

November 23, 2021

HSBC Offers Access To World's First Broad-Based Biodiversity Screened Equity Indices

(London) – HSBC today announced the launch of the *Euronext ESG Biodiversity Screened Index series*, jointly developed by HSBC, Euronext, and Iceberg Data Lab. These are the first investable biodiversity screened benchmark indices based on a broad range of equities.

COP26 has given added momentum to the importance of protecting biodiversity and achieving the goals set by the Paris Agreement. More than 100 countries, which cover 85% of Earth's existing forests, have now pledged to end and reverse deforestation by 2030.

Patrick Kondarjian, Global Co-Head of ESG Sales, Markets & Securities Services, HSBC, said: "The Euronext ESG Biodiversity Screened Indices provide a benchmark for investors as to which stocks to include in their portfolios and which to exclude, based on how a company's overall activities impact nature. They will also be able to invest in a range of products that track these indices. In this way, investors will have greater oversight of their portfolios' ESG and biodiversity credentials."

Marine de Bazelaire, Group Advisor on Natural Capital, HSBC, said: "We are helping to develop business and investment models for enterprises that are finding ways to restore, manage and protect nature. Biodiversity and ecosystems provide value to society in a myriad of ways such as food security, medicine, clean water, carbon removal and weather regulation. The decline in natural capital has been rapid and is ongoing."

Constituent companies of the Euronext ESG Biodiversity Screened Indices are selected from either the Euronext Eurozone 300 Index or Euronext World Index, using the following criteria:

- They are committed to the UN Global Compact Principles; are not involved in controversial weapons, tobacco production, or thermal coal extraction, leveraging Sustainalytics analysis;
- Their ESG Risk scores as determined by Sustainalytics; and
- Their Corporate Biodiversity Footprint (CBF) score, calculated by Iceberg Data Lab, which assesses their impact on biodiversity from change of land use, greenhouse gas emissions, air and water pollution, taking into consideration their whole value chain (Scope 1,2 & 3).

"We are putting nature and biodiversity at the heart of our net zero strategy because we believe that protecting and restoring nature is essential for a thriving global economy and a successful net zero transition," added Marine.

HSBC is a member of the cross-industry Taskforce for Nature-related Financial Disclosures (TNFD), which aims to provide a framework for reporting nature-related risks.

Transition to net zero is one of HSBC's four strategic pillars. HSBC has committed to providing between US\$750 billion and US\$1 trillion in finance and investment by 2030 to support its customers across sectors to decarbonise and accelerate new climate solutions.

– Ends –

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About HSBC

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, the Middle East and North Africa. With assets of US\$2,969 billion at 30 September 2021, HSBC is one of the world's largest banking and financial services organisations.

About Euronext

Euronext is the leading pan-European market infrastructure, connecting local economies to global capital markets, to accelerate innovation and sustainable growth. It operates regulated exchanges in Belgium, France, Ireland, Italy, the Netherlands, Norway and Portugal. With close to 1,920 listed issuers and around €6.5 trillion in market capitalisation as of end September 2021, it has an unmatched blue chip franchise and a strong diverse domestic and international client base. Euronext operates regulated and transparent equity and derivatives markets, one of Europe's leading electronic fixed income trading markets and is the largest centre for debt and funds listings in the world. Its total product offering includes Equities, FX, Exchange Traded Funds, Warrants & Certificates, Bonds, Derivatives, Commodities and Indices. Euronext also leverages its expertise in running markets by providing technology and managed services to third parties. In addition to its main regulated market, it also operates a number of junior markets, simplifying access to listing for SMEs. Euronext provides custody and settlement services through central securities depositories in Denmark, Italy, Norway and Portugal.

About Sustainalytics

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For nearly 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices, and capital projects. As of the date this release was published, Sustainalytics has more than 1,200 staff members across 17 offices globally, including more than 500 analysts with varied



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multidisciplinary expertise across more than 40 industry groups. For more information, visit www.sustainalytics.com.

About Iceberg Data Lab

Iceberg Data Lab is a Fintech specialised in ESG Data Solutions for Financial Institutions which is headquartered in Paris, France.

Iceberg Data Lab developed the Corporate Biodiversity Footprint to model the impact of corporates on biodiversity and enlarged the scope of its environmental data solutions in July 2020 through the asset contribution of I Care data branch.

Founded by experienced professionals of Environmental Science, Data Analytics and Finance, Iceberg Data Lab data are used by leading international financial institutions to report and manage their impact on Climate, Biodiversity and the Environment.