

News Release

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HSBC AND NESTLÉ SIGN SUPPLY CHAIN SOLUTION AGREEMENT

The Hongkong and Shanghai Banking Corporation Limited and Nestlé in Bangladesh signed an agreement to offer “Buyer Approved Invoice Finance” (BAIF) for Nestlé’s suppliers. This is a new supply chain financing proposition that provides more efficient and cost-effective working capital solution for buyers and their suppliers.

This innovative proposition, a first by HSBC in Bangladesh, provides suppliers with access to more competitive financing. This solution also enhances visibility across the entire supply chain, which simplifies the management of trade payables and, in turn, helps to improve supply chain efficiency and agility.

HSBC Bangladesh was mandated to operate the supplier financing program for Nestlé Bangladesh Limited (Nestlé). Stéphane Nordé, Managing Director, Nestlé Bangladesh and Francois de Maricourt, Chief Executive Officer, HSBC Bangladesh signed an agreement on behalf of their respective organisations. Muhammad Shohiduzzaman, Country Head of Global Trade and Receivables Finance, HSBC Bangladesh, Tahsina Banu, Country Head of International, Commercial Banking, HSBC Bangladesh, Sandeep Sethi, Finance & Control Director Nestlé, Sanjeev Kumar Yadav, Supply Chain Director Nestlé, Naquib Khan, Corporate Affairs Director Nestlé, Debabrata Roy Chowdhury, Legal & Tax Director and Company Secretary Nestlé along with other officials from Nestlé and HSBC attended the agreement signing ceremony.

Commenting on the product solution, Francois de Maricourt of HSBC said, *“With the advent of technology and globalisation, we have seen a sharp compression in trade processes and payments cycles. It’s a persistent tug of war, with buyers pushing for longer payment schedules just as suppliers are pressing for faster payment turnarounds to support their procurement needs. Our BAIF solution has been designed specifically to meet the needs of both parties, enabling buyers to increase their arsenal for payment terms negotiation while also protecting the financial stability of their supply chain.”*

Commenting on the product solution, Stéphane Nordé of Nestlé said, *“We are extremely pleased to join with HSBC Bangladesh and welcome such greater opportunities to our vendors, suppliers and communities we serve. With this partnership with HSBC in Bangladesh, we will better manage our vendors’ payments minimizing the disbursement cycle. Let us be stronger together for the future of Bangladesh.”*

This information is issued by

The Hongkong and Shanghai Banking Corporation Limited

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A company incorporated in Hong Kong and
a scheduled bank licensed under the relevant laws of Bangladesh.



Sandeep Sethi of Nestlé said, *“Along with product innovations we are also committed to bring process innovations in the country. With this partnership, our vendors can leverage the strength of Nestlé and HSBC for improved fund management. This is a unique partnership creating winning solution for all stakeholders and brings in treasury innovation that will benefit the industry in Bangladesh”*

Mahbub Ur Rahman of HSBC said, *“As the leading international trade bank, our proposition for Supply Chain Solutions gives us the opportunity to link customers globally. We are proud to introduce this proposition in Bangladesh which will help our clients build stronger relationships with their suppliers, make the balance sheet position better and improve the overall efficiency.”*

In the past, BAIF was launched in the United States, United Kingdom, Hong Kong and in other major Asia Pacific markets. Globally, HSBC facilitates US\$500 billion of trade annually and its’ geographic footprint provides the Bank with access to 90 per cent of all global trade flows.



Photo Caption: HSBC Bangladesh and Nestlé Bangladesh signed an agreement to offer “Buyer Approved Invoice Finance” (BAIF) for Nestlé’s suppliers. This is a new supply chain financing proposition that provides more efficient and cost-effective working capital solution for buyers and their suppliers. Stéphane Nordé, Managing Director, Nestlé Bangladesh and Francois de Maricourt, Chief Executive Officer, HSBC Bangladesh signed an agreement in presence of officials from both the organisation.

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The Hong Kong and Shanghai Banking Corporation Limited

The Hong Kong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves our customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,526bn at 30 September 2017, HSBC is one of the world's largest banking and financial services organizations.

Nestlé Bangladesh Limited

Nestlé, founded more than 150 years ago in the Swiss town of Vevey, is the world's largest food and beverage company. It is present in 189 countries around the world with its purpose of enhancing quality of life and contributing to a healthier future. It has 328,000 employees, 418 factories in 86 countries. Nestlé offers a wide portfolio of products and services for people and their pets throughout their lives with its more than 2000 brands.

In Bangladesh, Nestlé is offering tastier and healthier choices for the individuals and families for 25 years. Company performance is driven by its Nutrition, Health and Wellness strategy. Nestlé Bangladesh, a 100% owned subsidiary of Nestlé S.A. has one factory at Sreepur, Gazipur. Our current product portfolio includes CERELAC, CORN FLAKES, EVERYDAY, FRUITA VITALS, KOKO KRUNCH, LACTOGEN, MAGGI, NAN, NESCAFÉ and NIDO in Bangladesh. With a promise of Good Food, Good Life, Nestlé continues to enhance quality of life and contribute to a healthier future of Bangladesh.