Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: HSBC Global Funds ICAV - Global Aggregate Bond ESG UCITS ETF

Legal Entity Identifier: 213800TUA2ICCVTAXY10

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☑ **No**
☐ It made **sustainable investments with an environmental objective: _%**	☑ It **promoted Environmental/ Social (E/S) characteristics and** while it did not have as its objective a sustainable investment, it had a proportion of 8.04% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☑ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: _%**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

In replicating the performance of the Bloomberg MSCI Global Aggregate SRI Carbon ESG-Weighted Select Index (the "Index"), the Sub-Fund promoted the following environmental and social characteristic:

A lower carbon emissions profile as compared against that of the Bloomberg Global Aggregate Index (the "Parent Index")

The Sub-Fund sought to achieve the promotion of this characteristic by tracking the performance of the Index, of which the government bucket used MSCI ESG sovereign scores to tilt country allocations above or below their market value weights in the Parent Index. The credit bucket applied business involvement screens and a screen to remove companies involved in one or more very severe ongoing controversies, as defined by MSCI ESG controversies methodology and then applied best-in-class screening using MSCI's ESG rating, then applied a carbon intensity screen before being weighted by a fixed multiplier according to its MSCI ESG rating.

The Sub-Fund did not use derivatives to attain the environmental and/or social characteristics of the Sub-Fund.

The performance of the sustainability indicators the Sub-Fund used to measure the attainment of the environmental or social characteristics that it promoted can be seen in the table below. The sustainability indicators were calculated by the Investment Manager and utilise data from third party data vendors.

The data can be based on company/issuer disclosures, or estimated by the data vendors in the absence of company/issuer reports. Please note that it was not always possible to guarantee the accuracy, timeliness or completeness of data provided by third party vendors.

How did the sustainability indicators perform?

Indicator	Sub-Fund	Broad Market Index
ESG Score	7.06	5.88
GHG Intensity (Scope 1 & 2)	13.67	84.19

The data is based on the four-quarter average holdings of the financial year ending on 31 December 2024.

Broad Market Index - Bloomberg Global Aggregate Index

...and compared to previous periods?

This Sub-Fund launched in the reference period, and as such there are no previous periods to compare against.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable Investments in the Sub-Fund were, amongst others:

1. Companies with sustainable product and/or services or quantifiable projects (e.g. CAPEX, OPEX and Turnover) linked to sustainable goals or outcomes;
2. Companies that demonstrated qualitative alignment and/or convergence with UN Sustainable Development Goals or sustainable themes (e.g. Circular Economy);
3. Companies that were transitioning with credible progress (e.g the transition to or use of renewable energy or other low-carbon alternatives).
4. Sustainable Bonds as defined by bonds with specific uses of proceeds aligned to supporting sustainability goals (e.g. Green Bonds, Social Bonds).

By replicating the performance of the Index, the sustainable investments of the Sub-Fund contributed to these sustainable objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The credit bucket of the Index removed securities based on sustainability exclusionary criteria, on a monthly basis, applying the following Business Involvement Screens:

- Adult Entertainment;
- Alcohol;
- Gambling;
- Tobacco;
- Controversial Weapons;

- Conventional;
- Civilian Firearms;
- Nuclear Weapons;
- Fossil Fuels;
- Nuclear Power;
- Thermal Coal Extraction & Generation;
- Non-compliance with UN Global Compact Principles;
- Genetically Modified Organisms; and
- MSCI ESG controversies score - issuers with a "red" MSCI ESG controversies score (i.e. less than 1).

Further screens using MSCI ESG ratings and carbon intensity were then applied:

- issuers with an MSCI ESG rating of lower than BB;
- issuers with an ESG Pillar Score of less than 2;
- unrated issuers from sectors with ratings; and
- issuers with Scope 1 and 2 sales-based carbon intensity of 750mn metric tons or higher.

In addition, the sustainable investments were deemed by the Investment Manager to not have caused signficiant harm against any environmental or social sustainable investment objective following assessment against the below considerations:

- Banned & controversial weapons involvement;
- Tobacco production revenues above 0%;
- Thermal coal extraction revenues above 10%;
- Thermal coal power generation revenues above 10%;
- Compliance with United Nations Global Compact principles; and
- Involvement in controversies of the highest levels.

By replicating the performance of the Index, the investments of the Fund that were deemed sustainable investments did not cause significant harm to the environmental and/or social investment sustainable objective.

How were the indicators for adverse impacts on sustainability factors taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The eligible universe of constituents applied business involvement exclusions in the credit bucket on thermal coal extraction and generation (PAI 4). Tobacco and controversial weapons (PAI 14) were removed. Also excluded were companies involved in controversies related to the UNGC Principles and companies at risk of contributing to severe or systemic and/or systematic violations of international norms and standards relating to UNGC Principles 7, 8, 9 (PAI 10). The Index is also designed to reduce exposure to carbon intensity at scope 1 and2 levels (PAI 1) and ultimately reduce fossil fuel exposure (PAI 2,4).

No optional indicators were taken into account. The indicators for adverse impacts on sustainability factors were taken into account through assessment of companies against the involvement considerations detailed above.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Index also excluded issuers with a "red" ESG controversies flag which were issuers which were determined by the Index provider to be in violation of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The Index applied this along with additional business involvement exclusions at each Index rebalance.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The eligible universe of constituents applied business involvement exclusions in the credit bucket on thermal coal extraction and generation (PAI 4). Tobacco and controversial weapons (PAI 14) were removed. Also excluded were companies involved in controversies related to the UNGC Principles and companies at risk of contributing to severe or systemic and/or systematic violations of international norms and standards relating to UNGC Principles 7, 8, 9 (PAI 10). The Index is also designed to reduce exposure to carbon intensity at scope 1 and2 levels (PAI 1) and ultimately reduce fossil fuel exposure (PAI 2,4).

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: Based on the four-quarter average holdings of the reference period as at 31/12/2024

Largest Investments	Sector	% Assets	Country
Government Of The United States Of America 0.0% 09-jan-2025	Government	1.89%	United States of America
FNCL 6.5 1/25 11823680	Financials	1.16%	United States of America
Umbs Tba 30yr 2% January Delivery	Financials	1.03%	United States of America
Umbs Tba 30yr 2.5% January Delivery	Financials	0.95%	United States of America
Ubs Group Ag 2.75% 15-jun-2027	Financials	0.79%	Switzerland
Barclays Bank Plc 5.674% 12-mar-2028	Financials	0.78%	United Kingdom of Great Britain and Northern Ireland
Ubs Group Ag 4.703% 05-aug-2027	Financials	0.77%	Switzerland
Sumitomo Mitsui Financial Group, Inc. 2.174% 14-jan-2027	Financials	0.72%	Japan
Government Of Germany 0.0% 15-feb-2030	Government	0.70%	Germany
Umbs Tba 15yr 2% January Delivery	Financials	0.67%	United States of America
Mitsubishi Ufj Financial Group, Inc. 2.309% 20-jul-2032	Financials	0.64%	Japan
Umbs Tba 30yr 3% January Delivery	Financials	0.64%	United States of America
Government Of United Kingdom 4.125% 22-jul-2029	Government	0.62%	United Kingdom of Great Britain and Northern Ireland
Umbs Tba 15yr 2.5% January Delivery	Financials	0.58%	United States of America
G2SF 2 1/25 11823672	Other	0.54%	United States of America

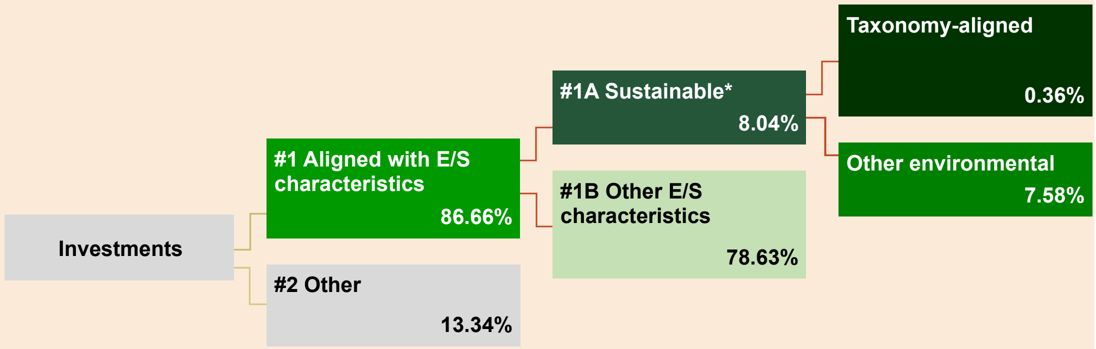
Cash and derivatives were excluded

What was the proportion of sustainability-related investments?

8.04% of the portfolio was invested in sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

*A company or issuer considered as a sustainable investment may contribute to both a social and environmental objective, which can be aligned or non-aligned with the EU Taxonomy. The figures in the above diagram take this into account, but one company or issuer may only be recorded once under the sustainable investments figure (#1A Sustainable).

The percentages of Taxonomy-aligned and Other Environmental, do not equal #1A Sustainable investment due to differing calculation methodologies of sustainable investments and Taxonomy-aligned investments.

In which economic sectors were the investments made?

Sector / *Sub-Sector*	**% Assets**
Government	64.01%
Other	27.18%
Financials	10.34%
Health Care	2.38%
Communication Services	2.21%
Information Technology	1.56%
Utilities	0.64%
Consumer Discretionary	0.60%
Cash & Derivatives	-8.91%
Total	100.00%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

0.36% of the Sub-Fund's investments were deemed sustainable investments with an enviromental objective aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

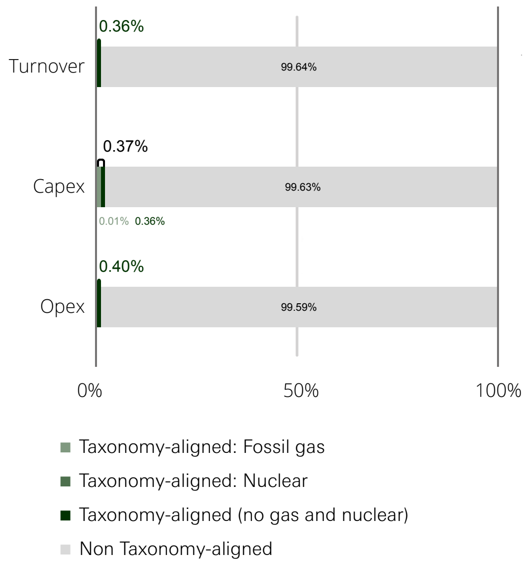
☑ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

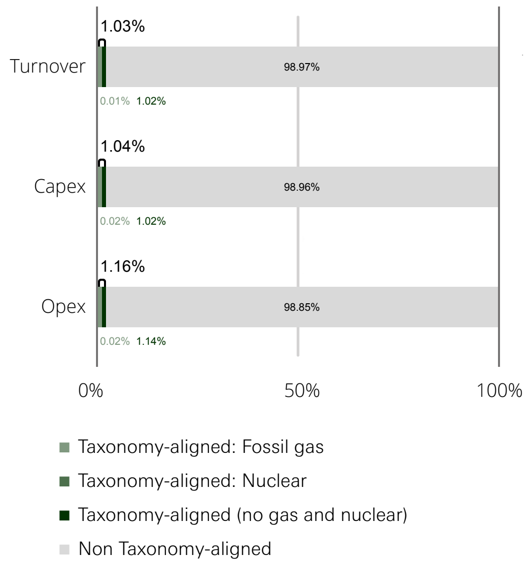
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 35.42% of the total investments.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

For the reference period the Sub-Fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.00%.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Indicator	2023-24	2022-23
Revenue - Taxonomy-aligned: Fossil gas	0.00%	0.00%
Revenue - Taxonomy-aligned: Nuclear	0.00%	0.00%
Revenue - Taxonomy-aligned (no gas and nuclear)	0.36%	0.36%
Revenue - Non Taxonomy-aligned	99.64%	99.64%
CAPEX - Taxonomy-aligned: Fossil gas	0.01%	0.01%
CAPEX - Taxonomy-aligned: Nuclear	0.00%	0.00%
CAPEX - Taxonomy-aligned (no gas and nuclear)	0.36%	0.36%
CAPEX - Non Taxonomy-aligned	99.63%	99.63%
OPEX - Taxonomy-aligned: Fossil gas	0.00%	0.00%
OPEX - Taxonomy-aligned: Nuclear	0.00%	0.00%
OPEX - Taxonomy-aligned (no gas and nuclear)	0.40%	0.40%
OPEX - Non Taxonomy-aligned	99.59%	99.59%

are sustainable investments with an environmental objective that **do not take into account the criteria for** environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The sustainable investments with an environmental objective not aligned with the EU Taxonomy were 7.58%. Due to lack of coverage and data, the Sub-Fund did not commit to making any EU Taxonomy aligned investments.

What was the share of socially sustainable investments?

The Sub-Fund did not invest in socially sustainable investments.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Bonds with a Credit Rating of Ba1 / BB+ / BB+ and below and which may be callable, cash and money market instruments including bills, commercial paper and certificates of deposits for ancillary liquidity purposes, and units or shares of CIS may have been used for hedging, EPM and cash management purposes in respect of which there were no minimum environmental and/or social safeguards. Securitized assets, such as Mortgage-Backed Securities, Asset-Backed Securities and Commercial Mortgage-Backed Securities may have been held, in respect of which there were no minimum environmental and/or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Sub-Fund was passively managed and aimed to track the performance of the Index while minimising as far as possible the tracking error between the Sub-Fund’s performance and that of the Index and promoting ESG characteristics within the meaning of Article 8 of SFDR. The Sub-Fund used optimisation techniques which take account of tracking error and trading costs when constructing a portfolio.

The Sub-Fund invested in bonds (i) government/agency/supranational bonds (developed and emerging markets) which did not embed a derivative and/or leverage; and (ii) corporate Investment Grade bonds, corporate emerging market bonds, asset backed securities ("ABS"), mortgage backed securities ("MBS"), commercial mortgage backed securities ("CMBS") and covered bonds all of which may have been callable. The financial derivative instruments ("FDIs") which the Sub-Fund may have used were financial futures, foreign exchange contracts (including currency swaps, spot, and forward contracts) and credit default swaps.

The Sub-Fund did not invest more than 10% of its net assets in CIS which may have included units or shares of CIS that were managed directly or indirectly by the Investment Manager. The Sub-Fund may have invested in the units or shares of CIS which mainly invest in securities included in the Index to gain indirect exposure to such securities.

The Index measured the performance of Global Investment Grade debt from a number of local currency markets, across three groups of bonds. The currency of the Index was USD and returns were hedged to that currency. The Index was measured by total return, is market value weighted and rebalanced monthly.

The Index grouped each bond issuance into the following three buckets:
1. Government Bonds: Treasuries, Sovereigns and Local Authorities;
2. Credit: Corporates, Agencies, Supranational and Covered bonds; and
3. Securitised: MBS, ABS and CMBS

The Index then sought to achieve a reduction in carbon emissions and an improvement of the MSCI ESG rating against that of the Parent Index through the government and credit buckets of the Index. The Index was bucket-neutral to the Parent Index and no screens or tilting were applied to the securitised bucket.

The Government bucket included investment grade, fixed rate, taxable securities issued by treasury issuers from both developed and emerging markets issuers and used a 'market size aware' ESG tilting approach to tilt country allocations above or below their market value weights on a monthly basis.

The weight of each Index-eligible constituent was adjusted by a fixed multiplier which was determined by the market value weight the issuing country held within the Parent Index along with its MSCI Government ESG score (0-10). The MSCI Government ESG scores were determined based on an assessment of a country's exposure to and management of ESG risks. Efficiency of resource utilisation, performance on socio-economic factors, financial management, corruption control, political stability and other factors defined the parameters for measuring a countries ESG risk management.
HSBC Asset Management is a signatory of the UN Principles of Responsible Investment and UK Stewardship Code. The HSBC Asset Management's stewardship team met with companies regularly to improve the understanding of their business and strategy, signal support or concerns we have with management actions and promote best practice.

Further information on shareholder engagement and voting policy can be found on our website: https://www.assetmanagement.hsbc.co.uk/en/individual-investor/about-us/responsible-investing/policies

How did this financial product perform compared to the reference benchmark?

See below for details on how the Sub-Fund performed compared to the reference benchmark.

- ***How does the reference benchmark differ from a broad market index?***

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Index measures the performance of Global Investment Grade debt from a number of local currency markets, across three groups of bonds. The currency of the Index is USD and returns are hedged to that currency. The Index is measured by total return, is market value weighted and rebalanced monthly.

The Index groups each bond issuance into the following three buckets:

1. Government Bonds: Treasuries, Sovereigns and Local Authorities
2. Credit: Corporates, Agencies, Supranational and Covered bonds
3. Securitised: MBS, ABS and CMBS

The Index then seeks to achieve a reduction in carbon emissions and an improvement of the MSCI ESG rating against that of the Parent Index through the government and credit buckets of the Index. The Index is bucket-neutral to the Parent Index and no screens or tilting is applied to the securitised bucket.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

In seeking to achieve its investment objective, the Sub-Fund invests in the constituents of the Index in generally the same proportions in which they were included in the Index.

In doing so, the performance of the sustainability indicators of the Sub-Fund was similar to the performance of the sustainability indicators of the Index, as shown below.

How did this financial product perform compared with the reference benchmark?

Indicator	Sub-Fund	Reference Benchmark
ESG Score	7.06	6.95
GHG Intensity (Scope 1 & 2)	13.67	29.45

The data is based on the four-quarter average holdings of the financial year ending on 31 December 2024.

Reference Benchmark - Bloomberg MSCI Global Aggregate SRI Carbon ESG-Weighted Select

How did this financial product perform compared with the broad market index?

Indicator	Sub-Fund	Broad Market Index
ESG Score	7.06	5.88
GHG Intensity (Scope 1 & 2)	13.67	84.19

The data is based on the four-quarter average holdings of the financial year ending on 31 December 2024.

Broad Market Index - Bloomberg Global Aggregate Index