

11 January 2022

HSBC ARRANGES FIRST SUSTAINABILITY-LINKED TRADE FACILITY IN HONG KONG

HSBC further deepens its green finance capabilities for the business community with the completion of its first sustainability-linked trade finance transaction in Hong Kong. The new solution provides incentives linked to agreed sustainability goals, helping more companies build sustainable supply chains.

The trade facility has been arranged for Epic Group, a multinational garment manufacturing group with activities spanning across the entire garment supply chain, from design and fabric sourcing to manufacturing. The proceeds will support Epic Group's working capital and trade cycle, with pricing tied to its performance in greenhouse gas emissions intensity, freshwater use intensity, as well as Higg Facility Environmental Module – a system commonly used by leading garment brands to review suppliers' sustainable capacity.

Frank Fang, Head of Commercial Banking, Hong Kong, HSBC, said: "More companies have set supply chain sustainability as a key corporate goal, focusing on the environmental and social impacts of their product life cycles. We are delighted to arrange the first sustainability-linked trade facility in Hong Kong and extend the range of our green finance solutions. As Epic Group's banking partner for more than 40 years, it is our pleasure to offer further support to their net-zero transition journey."

Ranjan Mahtani, Founder & Group Chairman, Epic Group, said: "HSBC has been a strong supporter and partner since our inception. It gives us great pleasure to partner with HSBC on the sustainability-linked trade initiative as sustainability is the core and helm of our operations. This facility will propel us even further to enhance our relentless aspiration mission of achieving sustainability leadership and making the world a better place."

As a leading bank in Hong Kong's sustainable finance market, HSBC has been embedding sustainability into its products and services, including access to capital markets, lending, transaction banking, advisory services, and investments, as well as a range of tailored solutions for companies of different sectors and sizes.

ends/more

Photo: Frank Fang, Head of Commercial Banking, Hong Kong, HSBC (right), and Ranjan Mahtani, Founder & Group Chairman, Epic Group (left), announced the completion of the Bank's first sustainability-linked trade finance transaction.



Note to editors:

The Hongkong and Shanghai Banking Corporation Limited

The 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 \$2,969bn at 30 September 2021, HSBC is one of the world's largest banking and financial services organisations.