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HSBC Vietnam continues to green the paper manufacturing

(Ho Chi Minh City) - HSBC Bank (Vietnam) Ltd. (HSBC Vietnam) continues to further expand its green strategy in the paper manufacturing with the green trade loan for Dong Hai Joint Stock Company of Ben Tre (DOHACO). This step aims to support the bank's ambitious commitment of arranging up to US\$12 billion of direct and indirect sustainable financing for Vietnam and the corporate sector in Vietnam by 2030.

Vietnam's paper industry is very promising as Asia, the main export market of Vietnam's paper industry, is currently the world's manufacturing – consumption hub with increasing demands. The paper production growth in 2021 was 8%, reaching up to 5.45 million tons, while paper consumption was 5.242 million tons and paper export was 1.532 million tons.

Stephanie Betant, Country Head of Wholesale Banking, HSBC Vietnam, shared: "The paper industry has seen important growth, with paper packaging gaining in popularity. Recycling of paper and consumption of recycled products play an important role in supporting the sector to reduce its carbon footprint. The industry in Vietnam has shown tremendous economic opportunity, and HSBC is proud to support its supply chain with the procurement of recycled paper. HSBC, through its extensive experience in structuring green and sustainable financing, is proud to accompany Vietnamese companies in this important journey through sustainable trade finance."

A meaningful VND200 billion short term trade facility also remarks the first cooperation between HSBC Vietnam and DOHACO, a listed company which focuses on manufacturing carton paper and carton packaging. This financing, which successfully went through the strict green loan approval process of HSBC, will allow DOHACO to import or locally purchase waste paper, converting them into the key ingredient in the process of manufacturing products made from paper.

Mr. Luong Van Thanh, Chairman of DOHACO, said: "With the goal of manufacturing the environment-friendly products, DOHACO only focuses on producing carton paper and carton packaging. The company has applied environmental management system ISO 9001:2015 and ISO 14001:2015, FSC management system, regularly reviewed the upgrade and improvement of environmental protection projects, wastewater treatment system, etc. It affirms that environmental protection issues and the compliance with environmental laws and regulations are always DOHACO's top priorities in our manufacturing and business. Therefore, DOHACO extremely welcomes HSBC's supports for "green" businesses. We hope that DOHACO and HSBC Vietnam will continue to accompany each other in the coming time, fulfilling our sharing goal of raising awareness of environmental protection and sustainable development."

Both DOHACO and HSBC own clear strategy in the green transition to net zero, also share the similar vision and direction in the organizations' sustainable development. The green facility inks HSBC Vietnam's further efforts in creating diversified support to different sectors in the whole economy, as well as encourage local firms to enhance their presence in greening Vietnam's manufacture and economy.

Before making a strong and ambitious green commitment of arranging up to US\$12 billion for sustainable projects in Vietnam by 2030, since 2017, HSBC Vietnam successfully provided a

series of sustainable financings for different sectors from renewable energy to green buildings and recycled plastic manufacturing, supporting their local and international business partners to join the green journey in Vietnam.

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Notes to Editors:

HSBC Bank (Vietnam) Ltd.

HSBC has been in Vietnam for over 150 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and five transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and two full-service branches in Binh Duong and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, product range, and customer base.

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