



Habib Bank Zurich (Hong Kong) Limited, a Restricted Licence Bank

HBZ HK's Climate Change Risk Management framework has been created according to HKMA's guidelines, and aligns with strategic direction from the Bank's Board of Directors and Senior Management. HBZ HK's Country Risk and Credit Committee is responsible for overseeing and monitoring climate-related issues within the Bank, and updates the Board's Risk and Credit Committee on a quarterly basis with any climate risk-related activities.

As of 30 June, 2023, all borrowing customers are considered as trading entities engaged in the trading sector. Similarly, the Bank's investment portfolio is spread across diverse sectors to further mitigate risk, with its concentration in the "Low Risk" and "Moderate Risk" categories based on Moody's Global Environmental Risks.

HBZ HK has proactively implemented a climate change risk appetite statement:

The Bank has steadfastly maintained exposures only in trading activities which are generally considered as 'low' in terms of climate risk. The bank will continue to focus on the trading activities, avoiding any exposure on high or very high-risk activities identified under climate risk management process.

Furthermore, the Bank has implemented various initiatives to lower its carbon footprint, including the installation of LED lights across all offices to reduce CO₂ and greenhouse gas emissions, reduction of paper consumption and subsequent waste, and given thorough training to all staff regarding climate change on a consistent basis to build a culture of ownership and responsibility across the Bank. Furthermore, certain Corporate Social Responsibility (CSR) initiatives have encouraged staff to actively participate in the conservation of the local environment and to protect Hong Kong's landscape.