

4 June 2021

HSBC Amanah launches its first Green Trade Finance proposition with a client

Green Trade Finance proposition key to support Cenergi SEA Sdn Bhd's vision of building a more sustainable business and further support Malaysia's Shared Prosperity Vision 2030

HSBC Amanah Malaysia Berhad (HSBC Amanah) has launched its first Islamic Green Trade Finance proposition with the issuance of a Green Bank Guarantee for Cenergi SEA Sdn Bhd (Cenergi), the largest grid-connected biogas-to-energy player in Malaysia.

The Islamic Green Trade Finance proposition - which includes Islamic trade finance products such as the Islamic Documentary Credit, Bank Guarantee and Clean Import Financing - adheres to the HSBC Sustainable Trade Instrument Principles¹ and the Green Loan Principles². Both principles promote the integrity and transparency of green trade finance products by setting the standard for 'green'.

Cenergi, a subsidiary of Khazanah Nasional Berhad based in Malaysia, is actively growing their investment portfolio in various renewable energy sources in line with its strategic priorities to integrate ESG across its investment and operational activities.

HSBC's trade facility will be used to support Cenergi's solar and energy efficiency projects that will contribute to their vision of building a sustainable business and further support the Governments efforts in combating climate change in line with Malaysia's Shared Prosperity Vision 2030.

To date, Cenergi has generated and exported a total of 231 GWh of renewable energy to the national grid and has avoided in excess of 1,200,000 tonnes of carbon emission, which translates to approximately emission from 209,000 vehicles on the road for a year, or over 110,000 household energy consumption for a year.

Stuart Milne, Chief Executive Officer, HSBC Malaysia, said: "Many companies are embarking on a sustainability journey and HSBC Amanah is delighted to partner with Cenergi on theirs. Our Green Trade Finance proposition can help Cenergi to facilitate the integration of sustainable products and solutions into their business operations to enable long-term growth and to more importantly reduce climate impact. There is growing appetite for sustainable and green focused offerings in the market and we are pleased to have launched our Green Trade Finance proposition with Cenergi."

"HSBC Amanah is committed to transforming into HSBC Group's first sustainable bank that offers industry-leading sustainable product offerings. The launch of the Green Trade Finance proposition reflects this as well as our broader commitment to financing projects that benefit

¹ HSBC's internal Sustainable Trade Instrument Principles are based on the Green Loan Principles published by the Loan Market Association (LMA) and reference the United Nations Sustainable Development Goals (SDGs)

² <https://www.lsta.org/content/green-loan-principles/?wpdmdl=679&refresh=606dc1af337291617805743>

communities and the environment in line with Bank Negara Malaysia's Value-based Intermediation (VBI) initiative and more broadly supports Malaysia's climate ambition."

Hairol Azizi Tajudin, Group Chief Executive Officer of Cenergi, said: "Cenergi is excited to embark on this partnership with HSBC Amanah to accelerate our Solar and Energy Efficiency business segment towards its next growth chapter in Malaysia and Southeast Asia. More strategic collaboration with financial institutions, such as HSBC Malaysia, will drive an impactful change in the local sustainable energy industry towards achieving Malaysia's aspiration of having 31% renewable energy generation capacity by 2025."

HSBC Group aspires to be a leader in sustainable financing, managing and shaping the shift to a low-carbon world. We are growing our transaction finance portfolio to help our customers to reduce emissions and our ambition is to provide between \$750billion and \$1trillion in financing and investment to support this.

In 2020, HSBC was named Best Bank for Sustainable Finance for the Asia, Middle East and Western Europe regions by Euromoney. HSBC Amanah also won the Islamic ESG Bank of the Year award as part of The Asset Triple A Islamic Finance Awards 2020. Additionally, HSBC Malaysia was recently awarded the 'Market Leader for Trade Finance in Malaysia' and the 'Best Service for Trade Finance in Malaysia' by Euromoney Magazine.

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Media enquiries to:

Joanne Wong	+603 2075 6169	joanne.p.m.wong@hsbc.com.my
Rhia Sarah George	+603 2075 6043	rhia.sarah.george@hsbc.com.my

About HSBC Bank Malaysia Berhad

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country on the island of Penang, with the permission to issue currency notes. HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, founding member of the HSBC Group. In 2007, HSBC Bank Malaysia was the first foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, namely HSBC Amanah Malaysia Berhad. Today, HSBC Bank Malaysia has a network of 67 branches nationwide, of which 26 are HSBC Amanah Malaysia Berhad branches. HSBC Bank Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Bank Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Bank Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.

About 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 \$2,959bn at 31 March 2021, HSBC is one of the world's largest banking and financial services organisations.

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