

HSBC Sustainable Finance and Investment Data Dictionary

December 2024



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1. Introduction

In 2020, we set an aim to provide and facilitate USD750bn to USD1tn 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 services.

For the purposes of our sustainable finance and investment ambition, we consider activities that fall within two categories of initiatives: i) sustainable financing and ii) ESG¹ 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. We also indicate for the first time the types of eligible environmental and social activities we expect to consider going forward when qualifying certain use of proceeds financing for inclusion towards our sustainable finance and investment ambition.

For more information about our ESG related disclosures, please see: <https://www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre>.

2. Our approach

2.1. Data dictionary scope

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 as qualifying or qualified in accordance with the data dictionary definitions and our internal business governance processes, detailed in sections 3.2 and 4.2.

We continue to engage with industry bodies to help support the development of standards to apply to sustainable finance and investment products.

Sustainable financing

Sustainable financing activities include:

- **Balance sheet related financing** through direct lending and trade and receivables finance; and
- **Finance facilitation** through capital markets and related activities.

¹ Environmental Social and Governance (ESG)

ESG and sustainable investing

ESG and sustainable investing activities 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 which fulfil certain conditions related to:

- Products promoting ESG and sustainable characteristics alongside financial objectives;
- Sustainability-related themes such as climate and net zero transition; and/or
- Products delivering a positive environmental and/or social impact.

Details on products and services and related internal business governance processes are included in section 3 for sustainable financing and section 4 for ESG and sustainable investing.

2.2. Reporting

Prior year values are not restated to reflect newly included products, which are reported only from the year in which they are approved through our risk and governance processes. However, products which are excluded from the data dictionary as part of our annual review process are removed from the cumulative total reporting, including their contribution reflected in prior year values as a negative entry.

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. Declassification trigger events are set within facility documentation but typically include failure to meet reporting requirements.

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, as assessed through our internal business governance processes.

For debt capital markets activities, apportioned value is calculated as the total issuance value divided by the number of bookrunners participating in the transaction, as reported in Dealogic, which is an independent third-party reporting platform. This methodology is recognised as the industry standard for debt capital markets reporting and league table positioning.

Where we refer to 'new facilities' in this document, that includes qualifying refinancing facilities. Qualifying refinancing facilities include where:

- An existing use of proceeds-labelled facility is refinanced to support a new qualifying project; or
- A standard facility is refinanced as a use of proceeds-labelled facility with appropriate amendments to the terms and conditions.

We intend to include refinancing of existing sustainability-linked facilities from 2025 where such facilities are classified as sustainable finance on the merits of the deal structure presented to the appropriate internal business governance forum.

Extensions to existing facilities that do not meet one of the conditions stated above will not be counted toward our sustainable finance and investment ambition.

Amounts are converted to USD at the time of recording the transaction as they are a point in time measurement and are not subsequently restated to adjust for any changes in Foreign Exchange (FX) rates. For investments, conversion to USD is completed at the time of reporting.

Updates to the Data Dictionary

The data dictionary is reviewed annually to respond to evolving standards, taxonomies and practices, as we deem appropriate. This includes any updates to our product summary (i.e., product additions or removals) which are effective for the reporting year, as well as enhancements to our internal standards, reporting and governance.

Product additions and amendments to existing definitions in the data dictionary are subject to approvals by internal business governance forums prior to their inclusion. Internal business governance forums typically include representatives with relevant expertise in sustainability, sustainable finance / investments, regulatory compliance, reputational and sustainability risk and legal.

In this update of the data dictionary, we indicate the types of eligible environmental and social activities we intend to consider going forward to qualify certain use of proceeds financing for inclusion towards our sustainable finance and investment ambition. They do not necessarily represent the scope of activities which may have previously been used, or which may have been used during 2024, to qualify financing. During 2024, we reviewed our existing eligibility criteria against selected market taxonomies and other relevant industry guidelines and standards and have now consolidated these into an internal HSBC eligible environmental and social activities approach, a summary of which is set out in section 5.2. Updates are not applied retrospectively to prior years' sustainable finance and investment progress against our sustainable finance and investment ambition. For further detail, please refer to section 3.3.

Review and assurance

Disclosures against our sustainable finance and investments ambition undergo internal review and limited assurance provided by our external auditors. For details, please see:

www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre

3. Sustainable financing

3.1. Products and services

Our sustainable financing activities include various products and services outlined in the table below. These are provided through our global businesses which serve corporate, institutional and individual clients.

Each of these sustainable financing activities fulfil certain conditions to qualify as either:

- **Use of proceeds financing** where the proceeds are to be used for activities aligned with HSBC eligible environmental and social activities;
- **Sustainability-linked financing** which apply certain key performance indicators and sustainability performance targets to the facility (such facilities do not apply use of proceeds criteria); or
- **Financing for 'pure play' companies or entities** which derive 90% (or more) of revenues from activities aligned with HSBC's eligible environmental and social activities.

Further details on definitions and reporting scope are included in the sustainable financing product summary (section 5.1). Governance to qualify products and transaction as in scope of our ambition is described in section 3.2.

	Balance sheet related	Financing facilitation
Use of proceeds financing	<ul style="list-style-type: none"> • Green Loans • Other green qualified lending • Social Loans • Other social qualified lending • Project finance • Green Trade Finance • Sustainable Trade Instruments 	<ul style="list-style-type: none"> • Green Bonds • Social Bonds • Sustainability Bonds • Debt Capital Markets (DCM) short term debt • Equity Capital Markets (ECM)
Sustainability-linked financing	<ul style="list-style-type: none"> • Sustainability Linked Loans • Sustainability Improvement Loans • Sustainable Supply Chain Finance 	<ul style="list-style-type: none"> • Sustainability Linked Bonds
'Pure play' companies	<ul style="list-style-type: none"> • Green company • Social company 	<ul style="list-style-type: none"> • Green company • Social company

Use of proceeds financing

Balance sheet related

For balance sheet related financing, we include transactions where we assess the use of proceeds of the financing to be aligned with HSBC eligible environmental and social activities as outlined in section 3.3.

For transactions labelled as green loans or social loans, we include transactions where we assess them to be aligned with industry standards set out by the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA), including:

- [Green Loan Principles](#)
- [Social Loan Principles](#)

Financing facilitation

For capital markets transactions that are labelled as green, social or sustainability bonds we include financing where we assess them to be aligned with industry standards set out by the International Capital Markets Association (ICMA); which includes:

- [Green Bond Principles](#)
- [Social Bond Principles](#)
- [Sustainability Bond Guidelines](#)

For relevant capital markets transactions, issuers define eligible use of proceeds in an issuer framework that is referred to in the transaction.

For ECM transactions, we include transactions where we assess the use of proceeds to be aligned with HSBC eligible environmental and social activities as outlined in section 3.3.

Sustainability-linked financing

Sustainability-linked transactions involve a number of variables which will differ per transaction. Our internal business governance forums evaluate each transaction on a case-by-case basis to consider whether it qualifies as sustainable finance. 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.

Balance sheet related

For sustainability-linked loan (SLL) transactions, we include transactions where we assess them to be aligned with industry standards as set out by the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA):

- [Sustainability Linked Loan Principles](#)

In addition to sustainability-linked loan transactions, we have introduced certain HSBC-designed products modelled on the SLL concept which we provide bilaterally to our customers with relevant conditions specified in product and transaction documentation.

Financing facilitation

For capital markets transactions, we include transactions where we assess them to be aligned with industry standards as set out by the International Capital Markets Association (ICMA):

- [Sustainability Linked Bond Principles](#)

'Pure play' companies

We define 'pure play' companies as clients where we assess 90% (or more) of revenues (or equivalent metric for not for profit or pre-revenue entities) to be derived from activities which we assess to align with relevant HSBC eligible environmental and social activities, as outlined in section 3.3. We refer to these as 'green companies' and 'social companies'. 'Pure play' companies are identified at an entity level and must be approved through internal business governance forums and continue to be monitored regularly to ensure on-going qualification.

We include in our sustainable finance and investment ambition financing and financing facilitation that we provide to 'pure play' companies that is not otherwise classified as sustainable finance. As materially all revenue is generated from eligible environmental and social 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 or social purpose(s). Such financing cannot be labelled or marketed by the borrower as "green" or "social" finance due to the pillars of Green Loan Principles (GLP), Green Bond Principles (GBP), Social Loan Principles (SLP) or Social Bond Principles (SBP) not necessarily being satisfied. Such facilities may include any type of loan, credit facility, mortgage, trade or supply chain instrument as well as financing facilitation through capital markets activities. Facilities that meet conditions within our sustainable financing product summary in section 5.1 for use of proceed and sustainability-linked financing are reported within the relevant category and not included within reporting for 'pure play' company to avoid duplication.

3.2. Governance and disclosures

We have established internal business governance forums and processes designed to support business implementation and disclosures at various stages in our approach, including:

- Product design (where applicable)
- Origination and approval
- Tracking and monitoring

Product design

Product teams check that sustainable finance products adhere to our existing definitions, available internal standards and relevant industry guidelines, as appropriate. HSBC products undergo product governance review in line with established business product due diligence processes.

Origination and approval

We have set up internal business governance forums to review relevant financing activities (including use of proceeds financing and 'pure play' companies) in accordance with our guidelines and, where relevant, HSBC eligible environmental and social activities.

Given the public nature of capital markets transactions and the sophistication of market participants and investors, we apply a risk-based approach and escalation triggers to determine whether committee review is required to qualify these transactions.

Tracking and monitoring

Qualifying transactions are recorded and tracked through HSBC systems. Labelled balance sheet related facilities are reviewed as part of annual client review processes to help monitor adherence to conditions and covenants applied to the relevant facility.

Balance sheet related facilities are tracked via internal systems and are reconciled against approval logs managed by internal business governance forums.

Capital market transactions are validated against external market data for labelled issuances. Given the public nature of capital markets activities, we do not have an internal process for ongoing monitoring post issuance of a qualifying transaction.

3.3. Eligible activities (use of proceeds)

As indicated above, we qualify certain aspects of sustainable finance for reporting against our ambition where we assess the use of proceeds to be aligned with HSBC eligible environmental and social activities.

Previously, we classified these sustainable finance activities as 'green' or 'social' using internal HSBC eligibility criteria and references drawn from industry standards and other sources. During 2024, we have reviewed our existing eligibility criteria against selected market taxonomies and other relevant industry guidelines and standards and have now consolidated these into an internal HSBC eligible environmental and social activities approach, a summary of which is set out in section 5.2. We plan to incorporate detailed internal eligibility criteria and guidance aligned with the categories and sub-categories in the HSBC eligible environmental and social activities into internal business governance processes during 2025.

The categories and sub-categories of HSBC eligible environmental and social activities fall under the themes of climate solutions, nature, adaptation and social. For each category, we also indicate

in section 5.2 for reference the UN Sustainable Development Goals most commonly associated with the category.

The HSBC eligible environmental and social activities relate to the following financing within our sustainable financing product summary (with detailed descriptions provided in the Appendix):

- Green loans and other green qualified lending
- Social loans and other social qualified lending
- Green trade finance and sustainable trade instruments
- Pure play companies

While we have drawn from global references and standards in developing the HSBC eligible environmental and social activities approach, our internal business governance forums may also refer to regional taxonomies to qualify sustainable finance activities as meeting relevant eligibility conditions of the jurisdiction in which a transaction occurs.

We acknowledge that the activities indicated in the HSBC eligible environmental and social activities summary are not mutually exclusive, e.g., a financing facility may serve multiple use of proceeds themes. We seek to tag transactions against relevant categories and sub-categories through our internal systems.

We continue to monitor emerging standards and expect to adapt our approach over time as may be appropriate to reflect latest market developments and updated taxonomies.

Climate Solutions

Climate solutions include net zero aligned or positive climate impact activities drawn primarily from taxonomies produced by the Climate Bonds Initiative and the International Energy Agency. Categories include renewable energy, energy efficiency, clean transportation, and green buildings categories, among others.

Nature

For nature related activities, we have drawn from the 'Biodiversity Finance Reference Guide' published by the International Finance Corporation. Categories include sustainable land use, pollution prevention and control, sustainable water and wastewater management, and nature-based solutions, among others.

Adaptation

For adaptation, we have drawn from 'Adaptation Finance Tracking Taxonomy' published by the Climate Policy Initiative. This taxonomy lists adaptation activities for relevant industries.

Social

For social, we have drawn on the UN Sustainable Development Goals and other references. Categories include affordable housing, access to essential services, affordable basic infrastructure, and food security and sustainable food systems.

4. ESG and sustainable investing

4.1. Products and services

Our ESG and sustainable investing approach aims to help support customers to make sustainable choices. It includes products that seek to support and/or promote sustainable outcomes through the assessment of specific ESG criteria, products that invest in specific growth areas or trends and those that seek a specific sustainable impact.

The approach is designed to support different customer needs. Some products and services may act as a mechanism to manage risks in investments while others may seek to capture value from emerging trends or to drive positive impact on society and/or the environment.

Our ESG and sustainable investing approach is used to promote consistency across asset classes and global business lines. Our approach should not be relied on externally to assess the sustainability characteristics of products under local ESG or other regulations.

The ESG and sustainable investing products and services in scope of our sustainable finance and investment ambition are outlined below.

ESG Aligned

ESG Aligned includes strategies intended to achieve better sustainability performance compared to non-ESG benchmarks or industry peers alongside financial objectives.

ESG Enhanced

Investment funds and other investment solutions that are intended to demonstrate stronger sustainability performance compared to ESG Aligned strategies, non-ESG benchmarks or industry peers based on specific ESG criteria, and/ or apply more significant exclusions.

Thematic

Investment funds and other investment solutions which focus on ESG related growth areas by identifying companies that align to specific sustainability themes, as approved by HSBC's internal business governance forums.

Examples of themes related to the environment include low carbon transition readiness, clean energy, responsible consumption, natural capital. Examples of themes related to social issues include gender equality, health and education.

Impact

Investment funds and other investment solutions that aim to have a 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.

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.

4.2. Governance and disclosures

Governance

We have put in place internal business governance processes to review and validate that ESG and sustainable investing products and services included in reporting against our ambition meet the

criteria for classification as ESG and sustainable investing in accordance with the data dictionary definitions.

This includes internal business governance forums for the management, oversight, and monitoring of ESG and sustainable investing products and services. These forums review and approve sustainability product guidelines and standards and help ensure alignment of products and services to Group standards. They also serve as an escalation point to consider controversies and/or conflicts.

Internal business governance forums include representatives with relevant expertise in sustainability, ESG and sustainable investing, regulatory compliance and reputational and sustainability risk.

Tracking and Monitoring

Qualifying products and services are recorded and tracked through HSBC systems. Internal validation is undertaken of qualifying products and services in scope of our sustainable finance and investment ambition.

Reporting scope of the ESG and sustainable investing strategies are 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 internal business governance forums and are subsequently reviewed at least annually to ensure they continue to meet our eligibility criteria.

External disclosures

For the avoidance of doubt, products or assets invested pursuant to our ESG and sustainable investing approach, or reported for the purposes of inclusion towards our sustainable finance and investment ambition, do not necessarily qualify as "sustainable investments" as defined by Sustainable Finance Disclosure Regulation (SFDR) and/or other relevant regulations, and may not qualify as "sustainable" products for the purposes of the UK Sustainability Disclosure Requirements (SDR) and European Securities and Markets Authority (ESMA) fund naming guidance and/or any other regulatory standards.

The HSBC ESG and sustainable investing approach is an internal HSBC classification used to establish our own ESG and sustainable investing standards (recognising the subjectivity inherent in such approach and the variables involved) and to promote HSBC consistency across asset classes and HSBC business lines where relevant. Our ESG and sustainable investing approach should not be relied on externally to assess the sustainability characteristics of any given product under relevant regulations. Products and assets included in HSBC's ESG and sustainable investing approach that do not qualify as ESG or sustainable under relevant regulations may still be counted towards our sustainable finance and investment ambition.

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.

5. Appendix

5.1. Sustainable financing product summary

Product	Description	Reporting scope
1. Use of proceeds financing		
Balance sheet related		
Green Loans	Lending which HSBC assesses to be aligned with 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) and where we assess the eligible use of proceeds to align with relevant HSBC eligible environmental and social activities, including any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing projects.	Limit or committed amount booked at execution of new facilities (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 established credit process and annual review. The limit is sourced from HSBC's internal risk systems.
Project Finance	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).	Limit or committed amount booked at execution of new facilities. 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.
Other green qualified lending	Lending for projects or activities where HSBC assesses the use of proceeds to align with HSBC eligible environmental and social activities, with such activities also 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 projects or activities.	Limit or committed amount booked at execution of new facilities (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.

Product	Description	Reporting scope
Social Loans	Lending aligned with 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) and where we assess the eligible use of proceeds to align with relevant HSBC eligible environmental and social activities, including any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing projects.	Limit or committed amount booked at execution of new facilities (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 established credit process and annual review. The limit is sourced from HSBC's internal risk systems.
Other social qualified lending	Lending for client projects, activities or by approved HSBC programmes where HSBC assesses the use of proceeds to align with HSBC's eligible environmental and social activities, with such activities also 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 projects or activities.	Limit or committed amount booked at execution of new facilities (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.
Green Trade Finance	Global Trade Services (GTS) lending facilities aligned with 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 GTS products include: (i) trade loans, (ii) receivables finance, (iii) import / export finance, distribution and commodity structured trade finance (CSTF).	Limit or committed amount booked at execution of new facilities. These companies are reviewed on a case-by-case basis by HSBC's internal business governance forums. The facility terms and conditions must reflect GLP requirements with monitoring and control of the facility incorporated into HSBC's established credit process and annual review. The limit is sourced from HSBC's internal risk systems. Relevant GTS facilities will be recognised when the four pillars of the GLP are met.
Sustainable Trade Instruments	Global Trade Services (GTS) contingent liability facilities aligned with HSBC's internal sustainable trade instrument principles (STIP) which are based on the GLP and reference the United Nations Sustainable Development Goals (SDGs).	Limit amount booked at deal execution of new facilities. The facility terms and conditions must reflect STIP requirements with monitoring and control of the facility incorporated into HSBC's established credit process and

Product	Description	Reporting scope
	GTS contingent liability products include (i) guarantees, (ii) standby letter of credit, and (iii) documentary credit.	annual review. These companies are reviewed on a case-by-case basis by HSBC's internal business governance forums. The limit is sourced from HSBC's internal risk systems and/or GTS systems.
Financing facilitation		
Green, Social and Sustainability Bonds	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. 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. Transactions follow clients' issuer frameworks which are assessed against industry guidelines at the time the framework was created.
DCM Short Term Debt	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. Transactions follow clients' issuer frameworks which are assessed against industry guidelines at the time the framework was created.
Equity Capital Markets (ECM)	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.
2. Sustainability-linked financing		
Balance sheet related		
Sustainability Linked Loans	Lending which HSBC assesses to be aligned with the Sustainability Linked Loan Principles (SLLP) of the Loan Market Association (LMA), Asia Pacific	Limit or committed amount booked at execution of new or refinanced facilities. The facility terms and conditions must reflect SLLP

Product	Description	Reporting scope
	Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA), including any type of loan, credit facility, 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).	requirements with monitoring and control of the facility incorporated into HSBC's established credit process and annual review. The limit is sourced from HSBC's internal risk systems.
Sustainability Improvement Loan	Lending, including any type of loan, credit facility, mortgage, trade or supply chain instrument, designed to promote an improvement in sustainability performance of the borrower, where the characteristics of the facility may vary based on performance against a single, predefined target. The target will be a specified improvement in an identified ESG rating, or achievement of certain accreditation(s) provided by an approved third party that is material and ambitious to address the relevant environmental, social and governance challenges facing the borrower.	Limit or committed amount booked at execution of new facilities. The facility will have standardised loan documentation reflecting the predetermined performance targets for the borrower. Monitoring and control of the facility is incorporated into HSBC's established credit process and annual review. The limit is sourced from HSBC's internal risk systems.
Sustainable Supply Chain Finance	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.	Limit or committed amount booked at execution of new facilities. 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 internal business governance forums. Monitoring and control of the facility is incorporated into HSBC's established credit process and annual review. The limit is sourced from HSBC's internal risk systems and/or GTS systems.
Sustainability Linked Bonds	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).	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. Transactions follow clients' issuer frameworks which are








Product	Description	Reporting scope
		assessed against industry guidelines at the time the framework was created.
3. 'Pure play' companies		
Balance sheet related		
Green company	Lending for entities that derive 90% (or more) of their revenues (or equivalent metric for not for profit or pre-revenue entities) from activities which we assess to align with relevant HSBC eligible environmental and social activities. Facilities may include any type of loan, credit facility, mortgage, trade or supply chain instrument.	Limit or committed amount booked at execution of new facilities. Local business teams identify potential qualifying companies. These companies are reviewed on a case-by-case basis by HSBC's internal business governance forums and continue to be monitored to ensure that 90% or more of the company's revenue (or equivalent metric for not for profit or pre-revenue entities) are from activities which we assess to align with relevant HSBC eligible environmental and social activities. The limit is sourced from HSBC's internal risk systems.
Social company	Lending for entities that derive 90% (or more) of their revenues (or equivalent metric for not for profit or pre-revenue entities) from activities which we assess to align with relevant HSBC eligible environmental and social activities. Facilities may include any type of loan, credit facility, mortgage, trade or supply chain instrument.	Limit or committed amount booked at execution of new facilities. Local business teams identify potential qualifying companies. These companies are reviewed on a case-by-case basis by HSBC's internal business governance forums and continue to be monitored to ensure that 90% or more of the company's revenue (or equivalent metric for not for profit or pre-revenue entities) are from activities which we assess to align with relevant HSBC eligible environmental and social activities. The limit is sourced from HSBC's internal risk systems.
Financing facilitation		
Green company	Bond issuances for entities that derive 90% (or more) of their revenues (or equivalent metric for not for profit or pre-revenue entities) from activities which we assess to align with relevant HSBC eligible environmental and social activities.	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.
Social company	Bond issuances for entities that derive 90% (or more) of their revenues (or equivalent metric for not for profit or pre-revenue entities) from activities	Apportioned value of HSBC's participation in underwriting the issuance as a bookrunner in the transaction as reported by Dealogic. For




Product	Description	Reporting scope
	which we assess to align with relevant HSBC eligible environmental and social activities.	private placements or where HSBC plays an equivalent distribution role, apportioned value as per transaction documentation.

5.2. HSBC eligible environmental and social activities summary




Environmental activities








A) Climate solutions

Eligible activities	UN SDGs
Renewable Energy <ul style="list-style-type: none"> - Wind, solar, geothermal, hydro, wave and tidal power - Energy storage for energy produced by renewable sources - Electricity Transmission and distribution including connecting new generation onto the grid, connecting new demand sources and improving grid efficiency 	
Energy Efficiency <ul style="list-style-type: none"> - Low carbon heating including district heating, biogas boilers for residential and commercial use and industrial heat pumps, - Energy Efficient Devices (EEDs), - Smart grid technologies including smart meters, smart appliances, renewable energy resources and energy efficiency resources 	
Other Low Carbon Energy <ul style="list-style-type: none"> - Carbon Capture, Utilisation and Storage (CCUS) including technologies that enable the mitigation of carbon dioxide emissions at point source, - Nuclear power, - Low carbon, sustainable fuels including clean hydrogen, biofuels and e-fuels, - Sustainable fuel transportation and storage, both domestic and international 	  
Green Buildings <ul style="list-style-type: none"> - Buildings construction and renovation subject to relevant certifications (e.g., LEAD Platinum or Gold and BREAAAM Very Good and above] - Heating and cooling including district heating and heat pumps (see also climate solutions, energy efficiency) 	 



<p>Clean transportation (both public and private)</p> <ul style="list-style-type: none"> - Battery Electric Vehicles and Plug-in Hybrid Electric Vehicles - Other zero-emission vehicles including hydrogen fuel-cell road transport - Infrastructure for clean energy vehicles and reduction of harmful emissions, including charge points and hydrogen refuelling stations - Various micro-mobility - Rail that is primarily electrified - Aviation: Including investment into the SAF supply chain and related infrastructure, zero-emission aircraft, upgrades to improve the efficiency and increase electrification of ground operations - Shipping: Including enabling of alternative & sustainable fuel-powered ships, Energy Saving Technologies (ESTs) for ship operations, upgrades to enable decarbonisation of port operations & use of sustainable fuels in shipping 	
<p>Low carbon materials and products</p> <ul style="list-style-type: none"> - Development of low carbon materials including low carbon steel, aluminium, cement and chemicals production and processes, this includes the use of CCUS - Circular economy - Development of resource-efficient packaging/distribution 	
<p>Waste Management and Carbon Dioxide Removal</p> <ul style="list-style-type: none"> - Waste prevention, reduction and recycling - Energy / emission-efficient waste to energy with viability dependent on the waste input - Products from waste and remanufacturing and associated processes - Carbon Dioxide Removal (CDR) 	







B) Nature

Eligible activities	UN SDGs
<p>Sustainable Land Use</p> <ul style="list-style-type: none"> - Forest management and plantation forestry - Agricultural production (also see agricultural production in adaptation), - Agricultural technology for sustainable food systems (also see agricultural production in adaptation) 	
<p>Pollution prevention and control</p> <ul style="list-style-type: none"> - Soil remediation - Waste and plastic management including manufacturing, trade finance or retail of compostable and biodegradable products and materials, flood mitigation that prevents waste and pollutants runoff into freshwater and 	 



marine habitats and activities and/or facilities for plastic reduction, recycling, and reuse	
Sustainable water and wastewater management <ul style="list-style-type: none"> - Water and wastewater infrastructure, - Sustainable water use including in agricultural production, manufacturing and processing, construction and building and infrastructure development, - Sustainable fishing and aquaculture - Biodiversity-friendly shipping and cruising - Manufacturing or retail of ocean- and water-friendly household products 	 
Tourism/eco-tourism services <ul style="list-style-type: none"> - Sustainable or ecotourism ventures that meet established standards for best practices 	
Terrestrial and aquatic biodiversity conservation <ul style="list-style-type: none"> - Conservation land use/terrestrial habitat conservation, - Freshwater and marine habitat conservation 	 
Nature based solutions <ul style="list-style-type: none"> - Natural infrastructure and green/blue urban infrastructure including green roofs, canals and coastal protection to address the effects of drought, floods and urban heat - Water-based nature-based solutions including constructed wetlands, and conservation or rehabilitation of mangroves/coral reefs/wetlands (also see ecosystems in adaptation) - Land-based nature-based solutions including forest buffers 	 




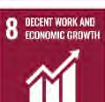








C) Adaptation

Eligible sectors and example activities	UN SDGs
Agricultural Production <ul style="list-style-type: none"> - Agricultural production, including resilient soil management and monitoring and early warning systems such as wildfire and pest monitoring (also see sustainable land use in nature), - Agri-food logistics, processing and retail including improved agrifood chain cold storage systems (also see sustainable land use in nature), 	
Ecosystems <ul style="list-style-type: none"> - Freshwater, marine, terrestrial ecosystem including wildfire management and adaption systems (see also nature-based solutions in nature) 	

<p>Healthcare</p> <ul style="list-style-type: none"> - Healthcare facilities, products including climate-resilient medical equipment and devices, temperature-stable pharmaceutical formulations and disaster-resilient telemedicine equipment - Healthcare services including high-quality air filtration for climate-induced air pollution, management of heat-related illnesses 	
<p>Industry and Commerce</p> <ul style="list-style-type: none"> - Adaptation activities across the following sectors: commercial trade, construction, forestry and logging (also see sustainable land use in nature), hospitality, logistics services, manufacturing and mining and quarrying 	 
<p>Infrastructure</p> <ul style="list-style-type: none"> - Adaptation activities across the following sectors: buildings, energy, information and communication technology, infrastructure monitoring, transport, urban spaces and waste (also see sustainable water and wastewater management in nature) 	 
<p>Water and Sanitation</p> <ul style="list-style-type: none"> - Water, Sanitation and Hygiene (WASH) services - Water hazards including flood and drought early warning and alert systems 	

Social activities

Eligible activities	UN SDGs
<p>Affordable Housing</p> <ul style="list-style-type: none"> - Including development and subsidies and rental assistance 	 

<p>Access to essential services</p> <p>Education</p> <ul style="list-style-type: none"> - Including school construction, digital learning, affordable tuition, teacher training and curriculum development <p>Healthcare</p> <ul style="list-style-type: none"> - Including facility expansion and equipment upgrades, affordable medication and services, preventive and/or emergency services, mental health and wellness programmes <p>Financing and financial services</p> <ul style="list-style-type: none"> - Including microloans for entrepreneurs/small and medium enterprises including for the purposes of employment, financial literacy and training, women's and youth lending programmes, availability of financial products and services, and affordable savings and insurance products 	    
<p>Affordable basic infrastructure</p> <p>Water and waste</p> <ul style="list-style-type: none"> - Including clean water infrastructure, subsidised water pricing and accessible sanitation facilities, <p>Transport</p> <ul style="list-style-type: none"> - Including road development, public transport systems, accessible transport for vulnerable groups and rural connectivity programmes <p>Telecommunications</p> <ul style="list-style-type: none"> - Including communication technology or services that provides or improves connectivity where there is no access or access to telecommunications is substantially inadequate and emergency communication systems <p>Energy Infrastructure</p> <ul style="list-style-type: none"> - Including development of transmission and distribution infrastructure for provision and improvement of electricity where there is no access or access to energy is substantially inadequate 	    
<p>Food security and sustainable food systems</p> <ul style="list-style-type: none"> - Including food and agriculture security programmes, food and agriculture supply chain infrastructure, subsidised food pricing, and support to smallholder farmers to increase market access 	 

5.3. Version control

The table below summarises key updates (product additions / product removals) to the data dictionary since we started reporting against our sustainable finance and investment ambition in 2020.

All documents published have been titled: "HSBC's USD750 bn - USD1 trn Sustainable Financing and Investment Commitment - Data Dictionary [YYYY]"

Reporting year	Product Additions	Product Removals
2020	<ul style="list-style-type: none">• Sustainability Linked Bonds,• Sustainable Trade Instruments	n/a
2021	<ul style="list-style-type: none">• Social Loans	<ul style="list-style-type: none">• Finance Advisory
2022	n/a	<ul style="list-style-type: none">• Green Deposits• Structured Green Deposits
2023	<ul style="list-style-type: none">• Green Company	n/a
2024	<ul style="list-style-type: none">• Sustainability Improvement Loans	n/a

5.4. 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 document 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 for the year ended 31 December 2024 which we expect to file with the U.S. Securities and Exchange Commission ('SEC') on Form 20-F on or around 20 February 2025 (the '2024 Form 20-F') and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2024 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 2024 Form 20-F and Subsequent Form 6-Ks.