

Sustainable Supply Chain Finance

Take advantage of tailored banking services to support sustainability goals for buyers and suppliers by leveraging the power of our network



What are some of the challenges you face as a buyer or supplier as you progress through the journey of creating a more sustainable supply chain?

Buyer

- ◆ How to effectively collaborate and enable suppliers to improve sustainability.
- ◆ How to recognize and reward suppliers' sustainability achievements.

Supplier

- ◆ Accessing financing for early payment for receivables of suppliers to support working capital requirements to become more sustainable.
- ◆ How to obtain clarity on what financial incentives are available.

Why use Sustainable Supply Chain offerings?



Reputation:

Gain positive reputation and brand value around Environmental, Social and Corporate Governance (ESG) by demonstrating sustainability improvements in the supply chain.



Reduce climate impact:

Reduce climate impact in your supply chain by incentivizing suppliers to make sustainability improvements.

- ◆ **As a buyer, you can incentivize your suppliers' sustainable performance** through supply chain financing solutions with preferential terms¹.
- ◆ **As a supplier, you will be encouraged** by tying pricing of working capital solution with your sustainability score / rating / certification.

What are the key benefits?

For buyers



Sustainability:

- ◆ Accelerate the achievement of supply chain sustainability targets.
 - ◆ Mitigate reputational risks.
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Procurement:

- ◆ Improve supply chain resilience and reduce supplier risk.
 - ◆ Enhance relationships with supplier.
 - ◆ Create leverage impact by bringing the procurement eco-system to sustainability. Maintain consistency across the supply chain.
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Treasury

- ◆ Optimize working capital¹.
- ◆ Improve cost savings / cost management.

For suppliers



Sustainability:

- ◆ Meet buyer's sustainability requirements which in turn can lead to an increase in business.



Procurement:

- ◆ Maintain positive relationship with the buyer.
- ◆ Increase attractiveness to wider buyer group by demonstrating commitment to sustainable business practices.



Treasury

- ◆ Enable potential investment in sustainability through access to financing for the purchase of receivables.
- ◆ Improve cost efficiency and profitability through better financing rates.

How to find out more:

Please contact your HSBC Relationship Manager to find out more about Sustainable Supply Chain options to support your business needs or visit business.hsbc.ca/sustainability

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1 Accounting treatment applicable to a supply chain finance structure varies depending upon many factors, including the attributes and behaviour of the participant buyer or supplier. You are responsible for obtaining your own professional accounting, tax, legal and other professional advice prior to the implementation of any trade, supply chain finance or receivables finance structure.

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