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HSBC LAUNCHES ESG-THEMED STRUCTURED NOTE FOR PRIVATE BANKING CLIENTS IN ASIA

HSBC has rolled out a new ESG (Environmental, Social and Governance)-themed structured note in Asia, further enriching its broad suite of wealth products with more specific investment themes within the ESG universe.

Carrying a basket of securities which rate in the top 50 per cent by ESG score¹ in their respective industries, the ESG-themed structured note will enable sophisticated wealth clients to add ESG dimensions to their preferred investments without changing their financial objectives. Investors can opt for underlying securities of various thematic sectors such as technology, payment solutions, consumption and semiconductors, with investment periods ranging from one to five years.

The new product is available to HSBC's high net worth (HNW) and ultra-high net worth clients (UHNW) in Hong Kong and Singapore.

Antony Shaw, Global Head of Emerging Markets and Wealth Sales, HSBC Markets and Securities Services, said, "Investors are placing greater importance on ESG factors in their investment decisions, and they increasingly view companies' sustainability credentials as a key indicator of their long term value. To serve these investors we continue to innovate and diversify our wealth product offering, while promoting the transition to a sustainable, low carbon economy."

Siew Meng Tan, Regional Head of Global Private Banking, Asia Pacific, HSBC, said, "There is growing evidence that incorporating strong ESG considerations can improve portfolio resilience by mitigating risk, and we are seeing higher demand from clients for new and innovative ways to invest sustainably. At HSBC, our global connectivity and strong collaboration across the bank enables us to fully leverage the Bank's capability, and offer a wider variety of tailored products to meet the needs of our UHNW and HNW clients in Asia."

Proceeds of the ESG-themed structured product will go towards financing eligible businesses and projects that promote the transition to a low-carbon, climate-resilient and sustainable economy and provide clear environmental sustainability benefits as defined by the HSBC Green Bond Framework.

HSBC has pledged to provide up to USD1 trillion of finance and investment by 2030 to support its customers in the net zero transition. The Bank has increasingly embedded sustainability into its products and services. In February 2021, the Bank issued Asia's first RMB-denominated retail green certificates of deposit in Hong Kong. In Singapore, HSBC has launched the HSBC GIF Global Equity Sustainable Healthcare Fund, which is its first healthcare fund focused on sustainability and impact, made available to both private and retail banking clients.

Disclaimer:

A structured investment product involves derivatives and is a complex product. Investments involve risk. The investment decision is yours but you should not invest in this product unless the intermediary who

sells it to you has explained to you that the product is suitable for you with regards to your financial situation, investment experience and investment objectives if so provided by you.
Making available to you any market or product/services information does not amount to solicitation of a sale or recommendation of a product or services. If you wish to receive solicitation or recommendation from us, please contact us to go through a suitability assessment.

Note to editors:

1. Sustainalytics ESG Risk Ratings is adopted as the ESG rating methodology.
2. HSBC Asset Management sustainable investing survey:
<https://www.assetmanagement.hsbc.com.hk/en/intermediary/news-and-insights/hsbc-asset-management-sustainable-investing-survey>

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Note to editors:

The Hongkong and Shanghai Banking Corporation LimitedThe Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,976bn at 30 June 2021, HSBC is one of the world's largest banking and financial services organisations.

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