HSBC

Press Release

HSBC Indonesia Launches Sustainability Improvement Loan to Boost ESG Adoption for Mid-Sized Businesses

PT Bank HSBC Indonesia ("HSBC Indonesia") today announced the expansion of its sustainable finance capabilities with the launch of the **HSBC Sustainability Improvement Loan ("SIL")**. HSBC has also successfully completed its first transaction with PT Bambang Djaja ("BD"), a leading manufacturer of power, distribution and instrument transformers in Indonesia and PT Bahtera Adi Jaya (" Bahtera"), a specialty chemical distributor.

The proceeds from the facility will serve as working capital needs to support BD's and Bahtera's businesses with its multi-national clients.

This innovative solution is designed for medium-sized corporates, directly linking the cost of financing to their sustainability performance. This financing solution will help broaden the sustainable finance solutions available in HSBC Indonesia, supporting Indonesian corporations to transition to a low carbon economy.

The SIL is structured by linking the loan's interest margin to the borrower's performance in sustainability assessments and ratings from **EcoVadis**, the global standard for resilient, sustainable supply chains , with over 150,000 ESG ratings. This structure incentivizes and supports businesses of all sizes to accelerate their transition to more sustainable practices. Borrowers who improve their EcoVadis' ESG scores may benefit from a reduced interest rate; conversely, the interest rate may increase if the borrower's score declines .

An increasing number of multi-national corporations are requiring their supply chain partners to comply with environmental, social and governance (ESG) global standards. This trend affects key various industry sectors such as manufacturing, agribusinesses and energy. However, many mid-sized businesses in the early stages of their sustainability journeys find conventional Sustainability-Linked Loans ("SLL") beyond their reach, primarily due to limited resources for measuring and reporting their ESG performance.

By completing an EcoVadis ESG Assessment, businesses can identify areas of strength and highlight where changes are needed to improve.

"We are pleased to introduce the Sustainability Improvement Loan as an innovative financing solution designed to bridge the gap and enhance access to sustainable financing for mid-sizes businesses," said **Steve Andoko, Banking Director (designate), Corporate and Institutional Banking, HSBC Indonesia, HSBC Indonesia**. "At HSBC, we understand that each business might face different challenges when it comes to sustainability. Our aim is to support businesses to thrive responsibly and navigate complexity of the low-carbon transition, as they take a meaningful first step in advancing their sustainable ambitions.", Steve added.

"The Sustainability Improvement Loan is an excellent example of how finance can be directly linked to supply chain performance, incentivizing real sustainability improvement across. Our assessment platform provides companies of all sizes, including small and medium enterprises, with the actionable insights they need to take the critical first steps on their ESG journey, ultimately unlocking better financing terms and driving greater resilience across global supply chains, " said Richard Bourne, Senior Vice President, Asia Pacific Japan, EcoVadis

*****END*****

Media Contact
Ariavita Purnamasari
ariavita.purnamasari@hsbc.co.id
Head of Communications and Corporate Sustainability
PT Bank HSBC Indonesia

About PT Bank HSBC Indonesia

HSBC has operated in Indonesia since 1884 and currently serves customers throughout Indonesia. PT Bank HSBC Indonesia is a member of the HSBC Group that provides Corporate and Institutional Banking services to corporate and institutional customers, as well as International Wealth and Premier Banking for individual customers. PT Bank HSBC Indonesia is licensed and supervised by the Financial Services Authority (OJK), Bank Indonesia (BI) and is a participant of the deposit insurance program from the Indonesia Deposit Insurance Corporation (LPS).

About HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide through offices in 57 countries and territories. With total assets of US$3,234 billion as of 30 September 2025, HSBC is one of the world's largest banking and financial services organizations.

About The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is a founding member of the HSBC Group. HSBC serves customers worldwide through its offices in 57 countries and territories.

With total assets of US$3.234 billion as of 30 September 2025, HSBC is one of the world's largest banking and financial services organizations.

ABOUT ECOVADIS

EcoVadis is a purpose-driven company dedicated to embedding sustainability intelligence into every business decision worldwide. In 2024, EcoVadis acquired Ulula, a leading worker voice platform that strengthens its capabilities in supporting human rights due diligence. With global, trusted and actionable ratings, businesses of all sizes rely on EcoVadis' detailed insights to comply with ESG regulations, reduce GHG emissions, and improve the sustainability performance of their business and value chain across 250 industries in 185 countries. Leaders like Johnson & Johnson, L'Oréal, Unilever, Bridgestone, BASF and JPMorgan are among 150,000+ businesses that use EcoVadis ratings, risk, and carbon management tools and e-learning platform to accelerate their journey toward resilience, sustainable growth and positive impact worldwide.

Learn more on: ecovadis.com, X or LinkedIn.