



HSBC INDIA

CORPORATE SUSTAINABILITY IMPACT REPORT 2021

Increasing digital transactions and overcoming gender barriers

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Creating sustainable ecosystem across the cotton value chain, with a focus on production

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Nature and community-based freshwater management and conservation solutions

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Cover image credits: World Wide Fund for Nature India (WWF India)

Field training session with farmers to learn about package of practices being implemented in a demonstration plot at Tirzada village, Yavatmal district, Maharashtra

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Leadership messages



Hitendra Dave

Chief Executive Officer, HSBC India

I am delighted to share the first edition of HSBC's India Corporate Sustainability Impact Report. Our purpose of 'opening a world of opportunity' have shaped our Community Investments in India. We have been strategic and focused, with a long-term outlook that has translated into deep impact in the lives of 5 million individuals.

As a purpose-driven organisation, our Community Investment is spread across building Future Skills, enabling Sustainable Entrepreneurs, furthering Environmental Sustainability, supporting the local development agenda as well as aiding the most vulnerable during the ongoing pandemic through COVID-19 relief and recovery measures. HSBC's interventions have impacted the lives of the most marginalised and underprivileged sections of the population through a range of empowering programmes customised to their developmental needs.

The pandemic-related disruption and multiple environmental calamities have impacted all sections of the community, specifically the socio-economically disadvantaged. HSBC's targeted relief measures aim to improve resilience and invest in long-term rehabilitation of affected communities.

Our non-profit partner ecosystem rose to the challenge by innovating and adapting new grass-root level solutions and implementation methods to overcome challenges that emerged due to COVID-19.

This report also comes at a time when government, industry, not-for-profits, and philanthropists are expressing their commitment to addressing the global shift towards sustainability. We recognise the immediate need to safeguard our planet and aim to establish long-term sustainable practices that protect our communities, businesses, and natural environment from the rapid effects of climate change.

With our commitment to accelerating a net zero carbon economy in the communities we serve; HSBC is helping its customers towards transition financing to become more environmentally sustainable in a conscious manner. Globally, we have pledged to reduce financed emissions from our portfolio of customers to achieve a net zero economy by 2050 or sooner. We also aspire to lead by example and achieve net zero operations by 2030 through championing sustainable supply chains and operations.



Paul Raddon

General Manager & Head of Operations,
Global Service Centres

Our Community Investments over the years have made societal impact through shifting the economic and social prosperity of youth and giving them a second chance through building future ready skillsets. In a changing global economy, with the emergence of disruptive business models and the fourth industrial revolution, it has become increasingly critical to equip our youth to succeed in rapidly evolving local contexts. Our partnerships with local not-for-profit organisations in India meets this intent, placing communities first, through a set of skill development, enterprise development and water and environmental sustainability initiatives. This has resulted in shifting educational levels, employment, economic empowerment, and improved quality of life. Working in collaboration and celebrating social innovation forms a key part of the local approach in our journey towards creating impact.



Pradeep Menon

Managing Director & Head
of Technology, India

HSBC's global commitment to enable people around the world to build skills to meet the Future of Work resonates well with our skill development initiatives in India. Leveraging the demographic dividend and shifting the labour force participation of youth can positively impact employability and income generation capabilities. Our alignment with local partners that have a strong industry connect has resulted in skilling youth in the right sectors, situating them for sustainable livelihood generating options. In addition, our initiatives on improved access to water and building entrepreneurial abilities of communities have resulted in increased farm-based livelihoods and the effective functioning of women led self-help groups (SHGs) with improved savings and access to credit. Our level of commitment across a range of Community Investment interlinked with a patient impact outlook will shape stakeholder outcomes in the coming years.

CEO's message continues...

While revolutionary ideas need to be deployed to outline commercially viable progressive solutions, investment and governance are key to achieving global sustainability. To advance our global shift towards net zero, we are unlocking climate solutions through clean-tech innovation, sustainable infrastructure, and nature-based solutions that address climate change.

As a part of HSBC's priority to develop as one of the strongest human-centric organisations in the industry, meeting our societal obligations emerges as a cornerstone to reaching this ambition. We believe our journey towards creating social and economic impact was made possible through collaboration and partnerships, encouraging innovation, and recognising local contexts.

I welcome you to read the report and share your views with us.



Aloka Majumdar

Head of Corporate Sustainability,
HSBC India

We present this report in what is arguably one of the most unusual times of our lives. A time when pandemic-related disruptions and multiple environmental calamities over the past two years have impacted all sections of the community, specifically the socio-economically disadvantaged.

This social impact report covers the impact of projects supported by the Bank and HSBC Group companies in India across grant years 2018-2019 to 2020-2021. It captures the challenges, solutions, best practices and, above all, is testimony to the resilience of our non-profit partners.

This challenging period has also underscored like never before how non-profits, together with the government and the private sector, can play a critical role in delivering services which are essential during the pandemic – from medical supplies to food and vaccination. We have seen that non-profits can even pivot rapidly to provide cost-effective solutions. They are leveraging technology traditionally not considered their forte. Above all, they have led from the front showing admirable public spirit as well as courage, empathy, and boldness to be in the frontline at great risk. From HSBC’s end, our priority has been to reach the funding at the earliest possible to our non-profit partners. Working with over 90 non-profit partners on COVID-19 relief and rehabilitation, we were able to reach over 16 lakh people.

The pandemic, in fact, has served as an important reminder of the urgent need to focus on sustainability as an integral part of business.

Why sustainability?

We believe for businesses to sustain and grow in the long term; it cannot see itself as being isolated from the community around it. Hence, for an institution like HSBC, the community must mean people and the environment in which we live. While these two components are, in a sense,

universal and will be at the centre of most sustainability initiatives, there are various components which make up this huge canvas. HSBC, therefore, realised it was imperative for it to pick what it felt were areas where its contribution could be more meaningful and decided to concentrate on those. These are the areas of Future Skills; Environmental Sustainability; and Disaster Relief & COVID-19 support.

The three major ways HSBC conveys Corporate Sustainability (CS) are:

- Its business practices
- The proactive Community Investment initiatives or Corporate Social Responsibility (CSR) programmes
- Managing its own footprint

When it comes to Community Investment, the focus is not charitable, but developmental. Community Investment is much more than mere funding of social sector projects. Alongside funding of projects, imparting of technical expertise and knowledge are equally critical in the journey towards sustainability.

Given the spread of the country and the seriousness and complexity of the problems being confronted, we believe partnerships with organisations which have a strong connect with the community, knowledge and expertise to deal with issues are critical to creating impact at scale. The Bank and HSBC Group companies in India currently work with over 160 grassroots non-profit partner organisations. These are organisations with proven track records and have been an indispensable part of our social impact initiatives.

With an increasing project and partner portfolio, together with feedback from our partners, we have been investing in capacity-building of partner not-for-profits. This apart, an important part of our Community Investment strategy is integrated third party monitoring and evaluation for all projects, though this is implemented through a collaborative approach.

As we transcend to more technology-driven, integrated models with a keen eye on the ecosystem, our ambition is to leverage data to make informed decisions, harness strategic partnerships to achieve scale and develop innovative and sustainable solutions as key focal points to achieve greater impact.

As we bring you this report, we hope it provides you a bird’s-eye view of the scope, scale, and impact of HSBC India’s sustainability initiatives. The report also seeks to bring you HSBC’s various initiatives towards making its own operations more sustainable in line with our global net zero ambition. I hope you enjoy reading this report as we continue working with our partners—private and public—in our journey to make an even more widespread impact.

Impact at a glance

Coverage



25 States

03 Union territories

431+ Project locations

232 Projects



Presence across

141

districts (of which 12 are aspirational districts)

160

Unique non-profit partners

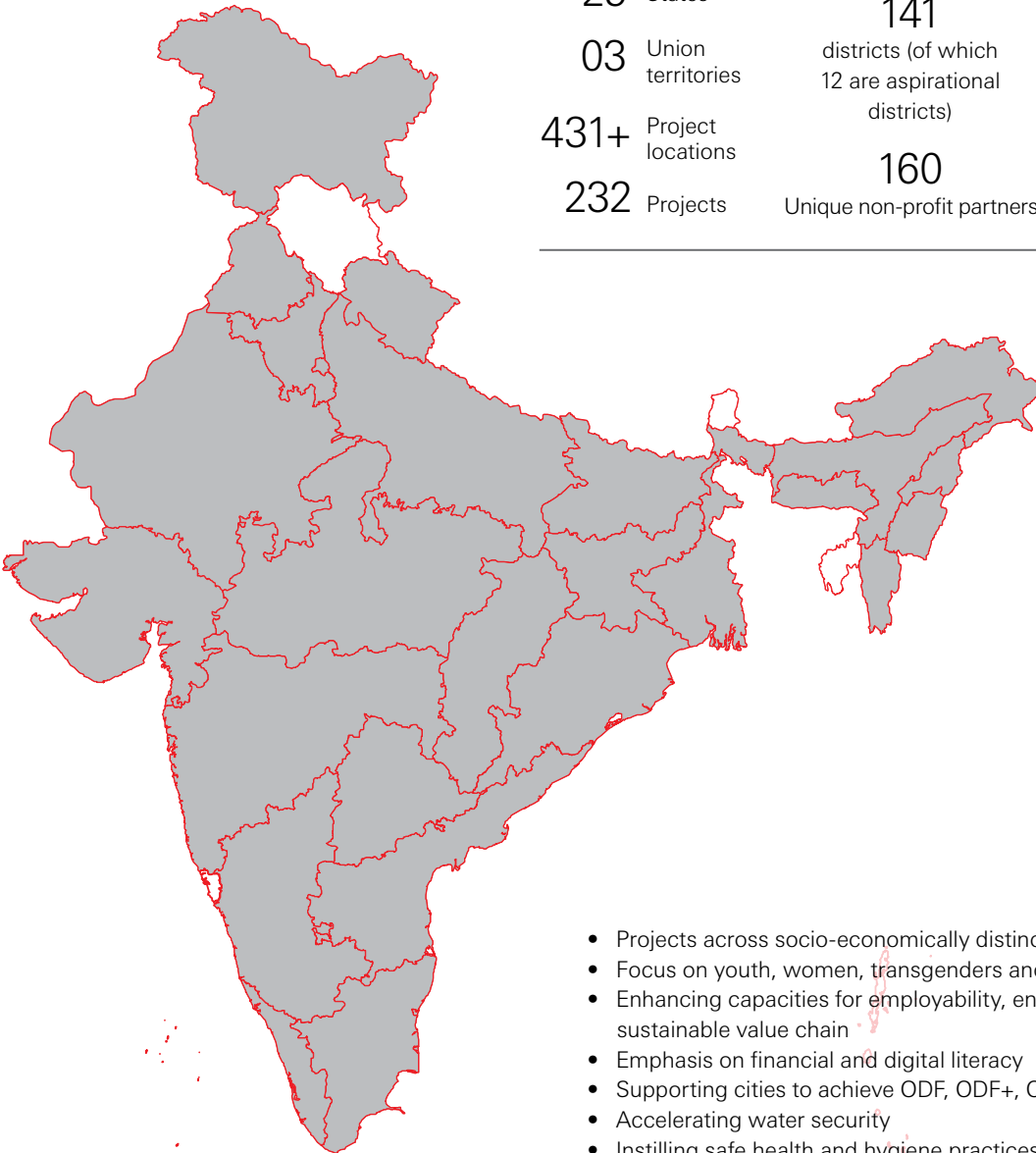


11,190,958

People reached

2018-2019 to 2020-2021

Grant years



- Projects across socio-economically distinct regions
- Focus on youth, women, transgenders and the differently abled
- Enhancing capacities for employability, entrepreneurship, livelihood and sustainable value chain
- Emphasis on financial and digital literacy
- Supporting cities to achieve ODF, ODF+, ODF++ status
- Accelerating water security
- Instilling safe health and hygiene practices through clean sanitation
- Restoring environmental flows and conservation of water bodies including Ganga and Ramganga
- Habitat and biodiversity conservation
- Pan India COVID-19 relief support
- Emergency relief and rehabilitation support to disaster affected areas

Overview of Corporate Sustainability

HSBC's sustainability strategy to support sustainable economic growth, focuses on Community Investment (CSR interventions), Sustainable Operations, Sustainable Finance and Sustainability Risk. The strategy is delivered through a combination of social programmes, collaborations, commercial activity and risk management.

Community Investment

The Community Investment design principles have been contoured by recognising varied ideas, local cultures, innovations, and diverse perspectives. The Corporate Sustainability impact narrative emerges from HSBC India's connected and collaborative approach with the not-for-profit sector, equally invested corporate partners, the government and most importantly communities. Through partnerships with grassroots not-for-profit organisations having a proven track record, the Community Investment projects are focused in the areas of Future Skills, Environmental Sustainability, Disaster Relief and Rehabilitation including COVID-19 relief and recovery support.

Sustainable Operations

The Bank is committed towards reduction in carbon footprint through concentrated efforts in areas of sustainable operations, supply chain and financing portfolio. Leveraging the Paris Agreement Capital Transition Assessment (PACTA) tool and Task Force for Climate Related Disclosures (TCFD), HSBC is developing clear and measurable ways to achieve the organisation wide target set to attain net zero by 2030 or sooner. Owing to HSBC India's own operations, the organisation wide REDUCE programme has substantially cut out carbon while lessening the wider environmental impact through efforts of using less energy, paper, and water, and consciously generating less waste.

Sustainable Finance

Globally HSBC has embarked on a journey to support customers' transition to lower carbon economy through transition financing. The ambition is to provide between US\$ 750 billion and US\$ 1 trillion in financing and investment over the next 10 years for clients in all sectors to support them to progressively decarbonise.

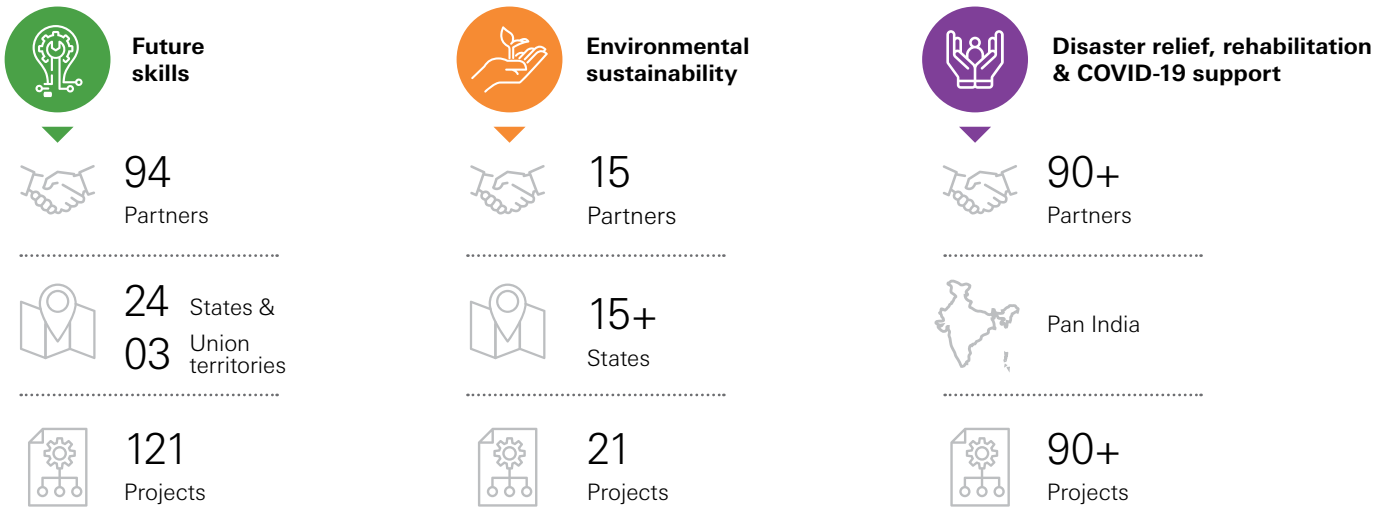
Sustainable Risk

HSBC defines sustainability risk in two categories – Environmental risks and Social risks. The organisation has robust sustainability risk policies covering Agricultural Commodities, Forestry, Freshwater Infrastructure, Energy, Defense, Chemicals, Metals and Mining, World Heritage and Ramsar Wetlands and Equator Principles.

Scope of this report

This report captures projects conducted under HSBC India’s Community Investment / Corporate Social Responsibility initiatives. The narrative showcases programmes and change stories that have been supported by the Bank and 7 India Group Companies (listed below) across three grant cycles (2018-2019 to 2020-2021) through multi-year collaborative efforts. The report also highlights the impact of REDUCE, an eight-year internal programme to significantly cut annual CO2 emissions per employee.

1. The Hongkong and Shanghai Banking Corporation Limited, India (Bank)
2. HSBC Electronic Data Processing India Private Limited (HDPI)
3. HSBC Software Development India Private Limited (HSDI)
4. HSBC InvestDirect Financial Services (India) Limited (HIFSL)
5. HSBC InvestDirect (India) Limited (HIDL)
6. HSBC Securities and Capital Markets (India) Private Limited (HSCI)
7. HSBC Professional Services (India) Private Limited (HPSI)
8. HSBC Asset Management (INDIA) Private Limited (AMIN)



Research methods to capture outcomes and impact of Community Investment

This report adopted a mixed research and outcome-based approach for evaluating the impact of Community Investment projects across the Bank and 7 Group Companies in India. This chapter explains the characteristics of results-based monitoring (RBM) framework, customised common result frameworks, customised monitoring templates, management information systems (MIS) databases and primary project visits. The approach was customised basis the maturity levels of various non-profit partner organisations with a core emphasis on early course correction and capacity building of frontline and monitoring and evaluation (M&E) of staff.

Methodology

Multiple frameworks were adopted across thematic areas to assess portfolio level impact and outcomes. Implementation of customised common result frameworks helped develop better understanding of outreach of the programmes, socio-economic status of the beneficiary, cost per beneficiary, gender outcomes, amongst more.

A list of the frameworks adopted for assessing project outputs and outcomes is as follows:

Mapping of stakeholders

Portfolio level common results framework (CRF)



Skills and employability

Customised frameworks based on UNDP's RBM framework¹



Environmental sustainability

UNICEF post 2015-WASH indicators³ and USAID methodology⁴



Entrepreneurship, financial and digital capability

OECD Core Competencies framework²



Upskilling of teachers and trainers

CRF based on UNDP's RBM framework



Disaster relief & COVID-19 support

Customised framework based on UNDP's RBM framework

¹ UNDP RBM framework: <http://web.undp.org/evaluation/documents/RBMConceptsMethodgyjuly2002.pdf>

² OECD core competencies: https://www.oecd.org/careers/competency_framework_en.pdf

³ UNICEF post 2015 WASH indicators: https://data.unicef.org/wp-content/uploads/2015/12/JMP_Fact_Sheets_4_FINAL_154.pdf

⁴ USAID methodology: <https://usaidlearninglab.org/learning-approaches/methodology>

Identification and mapping of key stakeholders enabled the team to structure relevant tools for primary and secondary data collection. A snapshot of stakeholders included in this report formulation is presented below:

HSBC India Corporate Sustainability Impact Report

- ▶ **HSBC India**
The HSBC Group in India drives Community Investment with a vision and mission to build upon HSBC's global strategic priorities¹ and country priorities as defined under Schedule VII, Section 135 of the Companies Act 2013
- ▶ **Partnerships**
Not-for-profit organisations, institutions, industry partners are key stakeholders responsible for execution of Community Investment programmes
- ▶ **HSBC Group companies in India**
A key aspect of the report is the Community Investment portfolios of 7 Group Companies in India
- ▶ **Primary beneficiaries**
Direct and indirect beneficiaries of the interventions

Research methodology - study tools and data collection

The monitoring and evaluation (M&E) partner developed and customised various tools and templates to assess progress of the Community Investment projects. Data for projects supported by the Bank and HSBC Electronic Data Processing India Private Limited (HDPI), were collected through multiple stakeholder interactions, primary field visits, monthly progress reports, quarterly monitoring reports, management information systems (MIS) databases, annual monitoring reports amongst many more. Project data for other Group companies has been collected through secondary mode and subsequently been validated through multi stakeholder lens perspectives for portfolio level findings and analysis.

Timelines:

All interventions and projects supported by the Bank and 7 Group Companies in India across three grant years (2018-2019 to 2020-2021) have been considered as part of the report.



Data collection tools

Primary and secondary data collected leveraging diverse tools and templates

- Focus group discussions (FGD) and key informant interviews (KII) with stakeholders
- Management Information Systems (MIS) databases
- Mid-term project monitoring reviews
- Annual project monitoring reviews
- Secondary data collection and desk reviews
- Programmatic and financial quarterly monitoring reviews

¹: <https://www.hsbc.com/who-we-are/purpose-values-and-strategy>

Building future skills

Setting the context

The future skills strategic pillar aims to address complex challenges prevalent in the skilling ecosystem pertaining to low female participation in the workforce, lack of quality training, scarcity of infrastructure and faculty, limited public – private partnerships and disconnect between training and industry requirements. The thematic focus equips young people and especially women with industry relevant workplace readiness skills, financial and entrepreneurship skills and most importantly life skills. The portfolio targets the skilling ecosystem by bridging the gap between demand and supply, ensuring training of quality candidates as well as training of quality trainers. Through long-term investments, sustainable and scalable models, encouraging formation of unique implementing models and replicating pilot interventions across geographies, the aim is to impact the lives of women and youth enabling better livelihoods and employment opportunities.

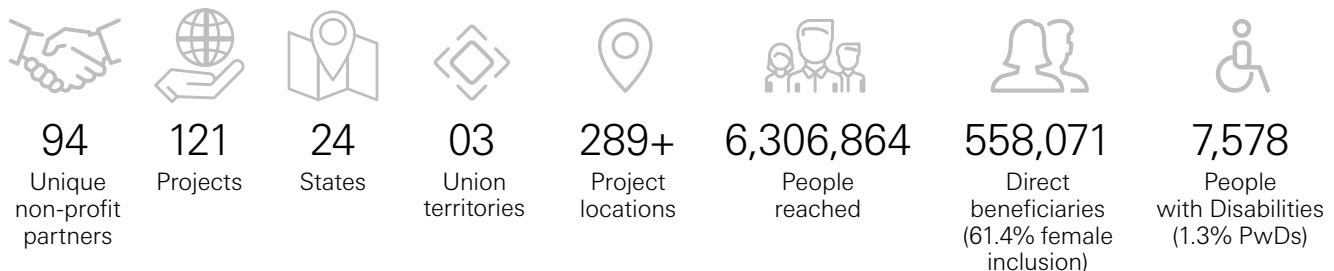
The future skills portfolio has four sub-pillars with dedicated programmes designed to address the specific needs of diverse communities. These include, employability linked skilling, upskilling of teachers and trainers, livelihood enhancement of women through entrepreneurship and building financial and digital capability as well as enterprise development and sustainable supply chains.

The first three sub-pillars cater to HSBC India's flagship initiative i.e., **HSBC Skills for Life**.¹ This five-year INR 100 crore programme focuses on enhancing capabilities of marginalised youth through provision of specific soft and technical skills to create employment opportunities. The second sub-pillar, addresses the need for building capacities of teachers and trainers, improving quality of

education leveraging technology and improving student to teacher ratios. Whereas, the third sub-pillar aims to empower communities by helping them establish self-sustaining businesses, and equip them with knowledge and expertise. The fourth sub-pillar supports job creation and economic growth through entrepreneurship and a shift towards sustainability in local and global supply chains. While there are multiple organisations that are reinventing ways of delivering community impact, the report showcases case studies of select organisations leveraging innovative solutions. These have been highlighted owing to the impact created and their ability to cater to specially abled, reach remote locations and deploy digital approaches.

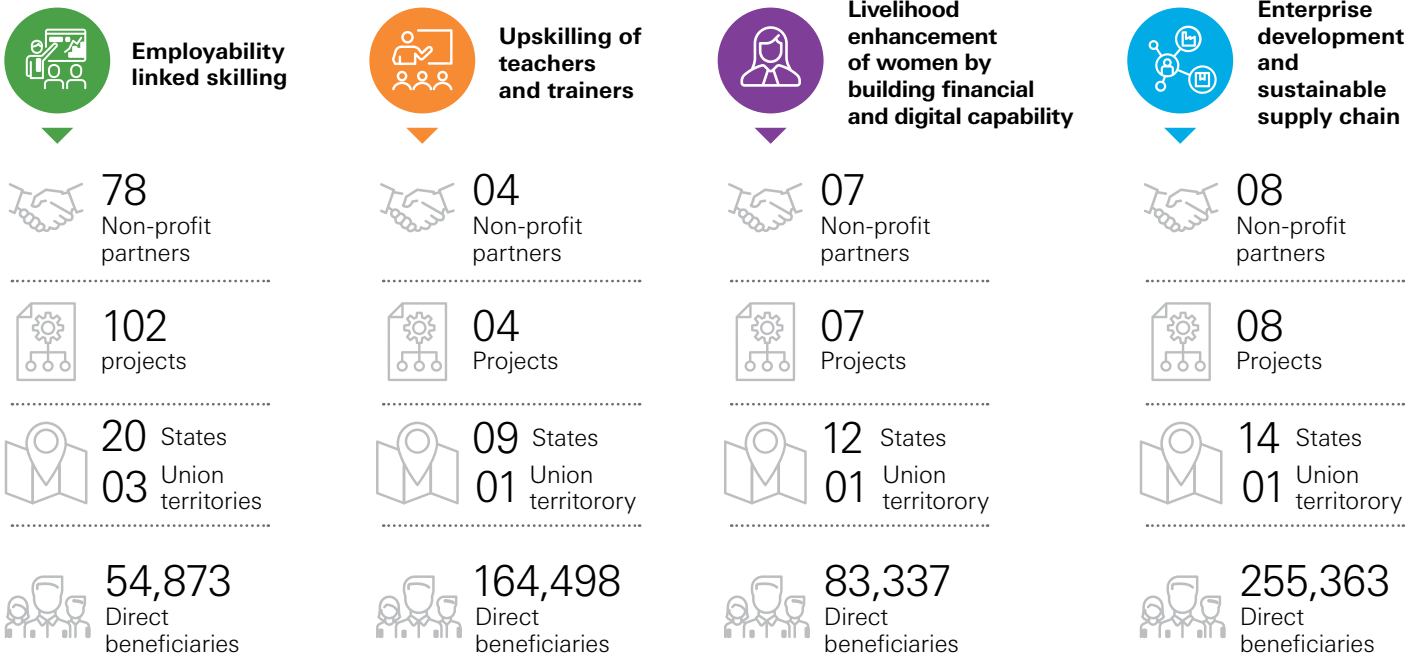
The future skills pillar aims to contribute towards Schedule VII, Section 135 of the Companies Act 2013 by eradicating poverty, promoting education including special education and employment, enhancing vocational skills especially amongst children, women and differently abled and livelihood enhancement projects, driving gender equality and women empowerment, and lastly supporting rural development projects.

The targeted interventions aim to contribute towards the United Nation's Sustainable Development Goals (SDGs) agenda, through the following goals:



¹ <https://www.swadesfoundation.org/hsbcskillsforlife/skill.html>

Future skills and HSBC Skills for Life sub pillars

























Sub pillar 1: Employability linked skilling

Employability linked skilling in partnership with Swades Foundation focuses on providing support to organisations that build capacities and specific skillsets of disadvantaged youth with the aim to integrate them into the job market. India’s disadvantaged youth face numerous challenges today. Most of them belong to unorganised neighbourhoods with limited access to mainstream facilities and often do not have college degrees or are school dropouts.

Providing access to livelihood and addressing the socio-economic gap through a portfolio of targeted interventions is the core focus

of HSBC India’s efforts. The approach focused on bringing together partner organisations with diversified expertise in capacity building and skill training. The goal is to aid the entry and participation of marginalised communities in mainstream socio-economic activities. The portfolio consists of credible organisations doing ground breaking work in the skill development domain, and the report showcases the work of two select organisations, that have been set apart due to the implementation of innovative digital driven models and ability to cater to the specially abled, while reaching remote locations in India.

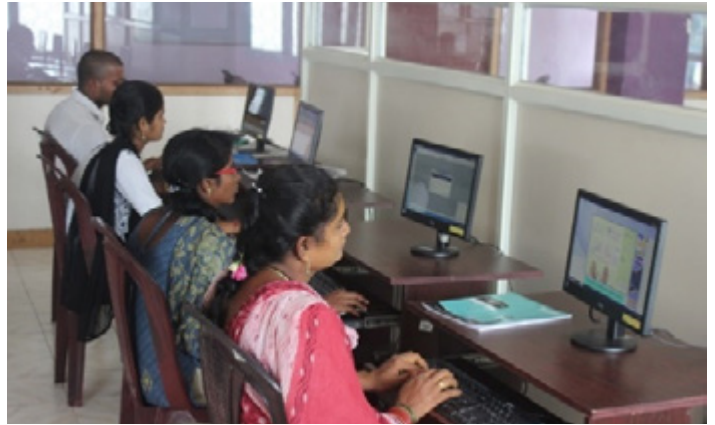
 <p>Aim Employability linked skilling</p>	<p>Focus</p>  <p>9 Sectors</p>	<p>Target Gender parity Disadvantaged communities Unemployed youth School/college dropouts Person with Disability (PwDs)</p>
<p>Partnership</p>  <p>78 Unique non-profit partners</p>  <p>20 States</p>  <p>319 Training Centres</p>	 Automotive  BFSI (Banking, Financial Services and Insurance)  Electronic and IT hardware  Healthcare  Hospitality  IT and ITES (Information technology and Information technology enabled services)  Logistics  Retail  Telecom	<p>Solution</p>  Mobilisation and selection  Counselling and pre-training  Comprehensive curriculum  Assessments  Infrastructure procurement  Pre-placement counselling  Placement  Post-placement support

Key partnerships

- 01** HSBC Skills for Life in partnership with Swades Foundation (implemented through 57 not-for-profit organisations)
- 02** Employability linked skilling (25 not-for-profit partners)

Sub pillar 1: Case study 1

Equipping youth with future ready skills



Candidates during their practical training classroom session in Andhra Pradesh

Despite the national lockdowns, India’s IT sector has grown to US\$ 194 billion in 2020-2021 with the demand for skilled talent in the IT/ITES increasing by 30% annually. NASSCOM’s recent skill gap study has highlighted the supply-demand gap for niche technologies, digital skills with employers seeking candidates with expertise in data analytics, AI, blockchain, virtual reality etc.

To address this need, **Anudip Foundation for Social Welfare** has established itself as a credible partner in the IT/ITES skilling domain by offering courses in progressive technologies such as Artificial Intelligence, Machine Learning, Internet of Things and Cyber Security enabling students to become future ready. The Foundation’s progressive thinking has redefined the skill training models leveraging technology and have best adapted to significant shift towards online learning in response to the COVID -19 crisis.

The organisation demonstrated both resilience and innovation in the skilling space by adopting innovative technology driven skill training programmes that have the potential to revolutionise skill training and placement of unemployed youth. Some of key advancements includes building awareness of skill training for 5000+ youth, creating a database of candidates, digitisation of applications and enrolment, adopting ‘Live Online’ classrooms and identifying work from home opportunities for placements.

Some of key differentiators of the initiatives, includes leveraging digital spaces to recreate virtual classrooms, transitioning from in-person teaching to ‘Live Online’ classes. While the entire skilling ecosystem was struggling with placing newly trained candidates with consecutive COVID waves, Anudip Foundation leveraged its existing network and partnerships to identify current and potential employers with online modes of hiring and facilitated virtual interviews and explored work from home opportunities.

Key outcomes:



1,784

Candidates trained



80%

Women candidates



57%

Candidates placed at an average annual income of INR 106,610/-



90%

Retention rate at 6 months

Sub pillar 1: Case study 2

Economic and social empowerment of Persons with Disabilities



Persons with disability candidates undergoing an IT practical demo session at Warangal centre, Telangana

The last census revealed that there are 26.8 million people with disabilities (PwDs) in India. Of the 13 million PwDs who are employable, only 3.4 million are employed across the organised, unorganised and Government schemes. **Youth 4 Jobs (Y4J)** focuses on equipping PwDs with employable skills and has established placement linked skilling centres across 27 states and 6 Union Territories in India.

Y4J has been successful in mobilising PWD candidates from remote parts of the country, training them with the requisite job readiness skills and supporting these candidates in achieving their dreams and ambitions in the workplace and society. Y4J is one of the few skill development organisations that is sector agnostic with respect to placements and believes in training and equipping candidates with the fundamental skills required to excel at any

job. They also work with employers to organise sensitisation workshops and explore placement opportunities to create an inclusive workplace. The programme has created a positive impact in the income levels of the PwDs and their household.

Despite the COVID – 19 imposed challenges, Y4J switched to a virtual training model and commenced training PwD via online platforms, enabling them to enroll candidates from distant locations.

The economic slowdown in the tourism and hospitality sector severely affected placement prospects for trained candidates but Y4J's strong relationships with organisations both from the public and private sphere, ensured that candidates receive placements with good job offers during this tumultuous time.

Key outcomes:



1,216

Candidates trained



61%

Candidates placed in the job market across major sectors including e-commerce, retail, hospitality, manufacturing and IT & ITES sectors



Average increase in contribution to household income by

270%



INR 118,964

average annual salary earned

Outputs and outcomes

Aggregate reach through the Future skills - Employability linked skilling portfolio (2018-2019 to 2020-2021)

Employability linked skilling - outputs

Outreach



319

Skill training centres delivering skill training across 9+ market relevant skill sectors including BFSI, retail, IT & ITES, hospitality and healthcare



56,320

Marginalised youth impacted



53,316

Candidates received skill training (35.6% female inclusion and 19.3% of PwD inclusion)

Employability linked skilling - outcomes

Skilling ecosystem



20,894 (40%)

Trained candidates employed (25.6% PwD inclusion)



INR 36,000 - 560,000

average annual income range for placed candidates.

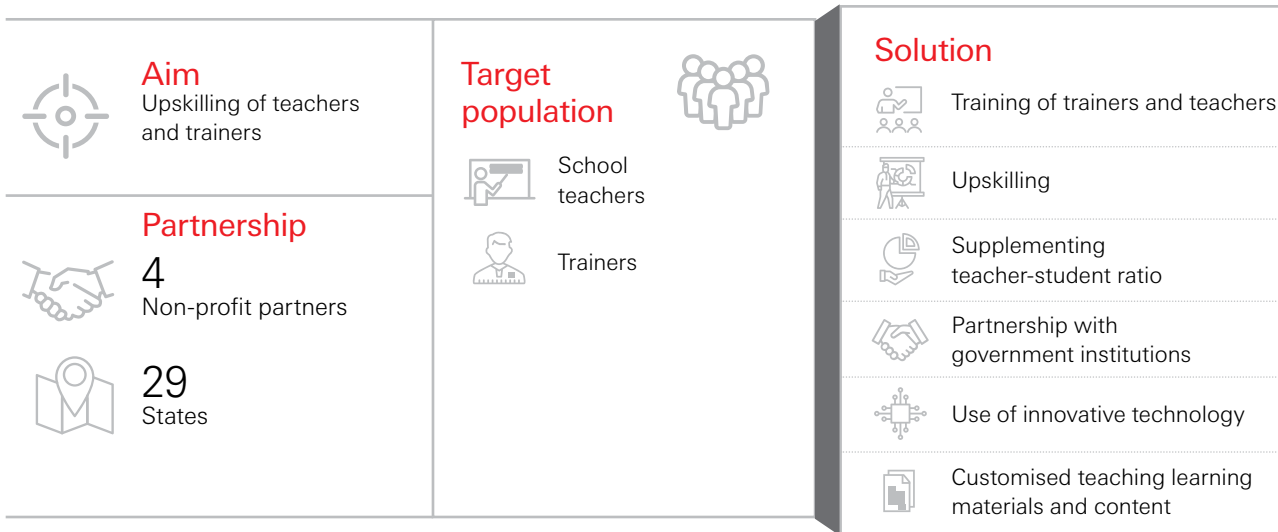


Highest employment opportunities sourced from BFSI, ITES and Retail

Sub pillar 2: Upskilling of teachers and trainers

The upskilling of teachers and trainers strategy is designed to combat the supply side challenges of the skilling ecosystem. The portfolio focuses on training of trainers (ToT) to impart skills of the future and upskill them towards jobs of tomorrow. This pillar also focuses on upskilling of teachers to enhance the quality of teaching and improve learner experiences. In order to improve learning outcomes

and provide quality education in government schools and institutions, customised teaching pedagogy, learning content, enhanced teacher-student ratio, and increasing students' engagement leveraging technology and innovative activities were actively executed by HSBC India's non-profit partners.



Key partnerships

- 01** Kaivalya Education Foundation
- 02** Pratham Education Foundation
- 03** Teach to Lead
- 04** Udyogini in partnership with EduBridge Learning Pvt. Ltd.

Sub pillar 2: Case study 1

Stakeholder driven sustainable school excellence programme



Joint practical session conducted by Gandhi fellow and school teacher in Thane Municipal Corporation school, Maharashtra

Kaivalya Education Foundation (KEF) launched a five-year flagship district level School Excellence Programme (SEP) in partnership with the Thane Municipal Corporation, Maharashtra to strengthen school and stakeholder capacities.

KEP model was anchored on the principle that an inclusive and sustainable education system can become a reality if we can adopt a system strengthening approach. The SEP was hence designed to enable leadership and management skills in principals as well as government level education officers. The programme ensured concentrated efforts to develop advanced conceptual knowledge and teaching skills in school staff. KEF's model consistently focused on encouraging active participation of parents, community members and youth in school development processes through capacity building workshops, handholding field support, School Management Committees (SMCs) and community participation.

Another key instrument in driving change on ground level for KEF is the Gandhi Fellowship, a structured 2-year leadership development

programme. Under this, the fellows serve as a strong link between the community, parents and schools and are responsible for all activities pertaining to training of teachers and capacity building of government level officials.

The on-going support to education institutions and its leaders resulted in a significant shift in mindset of educators towards adapting to new age pedagogical techniques. In addition to the fellowship activities, the fellows often raised crowdfunding campaigns at an individual level to improve school resources and outcomes. Through partnerships with external non-profits and community contributions, fellows across schools set up libraries, bought unique gaming and sports equipment, improved school infrastructure amongst many similar activities during the programme.

The programme strongly focused on connect across all stakeholders invested in the local education value chain. The programme continued to create powerful impact on ground even during the pandemic with schools operating remotely.

Key outcomes:



Outputs and outcomes

Aggregate reach through the Future skills - Upskilling of teachers and trainers portfolio (2018-2019 to 2020-2021)

Upskilling of teachers and trainers - outputs

Ecosystem



37,633
Schools,
Anaganwadi, skill
training centres
impacted



58,391
Teachers, cluster
cadres, Anganwadi
workers and
headmasters trained



424
Training
of trainers
(ToT)
conducted



1,454,586
Students
impacted

Upskilling of teachers and trainers - outcomes

Skilling ecosystem



79%
Trained candidates
successfully
placed



INR 254,184
Average annual
salary earned by
trainers

Teacher learning methodology



Direct implementation of Teaching
at Right Level (TaRL) programme
in **46,273** schools of Andhra
Pradesh and Karnataka

Women empowerment



42%
Female candidates
received skill training



Improvement in
coaching ability
of Principals



Improvement in
teacher's classroom
transactional ability



Usage of reading apps and
website-based resource
among 30% students

Learning outcome














1,063,279
Students tracked for improved
learning outcomes of which
36% students showed
improved student learning
outcomes

Sub pillar 3: Livelihood enhancement of women through entrepreneurship, and building financial and digital capability

Owing to the increased prioritisation of the government on financial literacy and digital penetration, 7 organisations supported under HSBC India's financial capabilities portfolio implemented targeted interventions to achieve a common goal of financial inclusion, digital literacy, and economic empowerment. Financial inclusion was achieved by enabling access to finance, encouraging identification and documentation of marginalised sections, financial and digital literacy sessions and linkages with banks, insurance, and government schemes.

Promoting entrepreneurship among women was operationalised through financial and business management training, support for business plan development, development of mobile-based applications and creation of local cadre of master trainers to ensure programme sustainability. Partnerships with Micro Finance Institutions (MFIs) and government stakeholders as well as leveraging technology to empower women to become financially independent were among the key priorities.

<p>Aim</p>  <p>Financial capacity building via targeted interventions</p>	<p>Target population</p>  <p> Women</p> <p> Youth</p>	<p>Solution</p> <p> Financial and digital awareness</p> <p> Financial behaviour</p> <p> Entrepreneurship</p> <p> Use of financial instruments</p> <p> Use of innovative technology</p>
<p>Partnership</p> <p> 7 Non-profit partners</p> <p> 12 States</p>		

Key partnerships

- 01** ACCESS Development Services
- 02** Friends of Women's World Banking India
- 03** Mann Deshi Foundation
- 04** Parinaam Foundation
- 05** Sa-Dhan
- 06** Society for Development Alternatives
- 07** Swadhaar FinAccess

Sub pillar 3: Case study 1

Increasing digital transactions and overcoming gender barriers



Beneficiary undertaking digital transaction towards repayment

The various barriers to women’s use of mobile financial services include gender norms, low levels of digital financial literacy, lack of awareness of financial products and their benefits, and distrust of mobile financial services. Another major obstacle is the limitations of some mobile financial products on various devices. Digital inclusion helps communities, specifically women to access to finance through various channels, mitigate cash carrying risks, customer centric offerings, availing benefits of flagship projects of Government of India and State Governments.

Following the launch of the Unified Payments Interface (UPI)¹ in 2016, HSBC India had partnered with Sa-Dhan and Microfinance Institutions Network (MFIN):

- To provide training on digital literacy to microfinance institutions (MFIs) and their customers, in order to strengthen the digital ecosystem for underserved sections of the population
- To promote gender equality and empowering women by the virtue of promoting education including special education
- Providing cost-effective and scalable options to MFIs for making loan disbursements and repayments from their customers through digital methods

Sa-Dhan is the largest and oldest association of Community Development Finance Institutions in India and recognized by the banking regulator Reserve Bank of India (RBI) as a Self-Regulatory Organisation (SRO) for Non-Banking Finance Companies (NBFCs) and micro finance institutions (MFIs).

Microfinance Institutions Network (MFIN), as an industry association and SRO, works towards the robust development of the micro-finance sector.

What followed was a multi-year partnership with HSBC India and Sa-Dhan (2018-2021) for a project focusing on improving digital awareness of MFI customers (primarily women) and last mile field agents to reduce cash-based transactions.

The project was designed to include:

Consultation: To understand the scope, opportunities and challenges of digitisation of MFIs

Content: Comprehensive training modules; Manuals available on technologies such as NPCI, BHIM, mobile wallets etc. Games were also introduced to ensure ideal outcome

Training: Workshop for clients and last mile agents with test on workshop day to capture digital awareness levels

Collaborations: Partner MFIs such as Society for Model Gram Bikas Kendra, Satya MicroCapital, SMILE Microfinance. Apart from this, other institutions such as IFMR LEAD, Busara Center for Behavioral Economics. Institutions such as NPCI², Payments Banks³ were also roped in for specific activity.

The project provided on ground support that bridges the prevalent gaps and enables the beneficiaries to avail host of benefits and further ameliorate their socio economic development. It also leveraged technology to reduce loan repayments in cash at MFIs. It had a direct gendered impact, as majority borrowers from these small MFIs are women (Economic Survey 2019-20 mentions that 97% of loan borrowers are women). Assessing the effectiveness of the trainings helped in understanding any spillover effects, and pivots. The norm of bringing cash to monthly meetings was replaced using various digital payment options, ensuring better safety and security while enhancing the financial capabilities of the women and last-mile agents.

The project was piloted across four states, West Bengal, Punjab, Tamil Nadu and Gujarat using different intervention models – like payments bank, debit card, and mobile payment application.

Key outcomes:



4

Microfinance Institutions (MFIs), and non-profit partnerships fostered



35

Village communities reached



1,994

Women linked to financial products started using digital and cashless transactions

¹ Unified Payments Interface is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing and merchant payments into one hood

² National Payments Corporation of India (NPCI), an umbrella organisation for operating retail payments and settlement systems in India, is an initiative of Reserve Bank of India (RBI) and Indian Banks' Association (IBA) under the provisions of the Payment and Settlements Systems Act, 2007, for creating a robust payment and settlement infrastructure in India

³ Payments Banks are new model of banks, set up to operate with minimal credit risk. The main objective is to advance financial inclusion by offering banking and financial services to the unbanked and under-banked

Sub pillar 3: Case study 2

Nurturing the entrepreneurial aspirations of rural women through skill building and seeding ideas



Mann Deshi Foundation's business school on wheels, Satara district, Maharashtra

Financial inclusion is a priority for the Government of India and the banking regulator, Reserve Bank of India (RBI) to ensure knowledge, financial services and instruments reach the under-served and under-banked communities across India. **Mann Deshi Foundation**, a partner of HSBC India over the past 15 years, is a pioneer in empowering women across the country. Mann Deshi has been providing the women with financial and digital education, support to start their own businesses and has effectively used its partnerships with public and private players to ensure the women have increased income, become more progressive and enterprising as well as become self reliant.

HSBC partnered with Mann Deshi in 2008 to set-up the first Business School for rural women - Mann Deshi Udyogini. The organisation since has provided over 113,150 underprivileged women with requisite businesses and vocational trainings, and access to seed loans. Mann Deshi also set up the Chamber of Commerce (in specific geographies), the only of its kind networking

and peer-learning platform for rural women. To reach women and adolescent girls with limited mobility, the organisation started the 'Business School on Wheels' to provide them with livelihood skills and financial and digital literacy. Mann Deshi also created an e-commerce platform to facilitate market linkages for its women beneficiaries.

These business management skills have created entrepreneurial opportunities for women, and helped young girls capture rural job markets, thereby strengthened their communities. The programme also helps women start their own business with mentoring for developing detailed business plans and inputs on financing that they can avail through different types of loans.

Since the beginning of the partnership, Mann Deshi has continued to demonstrate its strong impact via increases in income, participation, access and control over financial resources for rural women. The organisation's strength lies in adjusting to dynamic changes, innovating and adapting implementation models to deliver impact at scale.

Key outcomes:



20,084

Women supported through Business School and Chamber of Commerce



134

Villages covered



8,950

Beneficiaries improved an existing business (45%)



8,051

Unique number of women who have set up businesses (40%)



17,001

Women with increased income levels (85%)



15,299

Increase in Assets (76%)



6,795

Increase in average monthly income levels (per woman)



9,865

People employed with women entrepreneurs

Outputs and outcomes

Aggregate reach through the Future skills - Livelihood enhancement of women through entrepreneurship, and building financial and digital capability portfolio (2018-2019 to 2020-2021)

Livelihood enhancement of women through entrepreneurship, and building financial and digital capability - outputs

Outreach



427
Village and slum communities reached



162
Education institutes and training centres



25
MFIs/Small Finance Banks (SFB) and local non-profit organisations covered

Livelihood enhancement of women through entrepreneurship, and building financial and digital capability - outcomes

Financial behaviour



15,677
Women provided support and linked to financial products

Entrepreneurship development



11,970
Women received livelihood, market linkages and hand holding support



4,639
Women started own business and involved in income generating activities

Use of financial instruments



12,601
Savings bank accounts opened and used



3,699
Received access to credit and finance















Sub-pillar 4: Enterprise development and sustainable supply chain

The enterprise development and sustainable supply chain portfolio focuses on linking grassroots producers with mainstream value chain. The aim is to drive inclusive employment and entrepreneurship that promotes diversity and establishes sustainable businesses.

The primary goal of the portfolio entails knowledge dissemination to vulnerable sections of society empowering and encouraging them to be aware of entrepreneurship processes. This is followed with an effort towards supporting communities with required inputs and guiding them along

the incubation stage. The final goal is to provide beneficiaries with ancillary support in forms of increased access to financial services including affordable credit and their integration into value chains and markets.

The overall aim is to ensure adequate market linkages for beneficiaries to establish self-sustaining businesses which can run independently without any external support. The portfolio has a strong focus on women empowerment and most programmes are centred around equipping women with skills to become active change agents within their communities.

<p>Aim</p>  <p>Building sustainable enterprises via targeted interventions</p>	<p>Target population</p>  <ul style="list-style-type: none">  Small and marginalised farmers  Women from tribal communities  Weavers and artisans  Primary producers  Social entrepreneurs 	<p>Solution</p> <ul style="list-style-type: none">  Entrepreneurship  Livelihood support  Creating producer companies  Market linkages  Connect to supply chains
<p>Partnership</p> <ul style="list-style-type: none">  8 Non-profit partners  14 States 		

Key partnerships

- 01** ACCESS Development Services
- 02** ChildFund India
- 03** Entrepreneurship Development Institute of India (EDII)
- 04** Goonj
- 05** Impact Foundation (DASRA) in partnership with Indus Tree Crafts Foundation & United Nations Development Programme (UNDP) India
- 06** Indian Academy for Self Employed Women
- 07** Kherwadi Social Welfare Association
- 08** World Wide Fund for Nature India (WWF India)

Sub pillar 4: Case study 1

Creating sustainable ecosystem across the cotton value chain, with a focus on production



WWF India's cotton intervention - demo plot, Maharashtra

Often referred to as 'white gold', cotton is a principal commercial crop cultivated globally by approximately 100 million farmers and supports the livelihoods of 250 million people engaged in cotton processing and trade activities. India is the largest producer of cotton in the world. It is an important crop for the country's economy with 5.8 million farmers cultivating the crop and approximately 40 to 50 million people involved in processing allied activities.

Cotton production contributes to climate change, with emissions from fertilizers being the major contributor. Cotton production contributes 0.3%-1% of the total global GHG emissions, which is quite significant in absolute terms in India, given the country is the largest producer. While cotton production contributes to climate change, climate change itself is likely to cause increased pests and disease attack, increase stress and shocks in the crop as a result of inadequate/high/uncertain rainfall and temperature.

Therefore, there is a need to better understand the impacts of the changing climate on cultivation of cotton and resulting vulnerabilities on cotton farmers. This will help in designing approaches that will help build resilience of farmers to better address the climate risks and improve cotton cultivation addressing the impacts of changing climate (particularly rainfall and temperature).

It is with this objective that HSBC and WWF India joined hands for a project to accelerate sustainable cotton production, with technical support from Sustainable Communities India (SCI), in Jalna and Yavatmal districts of Maharashtra State (the largest cotton producing state of India).

The project has directly engaged with 94,000 farmers to promote sustainable cultivation practices that lower the environmental footprint of cotton cultivation. In addition, the project mapped out the state of water resources, identified water consumption patterns, calculated sectoral water demand for agriculture, domestic and livestock, estimated water supply through surface and groundwater sources. Through the Better Management Practices (BMPs) identified in the beginning of the project, farmers were made aware of the negative impacts of the overuse of water, fertilizer and pesticides.

The project has seen the application of AgriTech based Decision Support tool namely, Cotton Doctor App which has ensured rational

and improved decisions on appropriate cotton production practices. Around 33,000 cotton farmers received 1.3 million advisories and alerts over a period of almost two years. Along with this, the project has successfully established setting up of automated irrigation system to provide real time actionable solution in addressing the water issue in the Jalna district of Maharashtra.

The end impact of these initiatives has been a reduction in greenhouse gas emissions (measured as a function of reduced nitrogenous fertiliser application) between 20.5% and 40%, a reduction in water footprint between 15% and 20.5%, an increase in yield between 15% and 53%, and an increase in income between INR 10,144 and INR 19,500 per acre in Jalna and Yavatmal districts. Collaboration with the District Agriculture Department, the State Rural Livelihood Mission, and the Gram Panchayat has resulted in the leveraging of resources worth INR 2.13 lakh in the form of inputs to farmers, catchment protection measures, and support to women self-help groups.

A cotton tracking tool (<http://cottontrail.in/>) has been introduced to map and depict the journey of cotton production. The tool helps ascertain the cultivation details (input use, time of operations, information on adoption of practices, yield, cost of cultivation and other information) for a group of farmers and is envisaged as a prototype to trace the origin and cultivation practices of cotton from the field.

As part of the project, research was undertaken that mapped the climate risks and vulnerability of major cotton growing areas in Maharashtra and that of the farmers. The research is a first attempt of its kind to develop a cotton specific vulnerability index based on current responses and adaptation measures at the farm level. Based on the findings, few recommendations have been listed to address the vulnerability of stakeholders along the cotton value chain from the primary producers i.e., farmers themselves all the way to the stakeholders such as the textile industry for whom cotton is one of their primary raw materials.

This initiative has engaged farmers to promote sustainable production practices in cotton, enhancing the sustainability of water sources and improving the economic conditions of women through strengthening women self-help groups (SHGs). At an


outcome level, the project has mapped out the climate risks of India's largest cotton producing state, demonstrated sustainable production practices and piloted the traceability in cotton

production. The outcomes and approaches have long ranging application for building a climate resilient and secure cotton supply chain in the times to come.

Key outcomes:


 Engaged with **245,000** farmers (94,000 direct and 150,000 indirect)

 Impacted **302** villages jointly in Jalna block of Jalna district & Kalamb block of Yavatmal district

 **21% to 40%** reduction in greenhouse gas emission

 **11% to 15%** reduction in water footprint

 **15% to 53%** increase in yield

 Increase in income by INR 10,144 per acre to **INR 19,500** per acre

 **182** million litres of water harvested

Sub pillar 4: Case study 2

Women leading the circular economy narrative on urban waste



Women beneficiaries from rural communities in 3 states employed at Goonj centres for upcycling of waste products

Currently, only 8.6% of the world is aligned to circular economy¹. Promoting recycling and upcycling of waste and other natural resources can result in US\$ 4.5 trillion in economic benefits globally by 2030². Particularly in India, transitioning to a circular economy path can yield benefits of US\$ 624 billion by 2050³. **Goonj** envisions leveraging urban waste as a tool to alleviate poverty and enhance the dignity of underprivileged people. The circular economy concept pioneered by Goonj aims to collect environmental waste, reuse, repair, upcycle and recycle waste to use resources frugally and create sustainable livelihoods. The programme has multiple facets that addresses not only waste recycling but problems of education, health and hygiene, rural development disaster relief and rehabilitation for disadvantaged communities.

Goonj leverages the power of people and partnerships to collaborate and deliver impact at scale. The HSBC - Goonj partnership has resulted in the utilisation of more than 2,000 tonnes of underutilised material into recycled products like reusable sanitary napkins (MyPads), mats, bags, winter clothing. These materials are put together as kits such as family kits, school kits and disaster relief kits to be distributed within vulnerable sections of the community. Most importantly, the initiative has generated employment for women who are at the forefront of recycling and upcycling waste, creating a sustained and dignified source of livelihood for them. The organisation has been at the forefront of covid & disaster relief and rehabilitation efforts through a systematic approach using a hub and spoke model.

Key outcomes:

 **354** Women earning a livelihood after being involved in the recycling and upcycling process

 **279,591** Families reached

 **2,150 Tons** of waste cloth material recycled

 **166,436** Women reached directly through MyPads

¹ A circular economy is a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible

² World Economic Forum. <https://www.weforum.org/projects/circular-economy>

³ Ellen MacArthur Foundation. Circular economy in India: Rethinking growth for long-term prosperity

Outputs and outcomes

Aggregate reach through the Future skills - Enterprise development and sustainable supply chain portfolio (2018-2019 to 2020-2021)

Enterprise development and sustainable supply chain - outputs

Upskilling of artisans and weavers



5,587
Weavers and artisans empowered



3,485
Weavers and artisans received upskilling training



2,323
Weavers received inputs and market linkage support

Circular economy



2,540
Tonnes of waste recycled into new products



3,817
Jobs created in the process of recycling waste



985,000
Products made from waste

Sustainable livelihoods



50,000
Cotton farmers supported

Enterprise development and sustainable supply chain - outcomes

Upskilling of artisans and weavers



INR 78,460
Increased average annual income of weavers and artisans created



62%
Artisans and weavers benefitted from trainings and other capacity building activities



41%
Weavers and artisans connected with buyers of products

Circular economy



245,000
Families benefitted through distribution of kits



INR 273,000
Additional yearly income earned by 500 waste entrepreneurs



115,000
Women with increased menstrual hygiene through 'my pads'

Sustainable livelihoods



51,000
Lives directly impacted through agriculture and livelihood support



20%
Reduction in CO2 emissions against baseline



INR 34,300
Additional average annual income created for poultry entrepreneurs

Commitment to environmental sustainability

Setting the context

The environmental sustainability vertical focuses on projects being undertaken in regions challenged with water scarcity, droughts, open defecation, solid waste management and environmental degradation. Fostering partnerships with credible grassroots organisations, the programmes uplift disadvantaged communities through rural, semi-urban and urban development interventions.

The projects focusing specifically on environmental conservation aim to promote nature restoration and preservation. Addressing today’s significant climate changes, the interventions have a common goal of deriving solutions that safeguard the planet and its natural resources through research, innovation, advocacy, and climate resilient practices.

The sanitation efforts focus on supporting Government of India’s “Swachh Bharat Abhiyan” to make India open defecation free (ODF). HSBC India’s water, sanitation and hygiene (WASH) focus adopts a need-based participatory approach through setting up community-based

organisations (CBOs), self-help groups (SHGs), urban local body (ULBs), building capacities of these stakeholders and ensuring community ownership of projects. The programmes implement safe health and hygiene practices through toilet construction, awareness generation, training of masons, enabling water security, faecal sludge management.

As per Schedule VII, Section 135, Companies Act 2013, the portfolio contributes towards environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil and air. The projects are aligned to the following United Nation’s Sustainable Development Goals (SDGs):



15

Unique non-profit partners



21

Projects



15+

States



72+

Project locations



2,849,813

Direct beneficiaries

Environmental sustainability: sub pillars



Sub pillar 1: HSBC Water Programme – India

Access to clean water is critical for basic needs serving as a pre-requisite for education and economic growth. Identifying ‘water’ as a key focus of its sustainability strategy, HSBC globally launched the HSBC Water Programme (HWP) in 2012 to invest US\$ 150 million across 8 years to implement large-scale projects in partnership with three international non-profits – WWF, WaterAid and Earthwatch Institute. The India arm of all three organisations have significant presence across the country and implemented large-scale interventions across 9 states of – **Uttar Pradesh, Madhya Pradesh, Chattisgarh, Andhra Pradesh, Bihar, Karnataka, West Bengal, Delhi and Maharashtra**. The programme focused on an integrated approach to water through provision, protection, education and scientific research.

Given the vast nature of the challenges related to water, the non-profit partners worked with the government and private sector to deliver and ensure:

- Access to safe water
- Support livelihoods by improving health of communities and reducing time spent in collecting water
- Delivery of water, sanitation and hygiene to communities in greatest need (provide water and sanitation facilities in schools, and institutionalise hygiene education including menstrual hygiene management for girls)
- Protecting key river basins vital to communities and businesses
- Undertake safe water research projects
- Engage with national and local governments to prioritise water and sanitation services
- Promoting the value of water to HSBC employees through learning and volunteering

Key partnerships

- | | |
|--|---|
| <p>01 Earthwatch Institute India Trust</p> <p>02 Jal Seva Charitable Foundation (WaterAid India)</p> | <p>03 World Wide Fund for Nature India (WWF India)</p> |
|--|---|

Sub pillar 1: Case study 1

Nature and community-based freshwater management and conservation solutions

World Wide Fund
for Nature India
(WWF India)

90 kilometers of Karula received 70 million litres of water

World Wide Fund for Nature India - Covering nearly 30% of India's land, the river Ganga is home to 500 million people and thousands of aquatic species. The river Ramganga, a 600-kilometer-long river is amongst the most polluted tributaries of the Ganga. WWF-India's Rivers for Life, Life for Rivers initiative, was conceptualized around sustainable water management, habitat and biodiversity conservation, water stewardship and basin governance.

Since 2008, supported by HSBC, WWF-India and partners have been working on the restoration of freshwater flows in the Ganga and Ramganga Rivers through Environmental Flows (E-Flows) assessments and developing proof of concepts. The interventions were further strengthened through the HSBC Water Programme.

During 2017-2021, the 90 kilometre long River Karula, a sub-tributary of Ramganga was revived adopting an approach combining demand and supply side management with institutional strengthening in agriculture. Jointly with the Uttar Pradesh Irrigation & Water Resources Department (UPI & WRD) and 300 sugarcane farmers, over 70 million liters of water (saved through sustainable agriculture and better water management practices) was released into the river till December 2021. This model is now being scaled up with 40,000 farmers with the support of HSBC to enhance flows in Kali River, another tributary of the Ganga.

Ramganga, a key tributary of the National River Ganga is impacted by diversion of freshwater flows and pollution. WWF-India and knowledge partners developed recommendations for Environmental Flows in Ramganga. In compliance to an order by the National Green Tribunal, the UPI & WRD issued an order in March 2021, to release freshwater (as E-Flows) throughout the lean season (mid-March to

mid-June and mid-November to mid-January) in the Ramganga. This corresponds to 30-60% of the flows recommended by WWF-India during these months. Over 165 days, 57 billion litres of water was released in the Ramganga.

In an attempt to re-establish the breeding population of Gharials in the main stem of River Ganga, Uttar Pradesh Forest Department (UPFD) initiated the Gharial re-introduction programme jointly with WWF-India in 2009. From 2012 -2021, over 494 juvenile gharials have been released in the Ganga. Since 2018, through sustained engagement and behaviour change campaigns, turtle nesting and basking sites along 45 kilometre stretch of the Ganga in Hastinapur Wildlife Sanctuary was secured in collaboration with local communities and Uttar Pradesh Forest Department. Working towards conservation and protection of freshwater habitats, WWF-India supported the initiative of the UPFD and the Ministry of Environment Forest and Climate Change, Government of India to designate 6,908 hectares of Haiderpur Wetland as India's 47th Ramsar Site¹ on December 8, 2021.

A network of grassroots multi-stakeholder groups, 'Ganga Mitra', for managing the Ganga and Ramganga was established in Moradabad and Bareilly. Nearly 4000 active Mitras are engaging in various actions in 6 districts of Uttar Pradesh. This concept, is now being implemented in wetlands across the country through an initiative of the Ministry of Environment, Forests and Climate Change through State Wetland Authorities.

Through focused campaigns in Upper Ganga, Ramganga and during Kumbh 2013 and 2019, the programme has engaged over 250,000 people directly.

¹ A Ramsar site is a wetland site designated to be of international importance under the Ramsar Convention, also known as "The Convention on Wetlands", an intergovernmental environmental treaty established in 1971 by UNESCO, which came into force in 1975.

Jal Seva Charitable Trust (WaterAid India)



Sushama, 50, a member of the community led Solid and Liquid Waste Management Centre, collects dry and wet waste separately in a cycle cart, Durg district, Chhattisgarh (Photo credit: Prashanth Vishwanathan)

Jal Seva Charitable Trust (WaterAid India) worked with the most marginalised communities in Madhya Pradesh, Chhattisgarh, Uttar Pradesh and Bihar. In the first phase of HSBC Water Programme (HWP – 2012-2016), the focus was to provide access to essential services, lower open defecation rates, and strengthen water, sanitation and hygiene accountability and planning. Phase two (2017-2021) built on these themes focusing on research and innovation to address challenges in specific contexts, demonstrating model services, and building local government and community capacity. The project was implemented over a critical period when the Swachh Bharat Mission was being rolled out. To ensure the scale and ambition of the campaign produced equitable services on the ground, Jal Seva provided targeted support in six districts across the four states. At the same time, a holistic, district-wide approach addressed pervasive threats to drinking water, such as fluoride contamination, and emphasized the importance of hygiene behaviour change alongside sanitation for healthier communities.

A diverse range of challenges were identified across the six districts, that required innovative and context-specific solutions. The project piloted sanitation technologies that were durable, cost-effective and low-maintenance, such as composting toilets and water-efficient ecosan toilets, which are now being taken up more widely at the

local level. At the national and state level, Jal Seva conducted research on toilet technologies across various terrains in India and shared the findings with government stakeholders. To strengthen water security and improve water quality, Jal Seva worked with district and town authorities on small piped water supply schemes and community-based rainwater harvesting systems, providing technical support and establishing community-based monitoring schemes. Research on fluoride mitigation technologies in collaboration with academic and research institutions, resulting in several low cost filters that are now being used in districts affected by fluoride contamination.

The project worked with communities and central and state government to find long-term solutions that built on local systems and resources; built local capacity and economic potential through training women and young people; and mobilised effective community engagement for greater accountability. The focus on connecting grassroots groups to central administration unlocked government funds, helped departments work together and ensured water, sanitation and hygiene solutions addressed the real needs of communities.

Over 10 years the project provided 350,000 people with safe water and 550,000 with improved sanitation.

Earthwatch Institute India



HSBC India employees volunteering as citizen scientists

Earthwatch Institute India (EWI) facilitated citizens' action towards conserving urban water bodies through the citizen science model. The project promoted the concept of Scientific Social Responsibility by connecting citizens and scientists to increase science-based understanding for conserving lakes and water bodies, promoting environmental technologies such as constructed wetland technology; use of remote sensing and Geographic Information System (GIS); and floating floriculture techniques. The programme engaged HSBC India employees (referred to as 'Citizen Science Leaders' and 'Fresh Water Watchers') and their wider local communities in actively monitoring water quality regularly.

As volunteers, **2500 HSBC India employees across 8 years assisted scientists in collecting data that would support water resource management plans by creating a robust citizen science database.** The programme spanned 42 water bodies and lakes across 6 cities, including a Ramsar site in East Kolkata Wetland, known as a model of multiple-use wetland. As part of the project, EWI partnered with renowned scientists, water experts and seven research organisations, including IIT Bombay, Indian Institute of Science (IISc) Bengaluru, Centre for Water Resources, Institute of Science and Technology, JNTU Hyderabad, C.P.R. Environmental Education Centre and INTACH Delhi.

Outputs and outcomes

Aggregate reach through the HSBC Water Programme

HSBC Water Programme - outputs



4,272,064+ People belonging to disadvantage communities reached



450km of Ramganga river benefitted from enhanced flows



2,045+ Educational institutions equipped with gender specific WASH facilities reaching **231,814** students



540,375+ People reached with clean water



1,711,682+ People reached through awareness generation



790,409+ People provided with access to toilets



12,000 Adolescent girls trained in menstrual hygiene management

HSBC Water Programme – outcomes



406+ Districts and village communities reached



Strategy for integrating wetland conservation in Ganga basin management developed in conjunction with National Mission for Clean Ganga



Karula river started to re-flow after 15 years, **62.5** million litres of water released into the river



Promotion of eco-friendly livelihood opportunities including nature based sustainable tourism, eco-friendly goods and combating plastic pollution





Adoption of cleaner technology metalware units in Moradabad saving **5 million +** litres of water with **700 units** on clean technologies



Wealth out of waste created through eco-friendly products made water hyacinth and natural fibres to beat plastic pollution

Sub pillar 2: Water, sanitation and hygiene (WASH)

The focus of the WASH portfolio is two-fold. One is to harvest and conserve clean water. And second is to create Open Defecation Free (ODF)¹ zones through an integrated approach. The interventions go beyond providing toilets and function all along the WASH value chain. The programmes include components of infrastructure building, access to water, fecal sludge management and behaviour change communication.

Target	Focus	Solution
 Drought prone areas  Open defecation zones in urban and rural areas  Marginalised communities	  Access to clean drinking water  Access to toilets  Water facilitates  Conversion of open defecation spots  Safe health and hygiene practices  Behavioral change  Community awareness  Sustainability via community ownership	 Water infrastructures  Toilet construction  Open defecation free zones (ODF, ODF+, ODF++)  Capacity building  Awareness generation  Mason training  Community-Based Organisation formation  Community participation
Partnership  11 Non-profit partners  06+ States  12 Targeted interventions		

Key partnerships

- | | |
|--|--|
| 01 BAIF Development Research Foundation | 07 Mann Deshi Foundation |
| 02 Centre For Environmental Planning and Technology (CEPT) University | 08 South Asian Forum for Environment (SAFE) |
| 03 Committee of Resource Organisation for Literacy (CORO India) | 09 Swades Foundation |
| 04 Gujarat Mahila Housing SEWA Trust | 10 United Way Mumbai |
| 05 Jal Bhagirathi Foundation | 11 Watershed Support Services and Activities Network (WASSAN) |
| 06 Kherwadi Social Welfare Association | |

¹ ODF (Open Defecation Free) is a term used to describe communities that have shifted to using toilets instead of open defecation. ODF+ and ODF++ are aimed towards proper maintenance of toilet facilities and safe collection, conveyance, treatment/disposal of all faecal sludge and sewage. While ODF+ focuses on toilets with water, maintenance and hygiene, ODF++ focuses on toilets with sludge and septage management.

Sub pillar 2: Case study 1

Model sanitation and Faecal Sludge Management project in Sinnar



The faecal sludge treatment plant (FSTP) has helped Sinnar in Maharashtra achieve ODF++ status

The Center for Water and Sanitation (CWAS) at CEPT University supports Sinnar Municipal Council (SMC) in improving their sanitation services. Sinnar is a city in Nashik district of Maharashtra. With support of CWAS, SMC achieved its ODF status in 2017. At this stage, **CEPT and HSBC came together to work on an innovative and scalable solution for Sinnar to achieve its aim of becoming ODF++**. While capital investments required for the project came from SMC, the key objective of HSBC’s support was to add value to enhance the quality of these investments.

An eight-point plan was developed in consultation with the local government that included:

- Setting up of the Sinnar Swachhata Kosh (cleanliness fund) Committee
- Committee for improvement of school sanitation
- App-based tools for monitoring scheduled emptying
- Improved access to toilets
- Greener and sustainable environment with effective use of resources

- Improved monitoring of Faecal Sludge and Septage Management (FSSM) services
- Innovative financing mechanism for sanitation related activities
- Sustaining ODF status in the city

The project introduced city-wide Faecal Sludge Management (FSM) with scheduled desludging. Individual household toilet construction was amplified through the combined efforts of HSBC, the government grant and a city grant with access to credit from banks and other financial institutions. School sanitation was also implemented through the programme leveraging an innovative **crowdfunding campaign** with contributions from local residents. Sanitation facilities at the public places were improved by developing a model procurement contract for one of the Public Toilet (PT) in the market area of Sinnar on private-sector-participation (PSP) mode. Technology was leveraged for the online tracking of desludging services through the Sanitrack mobile application. The project also focused on building institutional capacity through training of city government officials.

Key outcomes:



One-of-the-foremost Faecal sludge and septage management (FSSM) models showcasing Public-Private-Partnership



INR 122,800 raised through crowdfunding responsibility of operations and maintenance of all district schools taken up by Urban Local Body



2,200+ Septic tanks desludging monitored through online monitoring system



525 Individual household toilets (IHHT) constructed



Increase in green coverage by developing **8,000** sq mt of landscape and urban forest at FSTP, where used water is treated and reused



Development of structure for India’s first Sanitation Impact bond

Outputs and outcomes

Aggregate reach through the WASH portfolio (2018-2019 to 2020-2021)

Water, sanitation and hygiene - outputs



617,901+
People reached



5,202+
Small and large water structures
constructed / renovated



18,170+
Toilets constructed
/ repaired at
household, school,
and community level



117,268
Information dissemination
and awareness generation
activities conducted



513,859
People reached through
awareness generation

Water, sanitation and hygiene - outcomes



797
Districts, village and slum
communities reached



INR 6,996,400
raised through crowd funding
and community contribution



2,028
Hamlets and slums
received ODF status



Access to clean drinking water, reduced drudgery, increased availability of water at household level and irrigation facilities at community level enabled



Significant improvement in health status of beneficiaries due to safe hygiene practices. Decline in morbidity indicators



Improved **security and menstrual hygiene management practices** due to construction of toilets at household level



Sinnar city in Maharashtra received ODF++ status

Sub pillar 3: Environmental conservation

HSBC India fostered partnerships with leading grassroots organisations having expertise in specific work areas pertaining to environmental conservation and preservation

therefore promoting nature restoration and environment sustainability. The key focus areas are as follows:



Campaigns and events

Promoting **environmental sustainability, ecological balance, and protection of flora and fauna**

Provide a platform for bird watching enthusiasts, to observe the avifauna of Indian cities and the changing urban geography and ecosystem



Policy accelerators

Research leveraging integrated studies on creating knowledge to build drought resilience in changing climates

Evaluations pertaining to **drought management, groundwater management and climate resilient agricultural practices** with recommendations to shape enabling policies and practices

Capacity building on water management and climate resilient agriculture with view on drought proofing



Sustainability value chains

Positively impacting rural micro-entrepreneurs, especially women to **maximise profits and sustainability** on farm and non-farm-based microenterprises

Enhancing water security, promoting sustainable Agri practices, value chains, market linkages, skill development and **fostering an all-round supportive ecosystem for enterprises in villages**

Key partnerships

01 United Way Mumbai

02 Watershed Organisation Trust (WOTR)

Sub pillar 3: Case study 1

Adopting climate resilient agriculture practices and building water security



WOTR's efforts to empower rural women to set up farm-based micro-enterprises

The HSBC - **Watershed Organisation Trust (WOTR)** partnership aimed at bringing about a positive change in the capabilities of rural micro-entrepreneurs, especially women and farmers across 20 villages of Maharashtra and Telangana. The project envisioned to efficiently manage both farm and non-farm based micro-enterprises with the focus to improve water security through watershed treatments, enabling sustainable Agri-based practices, value chains, market linkages, upskilling and most importantly creating an inclusive enterprise supportive ecosystem at village levels. Today, as a result the project has improved groundwater availability through recharging aquifers and maximising water use efficiency for irrigation purposes via water efficient technologies and sustainable cropping practices.

In Telangana a Geo-hydrological study was conducted for aquifer mapping, and mapping of hydrogeological characteristics were identified basis which further planning of watershed interventions was developed. Participatory Rural Appraisal (PRA) exercises and social resource mapping were thereafter facilitated and based

on the study findings Point Recharge Structures were planned and executed in the project villages. Furthermore, numerous activities were carried out such as soil moisture conservation structures; afforestation activities including seed ball preparation and broadcasting activity; green manure cultivation; promotion of SRI/ SCI method of cultivation; water budgeting and crop planning; capacity building trainings and fodder cultivation.

The project developed the FarmPrecise app that generates dynamic weather-based, crop management advisories that are tailored to crop and farm-specific conditions. Despite the pandemic, in the state of Maharashtra regular zoom trainings were conducted to upskill *Mahila Pravartaks* on how to use and train villagers on the app. In addition the project also drove multiple interactive activities including kitchen garden promotion, multilayer farming, enterprise awareness programme, health and anemia detection camps, childcare and growth monitoring (CGM), value chain analysis, goat rearing training, FPO (Farmer Producer Organisation) formation, and seed capital distribution.

Key outcomes:



442

Hectares treated with various Point Recharge Activities



1,420

Farmers started practicing climate resilient agriculture



1,050

Participants benefited from kitchen gardens



2,167

Farmers downloaded and using farm precise application



115 SHGs, 19

Farmer groups formed with 1,495+ members

Outputs and outcomes

Aggregate reach through the Environmental conservation portfolio (2018-2019 to 2020-2021)

Environmental conservation - outputs



30,263+
People reached



1,495+ People collectivised
into **134+** community-led organisations



2,288+
Unique bird sighting witnessed



3,497+ Individuals up-skilled through
60+ trainings campaigns / sessions

Environmental conservation - outcomes



30
Villages and slum communities covered



Research study **targeted outreach to policy makers** of relevant departments at state and national level to communicate findings derived from studies



Through **entrepreneurship enhancement efforts** beneficiaries in Maharashtra and Telangana reported **25% increase in income**



Upskilling and awareness generated on building drought reliance in changing climates.



90% Reduction in crop loss due to climate induce negative impacts and recognition and support from Panchayat and government bodies.

Disaster relief, rehabilitation & COVID-19 support

Setting the context

The disaster relief and rehabilitation efforts are focused on providing need-based support to communities impacted during times of natural calamities and crisis. For immediate relief the approach is to identify and deliver support on priority where it is needed most. Implementation of long-term rehabilitation projects are through organisations having specialised areas of expertise and a strong community connect.

Over the three years (2019 – 2021) the not-for-profit partner projects have aided communities affected during the **Kerala floods, cyclone Amphan in West Bengal and Odisha**, and cyclone FANI in Odisha via emergency relief

and rehabilitation support. Since the onset of the **COVID-19** pandemic in March 2020, HSBC has partnered with over 90 not-for-profits across 18 states and 3 Union Territories to support - medical aid including testing, installing hand-washing stations, food supplies, cash transfers and livelihood, vaccination and rehabilitation efforts.

The disaster relief and recovery efforts are aligned with Schedule VII of the Companies Act 2013 - promotion of healthcare including preventive healthcare and sanitation and disaster management, including relief, rehabilitation, and reconstruction activities.



94
Non-profit partners



96
Projects



Pan-India



COVID-19 relief and recovery (financial years 2020-2021 to 2021-2022)



90
Non-profit partners



90
Projects



Pan India States



1,600,000
Direct beneficiaries



560,000
People vaccinated



Disaster relief and rehabilitation



04
Non-profit partners



06
Projects



03
States



16,295
Direct beneficiaries

COVID-19 relief and recovery interventions (financial years 2020-2021 to 2021-2022)

In response to the pandemic, HSBC India contributed INR 115 crore towards relief and recovery efforts, with an additional INR 20 crore supported from its global offices. Partnering with 90 non-profits across 18 states and 3 Union territories over the past 2 years (March 2020 to Feb 2022), the interventions have covered medical aid and equipment, hand-washing stations, food supplies, cash transfers, vaccination and livelihood rehabilitation efforts.

A comprehensive initiative was put together to restore the livelihoods of a large section of people, from the Dabbawalas of Mumbai to the migrants workers and the transgender community across states. Additionally, aligned social safety support (e.g. insurance, access to government social security schemes) was introduced to enable their recovery from the economic shock. The interventions till February 2022 have reached out to over 1,600,000 people.

Case study: Holistic disaster rehabilitation and long-term recovery

Mundar village, a low-lying area in Kerala, was completely ravaged by the Kerala floods that occurred in 2018, causing loss to life, property, and livelihoods. **Habitat for Humanity India (Habitat India)**, a non-profit partner of HSBC, assessed all the damaged households in 2019 and implemented the Pathways to permanence strategy tailored for Disaster Risk Reduction and Response (DR3). Pathways to Permanence is the process of reducing vulnerability and supporting disaster-affected families and communities using - Holistic intervention, Empowerment and support and Permanent solution.

This required long-term engagement and investment. HSBC partnered with Habitat India with Swayam Shikshan Prayog (SSP) as the on ground implementer, to rebuild the entire village with safe and disaster-resilient homes along with better sanitation, access to water, and provision of livelihoods with training in masonry, tailoring and agriculture. Through the project 26 new houses were constructed, and 141 houses were repaired as per structural safety requirements. Apart from this, every village household was supported with solar electrification, livelihood intervention (provision of inputs for growing the tapioca plant or chicken/quail/cows/goats for eggs/meat) and toilet construction/renovation. The community was further supported with RO (reverse osmosis) water plants, repair, construction and repair of Anganwadis (day-care for children), community toilets, and 12 women self-help-groups (SHGs)¹ with 101 members to start small scale businesses for better income.

By developing long lasting infrastructure and equipping 917 community members with the skills to overcome any challenges, the programme has been successful in uplifting the lives of an entire village and building a much more self-reliant, progressive, and enterprising community for the future.



Rebuilding of homes post the Kerala floods

Acknowledgment for the efforts:

Asian Banking and Finance Retail Banking Awards 2021 – Gold Award for the Corporate Social Responsibility programme of the year

CSR Health Impact Awards 2020 – Silver Award in CSR Mega Covid relief project category

Zinnov Awards 2020 – Impact Award – Sustainability and Covid Response

¹ SHGs are small informal group of 10-20 individuals, who are homogeneous with respect to social and economic background and come together voluntarily for promoting savings habit among members and for a common cause to raise and manage resources for the benefit of group members.

Employee volunteering

Setting the context

HSBC India employees are among the most significant stakeholders. Their understanding and engagement are critical to the success of the Corporate Sustainability strategy. As part of the HSBC India volunteering policy, the company provides **two days of leave annually** to employees who commit towards volunteering for an initiative.

HSBC's three-pronged employee volunteering strategy entails:

1. Event/campaign based volunteering to engage large number of employees
2. Expertise-based volunteering where employees offer their specialised skills to build capacity of our non-profit partners
3. Sustainability training to build future leaders

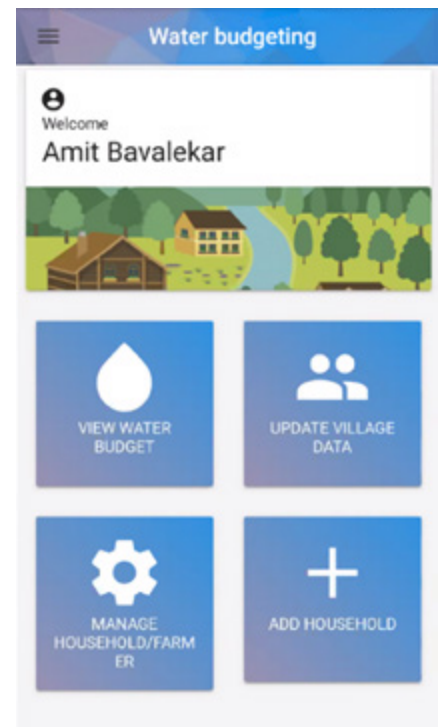
Change stories

Technology enabled water budgeting application

The idea to evolve a water budgeting application emerged during HSBC's volunteering effort in the Kumbharwadi village in rural Maharashtra. The **Water budgeting application** was designed to enable farmers in rural communities to plan water usage based on predicted availability. It was also conceptualised as a tool for the optimum and efficient use of water as well as deciding on seasonal crop patterns.

In 2019-2020, a strong team of **10 engineers contributed more than 3,000+ volunteering hours to develop this application** using various technology platforms like Amazon Cognito, AWS, RDS and Amazon cloud front. The water budgeting application captures and calculates information such as: water availability, existing needs and requirements of the village community, water-based crop planning, optimizing irrigation possibilities, equitable sharing of excess water, considered decisions on groundwater withdrawals.

The application enables farmers in rural India plan better ensuring an equitable distribution of available water.



Snapshot of the digital platform of the water budgeting application

Volunteering Action Fortnight



HSBC employees join hands to facilitate rebuilding of flood hit houses in Kerala

Volunteering Action Fortnight, popularly known as VAF is a two-week annual initiative that engages employees from all branches and offices to participate in various community initiatives. VAF annually contributes more than 20,000 volunteering hours. It is designed to use the talent and expertise of employees to build capacity of the non-profit partners and support communities and the environment.



Young Sustainability Champions working towards building sustainable futures and safeguarding the planet

Train Green Programme

Conceptualised in 2009 by a team of employees at HSBC's Global Service Centre (HDPI) in Vizag, Andhra Pradesh, the Train Green Programme (TGP) creates awareness on sustainability in the minds of young school children (6 -17 years) from various private and government schools to become Young Sustainability Champions.

The programme is designed to reach 10 schools and 100 students (10 students per school) every year and is conducted parallelly during their academic year. Each school is assigned to a group of volunteers who teach the students about sustainability concepts, based on which the students have to undertake projects that have tangible outcomes (e.g. reduction in energy consumption in school, recycle and reuse of plastic etc.) at the end of the programme. The project and the outcomes are presented at an annual event with the best projects being awarded. Over 1500 students across 240 schools have participated in this programme in the last 11 years.

Sustainable operations

Setting the context

HSBC’s global strategy towards adopting sustainable operations aims to focus on three key thematic pillars i.e. carbon reduction, natural resources, and impact through collaborations. With the goal to achieve net zero carbon emissions by 2030, HSBC is committed to practice responsible consumption of natural resources and foster an environment of learning from peers and influencing industry partners, with a purpose of leading by example.

Initiatives to REDUCE emissions

The journey towards sustainable operations, however, is not new. In 2012, HSBC launched REDUCE, an initiative that set out specific goals to reduce annual CO₂ emission per full time employee (FTE) from 3.5 tonnes in 2012 to 2.0 tonnes by 2020. The initiative has enforced sustainable practices through a holistic organisation lens. The targets included both big projects and adopting smarter ways of working. Everyone at HSBC has contributed towards REDUCE especially for energy, travel, water and waste reduction goals.

2020 utility consumption reductions compared to the 2011 baseline:



104,559 m³
of water consumption reduced = 42 Olympic size pools (Olympic size pool capacity = 2500 m³ of waters)



721 tonnes of waste generation reduced



41,232 tonnes of CO₂ emissions reduced



There are **6** Platinum and **1** Gold Leed certified buildings



27,001 MWh² of energy consumption reduced. That’s the same amount of electricity used by 3,723 homes for one year



A 10-year solar power purchase agreement (PPA) provides 70% of power requirement in its operations in Hyderabad (HSBC Data Processing India Pvt. Ltd) and 70% of power requirement in its operations in Bengaluru



A 7-year solar power purchase agreement (PPA) provides 70% of power requirements for its operations in Hyderabad (HSBC Software Development India Private Limited)

¹ m3: Cubic metre
² MWh: Megawatt hour

Corporate Social Responsibility spends

The Hongkong and Shanghai Banking Corporation Limited, India (Bank) along with 7 HSBC Group companies, through its Community Investment / Corporate Social Responsibility activities have been meeting their required 2% spends, based on the prescribed norms to support developmental projects across India.

CSR expenditure for three financial years

		INR in crore		
	Entity Name	2018-19	2019-20	2020-21
1	The Hongkong and Shanghai Banking Corporation Limited, India (INM)	74.7	83.2	91.4
2	HSBC Electronic Data Processing India Private Limited (HDPI, GSC)	12.4	13.9	15.1
3	HSBC Software Development India Private Limited (HSDI, HTI, GLT)	11.5	14.6	17.2
4	HSBC InvestDirect Financial Services (India) Limited (HIFSL)	0.49	0.54	0.60
5	HSBC InvestDirect (India) Limited (HIDL)	0.16	0.17	0.20
6	HSBC Securities and Capital Markets (India) Private Limited (HSCI)	0.59	0.68	0.88
7	HSBC Professional Services (India) Private Limited (HPSI)	-	0.08	0.10
8	HSBC Asset Management (INDIA) Private Limited (AMIN)	0.48	0.34	0.31
	Total	100.4 crore (US\$ 13.4 mn¹)	113.8 crore (US\$ 15.2 mn)	126 crore (US\$ 16.9 mn)

¹ mn: million

Building sustainable futures





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