HSBC Mutual Fund

Product Note

HSBC Global Equity Climate Change Fund of Fund (HGEF)

(An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Equity Climate Change)

March 2025

Fund Category	Fund Manager	Benchmark [1]	Inception Date	AUM[1 &]
Fund of Funds (Overseas)	Sonal Gupta[#], Mahesh Chhabria	MSCI AC World TRI	22 Mar 2021	Rs. 61.14 Cr

HGIF Global Equity Climate Change – Monthly Commentary

At sector level, stock selection was negative for the month. Positive performance came from Consumer Discretionary and Materials, 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 Germany and Switzerland, though this was offset by negative stock selection in USA and Italy.

Mainland China Consumer Discretionary security, **BYD CO LTD-H** with total effect 0.71% is the top contributor. Additionally, USA Communication Services security, **ALPHABET INC-CL A** was the second largest contributor with total effect 0.43%. USA Consumer Discretionary security, **TESLA INC** also contributed with total effect 0.39%.

On the other side, detractors included USA Information Technology security **CADENCE DESIGN SYS INC** with total effect -0.66%, Italian Industrials holding, **PRYSMIAN SPA** with total effect -0.58%, and USA Information Technology holding, **AUTODESK INC** with total effect -0.32%.

During this period, no positions were opened.
Positions were closed in **SUNGROW POWER SUPPLY CO LT-A.**

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

Investment Objective

To provide long term capital appreciation by investing predominantly in units of HSBC Global Investment Funds – Global Equity Climate Change (HGECC). The Scheme may also invest a certain proportion of its corpus in money market instruments and / or units of overnight / liquid mutual fund schemes, in order to meet liquidity requirements from time to time. However, there is no assurance that the investment objective of the Scheme will be achieved.

Risk Ratios[2]	
Standard Deviation	18.08%
Beta	1.11

Risk Ratios[2]	
Sharpe Ratio[3]	-0.12
R2	0.86%

Exit Load: In respect of each purchase / switch-in of Units, an Exit Load of 1% is payable if Units are redeemed / switchedout within 1 year from the date of allotment. No Exit Load will be charged, if Units are redeemed / switched-out after 1 year from the date of allotment. The exit loads set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively.
Month End Total Expenses Ratios (Annualized)[4] – Regular[5]: 2.05%, Direct: 1.40%

Data as on 28 February 2025
Source: HSBC Mutual Fund, HGIF Global Equity Climate Change underlying fund commentary, Bloomberg
[1] As per clause 1.9 of the SEBI Master Circular dated June 27, 2024, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore , the same is effective from 01 December 2021
[2] Statistical Ratios disclosed are as per monthly returns (Annualized) for the last 3 years.
[3] Risk free rate 6.40% (FIMMDA-NSE MIBOR), [4] TER Annualized TER including GST on Investment Management Fees
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[5] Continuing plans
[&] For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library#&accordion1446811090=4.
Source – HSBC Mutual Fund, Data as of 28 February 2025. **Past performance may or may not be sustained in the future and is not indicative of future results.**
[#] Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.
MSCI ACWI TRI = MSCI All Country World Net Return Index (MSCI ACWI NR)
The investors are bearing the recurring expenses of the scheme, in addition to the expenses of other schemes in which the Fund of Funds scheme makes investments.

HSBC Global Investment Fund Global Equity Climate Change (Underlying Fund)

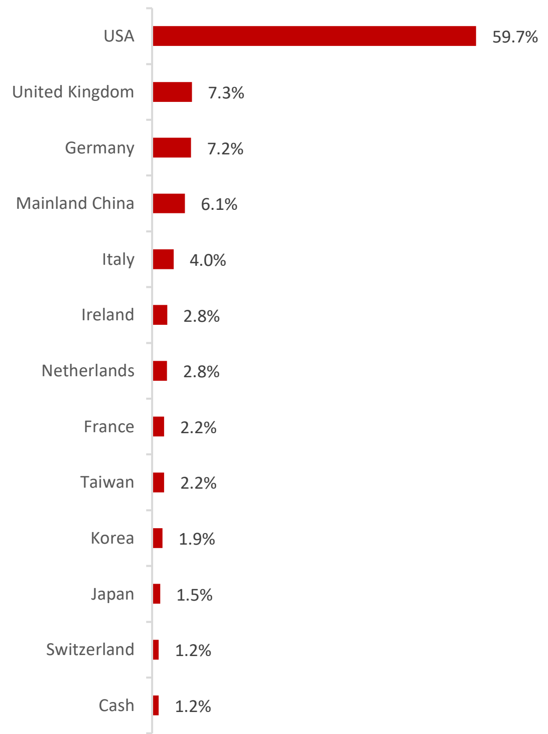
Portfolio

Instrument	Weight
TRANE TECHNOLOGIES PLC	5.3%
MICROSOFT CORP	5.0%
SCHNEIDER ELECTRIC SE	4.7%
ECOLAB INC	4.6%
CADENCE DESIGN SYS INC	4.4%
VERISK ANALYTICS INC	4.4%
PRYSMIAN SPA	4.0%
AUTODESK INC	2.9%
SAP SE	2.9%
ACCENTURE PLC-CL A	2.8%
DEERE & CO	2.5%
CORE & MAIN INC-CLASS A	2.4%
TAIWAN SEMICONDUCTOR CO LTD	2.2%
ASHTEAD GROUP PLC	2.2%
WATTS WATER TECHNOLOGIES-A	2.2%
E.ON SE	2.1%
INFINEON TECHNOLOGIES AG	2.1%
XYLEM INC	2.1%
BYD CO LTD-H	2.0%
SMURFIT WESTROCK PLC	2.0%
AGILENT TECHNOLOGIES INC	2.0%
COMPASS GROUP PLC	2.0%
SSE PLC	1.9%
CIMC ENRIC HOLDINGS LTD	1.9%
VERALTO CORP	1.8%
PROLOGIS INC	1.6%
COPART INC	1.6%
ASM INTERNATIONAL NV	1.5%
FIRST SOLAR INC	1.5%
DANAHER CORP	1.5%
ADVANCED DRAINAGE SYSTEMS IN	1.5%
AZBIL CORP	1.5%
CAPGEMINI SE	1.4%
CARLISLE COS INC	1.3%
NARI TECHNOLOGY CO LTD-A	1.3%
DSM-FIRMENICH AG	1.2%
ARCADIS NV	1.2%
CRODA INTERNATIONAL PLC	1.2%
HUBBELL INC	1.2%
SAMSUNG ELECTRONICS CO LTD	1.1%
FASTENAL CO	1.0%
BALL CORP	0.9%
SK HYNIX INC	0.8%
SUNGROW POWER SUPPLY CO LT-A	0.8%
SPIE SA	0.8%
EQUINIX INC	0.7%
WASTE MANAGEMENT INC	0.5%
Cash	**1.2%**
Total	**100.0%**

Sector Allocation (%)

Sector	Weight
Industrials	44.7%
Information Technology	30.3%
Materials	10.0%
Utilities	4.1%
Consumer Discretionary	4.0%
Health Care	3.5%
Real Estate	2.3%
Cash	**1.2%**

Country allocation



Source: HSBC Mutual Fund., Bloomberg, Data as on 28 February 2025

Note: The views provided above is based on information available in public domain at this moment for underlying funds and subject to change. Please consult your financial advisor for any investment decision. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

Climate Change - The opportunities beckon

Renewable Energy
Sustainable transition away from fossil fuels will need to be USD110trn of investment in renewable energies cumulatively to 2050.[1]

Energy Efficiency
Globally enhanced energy efficiency investments could boost cumulative economic output by USD18tr to 2035, increasing growth by 0.25-1.1% per year.[2]

Clean Transport
Improved and digitalised planning in shipping could lead to fewer kilometers travelled, allowing for industry revenue benefits of USD1.5tm by 2025.[3]

Green Buildings
In emerging markets alone, Green Buildings are expected be a USD24.7 trillion investment opportunity by 2030.[8]

Sustainable Water & Wastewater Management
Water productivity improvements could cost USD60 billion annually over the next two decades. Many of these investments yield positive returns in just three years.[5]

Climate Change Adaptation
Research has shown that spending USD1.8trn on specific adaptation areas between 2020 and 2030 could generate USD7.1trn in total net benefits.9

Flood defences systems and related infrastructure information support systems, such as climate observation and early warning systems

Pollution & waste prevention and control
Air pollution kills 7 million people each year, costing USD5tn/year.'

Circular economy and resource efficiency
Switching to a circular economy could unlock an additional USD4.5trn of global GDP by 2030.8

Resource-efficient packaging and distribution Industrial carbon capture and storage technology

Natural capital & ecosystems
Enhancing coastal wetlands could save the insurance industry USD52bn a year in reduced losses from storms and flood damage.9

Themes such as Clean transport, Clean energy, Water management provide great investment potential

Portfolio

Issuer	Industries	% to Net Assets
Mutual Fund Units		**95.86%**
HSBC GIF GL EQ CLM CHG JCUSD	OVERSEAS MUTUAL FUND	95.86%
Cash Equivalent		**4.14%**
TREPS*		**5.11%**
Net Current Assets		**-0.97%**
Total Net Assets as on 28-February-2025		**100.00%**

Asset Allocation

International - Mutual Fund Units	95.86%
Reverse Repos/TREPS	5.11%
Net Current Asset	-0.97%
Total Net Assets as on 31-December-2024	**100.00%**

*TREPS : Tri-Party Repo, Data as on 28 February 2025

Investors should note that the expenses to be borne by the investor include the recurring expenses of the Underlying scheme in which Fund of Funds Scheme makes investments subject to the maximum limits prescribed under sub-regulation 6 & 6A of Regulation 52 of the SEBI Regulations.

1. IRENA 2019, 2. New Climate Economy 2016, 3. Danfuss 2020, 4. FC 2019, 5. McKinsey 2019, 6. Global Commission on Adaptation 2019, 7. BAML 2020, citing UN 2019, 8. World Economic Forum, 9. Barbier et al 2019,

The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). **Past performance may or may not be sustained in the future and is not indicative of future results.** Fund of Fund (FOF) Note - The investors are bearing the recurring expenses of the scheme, in addition to the expenses of other schemes in which the Fund of Funds Scheme makes investments.

Fund Manager - Sonal Gupta Effective 02 Dec 2022. Total Schemes Managed - 26
Fund Manager - Mahesh Chhabria Effective 01 Feb 2025. Total Schemes Managed - 15

Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Global Equity Climate Change Fund of Fund - Regular Plan	10455	4.55	10823	2.67	NA	NA	10120	0.30	22-Mar-21
Scheme Benchmark (MSCI AC World TRI)	12134	21.34	15042	14.56	NA	NA	16482	13.51	
Additional Benchmark (Nifty 50 TRI)	10189	1.89	13652	10.92	NA	NA	15741	12.20	

PTP returns – Point to Point returns. | **Past performance may or may not be sustained in the future and is not indicative of future results.** The performance details provided herein are of Regular Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of February 2025 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan.
As per clause 5.9.1 of the SEBI Master Circular dated June 27, 2024, the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.
Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated June 27, 2024, on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes.

SIP Performance - HSBC Global Equity Climate Change Fund of Fund - Regular					Inception Date: 22-Mar-21
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (`)	120000	360000	NA	470000	
Market Value as on February 28, 2025 (`)	1,20,507	3,95,576	NA	5,02,740	
Scheme Returns (%)	0.79	6.23	NA	3.40	
MSCI AC World Index TRI - Scheme Benchmark (`)	1,33,489	4,87,793	NA	6,51,963	
MSCI AC World Index TRI - Scheme Benchmark Returns (%)	21.74	20.82	NA	16.92	
Nifty 50 TRI - Additional Benchmark (`)	1,12,040	4,10,630	NA	5,65,137	
Nifty 50 TRI - Additional Benchmark Returns (%)	-12.20	8.76	NA	9.40	

Past performance may or may not be sustained in the future and is not indicative of future results. For SIP returns, monthly investment of Rs.10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.
Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.
Source: HSBC Mutual Fund, data as on 28 February 2025
Click here to check other funds performance managed by the Fund Manager

Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Global Equity Climate Change Fund of Fund (An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Equity Climate Change) **This product is suitable for investors who are seeking*:** • To create wealth over long-term • Investment predominantly in companies positioned to benefit from climate change through fund of funds route	 The risk of the scheme is Very High Risk	As per AMFI Tier I **Benchmark Index: MSCI AC World Index TRI**  The risk of the benchmark is Very High Risk

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 28 February 2025, Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

Past performance may or may not be sustained in the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 28 February 2025

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 1996 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.

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