

December 2022

HSBC UN Sustainable Development Goals Bond and Sukuk Report



Opening up a world of opportunity

Introduction

'A bank like ours has a responsibility to lead on climate change. We're global; we seek to help finance the future, but also we're present across emerging economies where the transition will be the toughest, where there's a heavy reliance on fossil fuels. It is our ambition to achieve net zero by 2050 and support our customers in their transition to a sustainable future with 750 billion to 1 trillion US dollars of sustainable finance and investments.'

Celine Herweijer, Group Chief Sustainability Officer, HSBC

At HSBC we are committed to a net zero future. We recognise that our planet urgently needs drastic and lasting action to protect our communities, businesses and the natural environment from the damaging effects of climate change. Our ability to finance the transformation of businesses and infrastructure is key to building a sustainable future for our customers and society.

The sustainability bond market plays an important role in raising capital for key projects. At HSBC we continue to help our clients issue their own sustainable debt capital in the market and since 2017 we have issued more than USD 1.1bn of our own SDG bonds with the capital invested into a variety of projects that support affordable clean energy, industry innovation and infrastructural, clean water and good health.

HSBC's ESG progress in 2021-2022

Environmental

- As of 30th June 2022 we had achieved USD 170.8bn towards our USD 750bn - USD 1tn sustainable finance and investment ambition.
- In 2022 we announced our intention to publish our Climate Transition Plan in 2023 which will explain – in one place – how HSBC will implement its net zero ambition and the changes underway across the bank. We intend to report on progress against our Climate Transition Plan on an annual basis as part of our Annual Report and Accounts and related disclosures.¹
- In December 2022 we updated our energy policy², this has been developed in consultation with scientific and international bodies, and industry, and is informed by analysis of a range of pathways that, if followed, would help limit the global temperature rise to 1.5°C.
- Our asset management business has set out its policy for phasing out coal-fired power and thermal coal mining from its listed holdings in the EU and OECD markets by 2030, and globally by 2040.
- In 2022 we announced targets for reducing financed emission in two carbon intensive sectors:³
 - A 34% reduction in the absolute on-balance sheet financed emissions for the oil and gas sector by 2030.
 - A reduction to 0.14 million tonnes of carbon dioxide equivalent per terawatt hour ("Mt CO₂e/TWh") financed emissions intensity for the power & utilities sector by 2030.

Social

- Our employee engagement score at the end of 2021 was on target at 72%.
- By the end of 2021 we had increased the number of Black senior leaders by 17.5% from a 2020 baseline.
- We have increased the number of women in senior roles in 2022, from 31.7% at the end of 2021 to 32.5% at the end of June 2022.

Governance

- 99% of employees have completed financial crime training in 2021, being the 'Fighting financial crime' module, part of the global regulatory conduct training.

HSBC's SDG and Green Bond Framework update

Given developments within the green/sustainability market place and the evolving and complex landscape, including the developing green/sustainable taxonomies, we have continued to work on the refresh of our existing Green Bond Framework and SDG Bond Framework to take into account the latest standards, taxonomies and practices we deem appropriate. This includes working on enhancements to reporting and governance as we recognise the heightened interest and higher expectations from the evolving standards. The new framework update and enhancements have continued to be progressed during 2022, with further refinement to be undertaken in 2023. Once published the refreshed framework will apply to new issuances, issuances within this report are based on the existing framework. Our continued monitoring of evolving taxonomies and practices over time could result in revisions in our reporting going forward and lead to differences year-on-year as compared to prior years, any differences would be highlighted within the report.

Introduction

Sustainable Finance Leadership

HSBC has been committed to develop and provide sustainable finance products for its clients across the globe, through industry engagement and thought leadership.

Collaboration and Industry Engagement

- HSBC has been a member of the ICMA Green Bond Principles Executive Committee for 8 years, having been re-elected 4 times.
- HSBC is chair of the Institute for International Finance (IIF) Sustainable Finance working group and the IIF's Task Force on Climate-Related Financial Disclosures (TCFD) sub-group.
- HSBC is a member of the Platform on Carbon Accounting Financials (PCAF).
- HSBC is a founding member of the Net Zero Banking Alliance.
- In Europe, HSBC is a founding member of the Climate Finance Leadership Initiative, of the Climate Action 100+ initiative, as well as of the UK Green Finance Taskforce.
- In the Middle East, HSBC is a founding member of the Abu Dhabi Global Market (ADGM), a financial centre comprising a financial services regulator, registration bureau and courts, and the Dubai Financial Market (DFM), Dubai's stock exchange.
- In Asia Pacific, HSBC co-chairs the Green Finance Working Group of Green Finance Industry Taskforce (GFIT), convened by the Monetary Authority of Singapore (MAS), and is a founding member of the Hong Kong Green Finance Association.

Thought Leadership

- HSBC's Centre for Sustainable Finance has published 22 publicly available reports and articles in collaboration with 10 academic, non-government organisation and industry partners, in addition to HSBC authored content.
- HSBC's recently established Group Sustainability Centre of Excellence is involved in the co-ordination of HSBC's efforts to assist clients in the transition to net zero.

Client Engagement

- We acknowledge we finance a number of industries that significantly contribute to greenhouse gas emissions. Engagement with our clients on transition plans will be a vital part of our approach, to encourage and support clients to decarbonise and diversify their energy supply, production and business models.

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 02 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 - US40438CKC46 (issued 30 June 2020)
- ◆ Equity Linked SDG Bond - US40438CKB62 (issued 30 June 2020)
- ◆ Equity Linked SDG Bond - US40438CKA89 (issued 06 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)
- ◆ Equity Linked SDG Bond - US40438CM997 (issued 26 January 2021)
- ◆ Equity Linked SDG Bond - US40438CN235 (issued 26 January 2021)
- ◆ Equity Linked SDG Bond - US40438CM815 (issued 29 January 2021)
- ◆ Equity Linked SDG Bond - US40438CU339 (issued 23 February 2021)
- ◆ Equity Linked SDG Bond - US40438CU412 (issued 23 February 2021)
- ◆ Equity Linked SDG Bond - US40438CU255 (issued 26 February 2021)
- ◆ Equity Linked SDG Bond - US40438CX309 (issued 26 February 2021)
- ◆ 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>

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"> • Relationship manager provides the details of the project or activities the loan financing for assessment against the eligible use of process categories • HSBC Group Sustainability, Risk and relevant stakeholders review ESG factors and the use of proceeds of the loan for compliance with relevant principles including Loan Market Association Green Loan and Social Loan Principles • Global Treasury Sustainability Committee (GTSC) reviews compliance against the Green Bond Framework and confirms eligibility
<p>Funds tracking</p> 	<ul style="list-style-type: none"> • Facilities that have been included within our USD 750bn-1tn Sustainable Finance & Investment ambition are selected to be assessed against the SDG Bond Framework • Use of Proceeds tracked via HSBC's SDG Asset Register published alongside this report • The HSBC SDG Asset Register is reviewed regularly by the GTSC • While any portion of the proceeds of an HSBC Green/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:</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 on page 5) together with a description of the types of business and projects financed; • Any 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 activities and projects financed by the 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>

Excluded Use of Proceeds

As stated in our framework:



Nuclear power Gambling / adult entertainment Weapons



Palm oil Alcohol

Reporting Evaluation and Selection Procedure

The cornerstone of a SDG Bond is the verifiable use of its proceeds to support sustainable investment. To facilitate this, issuers need a robust and transparent framework detailing, among other aspects, a strong project evaluation and selection process.

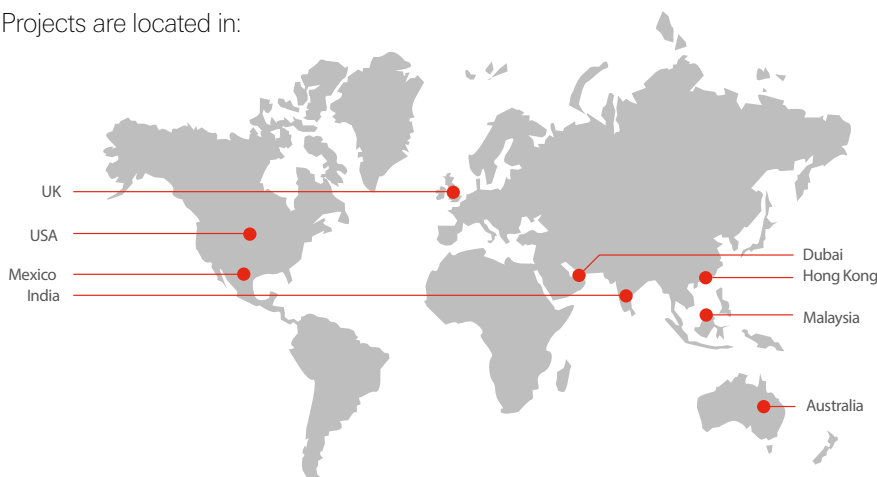
HSBC's SDG Bond Framework is overseen and governed by the Global Treasury Sustainability Committee (GTSC). The GTSC is chaired by HSBC Treasury and consists of sustainability specialists and senior management from across the businesses, including input from Sustainable Finance, Climate and Treasury Risk teams.

The GTSC has responsibility for the ratification of sustainable projects to be allocated to SDG issuances. Once a relationship manager identifies a transaction as SDG aligned they follow the guidelines, as summarised below:

- ◆ A definition of SDG finance/lending has been developed and approved for HSBC's Sustainable Finance and Investments. The data dictionary detailing the definitions, including industry standards that a facility must align to in order to be SDG eligible, is published in HSBC's ESG Reporting Centre;
- ◆ Once an SDG project is identified by the relationship manager as SDG aligned, based on the data dictionary definition, an approval is sought from their local sustainable finance forum who will approve if the facility aligns to the definition and relevant standards required to be deemed SDG. The sustainable finance forum includes representatives from; global businesses, corporate sustainability, reputational risk, lending & transaction management and risk. Only approved facilities are included within the USD 750bn - 1tn sustainable finance ambition and are then consider as a potential asset to support an SDG issuance; and
- ◆ Once identified as an SDG asset to support an SDG issuance, the sustainable finance forum approval, along with supporting documentation is provided to the GTSC to assess and ensure the facility aligns to all necessary sections of the HSBC SDG Bond Framework. If the facility is approved by the committee as aligning to the SDG Bond Framework the asset is added to the asset register and allocated to an SDG liability.

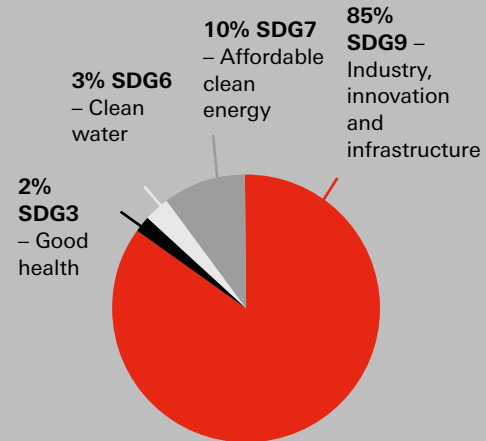
Regional Bond Allocation

Projects are located in:

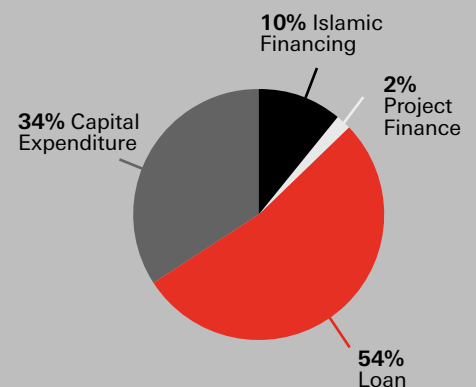
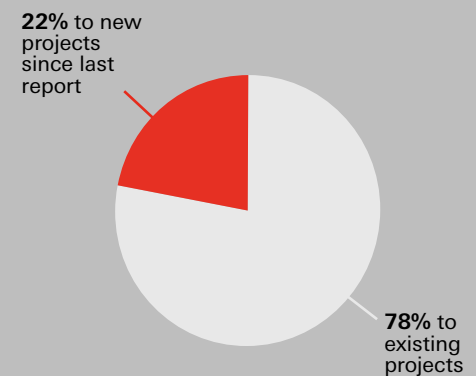


Key Stats:

Amount Disbursed to Projects or Businesses



Bond Allocation



(All figures correct as of 30 June 2022)

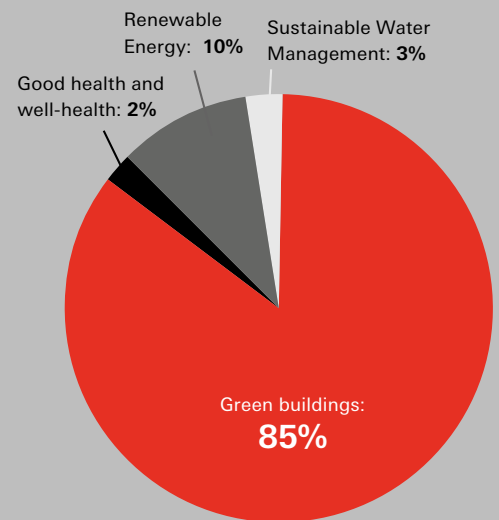
Reporting Criteria For SDG Bonds

Additional information on the the selection process for these projects is noted below:

- ◆ Projects within the region of the issuing entity, are considered for potential inclusion. Where HSBC Holdings plc is the issuer assets from all locations can be considered.
- ◆ The HSBC SDG Asset Register tracks all projects identified by Relationship Managers within the region of the issuing entity and records the review/approval process performed by Group Sustainability and the GTSC as noted above.
- ◆ The relationship manager evaluates business or projects for adherence to HSBC's Sustainability Policies (see <https://www.hsbc.com/our-approach/risk-and-responsibility/sustainability-risk> for further details).
- ◆ All projects in the HSBC SDG Asset Register are 'approved' for allocation to the SDG Bond by the GTSC.
- ◆ If approved by the GTSC, the project's outstanding commitments as per HSBC's financial reporting systems at 30 June 2022 (elected reporting date) are recorded within the HSBC SDG Asset Register.
- ◆ Exchange rates are taken from HSBC internal conversion rates where project investments are made in alternative currencies.
- ◆ For the purpose of this report new projects are those which have been allocated to the existing SDG bonds on the the SDG Asset Register since the previous report. All other projects are considered to be 'existing' projects.
- ◆ There is no direct financial link between the allocated assets and the SDG bond itself, i.e. this is an unsecured issuance.

Key Stats:

Amount Distributed by Type of Project



(All figures correct as of 30 June 2022)



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-GCD-003	HSBC-GCD-004	HSBC-GCD-005	HSBC-GCD-006	HSBC-GCD-007
	SDG Bond	SUKUK SDG Bond	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit
Issuer	HSBC Holdings	HSBC Amanah Malaysia Berhad	HSBC USA Inc.	HSBC USA Inc.	HSBC USA Inc.	HSBC USA Inc.	HSBC USA Inc.
Issue Date	15 November 2017	2 October 2018	27 September 2019	30 October 2019	27 November 2019	30 December 2019	30 December 2020
Currency	USD	MYR	USD	USD	USD	USD	USD
Tenor	6 years	5 years	7 years	7 years	7 years	7 years	7 years
Issued Amount	1,000	500	1.2	1.6	1.5	0.0	1.5
ISIN	US404280BM08	MYBV11802740	US44329MAR43	US44329MBC64	US44329MBU62	US44329MCB72	US44329MCR25

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

Reporting Date

30/06/2022

	USD SDG Bond	MYR SUKUK SDG Bond	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit
(A) SDG 3: Good Health and Well-Being	-	92	-	-	-	-	-
(A) SDG 6: Clean Water and Sanitation	5	114	-	-	-	-	-
(A) SDG 7: Affordable and Clean Energy	102	-	1.2	1.6	1.5	0.0	1.5
(A) SDG 9: Industry, Innovation and Infrastructure	892	294	-	-	-	-	-
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-	-
(A) Total allocation	1000	500	1.2	1.6	1.5	0.0	1.5

Further Bond Information

Reporting Date

30/06/2022

	USD SDG Bond	MYR SUKUK SDG Bond	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit	USD Green Certificate of Deposit
Number of projects/clients supported by HSBC SDG	14	5	1	1	1	1	1
Geographic allocation of projects	USA, India, Mexico, United Kingdom, Dubai, Australia, Hong Kong	Malaysia	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 (2)

	HSBC-GCD-008	HSBC-SDG-003	HSBC-SDG-004	HSBC-SDG-005	HSBC-SDG-007	HSBC-SDG-009	HSBC-SDG-010
	Green Certificate of Deposit	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.	HSBC USA Inc.
Issue Date	27 February 2020	18 March 2020	31 March 2020	17 April 2020	29 May 2020	30 June 2020	30 June 2020
Currency	USD	USD	USD	USD	USD	USD	USD
Tenor	7 years	3 years	2 years	2 years	5 years	5 years	2 years
Issued Amount	1.8	0.5	0.1	0.0	0.1	0.3	0.1
ISIN	US44329MDE03	US40435U6M15	US40438CBQ33	US40438CDB46	US40438CGY12	US40438CKC46	US40438CKB62

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

Reporting Date

30/06/2022

	USD	USD	USD	USD	USD	USD	USD	
	Green Certificate of Deposit	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	1.8	100%	0.5	100%	0.0	100%	0.1	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-	-	
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-	-	
(A) Total allocation	1.8	0.5	0.1	0.0	0.1	0.3	0.1	

Further Bond Information

Reporting Date

30/06/2022

	USD	USD	USD	USD	USD	USD	USD
	Green Certificate of Deposit	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	1
Geographic allocation of projects	USA	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-011	HSBC-SDG-012	HSBC-SDG-013	HSBC-SDG-014	HSBC-SDG-015	HSBC-SDG-016	HSBC-SDG-017
	Equity Linked SDG Bond	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.	HSBC USA Inc.
Issue Date	6 July 2020	31 July 2020	31 July 2020	31 July 2020	31 July 2020	26 August 2020	26 August 2020
Currency	USD	USD	USD	USD	USD	USD	USD
Tenor	3 years	5 years	3 years	5 years	2 years	5 years	2.5 years
Issued Amount	0.0	0.5	0.4	0.1	0.0	0.0	0.2
ISIN	US40438CKA89	US40438CPN55	US40438CPM72	US40438CNY39	US40438CPL99	US40438CSA08	US40438CSC63

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

Reporting Date

30/06/2022

	USD	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	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	0.0	100%	0.5	100%	0.4	100%	0.1	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-	-	
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-	-	
(A) Total allocation	0.0	0.5	0.4	0.1	0.0	0.0	0.2	

Further Bond Information

Reporting Date

30/06/2022

	USD	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	Equity Linked SDG Bond
Number of projects/clients supported by HSBC SDG	1	1	1	1	1	1	1
Geographic allocation of projects	USA	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-018	HSBC-SDG-019	HSBC-SDG-020	HSBC-SDG-021	HSBC-SDG-022	HSBC-SDG-023	HSBC-SDG-024
	Equity Linked SDG Bond	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.	HSBC USA Inc.
Issue Date	26 August 2020	26 August 2020	31 August 2020	25 September 2020	25 September 2020	30 September 2020	26 January 2021
Currency	USD	USD	USD	USD	USD	USD	USD
Tenor	3 years	5 years	2 years	2.5 years	5 years	2 years	2 years
Issued Amount	0.1	0.7	0.2	0.6	0.2	0.1	0.7
ISIN	US40438CSX01	US40438CSD47	US40438CSE20	US40438CUM18	US40438CUP49	US40438CUN90	US40438CM997

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

Reporting Date

30/06/2022

	USD	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	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%	0.7	100%	0.2	100%	0.6	100%	0.2	100%	0.1	100%	0.7	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-	-							
(A) SDG 11: Sustainable Cities and Communities	-	-	-	-	-	-	-							
(A) Total allocation	0.1	0.7	0.2	0.6	0.2	0.1	0.7							

Further Bond Information

Reporting Date

30/06/2022

	USD	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	Equity Linked SDG Bond
Number of projects/clients supported by HSBC SDG	1	1	1	1	1	1	1
Geographic allocation of projects	USA	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-SDG-025	HSBC-SDG-026	HSBC-SDG-027	HSBC-SDG-028	HSBC-SDG-029	HSBC-SDG-030
	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	26 January 2021	29 January 2021	23 February 2021	23 February 2021	26 February 2021	26 February 2021
Currency	USD	USD	USD	USD	USD	USD
Tenor	5 years	2 years	2 years	3 years	2 years	3 years
Issued Amount	0.7	0.1	0.4	1	0.1	1.1
ISIN	US40438CN235	US40438CM815	US40438CU339	US40438CU412	US40438CU255	US40438CX309

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

Reporting Date 30/06/2022

	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	0.7	100%	0.1	100%	0.4	100%
(A) SDG 9: Industry, Innovation and Infrastructure	-	-	-	-	-	-
(A) Total allocation	0.7	0.1	0.4	1	0.1	1.1

Further Bond Information

Reporting Date 30/06/2022

	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

HSBC Sustainable Financing Updates

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

- ◆ HSBC Sustainable Financing Updates:
<https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds>

- ◆ ESG Reporting Centre:
<https://www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre>

- ◆ 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 2021:
<https://www.sustainablefinance.hsbc.com/mobilising-finance/china-green-bond-market-2021>

For further information on Sustainable Finance at HSBC please use the above websites. Additional disclosure on our sustainable finance and investment targets, and commitments in line with our TCFD commitments will be found in the Environment, Social and Governance chapters of our full year 2022 Annual Report & Accounts.

Disclaimer

Important Notice

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Forward-Looking statements

This document may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "plan", "estimate", "seek", "intend", "target", "believe", "potential" and "reasonably possible" or the negatives thereof or other variations thereon or comparable terminology (together, "forward-looking statements"), including the strategic priorities and any financial, investment and capital targets and any ESG related targets, commitments and ambitions described herein. Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market or economic conditions, regulatory changes, geopolitical tensions such as the Russian Ukraine war, the impact of the Covid-19 pandemic or as a result of data limitations and changes in applicable methodologies in relation to ESG related matters). Any such forward looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management's beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, targets, commitments, ambitions, prospects or returns contained herein.

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 2021 filed with the Securities and Exchange Commission (the "SEC") on Form 20-F on 23 February 2022 (the "2021 Form 20-F"), and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2021 Form 20-F.

Information in this document was prepared as at 30 June 2022, unless otherwise stated.

- 1 [HSBC Holdings plc Annual Report and Accounts, 2021](#)
- 2 [Our energy policy to support net zero transition, 2022](#)
- 3 [HSBC sets financed emissions targets for oil and gas power and utilities, 2022](#)

Ⓐ 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.