

Investment for SDGs

National SDG Summit

Business Leaders Forum Session 6 Nov 2019

HSBC Amanah



HSBC
Amanah

PUBLIC

The Business Case for SDG Investment

Trillions of \$ of Investment

Access to Capital

First Mover Advantage

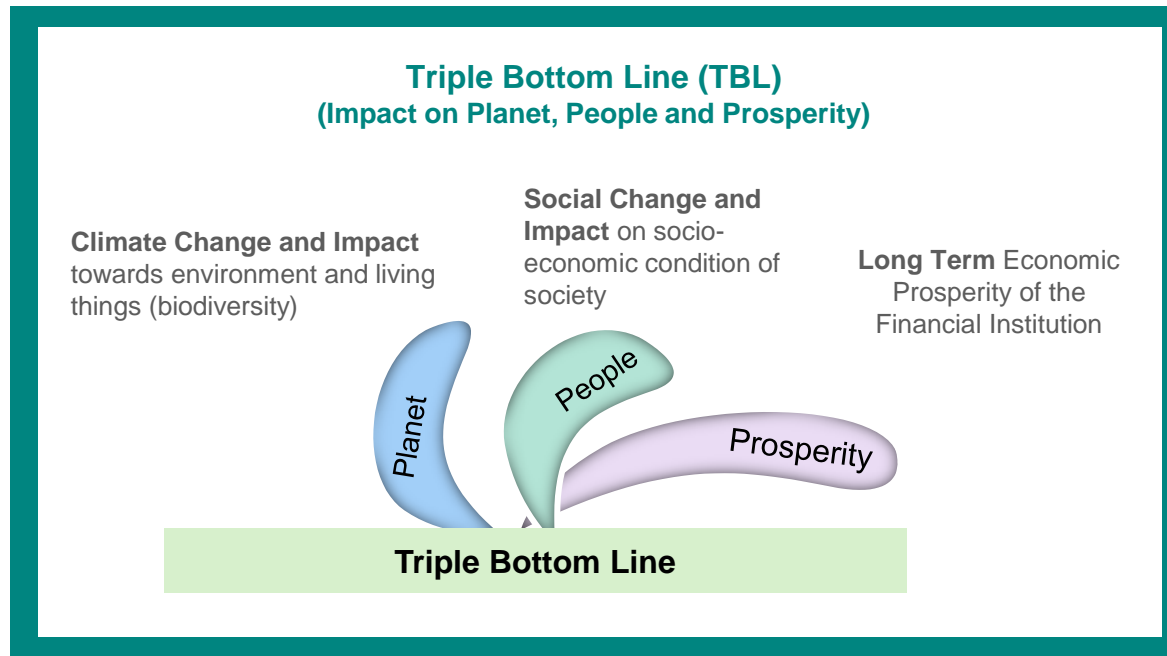
Access to Talent

Resilience & Cost

Partnerships & Ecosystem

Making Sustainability happen in HSBC Amanah (VBI: Quantitative Measures¹)

Examples		Translating into HSBC	
Category 1	ROE, ROA	Purely (long term) profit driven, the 'bottom line'	Meeting shareholder and analyst expectations
Category 2	Real Economy	Living HSBC Purpose	Measuring "enabling economies to prosper" with a long term view
Category 3	Triple Bottom Line	Positive focus HSBC Sustainability commitments	Actively growing activity in social and environmental impact



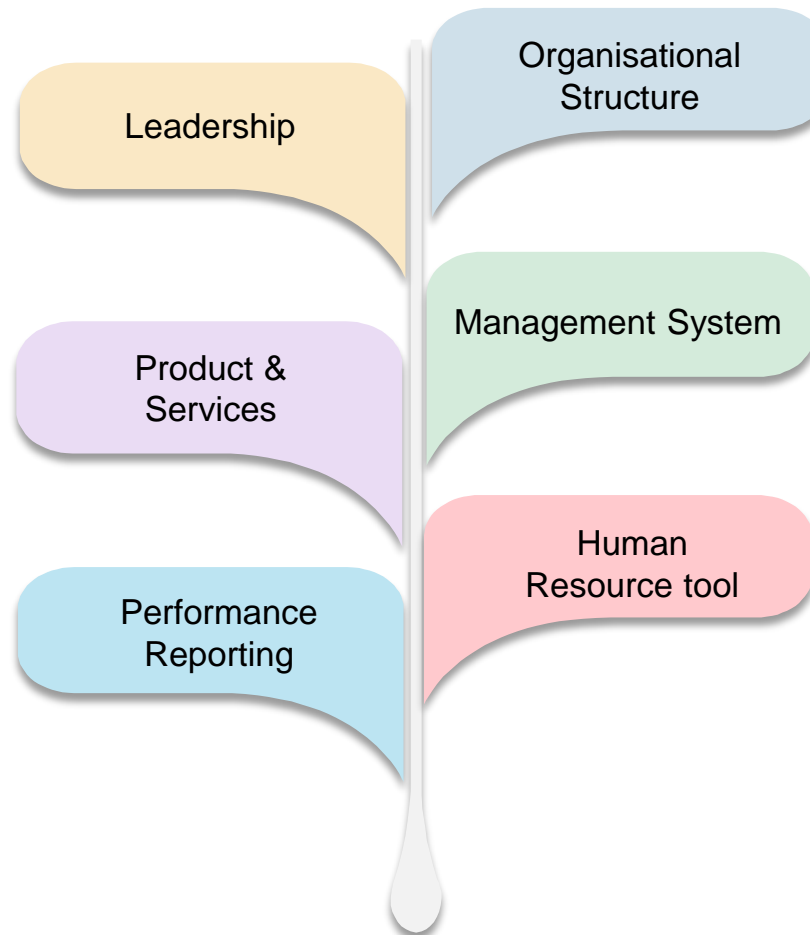
¹HSBC Amanah approach to Value Based Intermediation (VBI), which is an initiative by Central Bank of Malaysia.

Making Sustainability happen in HSBC Amanah (VBI: Qualitative Element¹)

Strategies & Policies (by board & senior management)

Process & Actions (by senior management & co-workers)

Translated to KPI results (through reporting & verification process)



¹HSBC Amanah approach to Value Based Intermediation (VBI), which is an initiative by Central Bank of Malaysia

HSBC UN SDG Bond Framework

In September 2015, the United Nations Sustainable Development Goals, known as the SDGs¹, were launched. It is a framework to end poverty and reverse human impacts for a more sustainable planet by 2050. The SDGs call for collaboration between all sectors: private, public, grass roots and governments.

HSBC SDG Bond framework is an example of our commitment to Sustainability and support for customers and clients in important area.

Proceeds from the issuance of bonds which comply with the SDG Bond Framework will be used in defined Eligible Sectors relating to the SDGs. Eligible Sectors under the framework are outlined in Blue as per below:



HSBC UN SDG Bond Framework & HSBC Bond & Sukuk report 2019 are publicly available at HSBC Investors website at <https://www.hsbc.com/investors/fixed-income-investors>



World 1st UN SDG Bond
of USD1.0bil issued in
Nov 2017



World 1st UN SDG Sukuk
of MYR 500mil issued in
Sept 2018

¹ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Products & Propositions developed by HSBC supporting Sustainability



Takaful FutureSecure

- ❖ A Takaful product that seeks to address social concerns on 'Wasiat' (will) inflexibilities
- ❖ Flexibility to provide Hiba to any members of the family



UN SDG Sukuk

- ❖ World 1st UN SDG Sukuk of MYR500mn
- ❖ Use of proceeds will be utilized to finance assets that are eligible under HSBC UN SDG Bond framework



ESG Islamic Structured Product

- ❖ An Islamic investment product
- ❖ Customers deposit to be invested into an ESG index.



Sustainability Linked Loans

- ❖ Margin of financing is based on company's ESG/ sustainability criteria performance
- ❖ New Life Plastics Ltd (HK), City Development Ltd (SG), Sydney airport (Aus), Cofco International Ltd (CN), Louis Dreyfus Company (USA)



Sustainable Supply Chain

- ❖ Sustainable Financing Programme that provides financial support and recognition for customers investing in eco-friendly equipment and adopt a sustainable way of doing business
- ❖ Some of the deals include Walmart, Puma



Green & Sustainable Financing

- ❖ Green financing solutions aligned to Green Loan Principles pillars (Use of proceed, identification of green project, management of proceeds, reporting)
- ❖ Financing to be used for projects with environmental benefit



UN SDG Bond

- ❖ World 1st UN SDG Bond of USD 1.0bn
- ❖ Use of proceeds will be utilized to finance assets that are eligible under HSBC UN SDG Bond framework

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