

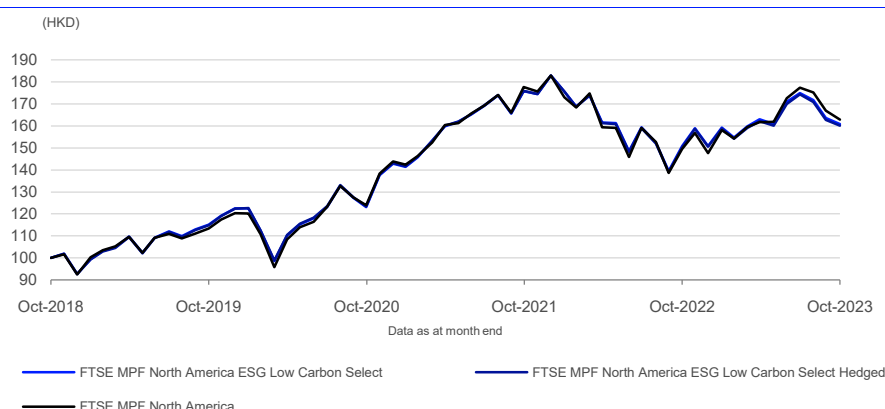
# FTSE MPF North America ESG Low Carbon Select Index

Data as at: 31 October 2023

The FTSE MPF North America ESG Low Carbon Select Index is constructed from the underlying FTSE MPF North America Index by applying tilts to achieve sustainable investment objectives. The index targets 50% reduction in carbon emissions intensity, 50% reduction in fossil fuel reserve intensity and 20% uplift in ESG ratings on the index level, and excludes companies involved with controversial product activities – weapons, thermal coal, tobacco, nuclear power generation, gambling, adult entertainment and companies involved with controversies related to the UN Global Compact principles.

The FTSE MPF North America ESG Low Carbon Select Index accurately reflects regulatory requirements, permitted investment markets and asset classes as well as accounting for any dividend withholding tax rates and investment restrictions applied to the MPF system.

## 5-Year Performance - Total Return



## Performance and Volatility - Total Return

Index (HKD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE MPF North America ESG Low Carbon Select	-8.1	-1.3	6.7	6.7	30.7	60.9	9.3	10.0	14.4	16.0	18.2
FTSE MPF North America ESG Low Carbon Select Hedged	-8.2	-1.3	6.3	6.5	29.7	60.1	9.1	9.9	14.4	16.0	18.1
FTSE MPF North America	-8.2	0.7	10.3	8.9	31.4	62.9	9.5	10.3	15.3	17.3	19.1

\* Compound annual returns measured over 3 and 5 years respectively

\*\* Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

## Year-on-Year Performance - Total Return

Index % (HKD)	2018	2019	2020	2021	2022
FTSE MPF North America ESG Low Carbon Select	-3.3	32.2	16.6	28.0	-17.6
FTSE MPF North America ESG Low Carbon Select Hedged	-3.5	32.1	17.0	27.7	-17.7
FTSE MPF North America	-5.5	30.3	19.4	27.2	-19.3

## FEATURES

### Objective

The index has been designed for the creation of index tracker funds and ETFs, and as a tool to enable performance comparisons with the many MPF funds currently available in Hong Kong.

### Investability

Stocks in the underlying universe are screened for liquidity and are free float adjusted to ensure the index is tradable.

### Tax adjusted

The total return indexes are calculated using the actual withholding tax rates applicable to MPF funds. The tax rates are available from FTSE Russell.

### Capping

The indexes are subject to a 9 per cent limit on the size of constituents included in an index on a monthly basis.

### Eligible Securities

The indexes only include eligible securities listed on stock exchanges approved by the MPFA. Securities which are not fully permissible under the MPFA Guidelines, such as Stapled securities, REITs which are not approved by MPFA, Unit Trusts, Receipts or Certificates with unlisted underlying shares etc., are not eligible for inclusion.

### Currency Hedging

The MPF regulations stipulate that at least 30 per cent of a fund's exposure must be to Hong Kong dollar risk assets. The FTSE MPF North America index will hedge non-Hong Kong dollar currency exposure in the indexes in excess of 65 per cent to ensure they stay well within the regulations. An unhedged index is also available.

Return/Risk Ratio and Drawdown - Total Return

Index (HKD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE MPF North America ESG Low Carbon Select	0.4	0.5	0.5	-	-10.2	-24.6	-33.4	-
FTSE MPF North America ESG Low Carbon Select Hedged	0.4	0.5	0.5	-	-10.3	-24.8	-33.2	-
FTSE MPF North America	0.6	0.4	0.5	0.7	-9.9	-24.8	-34.4	-34.4

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table  
Drawdown - based on daily data

Top 10 Constituents

Constituent	Country	ICB Industry	Net MCap (HKDm)	Wgt %
Microsoft Corp	USA	Technology	25,133,498	9.53
Apple Inc.	USA	Technology	23,227,397	8.81
Johnson & Johnson	USA	Health Care	23,035,585	8.73
Visa	USA	Industrials	19,376,961	7.35
Cisco Systems	USA	Telecommunications	11,908,192	4.52
Nvidia	USA	Technology	6,168,868	2.34
Amazon.Com	USA	Consumer Discretionary	6,093,718	2.31
Linde plc	USA	Basic Materials	4,540,407	1.72
Intel Corp	USA	Technology	4,398,146	1.67
Royal Bank Of Canada	Canada	Financials	4,193,832	1.59
Totals			128,076,603	48.56

Country Breakdown

Country	No. of Cons	Net MCap (HKDm)	Wgt %
Canada	21	9,705,808	3.68
USA	426	254,036,915	96.32
Totals	447	263,742,723	100.00

ICB Industry Breakdown

ICB Code	ICB Industry	No. of Cons	Net MCap (HKDm)	Wgt %
10	Technology	54	82,225,936	31.18
15	Telecommunications	9	16,565,512	6.28
20	Health Care	49	40,250,354	15.26
30	Financials	75	37,087,046	14.06
35	Real Estate	26	1,933,319	0.73
40	Consumer Discretionary	64	23,346,279	8.85
45	Consumer Staples	34	10,205,149	3.87
50	Industrials	70	36,242,195	13.74
55	Basic Materials	23	9,441,091	3.58
60	Energy	27	5,361,789	2.03
65	Utilities	16	1,084,055	0.41
Totals		447	263,742,723	100.00

INFORMATION

Index Universe

FTSE MPF North America Index

Index Launch

26 October 2022

Base Date

30 September 2014

Base Value

1000

Index Calculation

End-of-Day indexes available

End-of-Day Distribution

The Index is available on the next day at 11:00 Hong Kong local time (03:00 London Time) via FTP and email

Currency

HKD

Review Dates

Annually in September

Index Characteristics

Attributes	FTSE MPF North America ESG Low Carbon Select
Number of constituents	447
Net MCap (HKDm)	263,742,723
Dividend Yield %	1.37
Constituent Sizes (Net MCap HKDm)	
Average	590,028
Largest	25,133,498
Smallest	6,669
Median	101,662
Weight of Largest Constituent (%)	9.53
Top 10 Holdings (% Index MCap)	48.56

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