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HSBC supports affordable housing through HSBC's FIRST Social Loan Principles (SLP) based financing in South East Asia for the real estate sector

HSBC has introduced its first Social Loan Principles (SLP) based financing in South East Asia for the real estate sector to Jayyid Land Sdn Bhd ("Jayyid Land"). Jayyid Land is a joint venture property development company between Platinum Victory and Jakel Group. This deal will finance the development of Phase 1 of the J.Satine project in Setapak, Kuala Lumpur which comprises 2,068 units of affordable residential apartments under 'Residensi Wilayah Keluarga Malaysia'. 'Residensi Wilayah Keluarga Malaysia' is a housing program under the purview of the Ministry of Federal Territories in collaboration with private sector developers to promote homeownership.

Amounting to RM136 million, HSBC's inaugural social financing in Malaysia is granted to Jayyid Land by HSBC Amanah Malaysia Berhad and is aligned with the SLP and seeks to improve socio-economic activities targeted to mitigate social issues and housing affordability, a challenge faced especially in city centres. The SLP is administered by the International Capital Markets Association and is aligned to the Social Bond Principles ("SBP"), one of the main internationally recognised voluntary issuance guidelines that promotes transparency, disclosure and reporting in the social bond market.

Tan Sri Datuk Seri Gan Yu Chai, Managing Director of Platinum Victory Group and Executive Director of Jayyid Land Sdn Bhd said: "Residensi Wilayah Keluarga Malaysia' targets first time house buyers in Kuala Lumpur, mainly helping the B40 and M40 Group to own residential units in a safe and conducive environment with the benefit of purchasing at affordable pricing. This financing complements the government's aim to build more affordable housing and promotes homeownership for all Malaysians. As an international bank with strong credentials in sustainability, HSBC understood our direction to increase our focus on environmental, social and governance (ESG) and was able to collaborate and structure this SLP based financing for us – this is a remarkable milestone for Malaysia's property sector that will create a positive impact for the community."

Amanda Murphy, Head of Commercial Banking, HSBC South and Southeast Asia said: "HSBC's first social loan in Malaysia – and the first for the country's real estate sector – not only supports Jayyid Land as they embed ESG into their operations but also helps deliver economic opportunities and social benefits to the local community. In Malaysia we have earmarked RM1 billion towards green and sustainable financing to enable businesses to embark on their sustainability journeys and switch to more sustainable ways of doing business."

HSBC's goal also runs parallel with the 12th Malaysia Plan on the government's initiative to offer another 500,000 units of quality and affordable homes for Malaysians by 2025, thus creating an inclusive environment for the rakyat and businesses. With the implementation of ceiling price for affordable housing, this will help to control house prices and increase potential of homeownership whilst improving living standards of the urban low-medium income households.

The Bank 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. By working together, we can and will make real progress on humanity's greatest ever challenge – achieving carbon net zero by 2050.

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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. HSBC Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.

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 US\$2,958 billion at 31 December 2021, HSBC is one of the largest banking and financial services organisations in the world.

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