

Investing in Nature

We regard support for the environment as an integral part of operating our business in a sustainable and equitable way.

In 2002, we announced 'Investing in Nature', our US\$50 million, five-year programme to support three leading environmental charities — Botanic Gardens Conservation International (BGCI), Earthwatch and WWF. Details of our various projects and the progress we have made so far feature in this chapter. We believe, however, that the groundwork has been laid for even greater achievements in the future. Common to all these programmes is a commitment to finding long-term solutions to environmental problems. We can achieve this aim through education, co-operation with a range of NGOs, governmental and civil society groups, and the participation of HSBC employees around the world.

Saving endangered plant species

The plant challenge

Scientists believe that two-thirds of the world's plants could be extinct by the end of this century. Already 100,000 of the world's 440,000 plant species are under threat. We simply cannot afford to let them disappear. Four in every five of the world's people rely on plants for primary health care, and plants help regulate our climate and bind our soils. They provide food, fibres, timber, fuel and habitats for the wildlife, birds and insects that keep our fragile ecosystem in balance.

Our Investing in Nature programme will, through BGCI, help save 20,000 rare plant species from extinction. Work includes helping BGCI to implement a global plant conservation strategy, to educate key audiences about the value of plants to local livelihoods and as a source of food and medicine, and to provide green havens in busy cities for more than 200 million people who visit them each year.

Progress in 2003

BGCI provided vital support to develop and implement a Global Plant Conservation



Strategy, which was agreed by 187 governments in 2002. Since then, it has continued to work on implementing the International Agenda for Botanic Gardens in Conservation, registering more than 200 botanic gardens from 69 countries, now conserving more than 10,000 threatened species. New targets for achieving the International Agenda will be set in 2004 at BGCI's World Congress of Botanic Gardens in Spain. BGCI has contributed to better understanding of biodiversity issues by developing both its own web site — visitors to the site increased six-fold in 2003 — and online communications and education materials for the botanic gardens network as a whole. Across the world, BGCI has awarded scholarships for young scientists in Hong Kong, mainland China and Indonesia, among others; set up networks between national botanical gardens and policy makers in India, Brazil, South-East Asia, the United States and Canada; and established community-level conservation and

BGCI is supporting education programmes in Canadian botanical gardens through the Investing in Nature partnership. Here, a young student learns about wetlands at the Royal Botanical Gardens, Burlington.

education projects in South America, Africa, Russia and Asia. Capacity building is key, and more than 300 botanic garden staff have received training in their own countries in 2003.

Improving the vitality of three great rivers

The freshwater challenge

In the world today, 1.2 billion people do not have access to safe drinking water and 2.4

billion are denied access to basic sanitation. This threatens not only their health, but also the societies in which they live. Too much water in the wrong place or at the wrong time, on the other hand, causes floods that ruin homes, land and livelihoods. Flooding in China killed nearly 5,000 people between 1998 and 2002.

Crops, animals and fish, upon which we depend for food, also suffer. Freshwater species and habitats are especially at risk from the agricultural pesticides and fertilisers and eroded soil that drain into rivers and wetlands.

Our Investing in Nature programme will, through WWF, benefit millions of people by helping to restore three of the world's major rivers. Work includes restoring river basin habitat, implementing better policies and decisions on water management, and modelling good practices in water and land management on the Yangtze in China. A similar project on the Amazon in Brazil is also developing a sustainable fishery model. Another priority is water conservation in the Rio Grande river basin along the US-Mexican border, a region with particular social and environmental challenges. In the UK, the focus is on examples of wetland restoration and best practice in water and river management.

Helping flood victims



Above: The Hongkong Bank Foundation donated HK\$1 million to victims of the Huai River and Yangtze River flood in July 2003. More than 125 million people were affected by the worst flooding to hit the region for 12 years.

Our work with WWF aims to reduce the incidence of such flooding by tackling the problems at their source.

Below: HSBC's Investing in Nature programme has supported a long-term education programme on Brazil's Lake Ituqui. The programme is demonstrating sustainable methods for managing fish resources.



Progress in 2003

In mainland China, WWF has continued its success in creating a number of vital links with national and provincial governments. As a result of these links, a national demonstration site is being established near Wuhan in Hubei province. This will show the benefit to people and wildlife of relinking lakes to the Yangtze River.

Good progress has been made in Brazil with the continued support of the Brazilian government and local communities, many of whom are now benefiting from the development of sustainable fishing and other livelihoods. A regional campaign was launched in Brasilia aimed at improving water quality and reducing pollution. Four more national and regional campaigns are planned over the life of Investing in Nature.

In Mexico and the United States, research and liaison with environmental organisations and policy-makers has laid the groundwork for rapid progress in more effective river basin management in 2004. In addition, WWF is continuing to lobby the US government in support of the restoration plans for the Florida Everglades.

WWF was successful in influencing the implementation of new European Union legislation in the UK, which sets the standards for the use, conservation and protection of water resources in the future. To demonstrate how wetlands can benefit people and wildlife, a wetland restoration project has begun at Potteric Carr Nature Reserve in north-east England in partnership with Yorkshire Wildlife Trust.



Fishermen on the lake at Sena Madureira using small 'throw' nets, one of a number of sustainable fishing techniques being promoted by WWF in Brazil.

Right: HSBC volunteers in Singapore marked World Environment Day with a memorable 'green outing' for children from the Singapore Children's Society. Some 52 children, chaperoned by HSBC volunteers, learned about wetland ecology at Singapore's only wetland reserve at Sungei Buloh.

Meanwhile, in Brunei, support from HSBC enabled 400 primary school children to mark the day by taking part in a drawing competition to raise their awareness of the environment.



Below: HSBC volunteer Lorraine Lim introduces children to the wildlife at Sungei Buloh wetland reserve in Singapore.



Above: In celebration of Earth Day, around 100 HSBC employee volunteers from Indonesia took part in a clean-up at the Bogor Botanic Garden. HSBC also donated US\$2,000 to initiate a project to preserve the giant water lily, *Victoria amazonica*, and the lychee tree.



Engaging our people in the environment

The role of employees

As we describe elsewhere in this report, HSBC believes the management of its own direct and indirect environmental impacts is increasingly important. Awareness and appreciation of environmental issues are vital to the sustainable development of both our business and the



As part of the Employee Environmental Fellowship Programme in association with Earthwatch, UK employee Peter Bull assisted on a conservation research project in Ghana, west Africa.

communities in which we operate. The 223,000 people employed by us around the world all have a part to play.

Our Investing in Nature programme will, through Earthwatch, send 2,000 HSBC staff to work on vital conservation research projects around the world. It will also provide training for 200 emerging scientists from developing countries to help protect some of the world's biodiversity hot spots. The work aims to achieve a century of conservation research in just five years, provides grants to HSBC staff to set up local environmental projects on return from the field, and builds scientific expertise in developing countries.

Progress in 2003

Under the Employee Environmental Fellowship Programme, HSBC volunteers assist scientists with their conservation research projects around the world. On their return, these volunteers are expected to brief their colleagues about their

HSBC funding is helping two villages to introduce rainwater harvesting methods in an arid part of Maharashtra, India. The project is carried out by Sophia College Ex-Students Association. Once the villages have water, the project will address wider social issues, focusing on education, empowerment of women and the generation of local employment opportunities to help check the migration of labour to the nearby city of Mumbai. HSBC volunteers from Mumbai also take part in the project.

Women fetch water from a makeshift dam erected as part of the water harvesting project in one of the villages.



field project and to carry out a local environmental project with a grant from HSBC and support from Earthwatch. This helps them relate their experience in the field to their local environment and illustrates the key role they themselves can play in their own communities and at work.

By the end of 2003, more than 500 HSBC employees from across the world had participated in projects and had contributed the equivalent of one scientist working for 25 years. All participants highlighted the immense personal development they gained as a result. Fellows in more than 20 countries have gone on to establish or contribute to environmental networks among colleagues and in their local communities.

During 2003, Investing in Nature with Earthwatch has also enabled 26 conservation professionals from 10 developing countries in Africa, Asia and South America to experience professional scientific training.



HSBC Fellow Keshini Jayawardena of Sri Lanka (right) on a project to monitor cetaceans off the coast of Spain.



Since its launch in 1998, the Annual Learning Programme of HSBC in Taiwan has enriched the education of some 3,500 Taiwanese children by providing opportunities in the arts, environment and sciences. Among the courses offered in 2003 was an environment class, organised by the National Guandu Nature Park, to raise children's awareness of environmental protection. The nine sessions included wetland exploration and observation of wild birds.

HSBC staff volunteers ('wetland warriors') assist with the maintenance of the paddy field in Guandu Nature Park, Taiwan.