

Corporate Sustainability

2011



Education | Environment | Community | Culture

Sustainability at HSBC



At HSBC, the term sustainability means achieving sustained profits for our shareholders, developing long-lasting customer relationships, valuing our highly committed employees and managing the social and environmental impact of our business.

Our Strategy on sustainability focuses on:



Climate Change – HSBC believes that managing the challenges of climate change will be one of the greatest tasks of the 21st Century. Read about how HSBC is responding to Climate Change.



Sustainable Finance – We have the expertise, understanding, people and processes in place to manage the social and environmental risks of projects that we finance. Visit Sustainability Risk.



Community Investment – We oversee philanthropic global programmes, with a focus on education and the environment, ensuring that initiatives are effective in developing employee engagement, stakeholder perception and brand value. Read more about Community Investment.



Managing our footprint – HSBC is helping to reduce the Group's environmental footprint from buildings and business travel, including energy, waste, water and carbon dioxide emissions; and also incorporating sustainability into buying decisions. Read more about Footprint Management.

Climate Change

Through extreme weather events, climate change will impact our customers and employees and is likely to disrupt some of our business operations in the long term. Climate change presents a range of different types of risk for our business and for our clients. However it also has the potential to stimulate innovation and development as businesses adapt to a changing world.



HSBC – The Daily Star Climate Awards 2011



HSBC and the country's most popular English daily newspaper – The Daily Star jointly initiated the HSBC – The Daily Star Climate Awards. Waste Concern is the knowledge partner of this initiative. Through this programme, HSBC and The Daily Star seeks to recognise individuals and organisations for their efforts to make a difference in saving our environment through green business practice, voluntary approach or valuable research-work.

Flagship Environment Sponsorship Programme of HSBC, Bangladesh and the country's leading English daily – The Daily Star

Know the 5 Climate Champions of 2011

Climate Champion in Green Business:

Energypac Electronics Limited – For their pioneering role in promoting, popularising and manufacturing energy efficient CFL light-bulbs in Bangladesh.

Climate Champion in Green Operation – 100% Bangladeshi owned companies:

The Bengal Glass Works Limited - For ground breaking success in reducing energy consumption, waste management, heat/carbon emission and water and paper recycling.

Climate Champion in Green Operation – Companies with full or partial foreign ownership:

Grameenphone Limited - By converting 39 BTS sites into renewable-energy-run ones, and aiming to convert 160 more by 2012.

Climate Champion in Knowledge Management:

Radio Today - For raising awareness about saving the environment among urban dwellers especially youth through the campaign 'Green Radio'.

Climate Champion in Community Engagement:

Rural Development Academy (RDA), Bogra - This government-run academy enabled rural women to fight poverty through eco-friendly, efficient and commercially viable seed production, preservation and marketing skills.

Other Facts

This year, the programme was launched in 5 October 2011 and nomination deadline closed on 3 November 2011. The awards night of the 'HSBC – The Daily Star Climate Awards 2011' was held on 2 December 2011.

Climate Change

To build up expertise among employees regarding climate change, HSBC and The Climate Group, Earthwatch, Smithsonian Tropical Research Institute and WWF organised Climate Championship programme. This year the championship took place in India. Like every year, this year too, eager employees of HSBC Bangladesh applied for the programme. From a wide number of applicants, Earthwatch committee selected a few who got the opportunity to go for a 14 day training in India. Coming back to the country, they had the opportunity to make environment-friendly business models.



It's not just a program – but a life time experience where you get to bond with a Team and Nature. Throughout the program different issues like forests, biodiversity, carbon emission, global warming and their impact on human lives were prioritized in the discussions. But one thing that really impacted me was 'Commitment & Action', what we need to do to combat climate change & heal our one and only world for our next Generation.

Climate Champion 2009: Ela M Gonsalves
Officer, Credit & Risk Centre of Excellence
HSBC Bangladesh

Climate Partnership 2011

I have never been to a forest like this – working in the middle of thick vegetation, sitting on a bunch of fallen leaves and so much more. I would encourage all those who have this intrinsic concern for Nature and the bounties it has given us, to come forward and participate in this program. It's a wonderful opportunity to not only learn for oneself but for the wider community around us.



Climate Champion 2011: Shamim Ahmed
Production Support Manager, IT
HSBC Bangladesh



"Humans are not dependent on the climate, rather its the climate which is dependent on humans". The first and foremost thing that I learnt from Climate Championship . Actually a tiny speck of assistance in the form of "Captain Planet" would mean a lot. It's not only changing the Bank's perspective into using Solar energy, bio gas or rainwater harvesting as a sustainable source of energy but the attitude, life style modification towards contributing to the nature.

Climate Champion 2011: Virgil D Rodriguez
Assistant Vice President, Institutional Banking
HSBC Bangladesh

Sustainability Risk

HSBC defines environmental risk as activities that could adversely impact the natural environment (e.g. impacts on protected areas or endangered species) and social risk as those that could adversely impact communities.



Policies

HSBC have policies and guidance on sustainability risk, including sector policies such as chemicals, forest and freshwater.

Its environment-friendly financing policy is also cross-checked with Bangladesh Bank's Green Banking Guidelines.

For every lending proposal it assigns a SRR (Sustainability Risk Rating) based on customers commitment, capacity, track record for compliance and impact of the sector/business on the environment and finally a composite rating is assigned from the matrix. Lending proposals not meeting the SRR does not qualify for financing.

People and Process

A variety of resources like Standard Manuals and e-learning courses are developed to help the employees become more aware and adept in handling sustainability risk in business.

Financing

HSBC Bangladesh has already started financing renewable energy projects of different organisations.

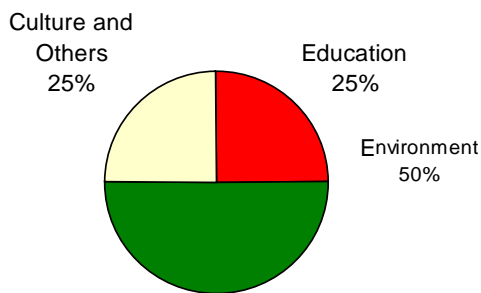
Community Investment

HSBC in Bangladesh makes philanthropic donations to support local community focused programmes. Many sponsorship programmes are also organised to foster education, literacy and community advancement. Furthermore, HSBC also values local heritage and takes part to strengthen its bonding with local culture by organising different events and activations.



HSBC supports

Community Investment



HSBC in Bangladesh aims to utilise 75% of its total Community Investment expenditure to Education and environment where 25% is given on Education and 50% on environment. Rest is provided to local community.

HSBC believes that education and the environment are fundamental building blocks for the development of communities and are issues of universal concern around the world. For this reason it focuses on these areas and believe by doing this it is channeling its efforts to best effect.

Education programmes focus on

- Education for disadvantaged children
- Financial and business literacy
- Environmental education and understanding

Environment programmes focus on

- Saving supply by installing Rainwater Harvesting Plant
- Tree plantation, save forestry and promote eco-parks
- Adapt and mitigate the effects of climate change in coastal areas of the country

Community and Culture programmes focus on

- Community projects like vaccination, autism, medical camps, Food and clothing arrangements, disaster relief and local culture

Community Investment in 2011

Education



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Education

HSBC Young Entrepreneur Awards 2011

The HSBC Young Entrepreneur Award (YEA) is a business plan competition for undergraduate students which aims to promote creativity and innovation and sharpen the business knowledge among young students beyond their borders. The programme encourages undergraduate students to develop innovative and commercially viable business plans. Since its launch in 2000, YEA has expanded its footprint to Hong Kong, Bangladesh, Brunei, Malaysia, the Philippines, Shanghai and Thailand.



Bangladeshi team in regional top three winners

5 Times

Response from Bangladeshi students for the last 5 years

Over 1500 business plans, 3750 students participated

involvement of

Students from highest rated educational institutes in Bangladesh

**Flagship
Education
Sponsorship
Programme of
HSBC in the Asia
Pacific region**

Meet the young talents from Bangladesh

This year, Bangladeshi team “Stalwarts” won the prestigious Diamond awards as well as a prize money of HKD40,000 for its ‘CocoCrete’ project, which aims to supply high-strength, ready-mixed concrete using coir fibres from discarded coconut husks as reinforcement to make buildings more resistant to earthquakes.

Other Facts

On 2011, YEA has been observed for the fifth time in Bangladesh. It was launched on 19 January 2011 in Bangladesh. The Bangladesh finale was held on 26 April 2011 and the regional finale took place on 20 June 2011 in Hongkong SAR.

Education

HSBC - Prothom Alo Language Competition 2011

To enhance the love for our mother tongue among students from an early age, HSBC Bangladesh sponsored the HSBC-Prothom Alo Language Competition with the country's largest Daily Newspaper – Prothom Alo. The competition is held in 4 categories, including primary school, high school and college level students. A large number of HSBC staff members showed their enthusiasm despite the long travel distance by volunteering in the whole-day event .



Being organised every year for
7 Years

Response in the last 7 years
Participation by over 50,000 students

Employee volunteered on average
Over 1300 man-hours every year

**Nationwide Joint
Education
Sponsorship
Programme of
HSBC,
Bangladesh and
the country's
leading daily
Newspaper -
Prothom Alo**



Brief of this years programme

This year's competition was launched on 18 February 2011, and altogether 9 regional competitions were held. Each of the regional competitions saw massive participation of around 800 students, whereas, the regional event in Dhaka was attended by 1200 students. The final competition and award giving ceremony was held at Dhaka which was attended by a total of 496 students. A total of 20 students from each category were awarded. The event ended with a vow to preserve and promote our mother language in its correct and beautiful form.

Education

Future First Fund to HASAB

'Future First' is global partnership with SOS Children's Villages and other NGOs to help educate street children, orphans, children in care and those at risk from not receiving a formal education. HSBC, through its global flagship education fund "Future First", assisted the SCUP project HASAB which aims to offer vocational training and educational scholarships to 200 children's of AIDS patients and sex workers. Recently, the project was launched in both Gazipur and Mymensingh where HSBC Bangladesh provided education materials to 80 children and also education allowance to 8 others.



**Project to provide education to
200 adolescents**

**HSBC Group's
Flagship
Education
Programme**

Educational Scholarship to Meritorious students of RPOWAB



To continue the Meritorious Students Scholarship Programme (MSSP) started on 2008 for the disadvantaged yet talented students studying in Rajarbag Police Line High School, HSBC Bangladesh provided financial assistance to Retired Police Officer's Welfare Association Bangladesh (RPOWAB) this year too.

**An Scholarship Programme to assist
200 adolescents**

Environment

World Environment Day

HSBC Bangladesh celebrated the World Environment Day by planting trees in one of the country's most prominent schools - Viqarunnessa Noon School and College. Furthermore, an environment-related quiz which gauges the knowledge and awareness level of employees was uploaded on the Staff intranet - Banglanet. 3 winners of the quiz had an opportunity to visit and plant trees in Hakaluki Haor – a national wetland preserve.



Tree plantation in Viqarunnessa Noon School and College

Over 1000 saplings, 50 types of medicinal, herbal and floral plants

Free saplings distributed among employees in the Management Office, Dhaka Main Office and Gulshan Branch

Employees Volunterred

Over 20 staff members, over 100 man-hours dedicated

Time and Life – Ice Today Supplement



HSBC Bangladesh sponsored Ice Today's initiative to publish a special supplement featuring Climate Change related photographs. The postcards depicted the effect of climate change and also contained short notes on HSBC's contribution on ensuring sustainability not just locally but also globally.

Will provide information to 10,000 readers of Ice Today



Environment

Lawachara Eco-park Sponsorship

To facilitate natural forestry preservation, HSBC Bangladesh became the sole sponsor of the interior decoration of the exhibition hall of Lawachara eco-park - one of the major national reserves in Bangladesh and the only local rainforest. This forest consists of 460 species including 167 plant species, 4 amphibian species, 6 reptile species, 246 bird species and 20 mammal species and is situated in Moulvibazaar, Bangladesh. 8 kilometres east from Srimongal town, this 1,250 -hectre forest is one of the most beautiful tropical forests in the region. Lawachara is also called a Bird Safari for the abundance of different species of birds found in the range.



Project to provide education to
200 adolescents

Rainwater Harvesting Project



With an aim to provide safe drinking water and ensure optimum usage of rainwater, HSBC Bangladesh installed two Rainwater Harvesting (RWH) plants in two schools in Dhaka city namely Banani Bidyaniketon and Viquarunnessa Noon School and College this year. Last year such plants were installed in 2 schools and the head office of HSBC Bangladesh.

Providing pure drinking water to
6000 students of 4 leading schools

Every year saving
500,000 litres of groundwater

HSBC - Kali O Kalam Young Poet and Writer Awards 2010

HSBC Bangladesh, in partnership with monthly literary magazine 'Kali O Kalam', initiated HSBC – Kali O Kalam Young Poets and Writers Award in 2008. The awards seeks to recognise and facilitate young talents in the contemporary literary field and is given in four categories: poetry, literature, research and essay.

Participation by
200 young writers

Meet the Promising, young writers and poets

The winners for the year 2010 were: Tokon Thakur (Poetry); Kazi Rafi (Literature); Proshanto Mrida (Essay) and Apurbo Sharma (Research). Each winner received BDT 100,000 along with a certificate and a crest.

Other facts

The programme is acclaimed by the literary field of not only Bangladesh but also of West Bengal, India. For instance, Bani Basu - leading Bengali writer from India – attended the awards ceremony as a special guest and admired the initiative by Kali O Kalam and HSBC.



**Flagship
Cultural
Programme
Of HSBC
Bangladesh
with
acclaimed
magazine –
Kali O Kalam**



Culture

Celebrating Tagore's 150th birth anniversary



HSBC Bangladesh organised a special event commemorating the 150th birth anniversary of the biggest icon of Bangla culture and literature – Rabindranath Tagore. The event included unveiling the cover of a research work on Tagore's songs by Dr Karunamaya Goswami and the rendition of Tagore songs by Bengali artists from Bangladesh and India.

Minister for Information and Cultural Affairs – Mr Abul Kalam Azad, Former Chief Justice – Mr Muhammad Habibur Rahman, Foreign Secretary – Mr Mohamed Mijarul Quayes, Publisher of the book – Mr Mofidul Islam and the researcher Dr Karunamaya Goswami spoke at the event. Chief Executive Officer of HSBC Bangladesh – Mr Sanjay Prakash and Head of Commercial Banking, HSBC Bangladesh – Mr Md Mahub-ur-Rahman also spoke at the occasion.

The event concluded with the rendition of Tagore songs by Aditi Mohsin, Mita Hoque and Srikanata Acharya.

Sponsoring the publication of 'The Art Of Tagore Songs'

As part of its continuous commitment to local culture and heritage, HSBC Bangladesh paid tribute to Noble laureate Rabindronath Tagore on his 150th birth Anniversary by sponsoring a research and publication of a book titled "The Art of Tagore Songs" written by renowned researcher Dr Karunamaya Goswami. Over 1,000 books were printed and have been distributed as courtesy copies to cultural personalities, universities, cultural academies, libraries and galleries across the country.



Helping the Disadvantaged

Joy of Giving



Staff members from HSBC, Bangladesh dedicated their valuable support in sorting, categorising and handing-over the donations collected in the Joy of Giving campaign. The collections were distributed among over 600 disadvantaged children associated with not-for-profit organisations: JAAGO Foundation, ActionAid Bangladesh and Shishupolli.

Furthermore, in the holy month of Ramadan, HSBC Bangladesh and Prothom Alo Bandhusobha jointly arranged 9 Iftaar Parties around the country to feed poor children.



SEID Trust Visit

HSBC Bangladesh has once again extended its helping hand to the poor and disabled children sheltered in the SEID Trust by providing them with school uniform and education materials. Some of the staff members took their time off to visit one of the schools run by SEID trust and handed over the materials to the smiling children.

Furthermore, at the end of the year, SEID Trust bought wheelchairs and hearing aid for disabled children with HSBC's assistance.



Helping the Disadvantaged



Winter Cloth Distribution

To provide warmth to the poor in the cold nights of January, all branches in HSBC collected warm clothing items and also purchased blankets with money donated by staff. After collating the collection in the Main Office, many staff members enthusiastically participated as volunteers and helped distributing items among street people in Dhaka and Chittagong.

Arsenic Remedy in Jessore

Following the setup of two tube-wells in the Jessore district – an arsenic-affected area of the country – HSBC Bangladesh provided BDT 125,000 to setup 15 new arsenic-free deep tube-wells and thus provide pure drinking water to some 30,000 villagers.

Donating Computers to Disabled People

This year, HSBC Bangladesh donated a total of 6 desktop PCs and 4 laptops to 3 NGOs to aid the learning and training of disabled children. SSDP received 2 Laptops and 4 Desktop PCs; Samannito Janakalyan Kendro (SJK) was given 1 Laptop and 1 Desktop PC; and the Scholars Special School was provided 1 Laptop and 1 Desktop as well. This will support the attempts by these organisations to turn disabled people into assets for the country.

School of Hope

HSBC Bangladesh, through its resources and volunteer-work-hours, assisted the relocation of School of Hope from its previous premise. Furthermore, the Bank's employees also took part in School of Hope's annual fun day which was celebrated at International School, Dhaka, on 14 May 2011.

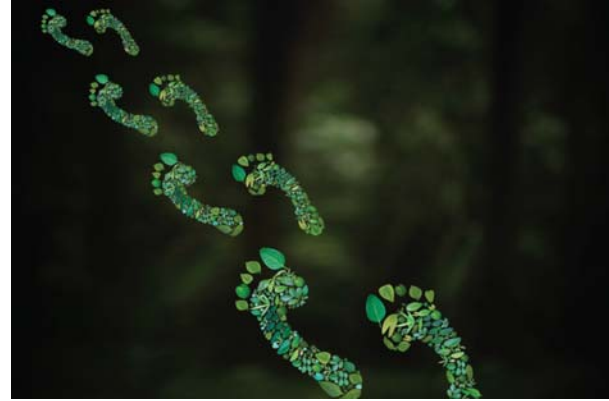
Aiding CDC in Chittagong

HSBC Bangladesh donated BDT 375,000 to the Centre for Disabled Concern (CDC), a non-profit NGO in Chittagong. Using the fund, CDC bought a four-stroke CNG taxi which will be used to provide transport services for disabled children – by carrying them between the shelter and hospital for medical check-ups.



Footprint Management

HSBC manages its direct environmental impacts by reducing energy and water use, waste and CO2 emissions. To achieve this, environmental performance is included in business operations and sustainability measures are incorporated into internal decision making.



Internal Environmental Efficiency

HSBC sets reduction targets for its energy and water use and waste and CO2 emissions.

In HSBC Bangladesh, a circular was given to the employees instructing them on efficient use of water.

Employees are instructed to shutdown appliances when its not being used

To communicate with customers , digital marketing tools like ATM screenshots, Email messages, SMS are being used extensively rather than previous paper-based communication. For example, in the first few months around 32500 Electronic direct mails were generated .

Default duplex printing options set, internal communication is mainly e-mail based to reduce paperwork

Energy saving bulbs are used in the HSBC premises

Solar energy system installed at Dhanmondi Branch and ATM, Adamjee EPZ Business Development Office

Green Banking Team

To manage own carbon footprint in internal scenario, HSBC Bangladesh has a Green Banking team in-house that regularly communicates with other departments and ensures effective footprint management.

Diversity and Inclusion

HSBC is committed to building a culture where all employees are valued, respected and where their opinions count. HSBC Bangladesh aims to foster diversity by attracting the best people and making full use of their ideas and abilities, regardless of gender, age, sexuality, ethnicity, disability, religious belief, background or any other aspect of personal difference.



Internal Campaigns to foster diversity

There was a guided tour for all staff members based in Chittagong to the Ethnic and Cultural Diversity Museum

Kaya Skin Clinic started a campaign 'Look Good Feel Good' for the ladies at HSBC Head office and Management office where Kaya has offered female colleagues of HSBC some exclusive benefits

HSBC Bangladesh came up with its very own, internal table tennis tournament which was inaugurated during the diversity week in October. Through this event, all the internal staffs regardless of their positions, seniority, gender, age got the opportunity to enroll themselves and exhibit their passion for sport



HSBC Bangladesh celebrated " International Children's Day" in its Corporate Head Office, Management Office and Chittagong Branches. Employees with their children and family members gathered in the office premise and together they enjoyed the dancing puppets, mascots and were given gifts.

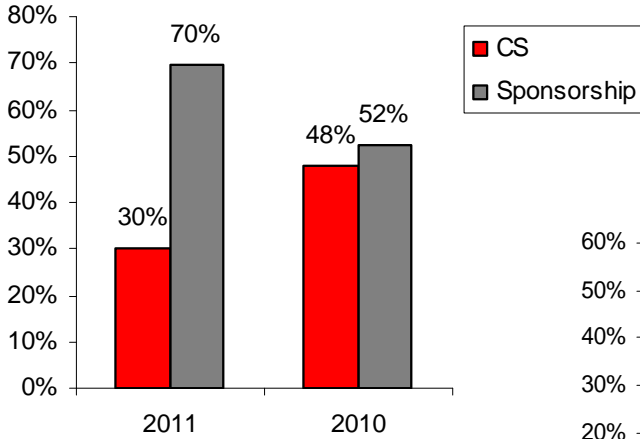
As a proactive initiative to promote diversity and inclusion, HSBC Bangladesh recognised two female colleagues with the 'Women Achiever Award 2011' for their commendable achievements in the fields of personal interest. The award was meant for female colleagues who are, in addition to managing a busy work schedule, involved in many activities that promote diversity and innovation.

Facts and Figures

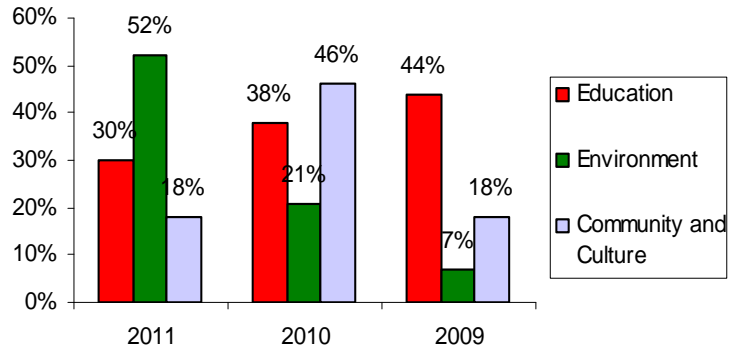
The graphical representation of the whole year performance of Corporate Sustainability in HSBC, Bangladesh in terms of CS projects, expenditure and volunteering man-hours can be found in this section.

CS and Sponsorship Expenditure 2011

CS and Sponsorship Expense Allocation

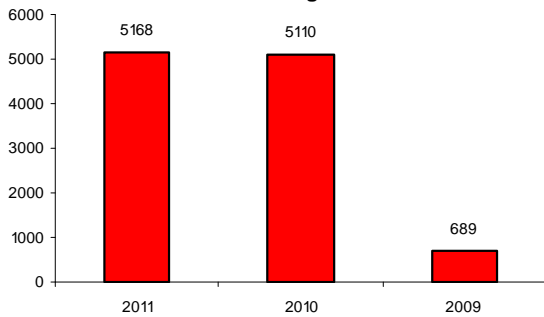


CS and Sponsorship Contribution

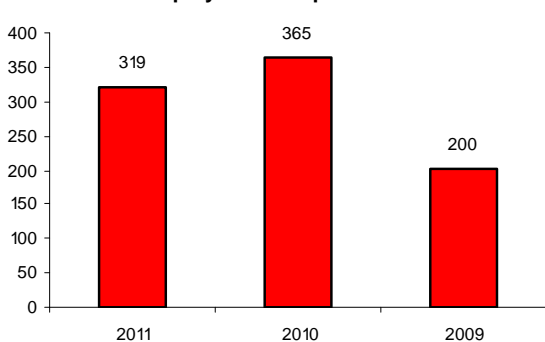


Employee Volunteering

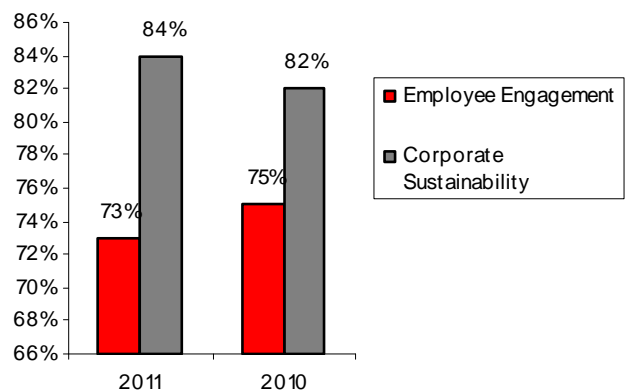
Volunteering Hours



Employee Participation



GPS Survey Result





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A pdf version of this report is available at
<http://www.hsbc.com.bd/1/2/cs>