

## 獨立執業會計師的有限保證鑒證報告

## 致恒生銀行有限公司董事會

我們已對恒生銀行有限公司(「貴公司」)於二零二三年十二月三十一日為滙豐集團的7,500億至1萬億美元可持續發展融資及投資的抱負所作出的貢獻(「鑒證對象信息」)執行了有限保證的鑒證工作。

## 鑒證對象信息和標準

截至二零二三年十二月三十一日止年度的環境、社會及管治報告(「二零二三年環境、社會及管治報告」或「報告」)第十七頁中所披露的鑒證對象信息如下：

鑒證對象信息	貢獻金額 (港幣百萬元)
貴公司為滙豐集團的7,500億至1萬億美元可持續發展融資及投資的抱負所作出的貢獻	35,887

貴公司編制鑒證對象信息所採用的標準(「標準」)列示於二零二三年環境、社會及管治報告第十六至第十七頁中，標題為可持續發展融資及投資，內並詳細披露於本報告附件一中。

我們的鑒證工作僅限於截至二零二三年十二月三十一日止年度的資料，與二零二一年前期間有關的資料及於二零二三年環境、社會及管治報告中所包括的任何其他資料均不在我們的工作範圍內，因此我們不就此發表任何結論。

## 貴公司就鑒證對象信息須承擔的責任

貴公司有責任根據「標準」編制鑒證對象信息。該責任包括：

- 釐定恰當匯報主題及選擇或建立合適標準計量相關鑒證對象；
- 確保其標準對貴公司和「報告」的潛在使用者的關聯及適當性；
- 根據標準編制鑒證對象信息，包括設計、實施和維護與編制鑒證對象信息有關的內部控制，以使該等資料不存在由於欺詐或錯誤而導致的重大錯報；
- 記錄及保存相關鑒證對象信息數據和資料；及
- 確保擬備的「報告」有充分理據支持其披露的資訊和與「報告」的潛在使用者有所關聯性，及中肯地反映貴公司在該領域的表現。

## 固有限制

由於對於非財務資料，未有評估和計量的國際公認通用標準，故此不同但均為可予接受的計量和計量技術，或會導致報告結果出現差異，繼而影響與其他機構的以及不同的時點的可比性。鑑於相關主題的特徵以及用於計量或評估的方法，非財務資訊比財務資訊受到更多固有的限制。不同計量技術的精確度也可能有所不同。

不同全球持份者，包括監管機構在內，普遍認為來自第三方的可持續發展相關資訊的可獲性和質量存在重大限制，造成對代用數據的依賴。此外，鑒證對象信息在不同披露框架下的報告基礎可能有所不同，包括可持續發展融資交易的標籤標準。如標準所述，標準所引用的相關行業基準存在固有的主觀性。預計用於計量和報告鑒證對象信息的原則和方法將隨時間不斷發展，並可能根據市場慣例和法規而發生變化，從而影響與以前期披露信息的可比性。

## 我們的獨立性和質量管理

我們遵守香港會計師公會頒布的《專業會計師道德守則》中對獨立性及其他專業道德的要求，有關要求基於誠信、客觀、專業勝任能力和應有的關注、保密及專業行為的基本原則而制定的。

本會計師事務所採用香港會計師公會所頒布的《香港質量管理準則》第1號，並要求事務所設計、執行及營運一套完善的質量管理系統，包括關於要遵守道德要求、專業準則規定及可適用的法律及監管規定的政策或程序。

## 我們的責任

我們的責任是根據我們所執行的程序以及我們取得的證據，就鑒證對象信息發表有限保證結論。我們根據香港會計師公會頒佈的香港鑒證業務準則第3000號(修訂版)歷史財務信息的審計或審閱以外的鑒證業務的規定執行了有限保證的鑒證工作。該準則要求我們計劃和實施鑒證工作，以就鑒證對象信息不存在重大錯報取得有限保證。

有限保證的鑒證工作包括評估貴公司使用「標準」作為編制鑒證對象信息的基礎是否合適，評估鑒證對象信息是否存在由於欺詐或錯誤導致的重大錯報風險，在需要的情況下對經評估的風險作出相應的程序，並評估鑒證對象信息的整體列報。就風險評估程序(包括對內部控制的瞭解)以及針對經評估風險而執行的程序而言，有限保證的鑒證業務範圍遠小於合理保證的鑒證業務範圍。

我們執行的程序是基於我們的專業判斷，包括作出查詢、觀察流程的執行、檢查文檔、評估定量方法和報告政策的恰當性，以及與原始記錄的核對和調節。

鑒於本業務的具體情況，我們在執行上述程序時：

- 對負責鑒證對象信息的相關人員進行詢問及了解貴公司編制鑒證對象信息所涉及的系統、流程和控制。我們的有限保證程序不包括通過評估控制活動的設計或測試其執行有效性來評估控制活動是否充分；
- 對用於編制鑒證對象信息的數據抽樣執行有限的實質性測試，包括：
  - 評估貴公司編制鑒證對象信息所採用的標準是根據滙豐集團二零二三年可持續發展融資及投資數據錄編制；
  - 對可持續發展融資交易數據與相關內部及外部證據抽樣執行核對，以評估其分類是否按照標準編制；
  - 對已納入計算鑒證對象信息的可持續發展融資交易資訊抽樣執行核對，釐定其關鍵表現指標和協定是否符合規定以及其分類是否按照標準編制；
  - 對貴公司記錄系統所保存的交易資料與用於編制鑒證對象信息的數據抽樣執行核對；
  - 對外部來源所使用的匯率進行比較；及

- 考慮二零二三年環境、社會及管治報告中鑒證對象信息的披露和列報。

於有限保證的鑒證業務中所執行的程序在性質和時間上，與合理保證的鑒證業務有所不同，且其範圍小於合理保證的鑒證業務範圍。因而有限保證的鑒證業務所取得的保證程度遠遠低於合理保證的鑒證業務中應取得的保證程度。因此，我們不會就貴公司的經識別的可持續發展資料是否在所有重大方面按照標準編制，發表合理保證意見。

我們對鑒證對象信息所執行的有限保證鑒證業務程序包括將貴公司的數據與第三方所提交的資料進行核對，但我們的業務範圍並不包括測試其資料的完整性及準確性。

### 有限保證結論

基於我們執行的程序以及取得的證據，我們未有發現任何事項使我們相信貴公司於二零二三年十二月三十一日的鑒證對象信息在所有重大方面未有按照二零二三年環境、社會及管治報告第十六至十七頁中標題為可持續發展融資及投資內並詳細披露於本報告副件一中的「標準」編制。

### 其他信息

貴公司須對其他信息負責。其他信息包括貴公司二零二三年止年度的環境、社會及管治報告內的資訊，但不包括鑒證業務中的鑒證對象信息及我們的鑒證報告。

我們對鑒證對象信息的有限保證結論並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對鑒證對象信息的有限保證業務，我們的責任是閱讀上述的其他信息，在此過程中，考慮其他信息是否與鑒證對象信息或我們在鑒證過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

### 使用限制

本報告乃為貴公司董事會而編制並僅供其使用，除此之外不得用作任何其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零二四年三月十一日

## 附件一

貴公司編制鑒證對象信息所採用的標準列示於二零二三年環境、社會及管治報告第十六至十七頁中，應結合滙豐集團二零二三年可持續發展融資及投資數據錄來閱讀。以下內容摘自貴公司二零二三年止年度的環境、社會及管治報告。

	標準
綠色貸款 <sup>1</sup>	<p>綠色貸款是一款符合貸款市場協會（「LMA」）綠色貸款原則的貸款，包括任何一類專門用於為新設及／或現有合資格綠色項目提供全部或部分融資或再融資的貸款工具。合資格的主要綠色項目類別如下所示。</p> <ul style="list-style-type: none"> <li>符合國際或本地認可綠色建築認證計劃（例如能源及環境設計先鋒獎（LEED）及綠建環評（BEAM Plus））下特定認證級別要求的綠色建築</li> <li>可再生能源（包括生產、傳輸、電器和產品方面）</li> <li>符合指定排放水平及／或由特定燃料（例如生物燃料、氫氣或電力）驅動的清潔交通，包括貨運和客運鐵路、公共交通車輛、水路運輸以及電動／混合動力車輛等</li> </ul>
社會責任貸款 <sup>1</sup>	<p>社會責任貸款是一款符合 LMA 社會責任貸款原則的貸款，包括任何一類專門用於為新設及／或現有合資格社會貸款項目提供全部或部分融資或再融資的貸款工具。合資格的主要社會責任項目類別如下所示。</p> <ul style="list-style-type: none"> <li>地方當局所定義的可負擔房屋</li> <li>獲得基本服務（例如教育）</li> </ul>
可持續發展表現掛鈎貸款 <sup>1</sup>	<p>可持續發展表現掛鈎貸款是一款符合 LMA 可持續發展掛鈎貸款原則的貸款，包括任何一類財務及／或結構特徵或因借款人能否滿足預定之可持續發展績效目標而異的貸款、按揭或交易或供應鏈工具。該等可持續發展績效目標應是有抱負且對借款人的業務有意義，並以預定的績效目標為基準，與可持續發展表現方面的改進掛鈎。</p> <p>在篩選可持續發展衡量指標和制訂可持續發展績效目標時，由於本行須判斷所選指標是否具意義（即對借款人的業務有核心價值）和相關可持續發展績效目標是否涉及宏遠願景（即對借款人而言具挑戰性），而借款人對其業務活動有最全面的了解，我們必須充分徵詢借款人意見。</p> <p>可持續發展績效目標應涉及宏遠願景，並考慮以下幾項因素：</p> <ul style="list-style-type: none"> <li>象徵相應關鍵績效指標的實質改進，並超越「業務如常」的碳排放軌跡和監管要求目標；</li> <li>盡可能與特定基準或外部參考標準作比較；</li> <li>與借款人的整體可持續發展策略保持一致；以及</li> <li>預先設有固定的時間表，且該時間表應在授出貸款時或之前制定。</li> </ul>
綠色貿易貸款 <sup>1</sup>	<p>綠色貿易貸款是環球貿易及融資業務一款符合 LMA 綠色貸款原則的借貸服務，專門為具相關交易證明文件的合資格綠色貿易活動提供融資或再融資。該等綠色貿易活動須符合滙豐集團就合資格綠色活動制訂的準則，包括但不限於採購和銷售通過森林管理委員會（Forest Stewardship</p>

<sup>1</sup> 貴公司根據滙豐集團《可持續發展融資及投資數據錄》和可持續發展融資產品說明書編制可持續發展融資產品標準。

	標準
	Council) 或其他同等標準制定機構認證且具生態效益的物料和產品。相關環球貿易及融資產品包括：(i)貿易貸款；(ii)應收賬款融資；(iii)進口／出口融資。
記錄為滙豐集團的 7,500 億至 1 萬億美元可持續發展融資及投資的抱負所作出貢獻的時間	相關數據按照產品分類及標籤獲產品管治流程批核的年份予以匯報，借貸產品的分類及標籤可以於貸款向客戶批出之時或之後獲批。
剔除可持續發展融資交易	在年底評估期間判斷為不再符合資格標準的貸款產品，將從累計總額的報告數字（包括過往年度的總額）中剔除。
截至 2023 年 12 月 31 日可持續發展融資交易的公司覆蓋	可持續發展融資和投資數據涵蓋恒生銀行有限公司。

# HSBC Sustainable Finance and Investment Data Dictionary

December 2023



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# Introduction

## What is the data dictionary?

In 2020, we set an aim to provide and facilitate \$750bn to \$1tn of sustainable finance and investment by 2030 to support our customers in their transition to net zero and a sustainable future (“our sustainable finance and investment ambition”).

We began tracking sustainable finance and investment in 2017 across the HSBC Group and continue to review and update our approach to seek to reflect developments in the market and our own products and propositions.

For the purposes of our sustainable finance and investment ambition, our sustainable finance and investment activities fall within two categories of initiatives; sustainable finance and ESG and sustainable investing.

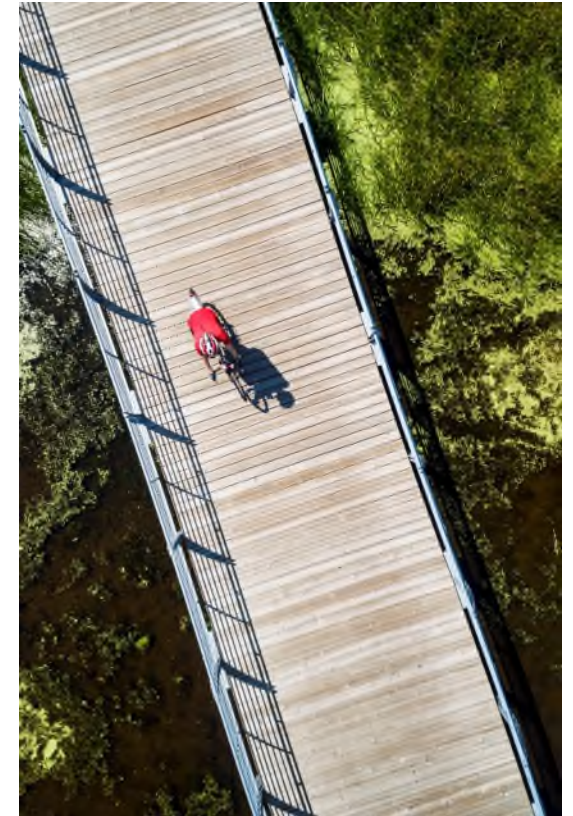
This data dictionary sets out our approach for classifying financing and investment as sustainable for the purpose of tracking and disclosing in our Annual Report and Accounts our performance against our sustainable finance and investment ambition. The data dictionary is reviewed annually to take into account the evolving standards, taxonomies and practices we deem appropriate. This includes updates to our product framework, and enhancements to our internal standards, reporting and governance that are made in respect to the reporting year.

In previous versions of this data dictionary, we included sustainable infrastructure as a reporting approach. This has now been merged with sustainable finance and will be reported as one category.

## Our approach to reporting

Prior year values are not restated to reflect new products, which are reported only in the year they are approved via our product governance processes. Products excluded from the data dictionary as part of the annual review process are removed from the cumulative total reporting, including their contribution reflected in prior year values as a negative entry in the year of declassification.

There may be instances where we do not consider a transaction to qualify as sustainable finance for the purposes of our sustainable finance and investment ambition according to the definitions set out in this data dictionary. In such cases, we would not attribute the financing toward our sustainable finance and investment ambition, however we may continue to participate in the transaction where we consider it to align to other relevant external or industry standards, or where there are other factors which we determine would justify participation.



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# HSBC sustainable financing & ESG and sustainable investing

## Reporting approach and definitions overview

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### Sustainable financing

- ◆ Financing solutions to help enable clients' shift to sustainable and low-carbon activities
- ◆ Products and services include underwriting, direct lending, and trade and receivables finance with defined use of proceeds requirements consistent with market established principles
- ◆ Also includes sustainability linked products with defined and qualifying sustainability performance targets

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### ESG and sustainable investing

- ◆ Investment solutions that seek to mitigate ESG related risks and capture opportunities by investing in climate, environmental and/ or other sustainability or ESG related areas through investments that seek higher ESG performance and/ or sustainable themes such as climate/net-zero transition, and/ or strategies delivering a positive environmental and/or social impact
- ◆ Products and services include investment funds, single line equities and bonds, structured products and other investment solutions provided by HSBC's Asset Management, Global Private Banking and Wealth businesses

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# Governance

We define **sustainable finance and investment** as any form of financial service that integrates ESG criteria into business or investment decisions. This includes financing, investing and related activities that support the achievement of the United Nations Sustainable Development Goals (SDGs), including but not limited to the aims of the Paris Agreement on climate change. We only include facilities as sustainable finance or investment for the purposes of our sustainable finance and investment ambition once they have been identified and validated by the relevant business governance forums as qualifying in accordance with the data dictionary definitions.

## Product Design

- ◆ Product teams check that labelled sustainable finance and investment products adhere to:
  - Our existing definitions
  - Available internal standards and relevant industry guidelines where appropriate
  - General product governance

## Origination and approval

- ◆ Labelled on-balance sheet sustainable finance products require approval by business governance forums to help ensure alignment to internal standards and relevant industry guidelines
- ◆ Sustainability performance targets for on-balance sheet sustainability linked products are reviewed by business governance forums to assess the level of ambition and the relevance to the issuer's ESG strategy
- ◆ Labelled sustainable finance debt products facilitated by HSBC are reviewed by business governance forums to help ensure that they are in line with sustainability risk appetite
- ◆ Business governance forums include representatives with relevant expertise in sustainability, sustainable finance / investments and reputational and sustainability risk

## Tracking and monitoring

- ◆ Qualifying transactions and investments are recorded and tracked through HSBC systems
- ◆ Labelled on-balance sheet and debt sustainable finance products are reviewed as part of annual client review processes to monitor adherence to conditions and covenants applied to the relevant facility
- ◆ On-balance sheet sustainable finance products are tracked via internal systems and are reconciled with facilities approved by business governance forums
- ◆ Capital market transactions are validated against external market data for labelled issuances
- ◆ Facilities that are identified to no longer fulfil eligibility criteria are declassified and removed from the cumulative total as a negative entry in the year of declassification. Historical numbers are not restated

## External Disclosure

- ◆ Internal validation and assurance is undertaken
- ◆ Disclosures follow internal review governance
- ◆ External assurance is provided on our annual disclosures in respect of our sustainable finance and investment ambition

# Sustainable finance (1/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Green, Social &amp; Sustainability Bonds</b>	Bond issuances labelled as green, social or sustainable (GSS) as defined by the Green Bond Principles (GBP), Social Bond Principles (SBP) and/or the Sustainable Bond Guidelines (SBG) of the International Capital Markets Association (ICMA) or the Climate Bonds Initiative. Qualifying transactions may also include 'transition finance' issuances as set out in the Climate Transition Finance Handbook of the ICMA. The use of proceeds must align to the eligible project categories of the ICMA's GBP, SBP, SBG or the Climate Bonds Initiative.	Apportioned value of HSBC's participation in underwriting the issuance as a bookrunner in the transaction as reported by Dealogic. For private placements or where HSBC plays an equivalent distribution role, apportioned value as per transaction documentation. Issuances follow individual client bond frameworks which are assessed against industry guidelines at the time the framework was created.	<ul style="list-style-type: none"> <li>• <a href="#">ICMA Green Bond Principles</a></li> <li>• <a href="#">ICMA Social Bond Principles</a></li> <li>• <a href="#">ICMA Sustainability Bond Guidelines</a></li> <li>• <a href="#">Climate Bonds Initiative</a></li> <li>• <a href="#">ICMA Climate Transition Finance Handbook</a></li> </ul>	Capital markets
<b>Sustainability Linked Bonds</b>	Bond issuances aligned with the Sustainability Linked Bond Principles of the International Capital Market Association (ICMA) in which the financial and/or structural characteristics of the issuance may vary depending on whether the issuer achieves predefined sustainability performance targets (SPTs). Qualifying transactions may also include 'transition finance' issuances as set out in the Climate Transition Finance Handbook of the ICMA.	Apportioned value of HSBC's participation in underwriting of the issuance as a bookrunner in the transaction as reported by Dealogic. For private placements or where HSBC plays an equivalent distribution role, apportioned value as per transaction documentation. Issuances follow individual client bond frameworks which are assessed against industry guidelines at the time the framework was created.	<ul style="list-style-type: none"> <li>• <a href="#">ICMA Sustainability Linked Bond Principles</a></li> <li>• <a href="#">ICMA Climate Transition Finance Handbook</a></li> </ul>	Capital markets

## Sustainable finance (2/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Debt Capital Markets – Short term debt</b>	Short term debt issuances having the same characteristics as a bond, however, with a maturity date less than 18 months from the date of issuance and labelled as green, social or sustainable (GSS) as defined by the Green Bond Principles (GBP), Social Bond Principles (SBP) and/or the Sustainable Bond Guidelines (SBG) of the International Capital Markets Association (ICMA) or the Climate Bonds Initiative. The use of proceeds must align to the eligible project categories of the ICMA's GBP, SBP, SBG or the Climate Bonds Initiative.	Apportioned value of HSBC's participation in underwriting the issuance as a bookrunner in the transaction as reported by Dealogic. For private placements or where HSBC plays an equivalent distribution role, apportioned value as per transaction documentation. Issuances follow individual client bond frameworks which are assessed against industry guidelines at the time the framework was created.	<ul style="list-style-type: none"> <li>• <a href="#">ICMA Green Bond Principles</a></li> <li>• <a href="#">ICMA Social Bond Principles</a></li> <li>• <a href="#">ICMA Sustainability Bond Guidelines</a></li> <li>• <a href="#">Climate Bonds Initiative</a></li> </ul>	Capital markets
<b>Equity Capital Markets (ECM)</b>	Corporate or project equity issued by a company or project vehicle identified as sustainable energy (e.g. wind, solar), low carbon transport or water infrastructure in line with the use of proceeds pillar of the Green Bond Principles (GBP) of ICMA or the Climate Bonds Initiative.	Apportioned value of HSBC's participation in underwriting the issuance as a bookrunner in the transaction as reported by Dealogic. Global business teams identify potential qualifying transactions which are reviewed on a case by case basis by the central reporting team.	<ul style="list-style-type: none"> <li>• <a href="#">ICMA Green Bond Principles</a></li> <li>• <a href="#">Climate Bonds Initiative</a></li> </ul>	Capital markets
<b>Project Finance</b>	Project loan, other type of lending, trade instrument or supply chain facility structured to finance a project identified as sustainable energy (e.g. wind, solar), low carbon transport or water infrastructure in line with the use of proceeds pillar of the Green Loan Principles (GLP) of the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA).	Committed amount / limit booked at execution of new facilities provided. Facilities are managed and monitored by HSBC's Global Banking & Markets business. The limit is sourced from HSBC's internal risk systems. Global business teams identify potential qualifying transactions which are reviewed on a case by case basis by the central reporting team.	<ul style="list-style-type: none"> <li>• <a href="#">LMA / APLMA / LSTA Green Loan Principles</a></li> </ul>	Balance sheet related transactions

## Sustainable finance (3/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Green Loans</b>	Loans which HSBC assesses to be aligned to the Green Loan Principles (GLP) of the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA), including any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible green projects (see notes).	Committed amount / limit booked at execution of new facilities provided (including newly qualified refinancing facilities). The facility terms and conditions must reflect GLP requirements with monitoring and control of the facility incorporated into HSBC's normal credit process and annual review. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li><a href="#">LMA / APLMA / LSTA Green Loan Principles</a></li> </ul>	Balance sheet related transactions
<b>Other green qualified lending</b>	Lending for projects or activities where HSBC identifies that the use of proceeds meets HSBC's eligibility criteria as defined and approved by appropriate business governance forums, with such activities in alignment with the green projects recognised within the use of proceeds pillar of the GLP. Such financing is not assessed against other pillars of the GLP as they are not sought to be labelled or marketed as 'green'. Facilities may include any type of loan, mortgage, trade or supply chain instrument made available exclusively to finance or re-finance in whole or in part, new and/or existing eligible green projects or activities (see notes).	Committed amount / limit booked at execution of new facilities provided (including newly qualified refinancing facilities). Local business teams identify qualifying lending and evidence of the use of proceeds. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li><a href="#">LMA / APLMA / LSTA Green Loan Principles</a></li> </ul>	Balance sheet related transactions
<b>Sustainability Linked Loans</b>	Loans which HSBC assesses to be aligned with the Sustainability Linked Loan Principles (SLLP) of the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA), including any type of loan, mortgage, trade or supply chain instrument for which the financial and/or structural characteristics of the instrument may vary depending on whether the borrower achieves predefined sustainability performance targets (SPTs).	Committed amount / limit booked at execution of new facilities (including newly qualified refinancing facilities). The facility terms and conditions must reflect SLLP requirements with monitoring and control of the facility incorporated into HSBC's normal credit process and annual review. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li><a href="#">LMA / APLMA / LSTA Sustainability Linked Loan Principles</a></li> </ul>	Balance sheet related transactions

## Sustainable finance (4/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Social Loans</b>	Loans aligned to the Social Loan Principles (SLP) of the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA), including any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible social projects (see notes).	Committed amount / limit booked at execution of new facilities provided (including newly qualified refinancing facilities). The facility terms and conditions must reflect SLP requirements with monitoring and control of the facility incorporated into HSBC's normal credit process and annual review. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li><a href="#">LMA / APLMA / LSTA Social Loan Principles</a></li> </ul>	Balance sheet related transactions
<b>Other Social qualified lending</b>	Lending for client projects, activities or by approved HSBC programmes where HSBC identifies that the use of proceeds meets HSBC's eligibility criteria for delivering positive social impact as defined and approved by appropriate business governance forums, with such activities in alignment with the social projects recognised within the use of proceeds pillar of the SLP. Such financing is not assessed against other pillars of the SLP as they are not sought to be labelled or marketed as 'social'. Facilities may include any type of loan, mortgage, trade or supply chain instrument made available exclusively to finance or re-finance in whole or in part, new and/or existing eligible social projects or activities (see notes).	Committed amount / limit booked at execution of new facilities provided (including newly qualified refinancing facilities). Local business teams identify qualifying lending and evidence of the use of proceeds. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li><a href="#">LMA / APLMA / LSTA Social Loan Principles</a></li> </ul>	Balance sheet related transactions

## Sustainable finance (5/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Green Trade Finance</b>	Global Trade and Receivables Finance (GTRF) lending facilities aligned to the four pillars of the GLP and made available exclusively to finance or re-finance eligible green trade activities as evidenced by underlying transaction documents. Refinancing in the same calendar year will be excluded. Relevant GTRF products include: (i) trade loans; (ii) receivables finance; (iii) import / export finance; distribution and commodity structured trade finance (CSTF).	Committed amount / limit booked at execution of new facilities provided. These companies are reviewed on a case by case basis by HSBC's business governance forums. The facility terms and conditions must reflect GLP requirements with monitoring and control of the facility incorporated into HSBC's normal credit process and annual review. The limit is sourced from HSBC's internal risk systems. Relevant GTRF facilities will be recognised when the four pillars of the GLP are met.	<ul style="list-style-type: none"> <li>• <a href="#">LMA Green Loan Principles</a></li> </ul>	Balance sheet related transactions
<b>Sustainable Trade Instruments</b>	Global Trade and Receivables Finance (GTRF) contingent liability facilities aligned to HSBC's internal sustainable trade instrument principles (STIP) which are based on the GLP and reference the United Nations Sustainable Development Goals (SDGs). GTRF contingent liability products include (i) guarantees; (ii) standby letter of credit; and (iii) documentary credit.	Limit amount booked at deal execution of new facilities provided. The facility terms and conditions must reflect STIP requirements with monitoring and control of the facility incorporated into HSBC's normal credit process and annual review. These companies are reviewed on a case by case basis by HSBC's business governance forums. The limit is sourced from HSBC's internal risk systems and/or GTRF systems.	<ul style="list-style-type: none"> <li>• <a href="#">LMA Green Loan Principles</a></li> <li>• <a href="#">UN Sustainable Development Goals</a></li> </ul>	Balance sheet related transactions
<b>Sustainable Supply Chain Finance</b>	Supply chain finance (SCF) programme through which the characteristics of funding provided to the client's suppliers may vary based on predefined sustainability performance metrics and thresholds in order to promote the sustainability objectives of the client in its supply chain. The metrics applied should be material to the client's core sustainability and business strategy and address relevant environmental, social and/or governance challenges within its supply chain.	Committed amount / limit booked at execution of new facilities provided. The SCF programme must apply sustainability performance metrics to the funding provided to the client's suppliers. These companies are reviewed on a case by case basis by HSBC's business governance forums. Monitoring and control of the facility is incorporated into HSBC's normal credit process and annual review. The limit is sourced from HSBC's internal risk systems and/or GTRF systems.	<ul style="list-style-type: none"> <li>• <a href="#">LMA Sustainability Linked Loan Principles</a></li> <li>• <a href="#">UN Sustainable Development Goals</a></li> </ul>	Balance sheet related transactions

## Sustainable finance (6/6)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Green Company (also referred to as 'Pure Play Green Company')</b>	Entities that derive 90% (or more) of their revenues from activities that comply with HSBC eligible green activity criteria and who provide clear and demonstrable environmental benefits which can be assessed, quantified, measured and reported. Because materially all revenue is generated from eligible green activities, it is assumed that any financing will be used as working or investment capital needed to operate and/or develop the borrower's green purpose(s). Such financing cannot be labelled or marketed by the borrower as "Green" finance due to the pillars of GLP not necessarily being satisfied. Facilities may include any type of loan, mortgage, trade or supply chain instrument.	Committed amount / limit booked at execution of new facilities provided. Local business teams identify potential qualifying companies. These companies are reviewed on a case by case basis by HSBC's business governance forums and continue to be monitored to ensure that 90% or more of the company's revenue aligns with HSBC's eligible green activity criteria. The limit is sourced from HSBC's internal risk systems.	<ul style="list-style-type: none"> <li>• <a href="#">LMA / APLMA / LSTA Green Loan Principles</a></li> </ul>	Balance sheet related transactions

# ESG and sustainable investing (1/2)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>ESG aligned or enhanced</b>	<p>Investment funds and other investment solutions which invest in companies based on relative ESG performance.</p> <ul style="list-style-type: none"> <li>- ESG aligned includes strategies that demonstrate sustainability performance compared to non-ESG benchmarks or industry peers alongside financial objectives.</li> <li>- ESG enhanced includes investment products that demonstrate better or improving sustainability performance compared to non-ESG benchmarks or industry peers alongside financial objectives.</li> </ul>	<p>Net new flows for investment products provided by HSBC Asset Management, and third-party products and related investments distributed through HSBC's Insurance, Global Private Banking and Wealth businesses. Qualifying funds and other investment solutions are identified and approved by relevant business governance forums, and are subsequently reviewed at least annually to ensure they continue to meet our eligibility criteria.</p>	n/a	Investments
<b>Thematic</b>	<p>Investment funds and other investments solutions which focus on ESG related growth areas by identifying companies that align to specific sustainability themes, as approved by HSBC's business governance forums.</p> <p>Examples of themes related to the environment include low carbon transition readiness, clean energy, responsible consumption, natural capital.</p> <p>Examples of themes related to social issues include gender equality, health and education.</p>	<p>Net new flows for investment products provided by HSBC Asset Management, and third-party products and related investments distributed through HSBC's Insurance, Global Private Banking and Wealth businesses. Qualifying themes, funds and other investment solutions are identified and approved by relevant business governance forums, and are subsequently reviewed at least annually to ensure they continue to meet our eligibility criteria.</p>	n/a	Investments



## ESG and sustainable investing (2/2)

Product	Definition	Reporting scope	Primary reference frameworks	Financing type
<b>Impact</b>	<p>Investment funds and other investments solutions that aim to have a direct, positive and measurable impact on society and/or the environment. There are clearly pre-defined measurable impact targets as indicated in product specifications and are subject to periodic impact reporting.</p> <p>Examples include investments in green and sustainable bonds, renewable energy, companies delivering positive outcomes through their products/services and projects or loans ring-fenced around social and/or environmental activities.</p>	<p>Net new flows for investment products provided by HSBC Asset Management, and third-party products and related investments distributed through HSBC's Insurance, Global Private Banking and Wealth businesses. Qualifying funds and other investment solutions are identified and approved by relevant business governance forums, and are subsequently reviewed at least annually to ensure they continue to meet our eligibility criteria.</p>	n/a	Investments

# Notes

1. For debt capital markets activities, apportioned value is calculated as the total issuance value divided by the number of bookrunners participating in the transaction. This methodology is recognised as the industry standard for debt capital markets reporting and league table positioning. Dealogic is an independent third-party reporting platform.
2. Amendments made since 2017 in order to reflect more fully our activities include adding Sustainability Linked Loans (2018); Sustainable Supply Chain Finance (2018); Sustainability Linked Bonds (2020); Transition Bonds (2020); Green Loans (2018); Green Trade Finance (2019); Sustainable Trade Instruments (2020); Social Loans (2021); and Green Companies (2023). In 2022, we removed Green Deposits and Structured Green Deposits from the data dictionary as part of our annual review process. Transition Bonds are reported within the category of Sustainability Linked Bonds. We stopped tracking and reporting on Finance Advisory (2021).
3. In 2023, we removed a separate category for non-labelled DCM activities where the use of proceeds could be as sustainable energy (e.g. wind, solar), low carbon transport or water infrastructure. No activity had been reported against this category previously. We also removed reference to the EU Sustainable Finance Taxonomy which was cited for the purposes of classifying eligible use of proceeds for ECM and Project Finance activities since transactions (as noted in previous iterations of this data dictionary) were not necessarily reviewed against metric and threshold criteria and “do no significant harm” requirements were also set out in the EU Sustainable Finance Taxonomy.
4. Green Loans, Sustainability Linked Loans, other lending activity, and labelled debt products are assessed by internal business governance forums to confirm alignment with agreed definitions and standards. These business governance forums include sustainability experts who apply their subject matter and market expertise, informed by industry standards as applicable (recognising the subjectivity inherent in such standards and variables involved). We consider industry practice in reviewing eligibility criteria. Products which are excluded from the data dictionary as part of our annual review are removed from the cumulative total reporting, including their contribution reflected in prior year values.
5. Facilities are declassified and removed from the cumulative total as a negative entry in the year of declassification when a trigger event is identified. Historical numbers are not restated. Trigger events are a) Failure to provide evidence that the use of proceeds have been complied with as agreed in the facility documentation; or b) Failure to meet compliance reporting requirements as specified in the facility documentation.
6. There are a number of variables involved in sustainability linked transactions (including proposed key performance indicators and sustainability performance targets, which will differ per transaction). Our internal business governance forums evaluate each transaction’s merits on a case-by-case basis, taking into consideration a number of factors. Third parties (including other financial institutions) apply their own subjective interpretation of the relevant standards and criteria, including through use of their own internal methodologies, and this could result in different conclusions.
7. Amounts are converted to USD at the time of recording the transaction as they are a point in time measurement and are not restated to adjust for any changes in FX rates. For investments, conversion to USD is done at the time of reporting.
8. All assets under management of HSBC Global Asset Management (HGAM) are subject to ESG integration and corporate engagement as per HGAM’s responsible investing policy.
9. HSBC's ESG and sustainable investing approach is summarised in this document. Considerations across different investment products can include but are not limited to the UN Sustainable Development Goals, including climate. For the avoidance of doubt, assets invested pursuant to, or considered to be in alignment with HSBC’s ESG and sustainable investing approach do not necessarily qualify as "sustainable investments" as defined by the EU Sustainable Finance Disclosures Regulation (SFDR) or other relevant regulations. Our ESG and sustainable investing approach is an HSBC internal classification approach used to establish our own ESG and sustainable investing criteria (recognising the subjectivity inherent in such approach and the variables involved) and promote consistency across asset classes and business lines where relevant and should not be relied on externally to assess the sustainability characteristics of any given product. There is no single global standard definition of, or measurement criteria for, ESG and sustainable investing or the impact of ESG and sustainable investing products.
10. HSBC may rely on measurement criteria devised and reported by third party providers or issuers. HSBC does not always conduct its own specific due diligence in relation to measurement criteria. There is no guarantee: (a) that the nature of the ESG / sustainability impact or measurement criteria of an investment will be aligned with any particular investor’s sustainability goals; or (b) that the stated level or target level of ESG / sustainability impact will be achieved. ESG and sustainable investing is an evolving area and new regulations are being developed which will affect how investments can be categorised or labelled. An investment which is considered to fulfil sustainable criteria today may not meet those criteria at some point in the future.
11. Where we refer to ‘new facilities’ in this document, that includes qualifying refinancing facilities. Qualifying refinancing facilities include any of the following situations, where (i) an existing green/social-labelled facility is refinanced to support a new qualifying project; (ii) a standard facility is refinanced as a green/social-labelled facility with appropriate amendments to the terms and conditions; or (iii) the structure or product type is changed for a qualifying facility that had not previously been recorded as green/social qualified lending. Extensions to existing facilities that do not meet any one of the conditions stated above will not be counted toward the ambition.

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# Additional references

- **HSBC Businesses and customers**  
<https://www.hsbc.com/who-we-are/businesses-and-customers>
- **HSBC Climate Strategy**  
<https://www.hsbc.com/who-we-are/our-climate-strategy>
- **HSBC Green and Sustainability Bonds**  
<https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>
- **HSBC Global Asset Management – Responsible investing**  
[www.global.assetmanagement.hsbc.com/about-us/responsible-investing](http://www.global.assetmanagement.hsbc.com/about-us/responsible-investing)
- **International Capital Markets Association – Sustainable Finance**  
<https://www.icmagroup.org/sustainable-finance>
- **Climate Bonds Initiative**  
[www.climatebonds.net](http://www.climatebonds.net)
- **Regional loan market associations:**
  - Loan Market Association (EMEA): [www.lma.eu.com/sustainable-lending](http://www.lma.eu.com/sustainable-lending)
  - Asia Pacific Loan Market Association: <https://www.aplma.com/>
  - Loan Syndications & Trading Association (US): <https://www.lsta.org/>

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### Important notice

The information, statements and opinions set out in this document are for informational and reference purposes only and do not constitute a public offer for the purposes of any applicable law or an offer to sell or solicitation of any offer to purchase any securities or other financial instruments or any advice or recommendation in respect of such securities or other financial instruments.

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### Forward-looking statements

This communication contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements may be identified by the use of terms such as 'expects,' 'targets,' 'believes,' 'seeks,' 'estimates,' 'may,' 'intends,' 'plan,' 'will,' 'should,' 'potential,' 'reasonably possible' or 'anticipates,' or a variation of these words, the negative thereof or similar expressions. HSBC has based the forward-looking statements on current plans, information, data, estimates, expectations and projections about future events, and therefore undue reliance should not be placed on them. These forward-looking statements are subject to risks, uncertainties and assumptions, as described under 'Cautionary statement regarding forward-looking statements' and 'Additional cautionary statement regarding ESG data, metrics and forward-looking statements' contained in the HSBC Holdings plc Annual Report on Form 20-F for the year ended 31 December 2023, expected to be filed with the Securities and Exchange Commission ('SEC') on or around 22 February 2024 (the '2023 Form 20-F') and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2023 Form 20-F ('Subsequent Form 6-Ks'). HSBC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed herein might not occur. Investors are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their dates. Additional information, including information on factors which may affect the Group's business, is contained in the 2023 Form 20-F and Subsequent Form 6-Ks.