

HSBC UN Sustainable Development Goals Bond Report

Date: December 2025



HSBC

Opening up a world of opportunity

Introduction



HSBC is one of the largest banking and financial services organisations in the world. HSBC serves over 41 million customers across 57 countries and territories, ranging from individuals, entrepreneurs and small businesses to the world's largest corporates, institutional investors and governments.

Our ambition is to become a net zero bank by 2050. Supporting our customers is core to our strategy and financing our customers' transition is both critical to them and aligned with our net zero ambition. We believe delivering the transition will make the global economy stronger and more resilient. For 160 years, HSBC has helped customers thrive through complexity and change. We are determined to help them navigate the transition and seize the opportunity - mobilising capital at scale to help today's economy to decarbonise while enabling innovation and growth in the new economy. For further details on our approach to transition, see the [HSBC Holdings plc Net Zero Transition Plan](#) and the environmental, social and governance review section of the most recently published annual report and accounts.¹

HSBC's SDG Framework

In October 2024 HSBC published a new Green Financing Framework, which is available at <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>. The Green Financing Framework forms a part of HSBC's sustainability strategy and helps further HSBC's aim of supporting its clients in transitioning to a net zero future.

The Green Financing Framework will be followed in relation to Green Financing Transactions (as defined therein) issued or entered into following the publication of that framework. The HSBC Sustainable Development Goals (SDG) Bond Framework (November 2017) is not being updated or replaced at this time. HSBC may consider updating it (or expand the Green Financing Framework) in the future. HSBC does not intend to enter into any further transactions under the HSBC Sustainable Development Goals (SDG) Bond Framework (November 2017) at this time. Any previous transactions issued or entered into will continue to be reported in accordance with the HSBC Sustainable Development Goals (SDG) Bond Framework (November 2017).

¹Available on www.hsbc.com

HSBC SDG Bond Report

This report covers the instruments issued under the Sustainable Development Goals (SDG) Bond Framework (November 2017), including the evaluation and selection procedure, reporting criteria and use of proceeds of:

- ◆ Equity Linked SDG Bond - US40438CN235 (issued 26 January 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)

(All figures correct as of June 2025)

For further details on the allocation of the proceeds against eligible assets, please see the SDG Asset Register:
<https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

HSBC SDG Bond Framework summary

The full SDG Bond Framework published in 2017 and aligned with the ICMA Sustainability Bond Guidelines at that time: <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

Pillar	
Use of Proceeds	<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
Evaluation	<ul style="list-style-type: none">◆ Relationship manager provides details of the project or activities the loan is financing for assessment against the eligible use of proceeds 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 the Loan Market Association Green Loan and Social Loan Principles◆ The Global Treasury Sustainability Committee (GTSC) is responsible for approving whether a loan made to a business or project is eligible for allocation against an amount equivalent to the proceeds of an SDG Bond issuance pursuant to the HSBC SDG Bond Framework

Pillar	
Funds tracking	<ul style="list-style-type: none"> ◆ Internal information systems are used to track the allocation of an amount equivalent to the proceeds from an SDG Bond issuance against the relevant eligible loans made to businesses and projects that have been approved by the GTSC ◆ This is then recorded 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 a SDG Bond remains unallocated against an eligible business or project, the unallocated amount may be invested according to local liquidity management guidelines
Reporting	<p>HSBC Holdings plc will provide a consolidated SDG Bonds Report and SDG Asset Register for all SDG Bond issuances on an annual basis, which covers:</p> <p>Allocation reporting:</p> <ul style="list-style-type: none"> ◆ Aggregate of the amount equivalent to the proceeds from SDG Bonds which has been allocated against the eligible categories is listed in chart 1 on page 7 ◆ Asset information with a description of the types of business and projects that have been selected as eligible are included in the SDG Asset Register ◆ Any remaining balance of unallocated SDG Bond proceeds at the reporting period end ◆ 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 SDG Bonds in the SDG Asset Register.</p>

Assurance obtained

A second party opinion has been obtained from Sustainalytics on the HSBC SDG Bond Framework, and on the framework's environmental and social credentials. The full opinion, dated November 2017: <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

Summary

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



Excluded use of proceeds

As stated in our framework:



Nuclear power



Weapons



Gambling



Alcohol



Palm oil

Reporting evaluation and selection procedure

HSBC's SDG Bond Framework (November 2017) is overseen and governed by the 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, Finance, Climate and Treasury Risk teams.

The GTSC has responsibility for approving whether a loan made to a business or project is eligible for an allocation against an amount equivalent to the net proceeds of an SDG Bond pursuant to the requirements set out in HSBC's SDG Bond Framework (November 2017).

Once a relationship manager identifies a transaction as potentially eligible they follow the guidelines as summarised below:

- ◆ A definition of 'sustainable/green' finance/lending has been developed and approved for the purpose of HSBC's sustainable finance and investments. The HSBC Sustainable Financing and Investment Data Dictionary detailing the definitions, including industry standards that a facility should align to in order to be considered 'sustainable/green' for such purposes, is published in HSBC's ESG Reporting Centre
- ◆ Once a facility is identified by a relationship manager as being suitable, based on the HSBC Sustainable Financing and Investment Data Dictionary, an approval is sought from their local sustainable finance forum who will consider whether the facility aligns with the applicable definitions and relevant standards required by the HSBC Sustainable Finance and Investments Data Dictionary to be classified as 'green or sustainable' for such purposes. The sustainable finance forum includes representatives from global businesses, corporate sustainability, reputational risk, lending and transaction management and risk. Only approved facilities are included within the HSBC USD 750 billion to USD 1 trillion sustainable finance and investment ambition and are then considered as a potential eligible asset for allocation against a SDG Bond under the HSBC SDG Bond Framework
- ◆ Once approved, loans are reviewed and identified as a potentially eligible asset pursuant to the HSBC SDG Bond Framework. The sustainable finance forum approval, along with supporting documentation are provided to the GTSC to assess and ensure the facility aligns with all necessary requirements of the HSBC SDG Bond Framework. If the facility is approved by the GTSC as aligning with the HSBC SDG Bond Framework, the asset is added to the asset register and allocated against an SDG liability

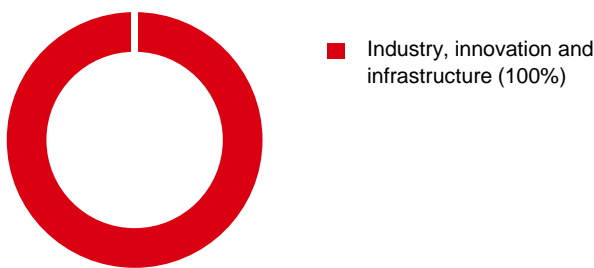
Key stats

Regional bond allocation

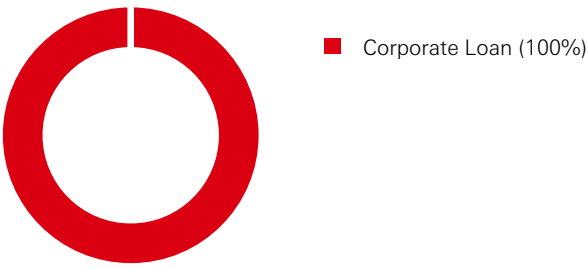
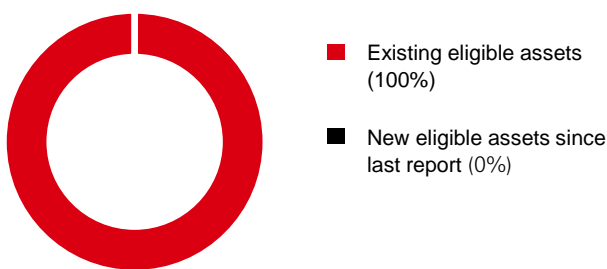
Lending entities are located in



Amount allocated against eligible projects or businesses



Bond allocation



(All figures correct as of June 2025)

Reporting criteria for SDG Bonds

Additional information on 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 within the region of the issuing entity and records the internal review/approval process
- ◆ The relationship manager evaluates business or projects for adherence to HSBC's sustainability policies (see <https://www.hsbc.com/who-we-are/esg-and-responsible-business/managing-risk/sustainability-risk> for further details)
- ◆ All projects in the HSBC SDG Asset Register are approved for allocation against SDG Bonds by the GTSC
- ◆ If approved by the GTSC, the projects' outstanding commitments as per HSBC's financial reporting systems as at 30 June 2025 (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 that have been allocated against existing or new SDG Bonds on the HSBC SDG Asset Register since the previous report. All projects that were included on the 2024 HSBC SDG Asset Register are considered 'existing' projects
- ◆ There is no direct financial link between the allocated assets and the SDG Bonds themselves

HSBC SDG Bond progress report

SDG Bond and Green Certificate of Deposit details (1)

ISIN	US40438CN235	US44329MAR43	US44329MBC64
Reference	HSBC-SDG-025	HSBC-GCD-003	HSBC-GCD-004
Type	Equity Linked SDG Bond	Green Certificate of Deposit	Green Certificate of Deposit
Issuer	HSBC USA Inc.	HSBC Bank USA	HSBC Bank USA
Date issued	26 January 2021	27 September 2019	30 October 2019
Tenor	5 years	7 years	7 years
Currency	USD	USD	USD
Issued amount	0.5m	1.1m	0.8m

Use of proceeds (numbers rounded to the nearest million)

Currency	USD	USD	USD
Type	Equity Linked SDG Bond	Green Certificate of Deposit	Green Certificate of Deposit
SDG 3: Good health and well-being	-	-	-
SDG 6: Clean water and sanitation	-	-	-
SDG 7: Affordable and clean energy	-	-	-
SDG 9: Industry, innovation and infrastructure	0.5 (100%)	1.1 (100%)	0.8 (100%)
SDG 11: Sustainable cities and communities	-	-	-
Total allocation	0.5	1.1	0.8

Further bond information

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

Reporting date 30 June 2025

All projects are listed in the full SDG Asset Register: <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

HSBC SDG Bond progress report

SDG Bond and Green Certificate of Deposit Details (2)

ISIN	US44329MBU62	US44329MCB72	US44329MCR25
Reference	HSBC-GCD-005	HSBC-GCD-006	HSBC-GCD-007
Type	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit
Issuer	HSBC Bank USA	HSBC Bank USA	HSBC Bank USA
Date issued	27 November 2019	30 December 2019	30 January 2020
Tenor	7 years	7 years	7 years
Currency	USD	USD	USD
Issued amount	0.7m	0.02m	0.7m

Use of proceeds (numbers rounded to the nearest million)

Currency	USD	USD	USD
Type	Green Certificate of Deposit	Green Certificate of Deposit	Green Certificate of Deposit
SDG 3: Good health and well-being	-	-	-
SDG 6: Clean water and sanitation	-	-	-
SDG 7: Affordable and clean energy	-	-	-
SDG 9: Industry, innovation and infrastructure	0.7 (100%)	0.02 (100%)	0.7 (100%)
SDG 11: Sustainable cities and communities	-	-	-
Total allocation	0.7	0.02	0.7

Further bond information

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

Reporting date 30 June 2025

All projects are listed in the full SDG Asset Register: <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

HSBC SDG Bond progress report

DG Bond and Green Certificate of Deposit Details (3)

ISIN	US44329MDE03
Reference	HSBC-GCD-008
Type	Green Certificate of Deposit
Issuer	HSBC Bank USA
Date issued	27 February 2020
Tenor	7 years
Currency	USD
Issued amount	1.0m

Use of proceeds (numbers rounded to the nearest m)

Currency	USD
Type	Green Certificate of Deposit
SDG 3: Good health and well-being	-
SDG 6: Clean water and sanitation	-
SDG 7: Affordable and clean energy	-
SDG 9: Industry, innovation and infrastructure	1.0 (100%)
SDG 11: Sustainable cities and communities	-
Total allocation	1.0

Further bond information

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

Reporting date 30 June 2025

All projects are listed in the full SDG Asset Register: <https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>

HSBC Sustainable Finance Update

HSBC has created various platforms to facilitate communications of its sustainable financing activities:

- ◆ HSBC Green and Sustainability Bonds:
<https://www.hsbc.com/investors/fixed-income-investors/green-financing-framework>
- ◆ HSBC Net Zero Transition Plan:
<https://www.hsbc.com/who-we-are/our-climate-strategy/our-net-zero-transition-plan>
- ◆ Environmental, Social and Governance update 2024:
<https://www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre>
- ◆ HSBC's USD750bn – USD1tn Sustainable Financing and Investment Ambition Data Dictionary:
<https://www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre>



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Important notice

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Forward-looking statements

This document may contain projections, estimates, forecasts, ambitions, targets, commitments, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, strategy, environmental, social and governance (“ESG”) related matters and business of the Group 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 ambitions, targets and commitments 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 and government policy changes (including trade and tariff policies such as the trade policies announced by the US and potential countermeasures that may be adopted by countries, including in the markets where the Group operates), increased volatility in interest rates and inflation levels and other macroeconomic risks, geopolitical tensions such as the Russia-Ukraine war and developments in relation to the conflict in the Middle East, specific economic developments, such as the uncertain performance of the commercial real estate sector in mainland China, 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, ambitions, targets, commitments, prospects or returns contained herein.

Additional detailed information concerning important factors, including but not limited to ESG related 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 2024, filed with the Securities and Exchange Commission (the “SEC”) on Form 20-F on 20 February 2025 (the “2024 Form 20-F”) and our Interim Report for the six months ended 30 June 2025, furnished to the SEC on Form 6-K on 30 July 2025, and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2024 Form 20-F.

Information in this document was prepared as at 30 June 2025, unless otherwise stated.

