0.01
AUTODESK INC	2.19	WHEATON PRECIOUS METALS CORP	0.03
TRIMBLE INC	3.90	3I GROUP PLC	0.09
ACCENTURE PLC-CL A	4.06	ST JAMES'S PLACE PLC	0.11
VERISK ANALYTICS INC	4.37	IGM FINANCIAL INC	0.16
CAPGEMINI SE	4.59	JARDINE MATHESON HLDGS LTD	0.17
AGILENT TECHNOLOGIES INC	8.17	BEIJING UNITED INFORMATION-A	0.17
AZBIL CORP	8.36	SAGAX AB-B	0.18
NIBE INDUSTRIER AB-B SHS	9.60	SHOPIFY INC - CLASS A	0.19
VESTAS WIND SYSTEMS A/S	9.65	SWISS RE AG	0.22

## Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sub>2</sub> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sub>2</sub> e/USD million)
WASTE MANAGEMENT INC	961.05	ACWA POWER CO	53,342.22
VEOLIA ENVIRONNEMENT	909.97	NTPC LTD	17,616.66
SSE PLC	530.60	GD POWER DEVELOPMENT CO -A	15,843.73
SMURFIT KAPPA GROUP PLC	280.30	ADANI POWER LTD	15,426.24
FIRST SOLAR INC	195.24	WINTIME ENERGY GROUP CO L-A	15,361.67
NESTE OYJ	154.30	ZHEJIANG ZHENENG ELECTRIC-A	13,258.72
DSM-FIRMENICH AG	133.83	DATANG INTL POWER GEN CO-A	12,741.67
BYD CO LTD-H	129.39	HUANENG POWER INTL INC-A	12,309.68
CRODA INTERNATIONAL PLC	95.00	CHINA RESOURCES POWER HOLDIN	11,853.81
BALL CORP	94.55	SEMEN INDONESIA PERSERO TBK	11,380.95

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 October 2023

## ESG score for ten highest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
MICROSOFT CORP	5.444%	9.3	8.4	6.3	5.3	29.0
TRANE TECHNOLOGIES PLC	4.931%	10.0	7.8	7.9	5.2	27.9
VERISK ANALYTICS INC	4.887%	5.9	10.0	4.7	6.9	4.4
ECOLAB INC	4.682%	10.0	9.1	4.0	5.7	32.4
SCHNEIDER ELECTRIC SE	4.583%	10.0	8.7	5.7	7.4	16.2
DEERE & CO	4.483%	7.4	6.2	5.3	5.7	25.2
ACCENTURE PLC-CL A	4.442%	7.4	7.5	4.6	6.0	4.1
PRYSMIAN SPA	4.424%	6.5	4.2	5.9	6.8	56.2
AUTODESK INC	4.081%	10.0	6.4	7.2	6.4	2.2
WATTS WATER TECHNOLOGIES-A	3.887%	7.9	4.8	5.5	6.1	13.9

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
APPLE INC	4.548%	5.2	4.2	5.1	4.4	3.5
MICROSOFT CORP	4.044%	9.3	8.4	6.3	5.3	29.0
AMAZON.COM INC	2.081%	4.6	6.3	4.0	4.8	31.8
NVIDIA CORP	1.706%	9.1	6.2	7.5	5.9	5.1
ALPHABET INC-CL A	1.248%	4.7	7.5	4.6	3.2	26.0
META PLATFORMS INC-CLASS A	1.128%	1.1	10.0	2.2	4.5	34.2
ALPHABET INC-CL C	1.122%	4.7	7.5	4.6	3.2	26.0
TESLA INC	0.970%	6.2	9.0	1.3	4.4	7.5
UNITEDHEALTH GROUP INC	0.844%	8.5	10.0	6.3	6.4	1.3
ELI LILLY & CO	0.757%	7.0	5.7	4.1	6.4	23.1

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Source of analytics: Trucost / HSBC

Source: HSBC Asset Management, data as at 31 October 2023

## ESG score for ten lowest holdings by weight

Fund	Weight	ESG score	E	S	G	Carbon intensity emissions
ENPHASE ENERGY INC	0.396%	8.5	5.8	8.4	5.4	19.6
SUNGROW POWER SUPPLY CO LT-A	0.446%	5.8	7.1	4.7	4.7	45.6
VEOLIA ENVIRONNEMENT	0.511%	7.0	5.5	7.5	6.7	910.0
BRENNTAG SE	0.673%	5.9	3.0	5.2	7.1	14.2
VERALTO CORP	0.707%	8.2	10.0	6.3	5.9	12.8
DSM-FIRMENICH AG	0.858%	10.0	7.6	8.4	7.4	133.8
TRIMBLE INC	0.931%	8.5	4.2	6.2	6.2	3.9
NARI TECHNOLOGY CO LTD-A	1.098%	2.3	6.0	5.7	2.4	10.6
WASTE MANAGEMENT INC	1.145%	5.8	5.7	5.5	6.2	961.0
OMRON CORP	1.192%	10.0	7.3	6.4	5.4	26.7

Reference benchmark	Weight	ESG score	E	S	G	Carbon intensity emissions
RIYUE HEAVY INDUSTRY CO LT-A	0.000%	3.0	4.4	3.7	4.1	188.3
HONGFA TECHNOLOGY CO LTD-A	0.000%	2.7	6.6	4.9	3.1	36.5
SHENZHEN KSTAR SCIENCE AND-A	0.000%	2.3	4.7	5.0	4.0	50.0
GUANGZHOU GREAT POWER ENER-A	0.000%	0.8	6.1	4.2	2.9	77.0
SICHUAN YAHUA INDUSTRIAL-A	0.000%	0.0	1.9	1.8	3.0	334.1
HUNAN CHANGYUAN LICO CO LT-A	0.000%	1.1	3.7	0.0	2.5	129.2
ZIBO QIXIANG TENGDA CHEMIC-A	0.000%	0.0	1.7	0.0	3.5	157.1
SICHUAN NEW ENERGY POWER C-A	0.000%	0.7	6.7	2.9	1.5	40.4
ANHUI HONGLU STEEL CONSTRU-A	0.000%	0.0	4.9	1.9	2.7	39.1
SHUANGLIANG ECO-ENERGY SYS-A	0.000%	4.2	4.6	6.5	3.7	78.3

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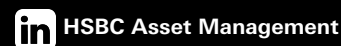
Source of analytics: Trucost / HSBC

Source: HSBC Asset Management, data as at 31 October 2023

## 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.
- 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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## Glossary



## Index Disclaimer

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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.

Source: HSBC Asset Management, data as at 31 October 2023



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Before subscription, investors should refer to Key Investor Document (KID) of the fund as well as its complete prospectus. For more detailed information on the risks associated with this fund, investors should refer to the complete prospectus of the fund

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