

**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 NASDAQ Global Climate Tech UCITS ETF **Legal Entity Identifier:** 213800DKCS3RGHPANZ73

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> <u>  </u>%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> <u>  </u>%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b></p> <p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 74.39% of sustainable investments</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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### To what extent were the environmental and/or social characteristics promoted by this financial product met?

In replicating the performance of the NASDAQ CTA Global Climate Technology Index (the "Index"), the Fund met the environmental and/or social characteristics through the following measures:

- the promotion of climate technology by investing in companies where the objective of the company is instrumental in transitioning to a carbon neutral global economy ("Climate Technology").

The Fund sought to achieve the promotion of these characteristics by replicating the performance of the Index which comprises, amongst other things, companies considered as "Enablers", "Enhancers" and "Engagers" (as defined by the Index Provider and further explained below) in the Climate Technology space and which applies a number of ESG related exclusions, which include controversial weapons, cannabis, thermal coal, oil & gas, severe ESG controversies and companies which do not adhere to the UNGC principles.

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

The Index has been designated as a reference benchmark for the purpose of attaining the environmental and social characteristics promoted by the Fund.

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

The performance of the sustainability indicators used to measure the attainment of the environmental and/or social characteristics promoted by the Fund can be seen in the table below. The sustainability indicators were calculated by the Investment Manager and utilises 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?***

<b>Sustainability Indicator</b>	<b>Fund</b>	<b>Reference Benchmark</b>
Proportion invested in Climate Technology companies as defined by the Consumer Technology Association	99.6%	100%

The data in this SFDR Periodic Report is based on the four-quarter average holdings of the financial year ending on 31 December 2025.

Reference Benchmark - NASDAQ CTA Global Climate Technology Index

● ***...and compared to previous periods?***

<b>Sustainability Indicator</b>	<b>Period Ending</b>	<b>Fund</b>	<b>Reference Benchmark</b>
Proportion invested in Climate Technology companies as defined by the Consumer Technology Association	31 December 2025	99.6%	100%
	31 December 2024	NA	NA
	31 December 2023	NA	NA

The data in this SFDR Periodic Report is based on the four-quarter average holdings of the financial year ending on 31 December 2025.

Reference Benchmark - NASDAQ CTA Global Climate Technology Index

● ***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 sustainable investments made by the Fund contributed to one or more of the following environmental and/or social objectives:

- Transition to a lower carbon economy;
- Supporting research and financing of technology, resources and supply chain improvements relating to climate change mitigation and/or adaptation;
- Supporting the enhancement of the United Nations Sustainable Development Goals (“UN SDGs”); and
- Adopting the highest level of environmental and social practices, ranging from the approach to climate change mitigation to board gender diversity.

Investments were considered sustainable if they made a positive contribution to an environment or social objective in accordance with the Investment Manager’s sustainable investment policy. A sustainable investment’s contribution to these objectives was determined by meeting one or more of the following criteria:

- Classification as net zero aligned, or better, by the Investment Manager’s net zero investment framework;
- Best in class environmental and / or social scores in the investment’s respective universe, as determined by the Investment Manager;
- Generation of sustainable revenues, which are those generated from activities that the Investment Manager regarded as supporting the enhancement of the UN SDGs, EU

Taxonomy objectives or other climate related activities.

Further information can be found in HSBC’s Responsible Investing Methodologies document. This is available on: [www.assetmanagement.hsbc.com/about-us/responsible-](http://www.assetmanagement.hsbc.com/about-us/responsible-investing)

investing, by selecting your location and then choosing Policies and Disclosures.

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

The sustainable investments in the Fund were assessed against the principle of do no significant harm (“DNSH”) to ensure they did not significantly harm any environmental or social objective. This included taking into account principal adverse impacts (“PAIs”) as further described below.

In addition, companies earning 50% or more of their revenue from adult entertainment, gambling, alcohol, and those identified as involved in severe controversies by a third-party research provider, did not pass the DNSH principle. The DNSH principle applied only to the investments in the Fund deemed sustainable.

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

The mandatory PAIs as defined in Table 1 of Annex 1 of the regulatory technical standards for Regulation 2019/2088 were used to assess whether the sustainable investments of the Fund were significantly harming the environmental or social objective.

To support the DNSH assessment, quantitative criteria was established across the PAIs.

**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.

In instances where data was either non-existent or not sufficient, either a qualitative review and/or a relevant proxy may have been used as an alternative. Where a company was determined to cause or contribute to significant harm, it may still have been held within the Fund but did not count toward the portion of 'sustainable investments' within the Fund.

Further information on the mandatory principal adverse impact indicators, as well as the data sources and limitations, can be found in HSBC's User Guide on Principal Adverse

Indicators. This is available on: [www.assetmanagement.hsbc.com/about-us/responsible-investing](http://www.assetmanagement.hsbc.com/about-us/responsible-investing), by selecting your location and then choosing Policies and Disclosures.

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

The Investment Manager used a combination of third party research and its own ESG due diligence to monitor sustainable investments for involvement in controversies which included potential breaches of UNGC principles. As part of this monitoring, there was assessment against international standards including the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and UN Guiding Principles on Business and Human Rights.

HSBC Asset Management is also a signatory of the UN Principles of Responsible Investment.

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?**

This Fund did not consider principal adverse impacts.



## 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 31/12/2025

<b>Largest Investments</b>	<b>Sector</b>	<b>% Assets</b>	<b>Country</b>
GE Vernova Inc.	Industrials	4.90%	United States of America
Analog Devices, Inc.	Information Technology	4.60%	United States of America
Tesla, Inc.	Consumer Discretionary	4.52%	United States of America
Eaton Corp. Plc	Industrials	4.48%	United States of America
Schneider Electric SE	Industrials	4.48%	France
ABB Ltd.	Industrials	4.12%	Switzerland
Deere & Company	Industrials	4.09%	United States of America
Johnson Controls International plc	Industrials	4.01%	United States of America
Trane Technologies plc	Industrials	3.49%	United States of America
Emerson Electric Co.	Industrials	3.14%	United States of America
BYD Company Limited Class H	Consumer Discretionary	3.01%	China
Contemporary Amperex Technology Co., Limited Class A	Industrials	2.93%	China
Delta Electronics, Inc.	Information Technology	2.92%	Taiwan

Cash and derivatives were excluded

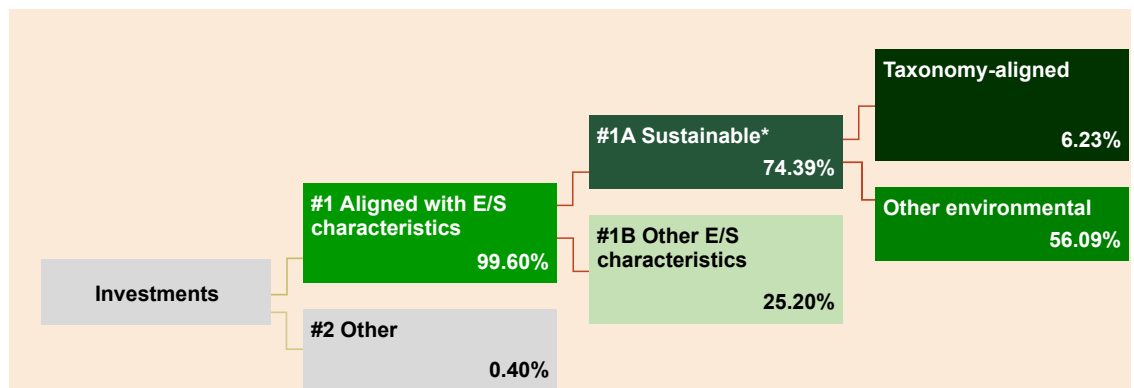


## What was the proportion of sustainability-related investments?

74.39% 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
Industrials	54.68%
Information Technology	20.41%
Consumer Discretionary	13.40%
Materials	5.83%
Utilities	4.86%
<i>Electric Utilities</i>	2.15%
Cash & Derivatives	0.40%
Financials	0.23%
Energy	0.12%
<i>Oil &amp; Gas Equipment &amp; Services</i>	0.07%
<i>Oil &amp; Gas Refining &amp; Marketing</i>	0.05%
Consumer Staples	0.06%
Health Care	0.01%
Total	100.00%



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

6.23% of the Fund's investments were deemed sustainable investments with an environmental 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<sup>1</sup>?

Yes:

In fossil gas       In nuclear energy

No

<sup>1</sup> 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.

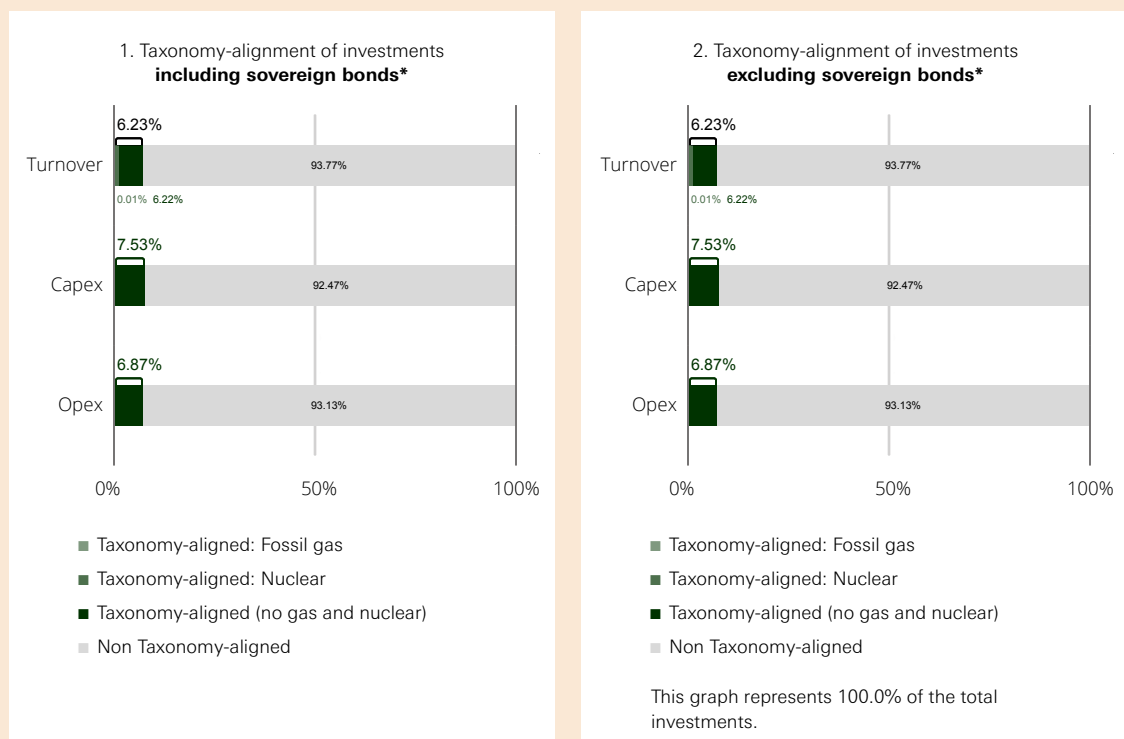
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

**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.


*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.*



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

For the reference period the Fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 4.59%.

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

 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.

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

Indicator	2024-25	2023-24	2022-23
Revenue - Taxonomy-aligned: Fossil gas	0.00%	0.00%	0.00%
Revenue - Taxonomy-aligned: Nuclear	0.01%	0.00%	0.01%
Revenue - Taxonomy-aligned (no gas and nuclear)	6.22%	0.00%	2.80%
Revenue - Non Taxonomy-aligned	93.77%	100.00%	97.19%
CAPEX - Taxonomy-aligned: Fossil gas	0.00%	0.00%	0.00%
CAPEX - Taxonomy-aligned: Nuclear	0.00%	0.00%	0.00%
CAPEX - Taxonomy-aligned (no gas and nuclear)	7.53%	0.00%	4.14%
CAPEX - Non Taxonomy-aligned	92.47%	100.00%	95.86%
OPEX - Taxonomy-aligned: Fossil gas	0.00%	0.00%	0.00%
OPEX - Taxonomy-aligned: Nuclear	0.00%	0.00%	0.00%
OPEX - Taxonomy-aligned (no gas and nuclear)	6.87%	0.00%	4.47%
OPEX - Non Taxonomy-aligned	93.13%	100.00%	95.53%



**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 56.09%. The Fund did not commit to making any EU Taxonomy aligned investments.



**What was the share of socially sustainable investments?**

The 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?**

Cash and other instruments such as American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts, Eligible Collective Investment Schemes and/or financial derivative instruments may have been used for liquidity, hedging and efficient portfolio management 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 Fund was passively managed. The investment objective of the Fund was to replicate the performance of the Index, while minimising as far as possible the tracking error between the Fund's performance and that of the Index. In replicating the performance of the Index, the Fund promoted certain environmental, social and/or governance characteristics and had been categorised as an Article 8 fund for the purpose of SFDR.

The Index was a modified free float market capitalisation-weighted index designed to measure the performance of a selection of companies in the global climate technology sector which were instrumental in the transition to a carbon neutral global economy, as determined by the Index Provider. The companies were selected for inclusion in the Index based on classification by the Consumer Technology Association ("CTA"), as further detailed below.

1. A company must be classified by the CTA as a Climate Technology company, specifically as belonging to one of the below categories, in order to include it in the Index.

Enablers:

Power Sources & Power Storage - Companies classified as Power Sources and Power Storage enable the transition toward cleaner sources of energy across the economy including within industry, buildings (e.g. residential and commercial) and transportation. Power Sources and Power Storage include companies involved in biofuels, battery technology, fuel cells, green hydrogen, power management (including power-focused semiconductors) and renewable power generation (e.g. hydroelectric, solar and wind power).

Engagers:

Climate Infrastructure – Companies classified as Climate Infrastructure are engaged in technologies focused on reducing the carbon impact of commercial, industrial and residential buildings including advanced building materials and mechanical systems (e.g. heating, cooling, ventilation, plumbing and electric), electric vehicle charging infrastructure (e.g. public and private charging solutions), process improvements (e.g. agricultural, electrical and material technologies that improve the carbon impact of existing construction methods) and smart cities/grid (e.g. grid communication and intelligence, load control, smart metering).

Enhancers:

Adaptation – Companies classified as Adaptation provide consulting, engineering and/or software solutions to clients in order to design, construct and retrofit projects within industry, buildings and transportation including advancements in renewable power delivery, power generation and power use.

AgTech & FoodTech - Companies classified as AgTech & FoodTech are principally engaged in technology related to reducing carbon and methane emissions through the development of products intended to displace conventional meat consumption (e.g. alternative/plant-based proteins and cellular agriculture to displace beef, chicken, pork, turkey, etc.) as well as technologies designed to reduce the intensity of traditional farming methods and their related logistical/transportation impacts through engagement in indoor and vertical farming methods.

Transportation – Companies classified as Transportation are enhancing the development of less carbon intensive transportation products (e.g. battery, fuel cell, renewable power) including macromobility (e.g. passenger aircraft, buses, trains and other forms of mass transit) and micromobility (air mobility taxis/vertical take-off and landing plans vehicles, passenger cars and motorcycles, delivery/fleet/logistics/last-mile trucks and vehicles).

The following criteria is then applied to the Initial Investable Universe to create the Index:

1. To be eligible for inclusion in the Index:

- a) securities must have a free float market capitalisation of \$300 million; existing constituents must maintain a free float market capitalisation of \$240 million; and
- b) securities must have an average daily trading volume (ADTV) of \$1 million; existing constituents must have an ADTV of at least \$0.8 million.

2. The following ESG exclusions were applied:

- a) Companies involved in controversial weapons; b) Companies involved in power generation, power generation capacity or extraction relating to thermal coal; c) Companies which are non-compliant with the UN Global Compact Principles; d) Companies with a Sustainalytics controversies score of 5; e) Companies involved in oil and gas exploration and production, refining, transportation and/or storage; and f) Companies involved in cannabis production and/or with significant ownership of another company with involvement in the development and cultivation of cannabis.

What constitutes "involved" was determined by the Index Provider. Details of any revenue thresholds applicable to the ESG exclusions can be found in the Index methodology .

Each remaining security then received a Climate Technology Score which comprised the following: 9

- Thematic Revenue score - The Thematic Revenue Score is a quantitative assessment of each company's approximated revenue share derived from Climate Technology.
- Transition Score - The Transition Score is a qualitative assessment of each company's level of transition toward a fully carbon-neutral portfolio of products and services.
- Innovation score - The Innovation Score is a qualitative assessment of each company's impact toward achieving carbon neutrality.

All remaining companies were categorised as either: (i) Tier 1; (ii) Tier 2; or (iii) none of the former, based on their Climate Technology Score:

- A Tier 1 company generated at least 50% of its revenue from climate technology, as defined by the Index Provider (Thematic Revenue Score  $\geq 2$ ); and
- A Tier 2 issuer generated 25-50% of its revenue from climate technology ( $2 > \text{Thematic Revenue Score} \geq 1$ ), and the sum of its Transition Score and Innovation Score equaled 4 or higher.

All companies that met the liquidity criteria and were not otherwise excluded on ESG grounds and that were categorised as either Tier 1 or Tier 2 were included in the Index.

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 it had 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 Fund performed compared to the reference benchmark.

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

Index is a modified free float market capitalisation-weighted index designed to measure the performance of a selection of companies in global climate technology which are instrumental in the transition to a carbon neutral global economy, as determined by the Index Provider. The companies are selected for inclusion in the Index based on classification by Consumer Technology Association (CTA), as further detailed above.

### ● ***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 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 Fund was similar to the performance of the sustainability indicators of the Index, as shown below.

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

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

<b>Sustainability Indicator</b>	<b>Fund</b>	<b>Reference Benchmark</b>
Proportion invested in Climate Technology companies as defined by the Consumer Technology Association	99.6%	100%

The data in this SFDR Periodic Report is based on the four-quarter average holdings of the financial year ending on 31 December 2025.

Reference Benchmark - NASDAQ CTA Global Climate Technology Index

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

The Fund tracks a bespoke index that only selects companies in global climate technology universe, as such there is no Broad Market Index to compare against.

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