

# HSBC Sustainable Finance and Investment Data Dictionary

December 2025



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## 1. Introduction

In 2020, we set an ambition 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 reflect relevant developments in the market and in our own products and services.

This data dictionary sets out our approach for classifying the activities that qualify towards our sustainable finance and investment ambition and supports the tracking and disclosure of progress in our Annual Report and Accounts.

We consider activities that fall within two categories: i) sustainable financing, and ii) ESG (environmental, social and governance) and sustainable investing.

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, including but not limited to financing, investing and related activities that support the achievement of the United Nations Sustainable Development Goals (SDGs) and 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 in accordance with the data dictionary definitions and our internal business governance processes, detailed in sections 3.2 and 4.2.

Section 5.2 summarises the types of eligible activities that we consider to qualify certain use of proceeds financing and financing for pure play companies for inclusion in our sustainable finance and investment ambition. This is referred to throughout the data dictionary as our ‘eligible environmental and social activities’.

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.

#### **ESG and sustainable investing**

Investment solutions in scope of our sustainable finance and investment ambition include a variety of options, such as investment funds, single line equities and bonds, structured products and other

investment solutions from both HSBC Asset Management and other financial institutions. We offer these solutions to a range of institutional and individual investors across our Wealth channels, including Asset Management, Private Bank and Insurance, as well as through Retail Banking.

Our ESG and sustainable investing solutions aim to advance ESG and sustainable goals while delivering financial returns, with due consideration given to ESG-related risks and opportunities. They seek to satisfy certain requirements, including:

- Application of ESG and sustainability-related screening over and above standard firm-wide exclusions;
- Improved ESG performance relative to a benchmark or other appropriate reference point;
- Sustainability-related themes such as climate or the net zero transition; and/or
- Investment solutions delivering a measurable positive environmental and/or social contribution.

Details on the 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 approach**

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, sustainable finance products that no longer meet the criteria are excluded from the data dictionary as part of our annual review process and are removed from the cumulative total reporting, with their contribution reflected in prior year values as a negative entry. Prior year values for ESG and sustainable investing solutions are not currently amended as a result of annual reviews.

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 rates.

### **Sustainable financing**

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.

From 1 January 2025, transactions that would have been reported under the project finance definition have been assessed as either 'other green qualified lending' or green loans due to

alignment of internal governance processes in these products. All historic transactions will remain within the disclosed numbers as project finance, however, from 1 January 2025 there will be no new transactions reported under this category.

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.

From 1 January 2025, qualifying refinancing facilities also include refinancing of existing sustainability-linked facilities 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.

### **ESG and sustainable investing**

The reporting scope includes net new flows for ESG and sustainable investing solutions provided by Asset Management, Private Bank and Retail Banking. Where Wealth or Retail Banking distribute HSBC Asset Management solutions, only net new flows from Asset Management are reported.

Qualifying themes, funds and other investment solutions are identified and approved by relevant business governance forums and are subsequently reviewed at least annually to ensure they continue to meet our eligibility criteria.

### **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 and/or investment, regulatory compliance, risk and legal.

In 2025 we have reviewed and refined our ESG and sustainable investing approach, taking into consideration industry guidance. In this update of the data dictionary, we have reflected changes to our ESG and sustainable investing categories and their descriptions to provide more visibility on the investment approaches and differences between each category. We have also provided further details on the sustainability screening approach for our ESG and sustainable investing solutions. The underlying technical criteria has not changed and we continue to review our approach as market standards and regulatory requirements evolve.

### **Review and assurance**

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

[www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre](http://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.

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

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 to the eligible environmental and social activities (see Section 5.2);
- **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 the 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 transactions as in scope of our sustainable finance and investment ambition is described in section 3.2.

#### 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 the eligible environmental and social activities as outlined in section 5.2.

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](#); and
- [Social Loan Principles](#).

#### *Financing facilitation*

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

- [Green Bond Principles](#);
- [Social Bond Principles](#); and
- [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 the eligible environmental and social activities as outlined in section 5.2.

#### **Sustainability-linked financing**

Sustainability-linked transactions contain bespoke key performance indicators (KPIs) and sustainability performance targets (SPTs), which will differ per transaction. HSBC front-line teams engage with clients on transactions for sustainability-linked financing to, where appropriate, help them to align their sustainable finance frameworks and related KPIs and SPTs with industry standards. This encourages structures that are material and ambitious in relation to clients' sustainability profiles. Sustainability-linked financing complements our strategy to support clients in the transition to a lower carbon economy.

We evaluate transactions on a case-by-case basis taking into consideration a number of factors. Where required by internal procedures or risk triggers, a senior accountable decision maker or their delegate assesses transactions submitted by the business deal team through internal governance processes. Following challenge and endorsement from second line of defence teams and subject matter experts, a decision is made as to whether the proposal is aligned to relevant standards. Where relevant products involve third parties (including other financial institutions), these parties may 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 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 other HSBC-designed products with sustainability-linked features, such as sustainability improvement loans, 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 eligible environmental and social activities, as outlined in section 5.2. 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 ongoing 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 activities which we assess to align with the 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 proceeds 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**

Internal business governance forums and processes are designed to support business implementation and disclosures at various stages in our approach, including:

- Product design (where applicable);
- Origination and approval; and
- 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**

Internal business governance forums review relevant financing activities (including use of proceeds financing and 'pure play' companies) in accordance with our guidelines and, where relevant, the 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 and the responsibility on the issuer to monitor and report, we do not have a separate 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 sustainable finance and investment ambition where we assess the use of proceeds to be aligned with the eligible environmental and social activities (see section 5.2).

The eligible environmental and social activities relate to the following financing within our sustainable financing product summary (with detailed descriptions provided in section 5.2):

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

We have drawn from global taxonomies, standards and other references in developing the eligible environmental and social activities. When assessing alignment of the use of proceeds against the eligible environmental and social activities, our internal business governance forums may also refer to available regional taxonomies where further conditionality may be relevant to meet the eligibility conditions of the jurisdiction in which a transaction occurs. We continue to monitor emerging standards, taxonomies and market developments and reflect them in our approach, as appropriate.

We acknowledge that the activities indicated in the 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 the most relevant categories and sub-categories through our internal systems.

The categories and sub-categories of the eligible environmental and social activities fall under the themes of climate solutions, nature, adaptation and social.

#### 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. Activities include associated services and related research.

#### Nature

For nature related activities, we have drawn on 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 on the ‘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. Our investment solutions

Our ESG and sustainable investing approach seeks to help customers achieve their investment objectives. Our approach, as summarised below, is guided by our internal ESG and sustainable investing framework, which sets out common principles for our four categories of ESG and sustainable investing solutions. This enables our clients to understand the standards we seek to apply across our Wealth business and is also used to classify investment solutions’ eligibility towards HSBC Group’s sustainable finance and investment ambition. The framework is used to promote internal consistency across asset classes and businesses and should not be relied on externally to assess the sustainability characteristics of investment solutions under local ESG or sustainability regulations.

The use of the categories may vary across businesses based on client and investor demand. Their definitions and characteristics are outlined in the table below, in which the order is not necessarily incremental in terms of each category’s financial or sustainability impact or focus.

Category	Aware	Enhanced	Thematic	Purpose
<b>Definitions</b>	Investment solutions that, compared to traditional investments, are required to intentionally allocate investments to securities or issuers based on consideration of ESG-related metrics in the decision-making process.	Investment solutions that seek stronger ESG performance than Aware, based on ESG-related metrics. This is achieved through favouring higher performers and/or excluding lower performers.	Investment solutions that focus on sustainability themes or sectors such as decarbonisation, energy transition, healthcare or climate tech, including for example, aligning with the themes of the UN Sustainable Development Goals.	Investment solutions that seek to deliver intentional, positive and measurable outcome(s) and align to a predefined objective, measured using key performance indicators or established impact measurement frameworks.
<b>Example Investment Approaches</b>	ESG tilting and/or positive screening (selecting or favouring portfolio companies based on ESG criteria).	Strong ESG performers; carbon reduction relative to a benchmark.	Intentional investment solutions aligned with a sustainable theme, e.g. Paris-aligned.	Intentional investment solutions with dedicated social or environmental projects.

<b>ESG and SI characteristics</b>	Considering ESG risks and opportunities.		
	Improved ESG performance relative to a benchmark or other appropriate reference point.	Promoting sustainability-related themes such as climate and the net zero transition.	Delivering positive measurable environmental and/or social outcomes.
	Firm-wide and sustainability-specific screening applied.		

### Screening criteria

Our ESG and sustainable investing solutions are screened in line with firm-wide policies, including our Asset Management banned weapons and thermal coal policies. We also apply additional sustainability screening to direct away from issuers or securities exposed to certain industries or sectors in line with the principles of our ESG and sustainable investing framework. For Asset Management, these are defined by their [policies and product guidelines](#). For solutions offered through our Private Bank and Retail Banking, the screening approach is detailed on the HSBC Private Bank website.

## 4.2. Governance and disclosures

### Governance

The internal ESG and sustainable investing framework is in place to validate that ESG and sustainable investing solutions reported against our sustainable finance and investment ambition meet the classification criteria outlined in section 4.1.

Dedicated business governance forums provide the management, oversight and monitoring of solutions. These forums review and approve ESG and sustainable investing guidelines against our internal frameworks and serve as an escalation point to consider any potential controversies and/or conflicts. They include representatives with appropriate expertise in sustainability, finance, ESG and sustainable investing, regulatory compliance, and reputational and sustainability risk where relevant.

### Tracking and Monitoring

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

## 5. Appendix

### 5.1. Sustainable financing product summary

The table below provides further details on the sustainable financing products that are considered eligible towards our sustainable finance and investment ambition.

Product	Description	Reporting scope
<b>1. Use of proceeds financing</b>		
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 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 Corporate and Institutional Banking 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 relevant 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	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
	finance or re-finance in whole or in part, new and/or existing projects or activities.	
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 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 projects, activities or by approved HSBC programmes where HSBC assesses the use of proceeds to align with relevant 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, where HSBC assesses the activities to align with relevant eligible environmental and social activities, as evidenced by underlying transaction documents. This includes regulated carbon schemes which incorporate energy attribution certificates. 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.

Product	Description	Reporting scope
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). This includes regulated carbon schemes which incorporate energy attribution certificates. GTS contingent liability products include (i) guarantees; (ii) standby letter of credit; and (iii) documentary credit.	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 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 given green, social or sustainable labels 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.
Debt Capital Markets (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 given green, social or sustainable labels 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

Product	Description	Reporting scope
		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.
<b>2. Sustainability-linked financing</b>		
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 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.	Limit or committed amount booked at execution of new or refinanced facilities. The facility terms and conditions must reflect SLLP 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 help 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	Limit or committed amount booked at execution of new facilities. The SCF

Product	Description	Reporting scope
	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.	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.	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 assessed against industry guidelines at the time the framework was created.
<b>3. ‘Pure play’ companies</b>		
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 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

Product	Description	Reporting scope
		(or equivalent metric for not for profit or pre-revenue entities) are from activities which we assess to align with relevant 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 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 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 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 which we assess to align with relevant 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

Product	Description	Reporting scope
		placements or where HSBC plays an equivalent distribution role, apportioned value as per transaction documentation.

## 5.2. Eligible environmental and social activities summary

The table below sets out a summary of the types of eligible environmental and social activities we consider to qualify certain use of proceeds and pure play financing for inclusion towards our sustainable finance and investment ambition.

### Environmental activities

#### A) Climate solutions

Eligible activities	UN SDGs
<p><b>Renewable Energy</b></p> <ul style="list-style-type: none"> <li>- Wind, solar, geothermal, hydro, wave and tidal power</li> <li>- Energy storage for energy produced by renewable sources</li> <li>- Electricity Transmission and distribution including connecting new generation onto the grid, connecting new demand sources and improving grid efficiency</li> </ul>	
<p><b>Energy Efficiency</b></p> <ul style="list-style-type: none"> <li>- Low carbon heating and cooling, including district heating, biogas boilers and heat pumps</li> <li>- Energy Efficient Devices</li> <li>- Smart grid technologies including smart meters, smart appliances, renewable energy resources and energy efficiency resources</li> <li>- Building energy management and design techniques</li> <li>- Industrial energy efficiency</li> </ul>	
<p><b>Other Low Carbon Energy</b></p> <ul style="list-style-type: none"> <li>- Carbon Capture, Utilisation and Storage (CCUS) abatement of energy production, including technologies that enable the mitigation of carbon dioxide emissions at point source from an energy production process</li> <li>- Nuclear power</li> <li>- Low carbon, sustainable fuels including low carbon hydrogen, biofuels and e-fuels</li> <li>- Sustainable fuel transportation and storage, both domestic and international</li> </ul>	  

<p><b>Green Buildings</b></p> <ul style="list-style-type: none"> <li>- Buildings construction and retrofit subject to relevant certifications e.g., EDGE, LEED and BREEAM</li> </ul>	 
<p><b>Clean transportation (both public and private)</b></p> <ul style="list-style-type: none"> <li>- Battery Electric Vehicles and Hybrid Electric vehicles with plug-in</li> <li>- Other zero-emission vehicles including hydrogen fuel-cell road transport</li> <li>- Infrastructure for eligible vehicles and reduction of harmful emissions, including charge points and hydrogen refuelling stations</li> <li>- Various micro-mobility</li> <li>- Rail and bus that is primarily electrified</li> <li>- Aviation: Including investment into the Sustainable Aviation Fuel (SAF) supply chain and related infrastructure; zero-emission aircraft; upgrades to improve the efficiency and increase electrification of ground operations</li> <li>- Shipping: Including enabling of alternative &amp; sustainable fuel-powered ships; Energy Saving Technologies (ESTs) for ship operations; upgrades to enable decarbonisation of port operations &amp; use of sustainable fuels in shipping</li> </ul>	
<p><b>Low carbon materials and products</b></p> <ul style="list-style-type: none"> <li>- Development of low carbon materials including industrial commodities (ferrous and nonferrous metals), building construction materials (cement, glass, etc), and chemicals using low emissions energy, technologies, and processes</li> <li>- Circular economy &amp; materials recycling processing</li> <li>- Transition minerals processing</li> <li>- Development of resource-efficient packaging/distribution and ecodesign</li> </ul>	
<p><b>Waste Management and Carbon Dioxide Removal</b></p> <ul style="list-style-type: none"> <li>- General waste prevention, reduction and recycling</li> <li>- Energy / emission-efficient waste to energy with viability dependent on the waste input</li> <li>- Products from waste and remanufacturing and associated activities</li> <li>- Engineered Carbon Dioxide Removal (CDR)</li> </ul>	

## B) Nature

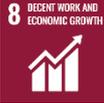
Eligible activities	UN SDGs
<p><b>Sustainable Land Use</b></p> <ul style="list-style-type: none"> <li>- Forest management and plantation forestry</li> <li>- Agricultural production (also see agricultural production in adaptation)</li> </ul>	

<ul style="list-style-type: none"> <li>- Agricultural technology for sustainable food systems (also see agricultural production in adaptation)</li> </ul>	
<p><b>Pollution prevention and control</b></p> <ul style="list-style-type: none"> <li>- Soil remediation</li> <li>- Ambient air protection including elimination of pollutants using cleaner technologies</li> <li>- 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</li> </ul>	 
<p><b>Sustainable water and wastewater management</b></p> <ul style="list-style-type: none"> <li>- Sustainable water and wastewater infrastructure</li> <li>- Sustainable water use including in agricultural production, manufacturing and processing, construction and building and infrastructure development</li> <li>- Sustainable fishing and aquaculture</li> <li>- Biodiversity-friendly shipping and cruising</li> <li>- Manufacturing or retail of ocean- and water-friendly household products</li> </ul>	 
<p><b>Tourism/eco-tourism services</b></p> <ul style="list-style-type: none"> <li>- Sustainable or ecotourism ventures that meet established standards for best practices</li> </ul>	
<p><b>Terrestrial and aquatic biodiversity conservation</b></p> <ul style="list-style-type: none"> <li>- Conservation land use/terrestrial habitat conservation</li> <li>- Freshwater and marine habitat conservation</li> </ul>	 
<p><b>Nature based solutions</b></p> <ul style="list-style-type: none"> <li>- Natural infrastructure and green/blue urban infrastructure including green roofs, canals and coastal protection to address the effects of drought, floods and urban heat</li> <li>- Water-based nature-based solutions including constructed wetlands, and conservation or rehabilitation of mangroves/coral reefs/wetlands (also see ecosystems in adaptation)</li> <li>- Land-based nature-based solutions including forest buffers</li> <li>- Nature-based solutions for removing and/or storing carbon</li> </ul>	 

## C) Adaptation

Eligible sectors and example activities	UN SDGs
<p><b>Agricultural Production</b></p> <ul style="list-style-type: none"> <li>- 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)</li> <li>- Agri-food logistics, processing and retail including improved agrifood chain cold storage systems (also see sustainable land use in nature)</li> </ul>	
<p><b>Ecosystems</b></p> <ul style="list-style-type: none"> <li>- Freshwater, marine, terrestrial ecosystem including wildfire management and adaption systems (see also nature-based solutions in nature)</li> </ul>	
<p><b>Healthcare resilience</b></p> <ul style="list-style-type: none"> <li>- Healthcare facilities resilience, products including climate-resilient medical equipment and devices, temperature-stable pharmaceutical formulations and disaster-resilient telemedicine equipment</li> <li>- Healthcare services including high-quality air filtration for climate-induced air pollution, management of heat-related illnesses</li> </ul>	
<p><b>Industry and Commerce</b></p> <ul style="list-style-type: none"> <li>- 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</li> </ul>	 
<p><b>Infrastructure</b></p> <ul style="list-style-type: none"> <li>- 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)</li> </ul>	 
<p><b>Water and Sanitation</b></p> <ul style="list-style-type: none"> <li>- Water services and supply including portable water treatment and delivery and storm management systems,</li> <li>- Water hazards including flood and drought early warning and alert systems</li> </ul>	

## D) Social activities

Eligible activities	UN SDGs
<p><b>Affordable Housing</b></p> <ul style="list-style-type: none"> <li>- Including development, subsidies and rental assistance, inclusive housing developments and shelter and emergency housing assistance</li> </ul>	 
<p><b>Access to essential services</b></p> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>- Including school construction, digital learning, affordable tuition, teacher training and curriculum development</li> </ul> <p><b>Healthcare</b></p> <ul style="list-style-type: none"> <li>- Including the construction of new healthcare facilities, facility expansion and equipment upgrades, affordable medication and services, preventive and/or emergency services, mental health and wellness programmes</li> </ul> <p><b>Financing and financial services</b></p> <ul style="list-style-type: none"> <li>- 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</li> </ul>	    
<p><b>Affordable basic infrastructure</b></p> <p><b>Water and wastewater</b></p> <ul style="list-style-type: none"> <li>- Including clean water infrastructure, subsidised water pricing and accessible sanitation facilities,</li> </ul> <p><b>Transport</b></p> <ul style="list-style-type: none"> <li>- Including road development, public transport systems, accessible transport for vulnerable groups and rural and urban connectivity programmes</li> </ul> <p><b>Telecommunications</b></p> <ul style="list-style-type: none"> <li>- Including communication technology or services that provides or improves connectivity in underserved areas where there is no access or access to telecommunications is substantially inadequate and emergency communication systems</li> </ul> <p><b>Energy Infrastructure</b></p>	    

<ul style="list-style-type: none"> <li>- 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</li> </ul>	
<p><b>Food security and sustainable food systems</b></p> <ul style="list-style-type: none"> <li>- Including food and agriculture security programmes, food and agriculture supply chain infrastructure, subsidised food pricing, and support to smallholder farmers to increase market access</li> </ul>	 

### 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 tn Sustainable Financing and Investment Commitment - Data Dictionary [YYYY]”

Reporting year	Product Additions	Product Removals
2020	<ul style="list-style-type: none"> <li>• Sustainability Linked Bonds,</li> <li>• Sustainable Trade Instruments</li> </ul>	n/a
2021	<ul style="list-style-type: none"> <li>• Social Loans</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Advisory</li> </ul>
2022	n/a	<ul style="list-style-type: none"> <li>• Green Deposits</li> <li>• Structured Green Deposits</li> </ul>
2023	<ul style="list-style-type: none"> <li>• Green Company</li> </ul>	n/a
2024	<ul style="list-style-type: none"> <li>• Sustainability Improvement Loans</li> <li>• Social Company</li> </ul>	n/a
2025	n/a	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 2025 which we expect to file with the U.S. Securities and Exchange Commission ('SEC') on Form 20-F on or around 26 February 2026 (the '2025 Form 20-F') and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2025 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 2025 Form 20-F and Subsequent Form 6-Ks.