HSBC Asset Management

HSBC Index Tracker Investment Funds

Developed World Lower Carbon ESG Tilt Equity Index Fund (the "Fund")

SDR Consumer Facing Disclosure

Date: 14 January 2026
FCA Product Reference Number: 939248



Sustainability Approach

Investment objective: The Fund aims to track the performance of the FTSE Developed ESG Low Carbon Select Index (the 'Index') before the deduction of charges.

Sustainability characteristics:

By investing in the companies that make up the Index in the same, or very similar, proportions in which they are included in the Index, the Fund promotes the following sustainability characteristics:

- At the point of the annual rebalance each September, it aims to achieve an overall reduction in carbon emissions intensity and fossil fuel reserves being 50% less than average carbon emissions and fossil fuel reserves of the assets represented by the FTSE Developed Index (the 'Parent Index'); and
- At the point of the annual rebalance each September, it aims to achieve an overall improvement in the average FTSE Russell ESG rating being 20% higher than the average of the assets represented by the Parent Index.

The Index achieves this by removing companies involved in certain activities, as further explained in the **"What won't the Fund invest in?"** section, and a process known as "tilting". Tilting involves increasing or decreasing the proportion of the remaining companies until the overall aims are met.

These reductions and improvements are targeted once a year, meaning throughout the year the levels achieved may vary.

What won't the Fund invest in?

Companies are removed from the Index and therefore the Fund, due to certain criteria. Some companies are excluded if they have any involvement in a certain activity, for others a threshold applies. For example, companies may be excluded if over 10% of their revenues are generated from the activity. Companies are excluded if identified as involved in the following activities:

- providing core weapons systems, or components/services that are considered tailor-made and essential for banned and controversial weapons or providing tailor-made products and/or services that support military weapons or companies manufacturing military weapon systems and/or integral, tailor-made components for conventional military weapons;
- the manufacturing of tobacco products, or the distribution or retail sales of tobacco products;
- producing adult entertainment and/or owning/operating adult entertainment establishments or distributing adult entertainment materials;
- owning and/or operating a gambling establishment, manufacturing specialised equipment used exclusively for gambling or providing supporting products/services to gambling operations;
- thermal coal extraction or electricity generation from thermal coal or from nuclear power; and
- controversies related to the United Nations Global Compact (UNGC) principles.

Does this Fund have a sustainability label?

This Fund does not have a UK sustainable investment label since the Index it tracks has not been designed to meet the FCA's specific label requirements. Sustainable investment labels help investors find products that have a specific sustainability goal. The use of sustainability labels is voluntary and requires funds to meet specific requirements set out by the FCA, introduced as part of its Sustainability Disclosure Requirements (SDR).

Although the Fund does not have a sustainability label, it does have some sustainability characteristics. These are described in the **"Sustainability characteristics"** section above.

Source: HSBC Asset Management, data as at 30 November 2025

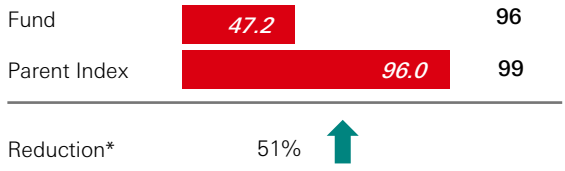
Sustainability Metrics

Weighted Average Carbon Intensity ('WACI')

Carbon intensity

(Scope 1+2 CO_2e/USDmn, S&P Trucost)





Carbon intensity measures the quantity of carbon emissions per million dollars of an issuer of a financial investment. It is a measure of environmental efficiency of an issuer, measuring issuer carbon emissions, relative to issuer economic output.

Weighted Average Carbon Intensity is the sum of all issuer carbon intensity, weighted by the allocation to that issuer. A lower figure represents a more favourable outcome.

The Index aims to achieve a 50% reduction in comparison to the Parent Index at the point of annual rebalance in September.

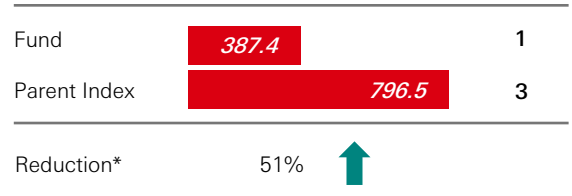
Source: S&P Trucost

Fossil Fuel Reserves Intensity

Fossil Fuel Reserves

(Tonnes CO_2e/USD million Market Cap)





Fossil Fuel Reserves Intensity describes the quantities of greenhouse gas emissions that could be generated if the proven and probable fossil fuel reserves owned by companies were realised and burned.

A lower figure represents a more favourable outcome.

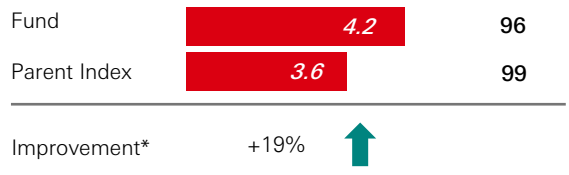
The Index aims to achieve a 50% reduction in comparison to the Parent Index at the point of annual rebalance in September.

Data source: S&P Trucost

FTSE Russell ESG Rating

FTSE Russell ESG Rating





FTSE Russell ESG ratings are a measure of the overall quality of a company's management of issues associated with three ESG pillars, being environmental, social, and governance, whereby each pillar has several themes against which companies are assessed. Themes range from climate change to health and safety and tax transparency. Several underlying indicators are used to determine the overall FTSE Russell ESG rating. A higher FTSE Russell ESG Rating indicates more favorable management of ESG issues, in the view of FTSE Russell.

The Index aims to achieve a 20% improvement in comparison to the Parent Index at the point of annual rebalance in September.

Source: FTSE Russell

* The levels of reduction or improvement will vary throughout the year and may be larger or smaller than the aims set at the annual rebalance.
** Fossil Fuel Reserves Intensity data is sector specific, focusing on the Industrial Metals and Mining, Precious Metals and Mining, and Oil Gas & Coal sectors. Other sectors do not have this type of data and will therefore be uncovered by definition.

Where can I find out more information?

This SDR Consumer Facing Disclosure must be read together with the Prospectus and importantly, the Fund's Sustainability-related Pre-contractual disclosures found within Appendix 1. Further information on the potential risks and associated costs and charges of investing in the Fund can be found in the Key Investor Information Document (KIID) and the Prospectus available on our website, www.assetmanagement.hsbc.co.uk, select "Fund Centre" and locate and select the Fund from the list of funds. The Authorised Corporate Director has published an SDR entity report which is available here. The Authorised Corporate Director will also publish an SDR product report in line with the timescales set out by the FCA. This will be available on the Fund Centre.



Legal disclosure

The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate. Stock market investments should be viewed as a medium to long term investment and should be held for at least five years. Any performance information shown refers to the past and should not be seen as an indication of future returns.

The Fund is a sub-fund of HSBC Index Tracker Investment Funds, an Open Ended Investment Company that is authorised in the UK by the Financial Conduct Authority. The Authorised Corporate Director is HSBC Asset Management (Fund Services UK) Limited and the Investment Manager is HSBC Global Asset Management (UK) Limited. All applications are made on the basis of the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and most recent annual and semi-annual reports, which can be obtained upon request free of charge from Authorised Corporate Director, at 8 Canada Square, Canary Wharf, London, E14 5HQ, UK or the local distributors.

Approved for issue in the UK by HSBC Asset Management (Fund Services UK) Limited, which is authorised and regulated by the Financial Conduct Authority.

Source: HSBC Asset Management, data as at 30 November 2025