

United Nations Environment Programme Finance Initiative (UNEP FI)

Principles for Sustainable Insurance (PSI) HSBC Progress 2018

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UNEP FI Principles for Sustainable Insurance (PSI) Progress Report 2018

This document outlines our commitments and progress in 2018 towards implementing the Principles for Sustainable Insurance and highlights issues of importance to the business. The report articulates what sustainability means to HSBC and how we manage it, in terms of incorporating sustainability aspects in the business we conduct and how our sustainability commitments shape the way we do business.

Overview

HSBC is one of the largest banking and financial services organisations in the world. We aim to be where the growth is, enabling businesses to thrive and economies to prosper, and ultimately, helping people to fulfil their hopes and realise their ambitions. Our four global businesses serve more than 39 million customers worldwide through a network that covers 66 countries and territories.

Our access to high-growth, developing markets in Asia, the Middle East and Latin America gives us a platform for

Our global businesses

Our operating model consists of four global businesses and a Corporate Centre, supported by HSBC Operations, Services and Technology, and 11 global functions, including risk, finance, compliance, legal, marketing and human resources.

Retail Banking and Wealth Management ('RBWM')

We help 38 million customers across the world to manage their finances, buy their homes, and save and invest for the future.

Our HSBC Premier and Advance propositions are aimed at mass affluent and emerging affluent customers who value international connectivity. For customers with simpler banking needs, we offer a full range of products and services reflecting local requirements.

Commercial Banking ('CMB')

We support approximately 1.5 million business customers in 53 countries and territories, ranging from small enterprises focused primarily on their domestic markets, through to large companies operating globally.

Our services include working capital, term loans, payment services and international trade facilitation, as well as expertise in mergers and acquisitions, and access to financial markets.

Global Banking and Markets ('GB&M')

We serve approximately 4,100 clients in more than 50 countries and territories. We support major government, corporate and institutional clients worldwide.

Our product specialists continue to deliver a comprehensive range of transaction banking, financing, advisory, capital markets and risk management services.

Global Private Banking ('GPB')

We serve high net worth and ultra high net worth individuals and families, including those with international banking needs.

Services provided include Investment Management, which includes advisory and brokerage services, and Private Wealth Solutions, which comprises trusts and estate planning, to protect and preserve wealth for future generations.

long-term growth. And our balance sheet strength continues to provide an excellent foundation for a sustained dividend.

Today, after a period of significant transformation for the bank, we are refocusing on growth. We aim to increase customer numbers, take market share, and grow revenue and profits on a consistent basis. We will do this while taking action to improve our competitiveness in the future, including by investing in technology.

HSBC is active on a range of social media channels – including Twitter, Facebook, LinkedIn, YouTube, WeChat and Instagram – in more than 20 countries and territories. We have around 200,000

Adjusted profit before tax ▶

\$7.1bn

(2017: \$6.5bn)

\$7.7bn

(2017: \$6.8bn)

\$6.1bn

(2017: \$5.8bn)

\$0.3bn

(2017: \$0.3bn)

Adjusted risk-weighted assets ▶

\$126.9bn

(31 Dec 2017: \$118.1bn)

\$321.2bn

(31 Dec 2017: \$289.8bn)

\$281.0bn

(31 Dec 2017: \$293.2bn)

\$16.8bn

(31 Dec 2017: \$15.8bn)

▶ Our global businesses are presented on an adjusted basis, which is consistent with the way in which we assess the performance of our global businesses.

Our values

Our values define who we are as an organisation and make us distinctive.

Dependable

We are dependable, standing firm for what is right and delivering on commitments.

Open

We are open to different ideas and cultures, and value diverse perspectives.

Connected

We are connected to our customers, communities, regulators and each other, caring about individuals and their progress.

shareholders in more than 130 countries and territories. HSBC has a primary share listing on the UK's London Stock Exchange and branch listings on the Hong Kong Stock Exchange and Bermuda Stock Exchange. Its shares are also listed on Euronext Paris and on the New York Stock Exchange.

At HSBC, we believe that how we do business is as important as what we do. We want to achieve good results in a way that treats our customers fairly and helps to strengthen communities and ensure a properly functioning financial system. Our values are central to achieving these aims and set clear expectations about how our people should behave. More information can be found at [hsbc.com](https://www.hsbc.com) and in our [2018 strategic report](#).

HSBC provides a broad range of insurance products and services to individuals and organisations worldwide providing protection against risks and building future wealth. These insurance products are either underwritten by HSBC's own insurance manufacturing businesses or sourced from selected specialist insurance partners. Products are available through banking and insurance subsidiaries through a variety of channels, including the internet, telephone and face-to-face. Insurance is an important business for HSBC, with products positioned to help customers achieve their financial aspirations. In 2018, insurance manufacturing reported adjusted revenue of USD2,040m and distribution of insurance products by HSBC channels contributed USD1,067m of net fee income.

We manufacture life insurance products in Hong Kong, China, Singapore, UK, France, Malta, Mexico and Argentina. We also have joint ventures in China, and India. Where we have chosen not to manufacture Insurance, we have entered into long-term distribution agreements with industry leaders.

Sustainability at HSBC

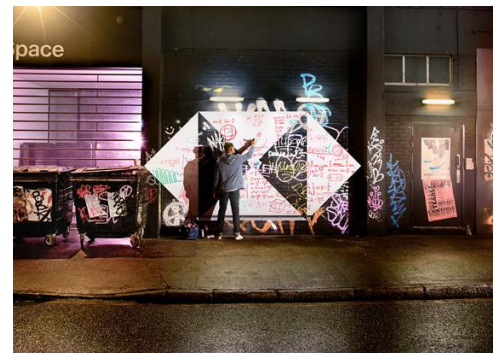


Since its foundation in 1865, HSBC has adapted to and helped serve the needs of a changing world. It has financed economic growth, fostered international trade and overcome events such as economic crises. We recognise our wider commitments to the communities in which we operate and understand that economic growth must also be sustainable.

Today our sustainability approach focuses on three main areas: sustainable finance; sustainable supply chains; and employability and financial capability.

In each of these areas we have begun to take genuine strides forward. We have set out a series of commitments to contribute to the global transition to a low-carbon economy. We have also pledged long-term support to help people access education and training so they can acquire the skills they need to succeed in today's workplace. And through our partnerships with customers, non-governmental organisations (NGOs) and other key stakeholders, we are encouraging responsible business in global supply chains.

As we work to achieve our goals, we will continue to engage with our stakeholders including governments, policymakers, businesses, other banks and financial institutions, charities, NGOs and community groups – as well as our own employees. HSBC Group reported Task Force on Climate related Financial Disclosure ('TCFD') progress in the 2018 strategic report focused on Governance, Strategy and Risk Management.



For further information on HSBC Holdings Plc's sustainability policies, activities and performance, including the 2018 Environmental, Social and Governance [ESG Update](#) and our [sustainability memberships](#) visit the [sustainability](#) content on HSBC.com

UNEP FI Principles for Sustainable Insurance (PSI)

HSBC was involved in the original drafting and development of the PSI Initiative between 2009 and 2011 which was launched at the UN Conference on Sustainable Development (Rio+20) in 2012. HSBC Insurance Holdings became a signatory to the PSI, on 23 April 2013. Progress updates on the initiative have been provided in the subsequent annual reports, which are available on the UNEP FI site and [hsbc.com](#).

Our management team and Insurance Executive Committee are committed to this initiative and embedding environmental, social and governance (ESG) considerations across our processes and geographies. We are also committed to disclosing our progress in implementing the Principles on an annual and public basis.

Progress in 2018

Below is a summary and few examples of progress HSBC has made against each of the four principles in 2018.

Principle 1: We will embed in our decision making environmental (E), social (S) and governance (G) issues relevant to our insurance business

1.1. Sustainability Risk Policy

In our 2017 disclosure we advised we were working on a sustainability risk policy. During 2018, the policy was finalised and implemented and complements the existing HSBC Group policies. The purpose of the policy is to consistently embed ESG into our investment approach, product design and day-to-day operations. The policy was rolled out across our business and was supported by education, awareness and training materials. Throughout 2019 we will continue to progress implementation across investments, products and operation to embed it into our business.

In support of the policy rollout, a training module was designed. It included the scope of ESG, how it applies to HSBC Group and the insurance industry. Training was completed by c650 insurance colleagues.

1.2. Investments

Within HSBC Insurance, we always focus on the potential ESG risks, issues, and opportunities related to our investment of shareholder and policyholders' monies. The incorporation of ESG factors into financial analyses, including investment stewardship and company engagements, exclusion of high ESG risk sectors investment as well as impact investing, are amongst our prominent endeavors. We work on these objectives through the collaboration with HSBC Global Asset Management (AMG), HSBC Alternative Investment Limited (HAIL), as well as other external asset managers.

Within AMG, the designated asset manager integrates ESG issues into investment decision making process, voting and engagement activities. Companies are evaluated internally with reference made to the data from external ESG data providers. Also, AMG supports the implementation of the Principles of Responsible Investments (PRI) for the funds that AMG manages on behalf of HSBC Insurance and its customers. Within HAIL, the appointed officers implement our sustainability policies. To govern the process, ongoing ESG assessments and monitoring are conducted by both AMG and HAIL on companies/ funds held in the portfolios.

In 2018, a designated full time staff was hired focusing on the implementation of sustainability investment initiatives. Additionally, HSBC Life Hong Kong invested in a few green bonds issued by local corporates, as well as debts issued by sustainable and clean energy companies to support the global sustainable energy development.

For more details of Group Initiatives carried out throughout the year, visit HSBC Global Asset Management's Responsible Investment Transparency Report 2017/2018 which is available on the UN PRI website.

Beyond HSBC Group, we also embed ESG practice in our investment selections. Therefore, we are keen for external funds that offer at least similar qualities to those of our internal opportunities.

HSBC Assurance France continued to increase its investments in the Green bonds market, reaching nearly 12% of all the fixed income investments of the year. On the Equity side, HSBC Assurance France has investments in the HSBC Europe Equity Green Transition fund launched in November, which obtained the new TEEC^[1] certification.

Regarding alternative investments, multiple national real estate restructuring and procurement were granted BBC-effinergie®, a low-energy certification, and BREEAM (Building Research Establishment Environmental Assessment Method) excellence certification.

Additionally the French business devoted further investment into European-focused renewable energy fund, focused on the acquisition and management of assets in the renewable energy sector, mainly solar and wind.

As per section 1.1, we are rolling out the sustainability policy for our insurance business, for investments this is focused on exclusion, ESG integration and impact investing.

1.3. Product



society had evolved and there had been changes to the traditional family structures. For example, many people now choose not to get married or delay getting married, people are living in same-sex relationships and people have responsibilities to care for aging relatives. We decided we needed to look at our business through a different lens and as a result of the work we started to introduce changes to our products.

In 2018 we also announced fundamental improvements to our HSBC Life offerings in Hong Kong, making us the first in the market to expand the beneficiary definitions of our life insurance policies, to reflect the broader range of family relationships that are part of our society today. The changes were announced at a launch event and posted on facebook, covering different family circumstances. There was also a supporting [video](#) summarising the changes and impact due to different customer circumstances. In 2018 we also made the same changes to life beneficiary definitions for our Hang Seng business. In the UK, we expanded the age footprint of our critical illness product from 65 to 75, thereby enabling us to protect older customers. We also increased the age limit of our digital life product from 80 to 90, thereby enabling us to protect older customers.

Diversity and Inclusion (D&I) Diversity is in our roots. HSBC was founded more than 150 years ago to finance trade between Europe and Asia. We have always brought different people and cultures together.

As a business operating in markets all around the world, we believe diversity brings benefits for our customers, our business and our people. We want a connected workforce that reflects the communities where we operate and helps us meet the needs of customers from all walks of life.

In our insurance business we started our customer inclusion work a few years ago, as we recognised that



^[1] Energy and Ecological Transition for Climate Label (TEEC)

Investment choice: HSBC Assurance France allows customers to invest in four Asset Management Socially Responsible Investment (SRI) funds within our life insurance products combining the opportunity for long-term investment in a sustainable way. Also, during 2018, to further enhance the growth of the sustainable proposition in France, the business included two new Lower Carbon funds within their life insurance funds line up.

Digital: Aligned with the growing customer trend towards self-directed financial purchases and increasing digital engagement, in Hong Kong we launched HSBC TargetSave RMB Insurance Plan (TargetSave) exclusively online to help customers grow their RMB savings to support short-term wealth accumulation needs. Hong Kong also launched HSBC FirstSave Insurance Plan ("FirstSave"). By talking to young people, we realised that some of them would likely start saving earlier if the process was made more convenient via a digital channel. With FirstSave now available online, HSBC Life hopes to better support millennials by offering them a promised guaranteed return in a more customer-friendly manner.

In France our efforts to build simpler, better, faster journeys for our customers earned the team a Gold Trophy (Innovation) from Magazine L'Argus de l'Assurance. This award recognised HSBC Assurance's e-signature service for the life insurance wrapper HSBC Evolution Patrimoine which made us one of the few insurers offering a 100% online application journey.

In Singapore the Life Insurance Association (LIA) reported a USD893 billion coverage gap in Singapore, based on their 2017 Protection Gap Study. The study highlighted that only 20% of Singaporeans have adequate critical illness protection coverage. In 2018 we launched an online solution which can be completed within minutes by answering three simplified underwriting questions and an additional question if critical illness coverage is desired. Additional premium discounts are offered to reward customers who lead a healthy and balanced lifestyle. Also in Singapore we launched Savings Protector an endowment savings plan aimed to support customers looking for higher protection cover.

Critical illness: More than 10 million French people are suffering from chronic diseases. In view of this, HSBC Assurance France launched a new term life protection policy HSBC Solution Famille in March 2018. In addition to providing a payment from EUR30,000 to EUR1 million in the event of death/total disability, HSBC Solution Famille also offers an additional option to cover critical illness such as cancer, coronary disease and stroke. To take its efforts to the next level, the business also decided to provide more support to medical research on critical illness through the donation of insurance premiums to the Fondation pour la Recherche Médicale (Foundation for Medical Research – FRM), one of the largest non-profit sources of funding for French medical research on all diseases. During the period from 2 November 2018 to 31 January 2019, for every HSBC Solution Famille policy sold, HSBC Assurances will donate an amount equivalent to the first month premium to FRM in support of this social issue.

1.4. Sustainable Operations

Sustainable operations efforts focused on 3 principal areas in 2018: automation and paper reduction; customer journey enhancements; and an overarching objective to ensure fair and transparent customer treatment;

- (a) **Automation and paper reduction.** Use of technology to streamline customer onboarding and servicing processes has reduced paper use within HSBC Insurance, and improved operational efficiency. Examples include: Straight through processing onboarding journeys in Hong Kong, Singapore and the UK; Relationship Manager Tablets in Mexico, Argentina and Taiwan; e-quote and e-claims in Singapore; robotics in France; and digital statements in Argentina.
- (b) **Customer Journeys.** Throughout 2018 we put the customer at the heart of our journey design and implementation, creating intuitive and simple journeys available in our customers' channel of choice. For example, we introduced the term life journey in the UK on mobile and online. We also continued to increase the number of Insurance products available on our market leading mobile banking apps.
- (c) **Fair and Transparent Customer Treatment.** In line with our brand platform "a promise is a promise" our claims processes continue to receive market leading customer advocacy scores, with 93% UK Insurance customers scoring our claims experience as 9/10 or above. Our claims approval rates are subject to continuous management and monitoring, and are amongst the highest in the industry.

Our priorities in 2019 have not changed, and we continue to drive improvement in these areas, in line with the broader Group Insurance PSI policy.

1.5. HSBC Life Launch

To signify our ambitions to grow and play a more meaningful role in our customers' lives, in August 2018, we launched our new insurance brand 'HSBC Life' in Hong Kong.



Because a promise is a promise
承諾之後 才是承諾開始

Life is filled with promises. We conducted a survey which showed that Hong Kong people value the commitments they make, and most believe their promises drive them to achieve what they want in life. However, more than 50% of Hong Kong people admit to finding it very difficult to keep their promises, and the percentage is even higher for the younger generations. The new brand campaign — 承諾之後 才是承諾開始 — speaks to the fact that it takes only seconds to make a promise, but it can take much longer, sometimes a lifetime, to keep one. At HSBC Life, we are in the business of helping our customers keep the promises that they make to themselves and their loved ones, whether that is to protect their family, win the battle against illness, save for education, invest for wealth growth, safeguard their business or save for retirement. Two new products, namely Family Goal Insurance Plan and Firstsave USD Digital, were launched to support the introduction of the new brand – these two products were designed to meet the needs of young families and digital-savvy millennials respectively.

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions

2.1 Partner Collaboration and D&I

As HSBC Insurance does not manufacture all the insurance products we distribute to customers, we work with a number of key strategic partners some of whom are existing PSI signatories. The objectives and deliverables of the D&I project outlined in section 1.2 are reliant on us working in collaboration with our strategic partners to review and implement changes.

For our Hang Seng business we worked with BUPA to introduce changes to recognise partner relationships. In Hong Kong, in collaboration with AXA, we enhanced our travel online policy adding modern features and making it easier for customers to access cover. Changes for travel include removal of benefit limits for seniors and children enabling customers to obtain protection for their fellow travellers without constricted relationship requirements and age limits.

We also introduced medical cover FirstCare Plus in Hong Kong. Provided by AXA, FirstCare Plus has been carefully designed to pioneer in the market, offering guaranteed approval for selected customers and simplifying application processing. The cover also recognises modern family relationships including de-facto couples and same-sex couples and increased age limits. For our TravelSurance product provided by AXA, age limits were removed, so were sub limits for children and elderly. An outdated definition of Alcoholism was replaced with a more specific exclusion regarding 'Alcohol Abuse' and liability wording was changed to clarify that wheel chairs are not deemed to be vehicles under the vehicle related exclusion.

In China, in collaboration with AXA, age limits were extended for Personal Accident and SmartCare Elite.



In Asia Pacific, we encouraged the insurance industry to recognise that families are core to thriving societies, our role in protecting and nurturing them is pivotal. Family structures and definitions have rapidly evolved, insurance products need to quickly adapt to become far more inclusive. To support this, HSBC Life hosted an insurance industry CEO and Senior Leaders event as part of the ASP annual Out Leadership summit to open up this dialogue around the challenges faced by the industry.

Comprised of 65 of the world's leading companies across 13 industries including financial services, technology, legal and insurance industries, Out Leadership is dedicated to cross-industry collaboration. Convening at three annual summits in New York, Hong Kong and London, Out Leadership collectively set a forward-looking agenda. At the event in November 2018, HSBC invited colleagues from AXA that included their Asia Pacific Regional CEO along with Senior Executives from HSBC Insurance. More details regarding [Out Leadership](#) and footage from the [summit](#) can be found in the links.

2.2 Health and Wellbeing



It is important to our business to promote good health and well-being to our customers and employees. In 2018, employees of HSBC Life were encouraged to participate in the 100 day Virgin Pulse Global Challenge with costs paid for by the business. Approximately 600 colleagues took part. Competing in teams of seven, the

aim of the challenge was to improve health and well-being, focused on daily activity, nutrition and mind (balance and sleep) with the goal to complete at least 10,000 steps per day. Colleagues made changes to their day-to-day activities which included cycling or walking to work instead of the tube or bus. Colleagues made a conscious effort to have some time away from their desks including going for a walk over lunch.



Positive improvements were reported throughout with improved activity levels. Overall colleagues walked **744,181,086** steps, travelled a total distance of **295,544** miles and achieved the following post-challenge improvements:



83% met the recommendation of 10,000 steps per day vs. 20% pre-challenge

43% who tracked weight observed weight loss

63% met the recommended amount of sleep vs. 44% pre-challenge

62% reported a decrease in stress levels, either at home or at work

50% reported an increase in productivity or concentration

In recognition of the importance of Financial Wellbeing and the impact this can have on mental health, we started to raise the focus of this subject with our insurance colleagues through a financial wellbeing session that was made available to all insurance colleagues around the globe. We recognise that it can be difficult to break down the stigma around financial wellbeing when working in financial services and we wanted to open up that conversation. This was the first initiative with additional activity planned in 2019.

2.3 Sustainability Policy

As per section 1.1 we have continued to work with our partners to understand their approach to sustainability in order to understand their approach for investments, products and operations. This has included understanding their approach and best practices in relation to training, education and communication.



Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues

3.1 Group Sustainability

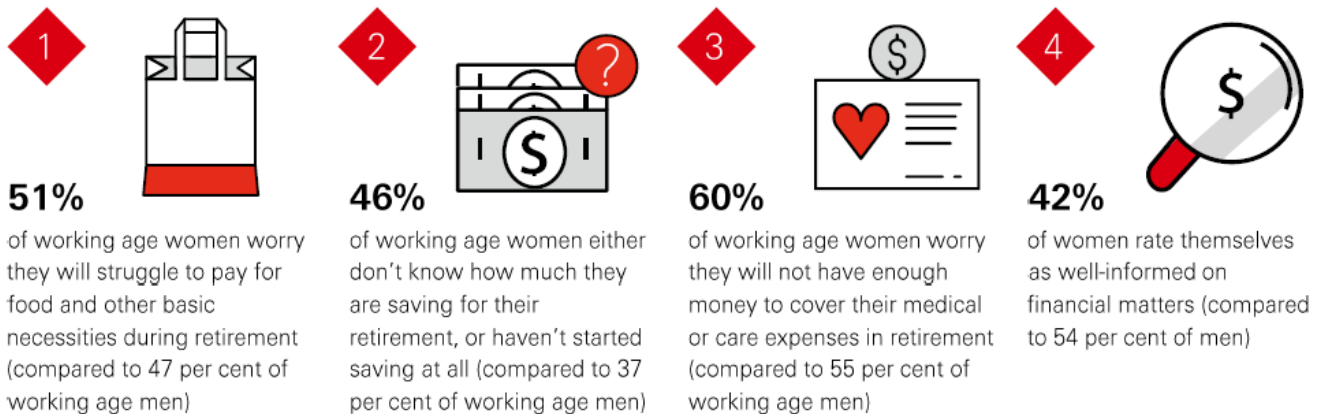
HSBC’s insurance businesses are providing support, where required and relevant, to Group Sustainability initiatives interacting with governments, regulators and other stakeholders. The Group Sustainability team is our key point of contact with regard to upholding this Principle.

Full details of HSBC Holdings Plc’s sustainability programmes can be found on our [website](#).

3.2 The Future of Retirement

The [Future of Retirement](#): *Bridging the gap*, our latest investigation into global retirement trends suggest there is a significant gap between the sexes when it comes to being financially prepared for post-work life. A survey across 16 countries and territories shows that 46 per cent of working-age women either do not know how much they are saving for retirement or have not started saving at all. This compares with 37 per cent of men.

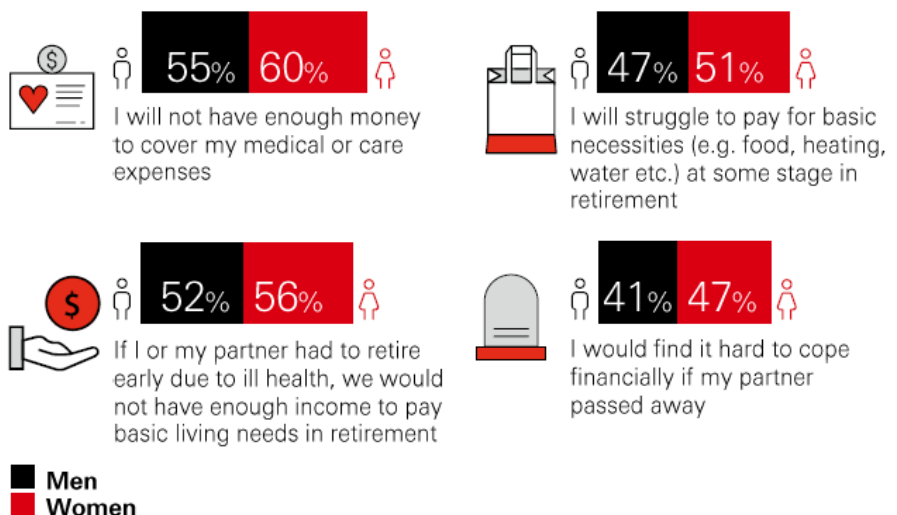
Key findings



Working age women worry more about meeting future retirement needs than their male counterparts. Three in five (60 percent) worry they will not have enough money to cover medical or care expenses (compared to 55 percent of men) and around half (51 percent) fear they will struggle to pay for basic necessities during retirement (compared to 47 percent of men).

Women worry about meeting financial burdens when in retirement

One factor is that women are more likely to take career breaks or reduce their working hours to look after young children, impacting their long-term earnings and savings potential. This is only part of the picture, however. Around the world, the bulk of household financial responsibility still largely falls on men. With the exception of grocery shopping, men take the lead in all areas, from making investment and savings decisions to paying bills and managing debt, HSBC’s survey of more than 17,000 people found.



This research underlines HSBC's commitment to increasing financial capability – helping our customers and communities manage money effectively and plan for the future.

Only 42 per cent of women consider themselves to be well-informed about monetary matters, according to our report, in contrast to 54 per cent of men. There is a risk that this is undermining women's confidence in their financial knowledge. Many also admit to feeling anxious about the financial decisions they make. Such worries could be preventing them from taking action that could ensure their financial security in the long term. It's a worrying fact, particularly as women across the globe tend to outlive men, by an average of more than four years.

To help support customers in meeting their long-term retirement planning needs during 2018 new products were launched in China, Hong Kong, Singapore and France.

3.3 The Value of Education

Our latest [Value of Education](#) report, *The Price of Success*, is the fifth in the series and represents the views of 10,478 parents and 1,507 university students in 15 countries and territories. It looks at parents' hopes and fears for their children's education and their attitudes and behaviours towards funding. It also explores students' own experiences while studying. Key findings are captured below:

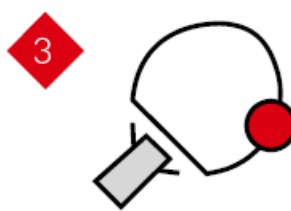
Key findings



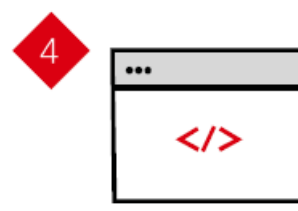
USD 34,658
the average amount
students say they spend
over the course of a degree



83%
of students are working
in paid employment while
studying



53%
of parents stopped or
reduced their leisure
activities to support their
child's university education

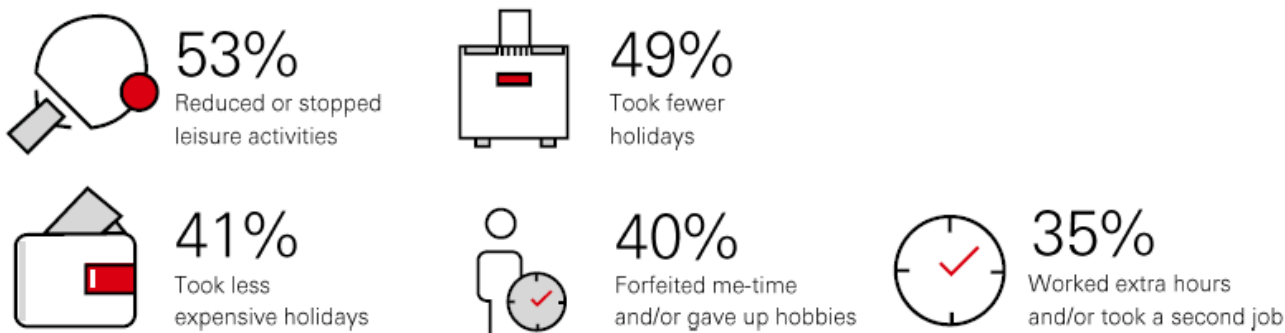


71%
of parents believe computer
programming is a necessary
skill in today's world

University students are turning to paid employment alongside their studies to help bridge a significant gap between the cost of studying and funding from their parents. University students face a shortfall in funding of USD18,320 despite receiving USD16,338 from parents to cover their undergraduate or postgraduate degree. Students around the world estimate they spend USD34,658 over the course of a degree on tuition fees, accommodation, bills and lifestyle costs, leaving a significant gap to fill from other sources. Seven per cent of parents surveyed admitted that grandparents help fill some funding gaps for their children whilst at university, but friends, bursaries, loans or their child's own income are other key sources of funding. Worryingly, students spend more on paying back debt (USD1,101 over a full degree) than they do on textbooks (USD780). In addition to contributions from family, many students are turning to part-time jobs to fund their degree, with 30 per cent saying they will need to cover part of the costs associated with their degree through paid employment.

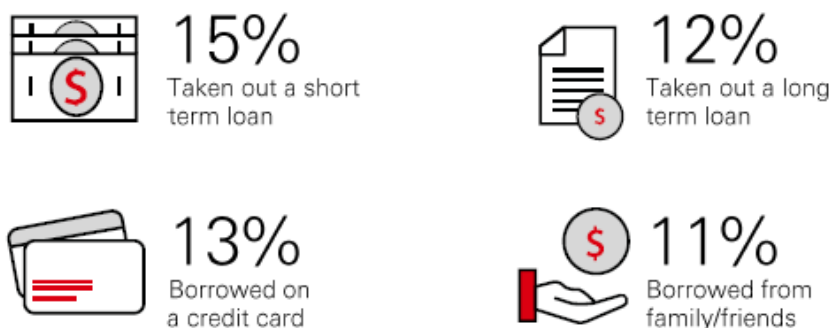
Parents are taking on extra work, sacrificing holidays and turning to borrowing to pay for all aspects of their children's university education, while students estimate they spend more on takeaways than they do on textbooks over the course of a degree. 4 out of 5 parents (84%) rely on their day-to-day income to support their child's university education, with 41 per cent having no specific education savings fund at all.

Parents are sacrificing personal time to support their child's university education



With parents spending an average of USD16,338¹ on their child's tertiary education, many are forced to make some significant sacrifices. Contribution is highest in Hong Kong, where parents are prepared to spend an enormous USD51,656, followed by UAE (USD29,398), Singapore (USD26,377), and Mainland China (USD21,046).

Loans and credit cards are the most common form of borrowing



Over one third (35%) of parents globally say they have taken on debt to put their kids through university, with technology devices such as laptops, PCs and tablets being the second biggest driving source, behind tuition fees. Fifteen per cent of parents said they took out a short-term loan, 13 per cent had borrowed on a credit card and 11 per cent had turned to family or friends for funds.

In the face of financial pressure and lack of long-term planning, many parents are forced to make personal

sacrifices to support their children during their studies. Amongst these parents, more than half (53%) says university has sounded the death knell for date nights, with the cost forcing them to reduce leisure activities such as eating out at restaurants and trips to the cinema, while 47 per cent have taken fewer holidays and 35 per cent have taken on extra hours at work and/or a second job.

3.4 Community Activity

HSBC Insurance employees contributed to a variety of community initiatives throughout the year and encouraged colleagues to use their annual volunteering leave (one to two days depending on country allowance). Volunteering activities were varied, including supporting a community festival in Hong Kong, community financial education in China, colleagues supporting the refurbishment of a children's play centre garden in London and funds being raised for the HSBC Foundation which support sustainability activities in the local community in Mexico.

¹ Including postgrad

3.5 UNEP FI Engagement & Support

In November 2018 the Insurance Head of Sustainability and Head of Investments Project Management, Global Insurance attended the UNEP FI Global Roundtable and Finance Day in Paris. As a signatory to the PSI, HSBC has also executed its right to vote on the UNEP FI Annual General Meeting.

Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the principles

This is our sixth report since becoming a signatory on 23 April 2013 and demonstrates our continued commitment in communicating our progress in implementing the PSI in a transparent manner. We are participating in relevant disclosure and reporting frameworks including regular updates in the Group's sustainability reporting.

