

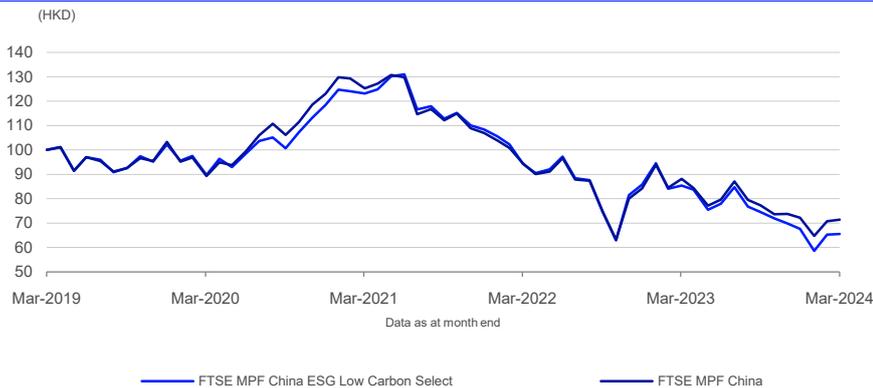
FTSE MPF China ESG Low Carbon Select Index

Data as at: 29 March 2024

The FTSE MPF China ESG Low Carbon Select Index is constructed from the underlying FTSE MPF China 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 China 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 China ESG Low Carbon Select | -3.2 | -12.2 | -3.2 | -23.4 | -46.8 | -34.5 | -19.0 | -8.1 | 24.1 | 25.4 | 25.3 |
| FTSE MPF China | -1.1 | -7.7 | -1.1 | -19.1 | -43.0 | -28.6 | -17.1 | -6.5 | 21.8 | 24.4 | 24.4 |

* 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) | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------------------------|------|------|-------|-------|-------|
| FTSE MPF China ESG Low Carbon Select | 18.6 | 15.9 | -8.4 | -20.9 | -21.1 |
| FTSE MPF China | 17.9 | 19.1 | -13.1 | -21.2 | -14.3 |

Return/Risk Ratio and Drawdown - Total Return

| Index (HKD) | Return/Risk Ratio | | | | Drawdown (%) | | | |
|--------------------------------------|-------------------|------|------|------|--------------|-------|-------|-------|
| | 1YR | 3YR | 5YR | 10YR | 1YR | 3YR | 5YR | 10YR |
| FTSE MPF China ESG Low Carbon Select | -0.9 | -0.8 | -0.3 | - | -34.0 | -56.5 | -58.3 | - |
| FTSE MPF China | -0.8 | -0.7 | -0.3 | 0.0 | -29.1 | -52.3 | -56.6 | -56.6 |

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

Drawdown - based on daily data

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.

Top 10 Constituents

| Constituent | Country | ICB Industry | Net MCap (HKDm) | Wgt % |
|---|---------|------------------------|------------------|--------------|
| Alibaba Group Holding (P Chip) | China | Consumer Discretionary | 809,894 | 8.35 |
| Meituan Dianping (P Chip) | China | Technology | 707,861 | 7.30 |
| Zijin Mining Group (H) | China | Basic Materials | 464,306 | 4.79 |
| Ping An Insurance (H) | China | Financials | 434,032 | 4.48 |
| Xiaomi (P Chip) | China | Telecommunications | 410,635 | 4.23 |
| Yum China Holdings (P Chip) | China | Consumer Discretionary | 361,674 | 3.73 |
| Kuaishou Technology (P Chip) | China | Technology | 321,503 | 3.32 |
| China Construction Bank (H) | China | Financials | 304,563 | 3.14 |
| Industrial and Commercial Bank of China (H) | China | Financials | 231,919 | 2.39 |
| NetEase (P Chip) | China | Consumer Discretionary | 220,999 | 2.28 |
| Totals | | | 4,267,385 | 44.00 |

ICB Industry Breakdown

| ICB Code | ICB Industry | No. of Cons | Net MCap (HKDm) | Wgt % |
|---------------|------------------------|-------------|------------------|---------------|
| 10 | Technology | 62 | 1,414,696 | 14.59 |
| 15 | Telecommunications | 16 | 607,413 | 6.26 |
| 20 | Health Care | 59 | 780,720 | 8.05 |
| 30 | Financials | 85 | 2,035,025 | 20.98 |
| 35 | Real Estate | 20 | 267,706 | 2.76 |
| 40 | Consumer Discretionary | 62 | 2,409,325 | 24.84 |
| 45 | Consumer Staples | 32 | 442,196 | 4.56 |
| 50 | Industrials | 83 | 565,882 | 5.84 |
| 55 | Basic Materials | 33 | 772,704 | 7.97 |
| 60 | Energy | 19 | 143,920 | 1.48 |
| 65 | Utilities | 16 | 258,250 | 2.66 |
| Totals | | 487 | 9,697,838 | 100.00 |

Index Characteristics

| Attributes | FTSE MPF China ESG Low Carbon Select |
|-----------------------------------|--------------------------------------|
| Number of constituents | 487 |
| Net MCap (HKDm) | 9,697,838 |
| Dividend Yield % | 2.77 |
| Constituent Sizes (Net MCap HKDm) | |
| Average | 19,913 |
| Largest | 809,894 |
| Smallest | 379 |
| Median | 3,212 |
| Weight of Largest Constituent (%) | 8.35 |
| Top 10 Holdings (% Index MCap) | 44 |

INFORMATION

Index Universe

FTSE MPF China 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

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