



HSBC Indonesia and Saint Gobain Indonesia sign multi-million Sustainable Supply Chain Financing agreement in Southeast Asia.

HSBC Indonesia provides its first Sustainability Supply Chain Finance program in South and Southeast Asia, to one of Indonesia's largest premix mortar producers, PT Cipta Mortar Utama (PT CMU – a company of Saint Gobain), helping the company and its suppliers reduce their carbon emissions. This initiative aligns with Saint Gobain group's Responsible Purchasing policy of reducing carbon emission in scope 1, 2, and 3 in order to achieve net zero carbon emission by 2050.

PT Cipta Mortar Utama is part of Saint-Gobain group, a leader in light and sustainable construction, manufacturing and distributing materials and solutions for the construction, mobility, and industrial markets.

As part of Saint Gobain's Responsible Purchasing policy, suppliers with annual purchasing value above certain threshold, and within the CSR Risk mapping exercise, are required to participate into sustainability assessment conducted by EcoVadis, one of the world's largest providers of business sustainability intelligence and rating.

"To support Saint-Gobain's purpose of Making the World a Better Home, we are excited to offer this Sustainability Supply Chain Financing ("SSCF") program for our business partners to encourage them in driving positive environmental impact. With SSCF, we help address today's working capital challenges and our sustainability commitments." said Ivana Ijaya, CEO of Saint-Gobain Indonesia.

This innovative financing mechanism helps clients implement sustainable sourcing and reduce the carbon footprint within their supply chain such as Scope 3 emissions, while maintaining continuity across the supply chain.

Sustainable Supply Chain Finance uses Key Performance Indicators to incentivize suppliers to continuously improve their sustainability performance. This financing mechanism gives suppliers access to more competitive financing or funding terms when they deliver against predetermined sustainability measures.

"We are proud to launch our first Sustainable Supply Chain Finance program to help PT Cipta Mortar Utama reduce its GHG emissions from their supply chains, while at the same time supporting their Indonesian suppliers to adopt sustainable practices. This aligns with our ambition



to support our clients to reduce emission not just in their scope 1, but also scope 2 and 3, as well as contribute to Indonesia's target to reduce emissions.", said **Riko Tasmaya, Managing Director Wholesale Banking HSBC Indonesia.**

Indonesia's industry sectors, which include heavy-emitting industries like steel and cement production to food and textile manufacturing, makes up nearly 75% of the country's total greenhouse gas (GHG) emissions¹. Riko added that reducing GHG emission from this sector, including the suppliers in their supply chains, will contribute to reducing GHG emission in Indonesia. Furthermore, by giving suppliers competitive and reasonable financing, it allows them in turn gives them the financial flexibility to comply with international sustainability standards. This milestone highlights the collaborative commitment of both Saint-Gobain & HSBC to set a new benchmark for sustainability in the region.

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About PT Bank HSBC Indonesia

PT Bank HSBC Indonesia has been operating in Indonesia since 1884 and currently serves customers throughout Indonesia. PT Bank HSBC Indonesia is a member of the HSBC Group which offers Commercial Banking and Global Banking services for Corporate and Institutional customers, Global Markets for Treasury and Capital Market management as well as Wealth and Individual Banking. PT Bank HSBC Indonesia is licensed and supervised by the Financial Services Authority and Bank Indonesia. PT Bank HSBC Indonesia is a member of the Indonesian Deposit Insurance Corporation.

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 60 countries and territories. With assets

¹ <https://www.wri.org/outcomes/indonesian-companies-accelerate-industrial-decarbonization>



of US\$3,099bn at 30 September 2024, HSBC is one of the world's largest banking and financial services organisations.

About Saint-Gobain

Worldwide leader in light and sustainable construction, Saint-Gobain designs, manufactures and distributes materials and services for the construction and industrial markets. Its integrated solutions for the renovation of public and private buildings, light construction and the decarbonization of construction and industry are developed through a continuous innovation process and provide sustainability and performance. The Group's commitment is guided by its purpose, "MAKING THE WORLD A BETTER HOME".

About PT Cipta Mortar Utama

Mortar Utama is a leading provider of high-quality construction materials, specializing in innovative solutions for the building industry. With a commitment to sustainability and excellence, we offer a diverse range of mortars products, designed to meet the needs of modern construction projects.

PT Cipta Mortar Utama is part of the Saint-Gobain group, global manufacturer and distributor of materials and solutions for the construction, mobility, and industrial markets. Saint-Gobain is present in 76 countries around the world and has more than 358 years of expertise.