

HSBC Global Investment Funds

GLOBAL LOWER CARBON EQUITY

Monthly report 31 March 2023 | Share class AC

Investment objective

The Fund aims to provide long term capital growth and income by investing in shares of companies that have a lower carbon intensity and higher environmental, social and governance (ESG) rating compared to its reference benchmark. Carbon intensity is calculated as a weighted average of the carbon intensities and ESG ratings of the Fund's investments. 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 90% of its assets in shares (or securities similar to shares) of companies of any size that are based in developed markets. The investment process identifies and ranks stocks in the Fund's investment universe. In order to lower the exposure to carbon intensive businesses and raise the Fund's ESG rating, all holdings in the portfolio are assessed for their individual carbon footprint and ESG scores. A portfolio which aims to maximize growth and income and reduces the carbon footprint is then created. The Fund will not invest in shares of companies that are considered to be non-compliant with the UN Global Compact Principles or have material exposure to specific excluded activities, such as, thermal coal fired power generation and thermal coal extraction. The Fund may invest up to 10% in other 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.
- 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.

Share Class Details

Key metrics

NAV per Share	USD 13.82
Performance 1 month	1.60%
Volatility 3 years	17.08%

Fund facts

UCITS V compliant	Yes
Subscription mode	Cash / SRS (Supplementary Retirement Scheme)
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation Time	17:00 Luxembourg
Share Class Base Currency	USD
Domicile	Luxembourg
Inception date	27 September 2017

Fund Size	USD 270,407,334
Reference benchmark	100% MSCI World Net

Managers	HSBC Index and Systematic Equity Portfolio Management Team
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Fees and expenses

Minimum initial investment (SG) ¹	USD 1,000
Maximum initial charge (SG)	5.000%
Management fee	0.800%

Codes

ISIN	LU1674673428
Bloomberg ticker	HSGLCAC LX

¹Please note that initial minimum subscription may vary across different distributors

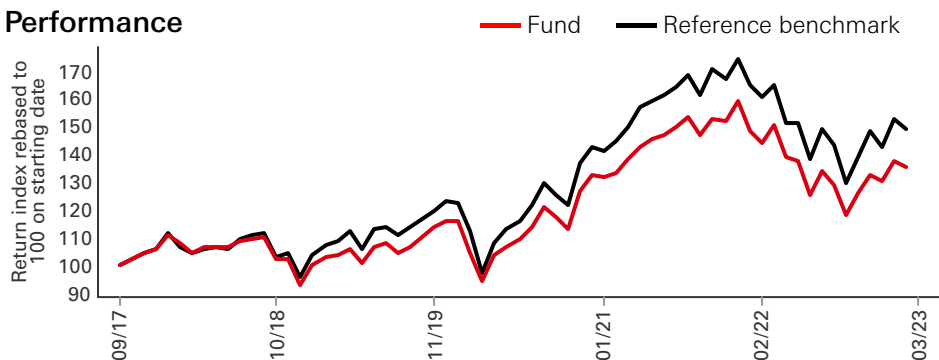
Performance is annualised when calculation period is over one year. Past performance does not predict future returns. Fund return: NAV-to-NAV basis. For comparison with benchmark

*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.

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

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

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC	5.63	1.60	5.63	16.38	-8.48	13.49	5.66
AC (Net)*	0.60	-3.24	0.60	10.84	-12.84	11.66	4.63
Reference benchmark	7.35	3.09	7.35	18.25	-7.02	16.40	8.01

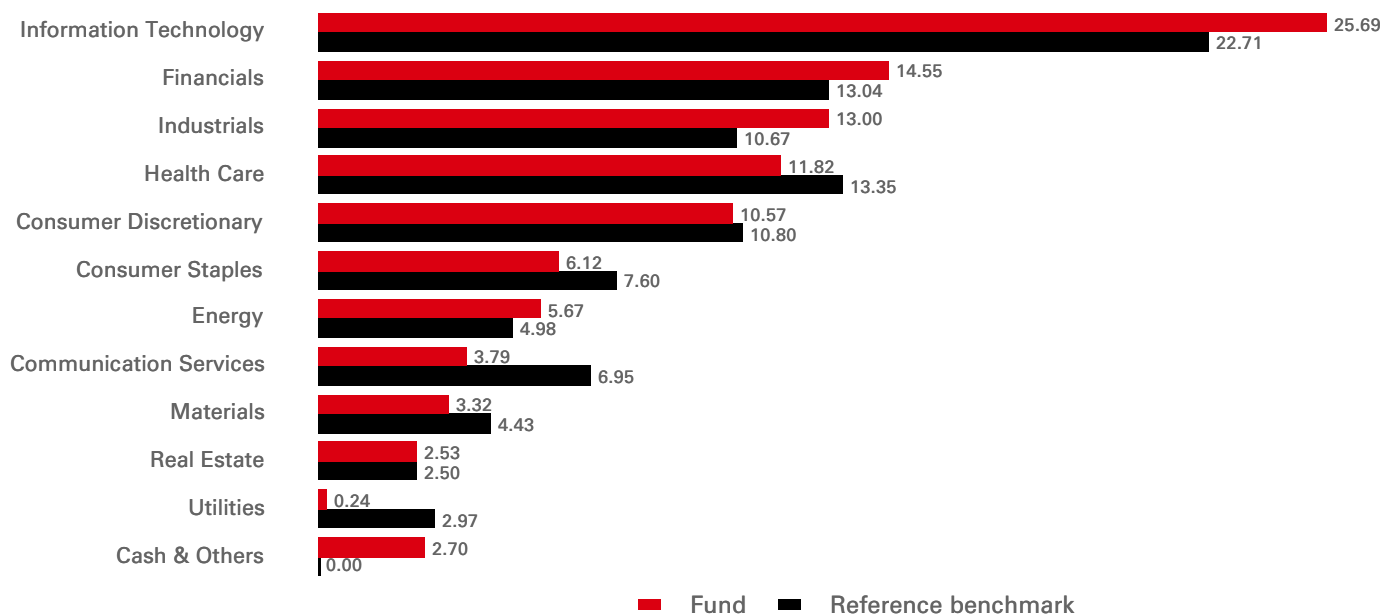
Calendar year performance (%)	2018	2019	2020	2021	2022
AC	-11.72	24.58	13.92	20.22	-18.17
AC (Net)*	-15.93	18.65	8.50	14.50	-22.06
Reference benchmark	-9.35	28.28	15.99	22.20	-17.98

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	60.77	134.22	Fund	8.4	6.8	6.1	6.2
			Reference benchmark	6.9	6.7	5.2	5.8

Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO₂e/USD million)
 Source of analytics: Trucost

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	AC	Reference benchmark
No. of holdings ex cash	283	1,509	Volatility	17.08%	18.31%
Average Market Cap (USD Mil)	320,209	359,673	Information ratio	-0.81	--
			Beta	0.92	--

Sector Allocation (%)



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 Fund return: NAV-to-NAV basis. For comparison with benchmark
 *(Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.
 Source: HSBC Asset Management, data as at 31 March 2023

Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
Microsoft Corp	United States	Information Technology	4.71
Apple Inc	United States	Information Technology	3.87
NVIDIA Corp	United States	Information Technology	1.75
UnitedHealth Group Inc	United States	Health Care	1.67
JPMorgan Chase & Co	United States	Financials	1.46
Home Depot Inc/The	United States	Consumer Discretionary	1.42
Intel Corp	United States	Information Technology	1.35
Coca-Cola Co/The	United States	Consumer Staples	1.32
Cisco Systems Inc	United States	Information Technology	1.31
Adobe Inc	United States	Information Technology	1.29

Top 10 holdings exclude holdings in cash and cash equivalents and money market funds.

Monthly performance commentary

Market Review

Global equities rose in March, reversing losses in the first half of the month, as concerns over the banking sector abated. A fall in rate hike expectations further supported sentiment in equity markets and the rise in equities was largely driven by developed markets. The two key events this month were the collapse of Silicon Valley Bank (SVB) and Credit Suisse's acquisition by UBS shortly after, which heightened volatility in global equity markets and raised concerns in the banking sector. At a regional level, US equities advanced in March led by the recovery in the Technology sector. The Fed increased the funds rate by just 25 bps as February CPI dropped to 6.0% year on year in the US. Meanwhile, European equities ended relatively flat overall as UK equities weighed on price performance in the region. Despite the banking turmoil in March, the ECB raised rates by 50 bps on the back of core inflation remaining persistently high.

Factor Performance

In March, as of month end style factor performance was negative in global developed markets. Within alpha factors, the defensive Low Risk factor traded positively throughout March and finished as the best performing factor. The defensive Quality factor also performed relatively well, while the dynamic Industry Momentum ranked in the middle amongst factors. Meanwhile, the cyclical Size factor struggled throughout March, trading below the line and was unable to regain performance at month end. Finally, the cyclical Value factor lagged throughout the month and finished as the laggard factor.

Fund Commentary

In March, as of month end the fund underperformed its market cap weighted index. On a portfolio level, our exposures to Low Risk, Quality and Industry Momentum contributed to performance, while our exposures to Value and Size weighed on performance.

On an industry basis, our overweight allocations to Semiconductors & Semiconductor Equipment and Technology Hardware & Equipment coupled with our underweight exposure to Financial Services contributed to performance. Conversely, our overweight allocations to Insurance and Banks coupled with our underweight exposure to Media & Entertainment weighed on performance.

On a country basis, our overweight allocation to Canada coupled with our underweight exposures to United States and France contributed to performance. Conversely, our overweight allocation to Finland coupled with our underweight exposures to Singapore and Australia weighed on performance.

On a stock level basis, our overweight allocations to Intel Corp, Adobe Inco and Microsoft Corp contributed to performance. Conversely, our underweight exposures to Meta Platforms Inco and Alphabet Inco coupled with our overweight allocation to Cigna Group weighed on performance.

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	0.03	INDUSTRIVARDEN AB-A SHS	0.01
3I GROUP PLC	0.15	WHEATON PRECIOUS METALS CORP	0.03
SWISS RE AG	0.22	ST JAMES'S PLACE PLC	0.11
POWER CORP OF CANADA	0.45	3I GROUP PLC	0.15
NN GROUP NV	0.57	IGM FINANCIAL INC	0.16
ELEVANCE HEALTH INC	0.62	SHOPIFY INC - CLASS A	0.19
AXA SA	0.62	SWISS RE AG	0.22
PRUDENTIAL FINANCIAL INC	0.68	M&G PLC	0.25
DNB BANK ASA	0.69	GJENSIDIGE FORSIKRING ASA	0.27
THE CIGNA GROUP	0.69	ADYEN NV	0.35

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)
BLUESCOPE STEEL LTD	1,095.77	VISTRA CORP	8,260.15
VOESTALPINE AG	1,074.71	SOUTH32 LTD	5,396.26
HILTON WORLDWIDE HOLDINGS IN	897.94	EVERGY INC	4,751.02
DELTA AIR LINES INC	829.82	PPL CORP	4,680.03
APA CORP	790.21	AMEREN CORPORATION	4,625.74
NIPPON YUSEN KK	773.49	CLP HOLDINGS LTD	4,436.78
AP MOLLER-MAERSK A/S-A	601.63	LAFARGEHOLCIM LTD-REG	4,326.14
INPEX CORP	587.33	ALLIANT ENERGY CORP	4,276.61
ON SEMICONDUCTOR	524.63	AES CORP	3,676.17
NEWCREST MINING LTD	511.05	SOUTHERN CO/THE	3,575.78

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 March 2023

Risk Disclosure

- 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.
- Investment involves risk. Past performance figures shown are not indicative of future performance. Investors should read the prospectus (including the risk warnings) and the product highlights sheets, before investing. Daily price change percentage is based on bid-bid price.

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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. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range.

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

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 **HSBC Asset Management**

Glossary



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Performance is annualised when calculation period is over one year. Net of relevant prevailing sales charge on a single pricing (NAV) basis, calculated on the basis that dividends are reinvested.

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Company Registration No. 198602036R

Should there be any discrepancy, the English version shall prevail. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC AUD	--	--	--	--	--	--	--
AC AUD (Net)*	--	--	--	--	--	--	--
AC SGD	--	--	--	--	--	--	--
AC SGD (Net)*	--	--	--	--	--	--	--
AC USD	5.63	1.60	5.63	16.38	-8.48	13.49	5.66
AC USD (Net)*	0.60	-3.24	0.60	10.84	-12.84	11.66	4.63
AD USD	5.64	1.59	5.64	16.39	-8.49	13.49	5.66
AD USD (Net)*	0.60	-3.25	0.60	10.84	-12.85	11.65	4.63

Calendar year performance (%)	2018	2019	2020	2021	2022
AC AUD	--	--	--	--	--
AC AUD (Net)*	--	--	--	--	--
AC SGD	--	--	--	--	--
AC SGD (Net)*	--	--	--	--	--
AC USD	-11.72	24.58	13.92	20.22	-18.17
AC USD (Net)*	-15.93	18.65	8.50	14.50	-22.06
AD USD	-11.71	24.59	13.92	20.23	-18.18
AD USD (Net)*	-15.91	18.65	8.49	14.51	-22.07

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
AD	USD	Annually	6 July 2022	0.068149	0.56%

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	27 September 2017	LU1674673428	USD	USD 5,000	13.82	0.800%	Accumulating
AD	27 September 2017	LU1674673691	USD	USD 5,000	13.40	0.800%	Distributing

Different classes may have different performances, dividend yields and expense ratios. For hedged classes, the effects of hedging will be reflected in the net asset values of such classes. Expenses arising from hedging transactions may be significant and will be borne by the relevant hedged classes. Hedged class performs the required hedging on a best efforts basis.

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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 comprise of distributed income, capital, or both.

The calculation method of annualised yield prior to August 2019 is the simple yield calculation: (dividend amount / NAV per share or units as of ex-dividend date) x n; 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.

Investors and potential investors should refer to the details on dividend distributions of the Fund, which are available on HSBC Asset Management (Singapore) Limited website.

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