

Carbon Reduction Plan

Supplier name: **HSBC Bank plc**

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Note: Unless the context requires otherwise, references to 'HSBC', 'HSBC Group' or the 'Group' within this document mean HSBC Holdings plc together with its subsidiaries.

Commitment to achieving Net Zero

In line with HSBC Group's ambition to become a net zero bank, the Group aims to achieve net zero emissions in its own operations and supply chain by 2050. As per the HSBC Holdings plc Annual Report and Accounts 2025, HSBC Bank plc, which is the bidding entity, is a subsidiary of HSBC Holdings plc. HSBC Bank plc, as part of the HSBC Group, adheres to the climate strategy set by the HSBC Group and implements relevant policies and procedures at the entity level.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
HSBC emissions report adheres to the Greenhouse Gas ('GHG') Protocol, which incorporates the scope 2 market-based emissions methodology. The Group reports GHG emissions associated with the energy used in its premises and employees' business travel and supply chain in tonnes of CO ₂ equivalent.	
HSBC's organisational boundary is defined as "operational control", as it allows to introduce and implement operating policies to support efficiency and reduction measures. HSBC Group's GHG emissions data comprises greenhouse gas emissions arising from scope 1, 2 and scope 3 categories 1 (purchased goods and service), 2 (capital goods) and 6 (business travel), according to the Greenhouse Gas Protocol.	
The reporting below covers the Group's own operations and supply chain emissions.	
Baseline year emissions: 2019	
EMISSIONS	TOTAL (tCO₂e)

Scope 1	22,066 tCO₂e
Scope 2	392,270 tCO₂e
Scope 3 (Included Sources)	<p><u>Purchased Goods & Services</u> 1,033,972 tCO₂e</p> <p><u>Capital Goods</u> 50,651 tCO₂e</p> <p><u>Business Travel Transportation</u> 272,008 tCO₂e</p> <p>Source: HSBC Holdings plc Annual Report and Accounts 2025 (p. 49): https://www.hsbc.com/-/files/hsbc/investors/hsbc-results/2025/annual/pdfs/hsbc-holdings-plc/260225-annual-report-and-accounts-2025.pdf?download=1</p>
Total Emissions	1,770,967 tCO₂e

Current Emissions Reporting

Reporting Year: 2025	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	16,698 tCO₂e
Scope 2	19,919 tCO₂e
Scope 3 (Included Sources)	<p><u>Purchased Goods & Services</u> 807,293 tCO₂e</p> <p><u>Capital Goods</u> 165,988 tCO₂e</p> <p><u>Business Travel Transportation</u> 67,019 tCO₂e</p> <p>Source: HSBC Holdings Plc Annual Report and Accounts 2025 (p. 49):</p>

	<p>https://www.hsbc.com/-/files/hsbc/investors/hsbc-results/2025/annual/pdfs/hsbc-holdings-plc/260225-annual-report-and-accounts-2025.pdf?download=1</p> <p>ESG Datapack 2025 (p. 10):</p> <p>https://www.hsbc.com/-/files/hsbc/investors/hsbc-results/2025/annual/pdfs/hsbc-holdings-plc/260225-esg-datapack-2025.pdf?download=1</p>
Total Emissions	1,076,917 tCO₂e

Further clarifications in current emissions reporting

- Our reporting period aligns with our financial year January – December.
- Total Emissions excludes financed emissions. For further details of HSBC's financed emissions reporting methodology, please see p. 40 of HSBC Holdings plc Annual Report and Accounts 2025.
- Fuel and energy related activities: on the basis that they are not relevant to HSBC's business.
- Upstream transportation and distribution: on the basis that they are not relevant, while key transportation relates to employee travel and company/leased cars for HSBC's operations which are captured in Scope 1 reporting.
- Waste Generated in Operations: Waste generated in operation – on the basis that it is immaterial. Based on the 2024 reported volume and the 2024 DEFRA emission factors; the estimated emissions from waste generated is less than 0.01% of the total scope 3 emissions (categories 1, 2 and 6), and therefore is considered immaterial and not included in the reported total emissions. The data collection process and the waste data itself are not subject to any kind of assurance, internal or external, with potential impact on accuracy and completeness.
- Employee commuting: on the basis of lack of data availability and data collection processes. Due to the extended geographical spread of HSBC Group's operations, an estimation approach is very difficult, without any primary data. Collecting data on employee commuting to ensure complete, consistent, and accurate data is very complex, especially for an organisation of HSBC's size. Additionally, as an organisation HSBC Group has no influence on employees' means of transport used to commute to its sites and neither on their location of residence and its proximity to its sites. HSBC Group is exploring different ways to collect primary data which could potentially be used in an estimation. For example, the Group is exploring whether and how it can leverage the annual employee survey to collect information about commuting habits and practices, or how it could sample some of the most material markets. Due to the size of the organisation and the geographical spread, an estimated figure is not available for this year's materiality assessment. The Group will continue to monitor this area and explore avenues to access primary data.
- Upstream leased assets: on the basis that it is immaterial, as most of HSBC's own operations reporting captures emissions from leased assets. The total energy from upstream leased assets is approximately 0.13% of the total energy. A review of the

Group's real estate portfolio is due to commence in 2026 to better define the operational control and the impact on this category.

- Downstream transportation and distribution: on the basis that this is not relevant to the nature of HSBC's business, and it would only account for the distribution of HSBC's physical cards.
- Processing of sold products: on the basis that this is not relevant to the nature of HSBC's business.
- Use of sold products: on the basis that this is not relevant to the nature of HSBC's business.
- End of life treatment of sold products: on the basis that this is not relevant to the nature of HSBC's business, as it would only account for the treatment of HSBC's physical cards. on the basis that the emissions from downstream leased assets are immaterial. The emissions from category 13 were estimated based on the 2024 consumption and they account for 0.2% of total 2024 scope 3 upstream (categories 1, 2 and 6) emissions. A review of the Group's real estate portfolio is due to commence in 2026 to better define the operational control and the impact on this category.
- Franchises: on the basis that it is not applicable to HSBC's organisational structure and business model.

Emissions reduction targets

HSBC Group's ambition is to achieve net zero in its own operations and supply chain by 2050. Based on the Group's current pathway to net zero, in the interim the Group expects to achieve a reduction of around 40% in emissions across its operations, business travel and supply chain by 2030, compared with the 2019 baseline year.

Source: HSBC Holdings plc Annual Report and Accounts 2025 (p.48)

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

- Carbon reduction in HSBC's own operations

- In 2025, HSBC Group achieved a reduction in absolute operational greenhouse gas emissions (scope 1, 2 and business travel) of 84.9% from the 2019 baseline. Overall, including supply chain emissions, the Group achieved a 39.2% reduction against 2019 and 12.2% compared with 2024
- In 2025, HSBC Group achieved a 34.5% reduction in its energy consumption compared with 2019.
- In 2025, HSBC Group reduced its scope 1 and 2 emissions (including energy and road fleet) to 36,617 tonnes CO₂e, representing a 91.2% reduction from the 2019 baseline, and a 62.9% reduction from 2024
- HSBC Group reduced its emissions from scope 3 business travel by 75.4% compared with 2019 and 49.9% compared with 2024. The decrease was driven by improved oversight, strengthened internal reporting and an overall reduction in the emissions factors provided by the UK Department for Energy Security and Net Zero.
- In 2025, HSBC Group increased its purchase of electricity from renewable sources to 94.2%, a key milestone towards the Group's ambition to purchase 100% renewable electricity across its own operations by 2030.

HSBC Group continues to address the emissions from its own operations and supply chain by focusing on reducing consumption and replacing consumption with low carbon alternatives. It will only use high-integrity carbon credits to remove any residual emissions from its own operations that cannot otherwise be reasonably reduced. The Group aims to reduce emissions through the purchase of 100% renewable electricity across its own operations by 2030 and continues to explore opportunities to invest in sustainable aviation fuel to replace traditional fuel and reduce emissions from business travel over time. The Group continues to monitor external guidance, including from the Science Based Targets initiative, to seek to ensure its approach remains credible.

Source: HSBC Holdings plc Annual Report and Accounts 2025 (p.48 and p.49)

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been compiled with extracts of HSBC Holdings plc Annual Report and Accounts 2025 which was reviewed and signed off by the board of directors of HSBC Holdings plc. This Carbon Reduction Plan is signed by Andrew Beane as Chief Commercial Officer, CIB and HSBC Bank plc

Signed on behalf of the Supplier:



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Date: 24-Jun-2026

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>