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HSBC STRENGTHENS ENERGY POLICY

HSBC wants to be a leader in sustainable energy transition and therefore is announcing today a withdrawal from the coal fired power sector, as part of its efforts to support a transition to a low-carbon economy.

In 2011, HSBC decided to significantly restrict its support for new coal-fired power plants and effectively ceased financing them in 78 developed countries. It will now stop financing new coal-fired power in all countries around the world apart from Bangladesh, Indonesia and Vietnam. A targeted and time-limited exception will apply to these three countries in order to appropriately balance local humanitarian needs with the need to transition to a low-carbon economy.

Daniel Klier, Group Head of Strategy and Global Head of Sustainable Finance, HSBC said: “Our updated energy policy reflects HSBC’s ambition to help our customers make the transition to a low-carbon economy in a responsible and sustainable way. We recognise the need to reduce emissions rapidly to achieve the target set in the 2015 Paris Agreement to limit global temperatures rises to well below 2°C and our responsibility to support the communities in which we operate.”

In addition to this policy change, HSBC has also pledged not to provide financial services for:

- New offshore oil and gas projects in the Arctic
- New greenfield oil sands projects
- New large dams for hydro-electric projects inconsistent with the World Commission on Dams Framework
- New nuclear projects inconsistent with the International Atomic Energy Agency (IAEA) standards

HSBC has been a long-standing supporter of its customers who operate in the energy sector and the majority of the investment needed to enable the energy transition will need to come from companies that operate in this space.

It will continue to support those that are making acceptable progress towards international good practice.

Read more about the bank's approach to managing sustainability risk and download our Energy Policy on the [Sustainability risk page](#) of HSBC.com.

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Note to editors:

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. 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\$2,522bn at 31 December 2017, HSBC is one of the world’s largest banking and financial services organisations.

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