



January 17, 2018

Sustainability Accounting Standards Board (SASB)
75 Broadway, Suite 202
San Francisco, CA 94111

Re: Comments of Center for Resource Solutions (CRS) on Public Exposure Draft Standards

To whom it may concern:

As a global financial institution seeking to connect customers to opportunities, we place a high value on gathering the right information. It helps us make better business decisions about who we do business with, and where we lend and invest. Like our clients and shareholders, we are interested in not just the financial performance of prospective partners, but also their attitudes to legal, social and environmental obligations.

HSBC supports calls for improved non-financial disclosure, in particular climate-related performance. We have signed the FSB Task-force on Climate-related Financial Disclosure and will report against this in our 2017 Annual Report and Accounts. During 2017 we have published two ESG (Environmental, Social and Governance) reports, which have covered a range of issues – they are available on our website here: <http://www.hsbc.com/our-approach/measuring-our-impact>.

These issues were identified through our ongoing programme of investor, analyst and NGO engagement. It is good to see a qualitative assessment of materiality included in the SASB (Sustainability Accounting Standards Board) reporting consultation. Ultimately reporting materiality decisions are the responsibility of the company.

It is likely ESG reporting topics will evolve over time, detailed frameworks which do not allow flexibility may not be optimal. We prefer principle-based ESG frameworks rather than performance-based approaches, as they are less prescriptive and allow for companies to disclose their response to material issues that affect their long term success. In addition, some of the industry data requirements requested may be challenging to report publically due to lack of information or sensitivities.

There are multiple ESG reporting frameworks which could apply to global institutions, for example, ESG rating provider's criteria, non-financial reporting directives and listing rules. Consistency and cross-reference to existing rules would be helpful to ease the reporting burden. In addition, it is helpful the consultation includes a combination of reporting channels, such as, company websites, Annual Filings and separate sustainability focused reports.

Please feel free to reach out with any questions or clarifications.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Rebecca Self".

Rebecca Self

HSBC - CFO Sustainable Finance