# SFC ESG related disclosure for the year ended 31 March 2024

Fund's Carbon Footprint including formula

HSBC Collective Investment Trust - HSBC India Multi Income Fund

**Carbon Footprint**

| | Corporate | | |
|---|---|---|---|
| **Corporate Carbon Footprint*** | **Carbon Footprint** | **Coverage** | **Holdings Weight** |
| **Fund** | 282.64 | 57% | 63% |

*** Expessed in CO2e/USDmn invested using Scope 1+2 Carbon Emissions**
**Source: S&P Trucost**

### Corporate Carbon Footprint (tonnes $CO_2$e/USD mn) :

The GHG emissions apportioned to the portfolio per million USD owned by the portfolio. Each holding's contribution to the carbon footprint of the portfolio is calculated on an equity ownership basis using the Enterprise Value (EVIC) of the companies. The carbon footprint of the fund is the sum of these contributions, normalised by amount owned.

$$\frac{\sum_{n}^{i}\left(\frac{current\ value\ of\ investment_{\mathrm{i}}}{investee\ company's\ enterprise\ value_{\mathrm{i}}} \times investee\ company's\ Scope\ 1\ and\ 2\ GHG\ emissions_{\mathrm{i}}\right)}{current\ value\ of\ all\ investments\ (\$M)}$$

**Coverage:**
This indicates the proportion of the fund for which data can be sourced.

Assumption/data limitation:

This GHG consists to sum of the carbon emissions (scope 1, 2 and 3) of issuer divided by enterprise value, multiplied by the weight of the investment. Enterprise Value, including cash (EVIC) in million Euro are sourced from AM's reporting vendor FactSet. It is a measure of carbon emissions ownership, as it takes into account the proportion of emissions per investment, relative to the total size of the issuer value. However, carbon footprint can fluctuate without a change in carbon emissions as a result of changes in issuer value. Total carbon footprint is the sum of all issuer carbon footprint, divided by the value of the portfolio.

Data limitation: Carbon emissions (Scope 1, 2 & 3) are primarily based on company carbon disclosures, or estimated by S&P Trucost in the absence of company reports. It is worth noting the lack of coverage of scope 3 GHG emissions and some niche asset classes (such as Small

Caps, High Yield or emerging markets issuers). These gaps are due to companies not reporting emissions and it is not appropriate to estimate non-reported emissions for niche asset classes or sub-industries.

It is important to note that we decided to zero down the carbon emission for internally approved green bonds - i.e. green bonds for which “greenness” has been ascertained and approved by a fully-fledged HSBC AM committee. This option has been set in the absence of a more accurate and systematic assessment which would consist in applying to the concerned bond a reduced CHG emissions based on the financed projects / use of proceeds. The same abatement ("zeroing") will apply similarly to portfolio position and corresponding benchmark components.