

December 2021

HSBC UN Sustainable Development Goals Bond and Sukuk Report



HSBC

Opening up a world of opportunity

Introduction

In 2015, the United Nations' Sustainable Development Goals (SDGs) were formed to delineate a roadmap for global collaboration to fight extreme poverty, address inequality, and tackle the climate emergency. While the turn of the decade was supposed to bring accelerated global action toward achieving the SDGs by 2030, the disruption caused by the Covid-19 pandemic temporarily diverted public attention away from climate change. According to the 2021 UN Sustainable Development Goals report, Covid-19 threw progress far off track in a number of areas including poverty, carbon emissions, and renewable energy deployment. Despite Covid-19's devastating impact on years of development, it also proved the possibility of outstanding international solidarity in the face of a crisis. Similarly robust cooperative efforts would be required from governments, businesses and communities in order to accelerate global action to mitigate the consequences of climate change and deliver on the 2030 Agenda.ⁱ

As government assistance toward the SDGs is expected to make up no more than \$1tn annually, the international community is heavily reliant on the private sector's contribution to the SDGs through asset allocation, financing and investment decisions, and business activities. Addressing the world's most pressing sustainability issues requires a strong commitment from the finance sector to scale up green investment globally.ⁱⁱ According to an estimate by the Intergovernmental Committee of Experts on Sustainable Development Financing, infrastructure development – which is just one of the key drivers of sustainable growth – requires \$5-7tn annual investment until 2030.ⁱⁱⁱ As the pandemic has brought unprecedented financial challenges, particularly for developing economies, it is more important than ever that private capital flows are channelled into supporting the most vulnerable regions in sustainable growth.

As a global bank, we recognise the impact HSBC's business has on the wider environment and we are aware of our duty to support the communities in which we operate. Our pledge to provide between \$750bn and \$1tn of sustainable investment by the end of this decade forms part of our commitment to help finance the UN Sustainable Development Goals. In 2017, HSBC launched a \$1bn pioneering bond dedicated to supporting the SDGs. This bond is aligned to seven of the goals, including renewable energy deployment, building sustainable cities, and improving access to fresh water and sanitation.^{iv}

SDG Market Overview

According to a report published by the Climate Bonds Initiative, the cumulative size of the global sustainability bond market reached \$316.8bn at the end of 2020, after recording a 131% annual growth. The average size of instruments also increased by 214%. As a response to the rapidly evolving sustainability space, the International Capital Market Association (ICMA) published its Sustainability-Linked Bond Principles (SLBP) in 2020, providing a market framework with reporting, disclosure, and structuring recommendations. More detailed routes to good practice, including sector-level pathways to carbon neutrality, are expected to be developed in the upcoming years in order to allow for the scaling up of this up-and-coming market segment.^v

Though sustainable investing has been gaining traction for some time, the past five years have seen a growing demand for products that allow investment to be aligned with the SDGs specifically. The SDG development market can be accessed indirectly by identifying relevant companies, setting parameters for investment selection, or retrospectively through portfolio reporting. Alternatively, HSBC's \$1bn SDG bond launched in 2017 was the first product of its kind to create direct access to SDG-related investments, opening up this area of the market. The bond is aligned to the related HSBC SDG Bond Framework, created alongside the 2017 Green Bond Principles, 2017 Social Bond Principles and the Sustainability Bond Guidelines, as held by the ICMA.^{vi}

In 2018, HSBC Amanah Malaysia Berhad launched the world's first United Nation's SDG sukuk. The development of green and sustainability sukuk provides investors with access to funding sustainable infrastructure without contravening Islamic Shariah law. This is particularly beneficial to help countries in Asia raise required investment to achieve SDGs in the region, as it can be used around the world. Malaysia and Indonesia have taken the lead in the launch of green sukuk to finance climate-related projects.

2020 recorded a pioneering sovereign issuer entering the SDG bond market, as Mexico became the first country in the world to launch an SDG Sovereign Bond, for a total value of \$890mn. The historic launch was followed by a second issuance in July 2021 of a \$1.25bn SDG bond with a 15-year maturity, aimed to further increase investment sources for sustainable development and contribute towards achieving the 2030 Agenda goals.^{vii}

Given the recent developments within the sustainability bond market place and the evolving landscape, including the developing taxonomies, we are undertaking a refresh of our existing frameworks to reflect the latest standards, taxonomies and best practices. This will include enhancements to reporting and governance as we recognise the heightened interest and higher expectations from the evolving standards. The new framework and enhancements are expected to be progressed in 2022 and will be subject to continuing review and monitoring to ensure that they remain up to date and reflect updated standards, taxonomies and best practices over time could result in revisions in our reporting going forward and lead to differences year-on-year as compared to prior years.

Introduction

Market Opportunities

This year HSBC received several notable awards in recognition of our commitment to sustainable development goals. We were named as 'Best Bank for Sustainable Finance' for both Asia and the Middle East at Euromoney's 2021 regional awards.^{ix} In addition, HSBC won no less than seven categories at the Environmental Finance Bond Awards in 2021, including 'Lead Manager of the Year, Sustainability Bonds', with the bank being lauded as a key player in the development of the green, social and sustainability bond market.

As part of our mission to help strengthen the financial sector's response to the climate crisis, HSBC's Centre of Sustainable Finance provides thought-leadership about developing a climate-resilient economy. Building on our internal expertise and global network, our Centre aims to identify key opportunities for mobilising capital flows for sustainable growth across borders. Our reports on all key insight from our award-winning team can be found at: <https://www.sustainablefinance.hsbc.com>.

SDG Bond Report

This Report details the framework, evaluation and selection procedure, reporting criteria and use of proceeds of:

SDG Bond – US404280BM08 (issued 15 November 2017)
 SUKUK SDG Bond – MYBV11802740 (issued 2 October 2018)
 Equity Linked SDG Bond – US40435U6M15 (issued 18 March 2020)
 Equity Linked SDG Bond - US40438CBQ33 (issued 31 March 2020)
 Equity Linked SDG Bond - US40438CDB46 (issued 17 April 2020)
 Equity Linked SDG Bond - US40438CGY12 (issued 29 May 2020)
 Equity Linked SDG Bond - US40438KC46 (issued 30 June 2020)
 Equity Linked SDG Bond – US40438CKB62 (issued 30 June 2020)
 Equity Linked SDG Bond - US40438CKA89 (issued 6 July 2020)
 Equity Linked SDG Bond - US40438CPN55 (issued 31 July 2020)
 Equity Linked SDG Bond - US40438CPM72 (issued 31 July 2020)
 Equity Linked SDG Bond - US40438CNY39 (issued 31 July 2020)
 Equity Linked SDG Bond - US40438CPL99 (issued 31 July 2020)
 Equity Linked SDG Bond - US40438CSA08 (issued 26 August 2020)
 Equity Linked SDG Bond - US40438CSC63 (issued 26 August 2020)
 Equity Linked SDG Bond - US40438CSX01 (issued 26 August 2020)
 Equity Linked SDG Bond - US40438CSD47 (issued 26 August 2020)
 Equity Linked SDG Bond - US40438CSE20 (issued 31 August 2020)
 Equity Linked SDG Bond - US40438CUM18 (issued 25 September 2020)
 Equity Linked SDG Bond - US40438CUP49 (issued 25 September 2020)
 Equity Linked SDG Bond - US40438CUN90 (issued 30 September 2020)
 Green Certificate of Deposit – US44329MAR43 (issued 27 September 2019)
 Green Certificate of Deposit - US44329MBC64 (issued 30 October 2019)
 Green Certificate of Deposit - US44329MBU62 (issued 27 November 2019)
 Green Certificate of Deposit - US44329MCB72 (issued 30 December 2019)
 Green Certificate of Deposit - US44329MCR25 (issued 30 January 2020)
 Green Certificate of Deposit - US44329MDE03 (issued 27 February 2020)

For further details on the projects funded, please visit:

<https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>

Reporting Criteria For SDG Bonds

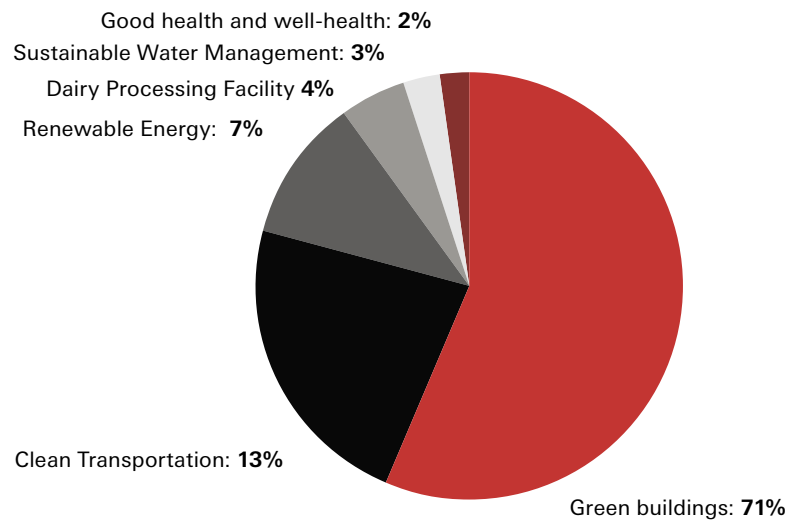
A summary of the selection process for these projects is noted below:

HSBC will determine eligibility based on assessment of whether the funds are applied to Eligible Categories, and, whether a significant positive sustainability net impact is achieved.

Where a business or project derives 90% or more of revenues from activities in Eligible Categories (i.e essentially sustainable business) it will be considered as eligible for financing from an HSBC SDG Bond. In these instances, the Use of Proceeds can be used by the business for general purposes, so long as this financing does not fund expansion into activities falling outside the Eligible Categories.





Businesses and projects may benefit the environment and society in important ways but also degrade it in others. HSBC has specific sustainability risk policies covering various sectors (see <https://www.hsbc.com/our-approach/risk-and-responsibility/sustainability-risk> for further details) which seek to ensure that the financial services we provide to our customers to support economic development do not result in an unacceptable impact on people or the environment. HSBC's assessment of environmental and societal benefits will consider the balance of impacts in determining overall net benefit. Moreover, HSBC will exercise its professional judgement, discretion and sustainability knowledge in determining eligibility of businesses and projects for the Use of Proceeds of an HSBC SDG Bond issue.

Allocation by Project Type



HSBC SDG Bond Framework Summary

Pillar

<p>Use of proceeds</p> 	<ul style="list-style-type: none"> • SDG 3: Good health and well-being • SDG 4: Quality Education • SDG 6: Clean water and sanitation • SDG 7: Affordable and clean energy • SDG 9: Industry, innovation and infrastructure • SDG 11: Sustainable cities and communities • SDG 13: Climate action
<p>Evaluation</p> 	<ul style="list-style-type: none"> • Definition of sustainable finance/lending defined by the Green Bond & Loan Committee (GB&LC) • Project details submitted to GB&LC for their ratification of inclusion or exclusion as Use of Proceeds • Their recommendation will be made with consideration of net sustainability benefit, with a focus towards targeted populations as defined by the ICMA Social Bond Principles 2017 • HSBC Group Sustainability will have a final veto on eligibility decisions • HSBC internal knowledge on climate change, including the HSBC Climate Change Center of Excellence, are employed in decisions relating to the HSBC SDG Bond
<p>Funds tracking</p> 	<ul style="list-style-type: none"> • The GB&LC tracks the Use of Proceeds via its internal information system • HSBC has established an asset register, recording each specific facility allocated as Use of Proceeds for an SDG Bond by a unique position identifier. • While any portion of the proceeds of an HSBC SDG Bond issue has not been applied directly to finance or refinance eligible lending, proceeds may be invested according to local liquidity management guidelines.
<p>Reporting</p> 	<p>HSBC Holdings plc will provide a consolidated SDG Progress Report for all issuances on an annual basis, until full allocation including:</p> <p>Allocation Reporting:</p> <ul style="list-style-type: none"> • Aggregate amounts of funds allocated to each of the Eligible Categories (as listed in Table 1) together with a description of the types of business and projects financed; • The remaining balance of unallocated SDG Bond proceeds at the reporting period end; and • Confirmation that the Use of Proceeds of the SDG Bond(s) issued conforms with the HSBC SDG Bond Framework <p>Impact Reporting:</p> <p>HSBC recognises investors' preference for enhanced information on Use of Proceeds. Where possible, HSBC will seek to provide further information and examples of eligible businesses and projects financed by an HSBC SDG Bond.</p>

Assurance Obtained

A second party opinion from Sustainalytics on the HSBC SDG Bond Framework, and on the framework's environmental and social credentials. The full opinion, dated Nov 2017 can be found at: <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>.

Summary



Overall, Sustainalytics is of the opinion that the HSBC SDG Bond Framework creates meaningful impact, is transparent, credible and aligns with the Green Bond Principles 2017 (GBP), the Social Bond Principles 2017 (SBP), and the Sustainability Bond Guidelines 2017.

Excluded Use of Proceeds

As stated in our framework:



Nuclear power



Weapons



Alcohol



Gambling / adult entertainment



Palm oil

Reporting Evaluation and Selection Procedure

The Green Bond & Loan Committee (GB&LC) is chaired by Group Treasury and consists of sustainability specialists and senior management from across the businesses, including input from Sustainable Finance teams.

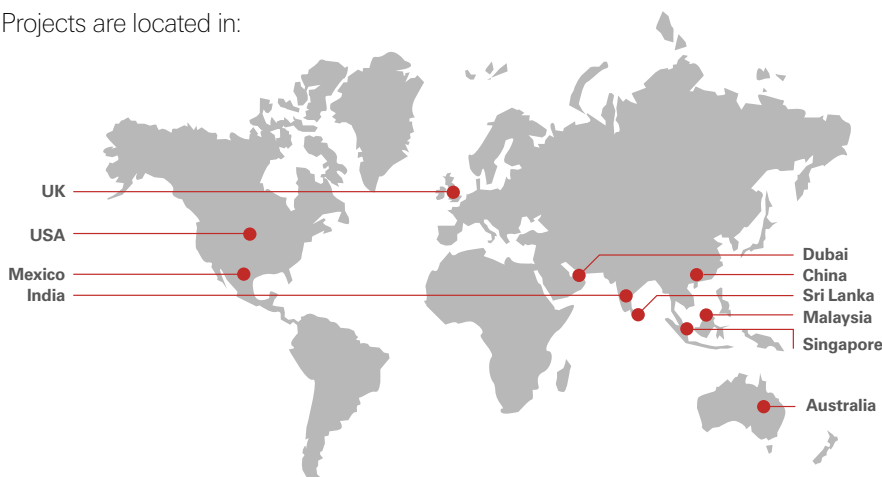
The GB&LC was appointed with the responsibility for governing the HSBC SDG Bond Framework to align / streamline oversight processes and ensure consistency of approach.

Similarly to an HSBC Green Bond issuance, the GB&LC has responsibility for the ratification of eligible business and projects, which are initially proposed by local banking teams and evaluated by Group Sustainability via disciplined, multi-step process following clear and consistently applied guidelines.

1. A definition of sustainable finance/lending has been defined in the Eligible Categories above and approved by the GB&LC for the purposes of identifying and monitoring of potentially eligible business or projects, as well as reporting on any HSBC SDG bond issue across the bank. As noted above, any potentially eligible business or projects will have already been evaluated for adherence to HSBC's Sustainability Policies (see <https://www.hsbc.com/our-approach/risk-and-responsibility/sustainability-risk> for further details).
2. Ultimately the project details, together with Group Sustainability review and recommendation are submitted to the GB&LC for their ratification of inclusion or exclusion as Use of Proceeds of the respective HSBC SDG Bond. The recommendation will be made with consideration of net sustainability benefit, including:
 - a. An assessment of the business or projects against relevant available standards and benchmarks;
 - b. A consideration of the business or projects compared to feasible alternatives;
 - c. And lifecycle impacts and rebound effects over a timeline relevant to the business or project
 - d. The intended beneficiaries of the project, with a focus towards targeted populations as defined by the ICMA Social Bond Principles 2017
3. In all cases, Group Corporate Sustainability will have a final veto on eligibility decisions.
4. Additionally, HSBC internal knowledge and expertise on climate change, including the HSBC Climate Change Center of Excellence, will be employed in decisions made with regards to HSBC's SDG Bond where appropriate.

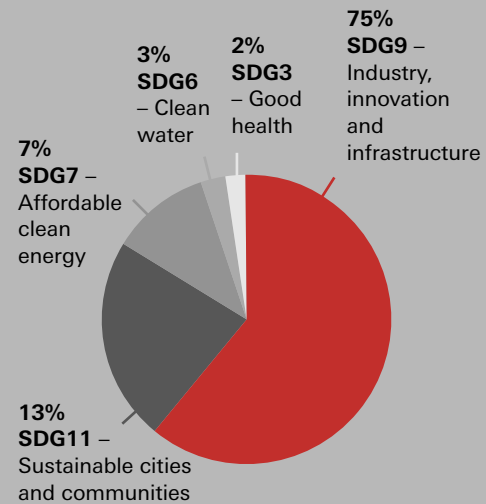
Regional Bond Allocation

Projects are located in:

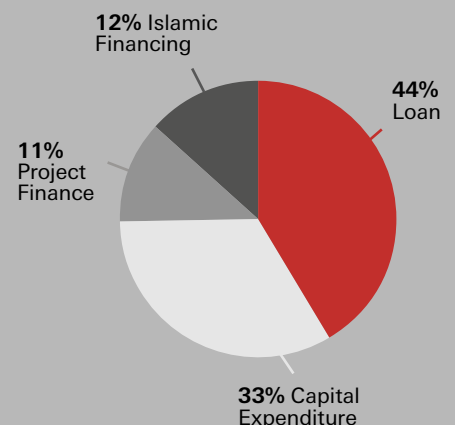
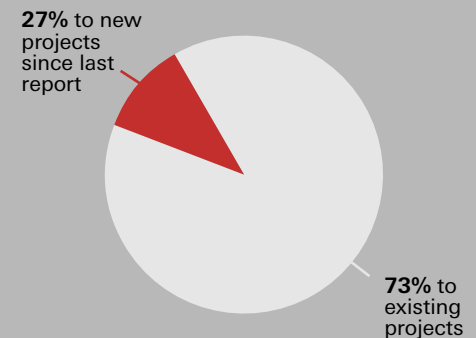


Key Stats:

Amount Disbursed to Projects or Businesses by SDG Category (based on full project)



Bond Allocation



(All figures correct as of 30 June 2021)

The HSBC SDG Asset Register forms the basis of the data in the table below, detailing the specific allocation of the SDG Bond, SDG Sukuk and Green Certificate of Deposit.

HSBC SDG Bond Progress Report

SDG Bond Details													
	HSBC-SDG-001	HSBC-SDG-002	HSBC-SDG-003	HSBC-SDG-004	HSBC-SDG-005	HSBC-SDG-007							
	SDG Bond	SUKUK SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond							
Issuer	HSBC Holdings plc	HSBC Amanah Malaysia Berhad	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.							
Issue Date	15 November 2017	2 October 2018	18 March 2020	31 March 2020	17 April 2020	29 May 2020							
Currency	USD	MYR	USD	USD	USD	USD							
Tenor	6 years	5 years	3 years	2 years	2 years	5 years							
Issued Amount	1,000	500	0.621	0.13	0.034	0.161							
ISIN	US404280BM08	MYBV11802740	US40435U6M15	US40438CBQ33	US40438CDB46	US40438CGY12							
Use of Proceeds (numbers are rounded to the nearest m)													
Reporting Date	30/06/2021												
	USD	MYR	USD	USD	USD	USD							
	SDG Bond	SUKUK SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond							
(A) SDG 3: Good Health and Well-Being	-	-	92	15%	-	-	-	-	-	-	-	-	-
(A) SDG 6: Clean Water and Sanitation	7	0%	132	22%	-	-	-	-	-	-	-	-	-
(A) SDG 7: Affordable and Clean Energy	69	7%	-	-	0.6	100%	0.1	100%	0.0	100%	0.2	100%	
(A) SDG 9: Industry, Innovation and Infrastructure	778	78%	374	63%	-	-	-	-	-	-	-	-	-
(A) SDG 11: Sustainable Cities and Communities	150	15%	-	-	-	-	-	-	-	-	-	-	-
(A) Total allocation	1004	598	0.6	0.1	0.0	0.2							

Further Bond Information

Reporting Date	30/06/2021												
	USD	MYR	USD	USD	USD	USD							
	SDG Bond	SUKUK SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond							
Number of projects/clients supported by HSBC SDG	15	5	1	1	1	1							
Geographic allocation of projects	USA, UK, Mexico, Sri Lanka, India, Singapore, Dubai, China, Australia	Malaysia	USA	USA	USA	USA							

All projects are listed in the full green asset register that can be found at - <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>. To ensure full asset coverage of the bond, the total outstanding balances of the assets allocated maybe in excess of the bond total value.

The HSBC SDG Asset Register forms the basis of the data in the table below, detailing the specific allocation of the SDG Bond, SDG Sukuk and Green Certificate of Deposit.

HSBC SDG Bond Progress Report

SDG Bond Details (2)

	HSBC-SDG-009	HSBC-SDG-010	HSBC-SDG-011	HSBC-SDG-012	HSBC-SDG-013	HSBC-SDG-014
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
Issuer	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.
Issue Date	30 June 2020	30 June 2020	6 July 2020	31 July 2020	31 July 2020	31 July 2020
Currency	USD	USD	USD	USD	USD	USD
Tenor	5 years	2 years	3 years	5 years	3 years	5 years
Issued Amount	0.272	0.092	0.02	0.461	0.415	0.137
ISIN	US40438KC46	US40438CKB62	US40438CKA89	US40438CPN55	US40438CPM72	US40438CNY39

Use of Proceeds (numbers are rounded to the nearest m)

Reporting Date

30/06/2021

	USD	USD	USD	USD	USD	USD
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
(A) SDG 3: Good Health and Well-Being	-	-	-	-	-	-
(A) SDG 6: Clean Water and Sanitation	-	-	-	-	-	-
(A) SDG 7: Affordable and Clean Energy	0.3	100%	0.1	100%	0.5	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-
(A) Total allocation	0.3	0.1	0.0	0.5	0.4	0.1

Further Bond Information

Reporting Date

30/06/2021

	USD	USD	USD	USD	USD	USD
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
Number of projects/clients supported by HSBC SDG	1	1	1	1	1	1
Geographic allocation of projects	USA	USA	USA	USA	USA	USA

The HSBC SDG Asset Register forms the basis of the data in the table below, detailing the specific allocation of the SDG Bond, SDG Sukuk and Green Certificate of Deposit.

HSBC SDG Bond Progress Report

SDG Bond Details (3)

	HSBC-SDG-015	HSBC-SDG-016	HSBC-SDG-017	HSBC-SDG-018	HSBC-SDG-019	HSBC-SDG-020
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
Issuer	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.	HSBC USA inc.
Issue Date	31 July 2020	26 August 2020	26 August 2020	26 August 2020	26 August 2020	31 August 2020
Currency	USD	USD	USD	USD	USD	USD
Tenor	2 years	5 years	2.5 years	3 years	5 years	2 years
Issued Amount	0.059	0.025	0.165	0.105	0.757	0.208
ISIN	US40438CPL99	US40438CSA08	US40438CSC63	US40438CSX01	US40438CSD47	US40438CSE20

Use of Proceeds (numbers are rounded to the nearest m)

Reporting Date

30/06/2021

	USD	USD	USD	USD	USD	USD
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
(A) SDG 3: Good Health and Well-Being	-	-	-	-	-	-
(A) SDG 6: Clean Water and Sanitation	-	-	-	-	-	-
(A) SDG 7: Affordable and Clean Energy	0.1	100%	0.0	100%	0.2	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-
(A) Total allocation	0.1	0.0	0.2	0.1	0.8	0.2

Further Bond Information

Reporting Date

30/06/2021

	USD	USD	USD	USD	USD	USD
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond
Number of projects/clients supported by HSBC SDG	1	1	1	1	1	1
Geographic allocation of projects	USA	USA	USA	USA	USA	USA

The HSBC SDG Asset Register forms the basis of the data in the table below, detailing the specific allocation of the SDG Bond, SDG Sukuk and Green Certificate of Deposit.

HSBC SDG Bond Progress Report

SDG Bond Details (4)

	HSBC-SDG-021	HSBC-SDG-022	HSBC-SDG-023	HSBC-GCD-003	HSBC-GCD-004	HSBC-GCD-005
	Equity Linked SDG Bond	Equity Linked SDG Bond	Equity Linked SDG Bond	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit
Issuer	HSBC USA inc	HSBC USA inc	HSBC USA inc	HSBC Bank USA	HSBC Bank USA	HSBC Bank USA
Issue Date	25 September 2020	25 September 2020	30 September 2020	27 September 2019	30 October 2019	27 November 2019
Currency	USD	USD	USD	USD	USD	USD
Tenor	2.5 years	5 years	2 years	7 years	7 years	7 years
Issued Amount	0.566	0.335	0.133	1.2	1.572	1.493
ISIN	US40438CUM18	US40438CUP49	US40438CUN90	US44329MAR43	US44329MBC64	US44329MBU62

Use of Proceeds (numbers are rounded to the nearest m)

Reporting Date

30/06/2021

	USD Equity Linked SDG Bond		USD Equity Linked SDG Bond		USD Equity Linked SDG Bond		USD Green Certificate of Deposit		USD Green Certificate of Deposit		USD Green Certificate of Deposit	
(A) SDG 3: Good Health and Well-Being	-	-	-	-	-	-	-	-	-	-	-	-
(A) SDG 6: Clean Water and Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
(A) SDG 7: Affordable and Clean Energy	0.6	100%	0.3	100%	0.1	100%	1.2	100%	1.6	100%	1.5	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-	-	-	-	-	-	-
(A) Total allocation	0.6		0.3		0.1		1.2		1.6		1.5	

Further Bond Information

Reporting Date

30/06/2021

	USD Equity Linked SDG Bond	USD Equity Linked SDG Bond	USD Equity Linked SDG Bond	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit
Number of projects/clients supported by HSBC SDG	1	1	1	1	1	1
Geographic allocation of projects	USA	USA	USA	USA	USA	USA

The HSBC SDG Asset Register forms the basis of the data in the table below, detailing the specific allocation of the SDG Bond, SDG Sukuk and Green Certificate of Deposit.

HSBC SDG Bond Progress Report

SDG Bond Details (5)

	HSBC-GCD-006	HSBC-GCD-007	HSBC-GCD-008
	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit
Issuer	HSBC Bank USA	HSBC Bank USA	HSBC Bank USA
Issue Date	30 December 2019	30 January 2020	27 February 2020
Currency	USD	USD	USD
Tenor	7 years	7 years	7 years
Issued Amount	0.02	1.478	1.849
ISIN	US44329MCB72	US44329MCR25	US44329MDE03

Use of Proceeds

(numbers are rounded to the nearest m)

Reporting Date

30/06/2021

	USD		USD		USD	
	Green Certificate of Deposit		Green Certificate of Deposit		Green Certificate of Deposit	
Ⓐ SDG 3: Good Health and Well-Being	-	-	-	-	-	-
Ⓐ SDG 6: Clean Water and Sanitation	-	-	-	-	-	-
Ⓐ SDG 7: Affordable and Clean Energy	0.0	100%	1.5	100%	1.9	100%
Ⓐ SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-
Ⓐ SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-
Ⓐ Total allocation	0.0		1.5		1.9	

Further Bond Information

Reporting Date

30/06/2021

	USD		USD		USD
	Green Certificate of Deposit		Green Certificate of Deposit		Green Certificate of Deposit
Number of projects/clients supported by HSBC SDG	1		1		1
Geographic allocation of projects	USA		USA		USA

HSBC Sustainable Financing Updates

HSBC has created various platforms to facilitate communications of its Sustainable Financing activities. These are listed below:

- ◆ HSBC Green Bonds Website:
<http://www.hsbc.com/investor-relations/fixed-income-securities/green-bond-reports>

- ◆ HSBC Environmental, Social & Governance Update April 2020:
<https://www.hsbc.com/our-approach/measuring-our-impact>

- ◆ HSBC Centre of Sustainable Finance:
<http://www.sustainablefinance.hsbc.com/>

- ◆ Sustainable Financing Website:
<http://www.gbm.hsbc.com/solutions/sustainable-financing>

- ◆ CBI Global State of the Market report 2020
<https://www.climatebonds.net/resources/reports/sustainable-debt-global-state-market-2020>

For further information on Sustainable Finance at HSBC please use the above websites. Additional disclosure in line with our TCFD commitments will be found in the Environment, Social & Governance chapter of our full year 2021 Annual Report & Accounts.

Disclaimer

Important Notice

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Additional detailed information concerning important factors that could cause actual results to differ materially from this document is available in our Annual Report and Accounts for the fiscal year ended 31 December 2020 filed with the Securities and Exchange Commission (the "SEC") on Form 20-F on 24 February 2021 (the "2020 Form 20-F"), and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2020 Form 20-F.

Information in this document was prepared as at 30 June 2021, unless otherwise stated



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- i [United Nations SDG report 2021](#)
 - ii [UNPRI, The SDG Investment Case](#)
 - iii [Intergovernmental Committee of Experts on Sustainable Development Financing, 2014](#)
 - iv [HSBC, Providing Sustainable Finance](#)
 - v [Climate Bonds Initiative, Sustainable Debt Global State of the Market 2020](#)
 - vi [ICMA Sustainable Finance Principles](#)
 - vii [UNDP Press Release, Mexico Sovereign SDG Bond](#)
 - viii [Euromoney Awards for Excellence 2021](#)
 - ix [Environmental Finance Bond Awards 2021](#)

^(A) Denotes the annual review on the allocation of bond proceeds by Sustainalytics. The Reporting Criteria against which it was assessed is available at <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds> and summarised in this report.