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HSBC LAUNCHES NEW LENDING PROGRAMME TO SUPPORT LOWER CARBON EMISSIONS

*First Programme of Its Kind in Hong Kong Brings Sustainable Financing to a
Wider Range of Companies*

HSBC today announced the launch of a new Sustainable Financing Programme for Hong Kong businesses. This lending programme is the first in Hong Kong to recognise the amount by which businesses reduce their carbon emissions with a rebate to borrowers, reinforcing HSBC's support for the transition to a more sustainable economy.

“We are going beyond green bonds to bring sustainable financing to a much wider spectrum of Hong Kong businesses,” said Terence Chiu, Head of Commercial Banking, Hong Kong, HSBC. “Our customers understand the importance of sustainability to their businesses, global supply chains and society as a whole. We want to support their ambitions for environmentally-friendly growth.”

HSBC Commercial Banking customers, spanning from large corporates to small-to-medium enterprises, with equipment or capital investment plans that support the transition to a low-carbon economy are eligible to apply for the Programme. The loan tenor is up to five years with a minimum loan size of HKD1 million. Depending on the amount of carbon emissions saved, a cash rebate will be provided to eligible applications.*

HSBC has engaged the Business Environment Council (BEC) as the independent technical partner for the Programme. The BEC will assist in calculating the amount of carbon emission saving for each application.

All successful applicants will be granted a certificate to recognise their efforts in reducing carbon emissions and are eligible to join a complimentary Environmental Awareness Training provided by the BEC. This course covers a wide range of topics including Environmental, Social and Governance (ESG) reporting and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

HSBC has a strategic commitment to providing financing that enables the transition to a low-carbon economy and to helping customers manage this transition. Last November, HSBC announced its intention to provide USD100 billion of sustainable financing and investment by 2025.

**Note: Carbon saving recognition per customer is capped at 10 basis points of the original loan amount or HKD200,000 per annum, whichever is lower.*

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Note to editors:

Sustainable Financing Programme - illustration

	Case 1	Case 2
Sector	Manufacturing	Property management
Investment project	New system to reduce gas emission and improve working environment	Air-cooled chiller system upgrade
Investment involved	HKD2.5 million	HKD1.5 million
Carbon emission reduced	Approximately 354 tons per annum	Approximately 35 tons per annum
Carbon saving rate	HKD148 / ton of carbon emission	HKD148 / ton of carbon emission
Cash rebate offered (full loan tenor)	HKD7,500	HKD4,500

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong 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 3,800 offices in 66 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,607bn at 30 June 2018, HSBC is one of the world's largest banking and financial services organisations.

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