

HSBC PARTNERS WITH WRI AND WWF TO SCALE NEXT GENERATION SOLUTIONS TO CLIMATE CHANGE

The US\$100m global initiative aims to accelerate efforts to build a net zero global economy, forms part of HSBC's climate strategy

(London) HSBC, in partnership with World Resources Institute (WRI) and WWF, today unveils their Climate Solutions Partnership to unlock barriers to finance for companies and projects that tackle climate change. The partnership's three workstreams focus on start-up firms developing carbon-cutting technologies, projects that protect and restore biodiversity, and initiatives to help transition energy growth to renewables in Asia.

The partnership aims to bring emerging climate solutions to commercial viability and scale. It will do this by supporting sustainable projects that would otherwise face barriers to finance due to insufficient policy and regulatory frameworks, gaps between demand and supply, or a lack of mature measurement tools and business cases. By focusing on on-the-ground projects, it will help to catalyse systemic solutions to address climate change, while also delivering for people and nature in key markets.

The global initiative is backed by US\$100 million of philanthropic funding over five years from HSBC to support the projects. It forms part of HSBC's ambitious climate strategy, first announced in October 2020. HSBC aims to align its provision of finance to net zero by 2050 or sooner, in line with the Paris Agreement goals, and expects to provide between US\$750 billion and US\$1 trillion of finance and investment by 2030 to support its customers in the net zero transition. The bank has also pledged to work across the financial sector and beyond to accelerate solutions that will help avoid catastrophic climate change.

Recognising the urgency of the climate challenge, the Climate Solutions Partnership aims to accelerate change in the short term, to help realise the Paris Agreement goals in the longer term. By bringing new solutions to commercial viability and scale, it aims to increase the rate of progress towards a 1.5 degree pathway to net zero.

The partnership will combine HSBC's financial expertise with the knowledge and experience of WRI, WWF and a network of local partners in scaling climate solutions. Together, the partners will collaborate to identify future business opportunities for sustainable innovations, and unlock net zero benefits by mobilising finance and harnessing supply-and-demand forces in commercial markets.

The Climate Solutions Partnership will work to remove barriers and create incentives in three focus areas:

- **Energy transition:** The partnership includes renewables and/or energy efficiency programmes in Bangladesh, China, India, Indonesia and Vietnam – who combined account for more than 35% of the world's power consumption*. These aim to support Asia's energy sector to shift towards renewables, and scale efficiency initiatives in key sectors - such as healthcare, textiles, and apparel.

- **Nature-based solutions and NBS Accelerator:** Supporting more than 20 projects globally to protect and revitalise wetlands, mangroves and forests, and to promote sustainable agriculture. Working with a network of local partners, these projects will contribute to net zero goals by better enabling natural CO2 capture, while increasing social and environmental resilience in markets most at risk from climate change.

The NBS Accelerator is a joint initiative by HSBC, WRI and WWF that provides technical and financial expertise to a global network of organisations to help scale nature-based solutions.

- **Business Innovation:** Start-up firms and next-generation technologies offer the potential to develop new approaches to cutting carbon emissions, but often face challenges to access the finance and business mentoring needed to scale. Utilising WWF's Impactio collaboration platform, the partnership will help support business innovations to scale, in collaboration with leading universities, research institutes, incubators and accelerators. The first pilot challenge, involving 18 start-ups from 5 markets, has just been completed, and the first live challenge commences later this year.

HSBC Group Chief Executive Noel Quinn said:

"The transition to net-zero must be driven by cutting edge science and innovation - and also collaboration. Finding the best solutions for clean energy, clean transport and environmental protection is vital, as is making them commercially viable. Our Climate Solutions Partnership with the World Resources Institute (WRI) and WWF will make a tangible contribution towards those goals, combining our knowledge and resources to accelerate the pace of change towards a more sustainable future."

Interim President and CEO, WRI Manish Bapna said:

"Financial institutions have the reach and resources to advance climate solutions and policies to put the world on a more inclusive and sustainable trajectory. HSBC, with its high-profile and global presence, can set an example by shifting its portfolio toward net zero and nature positive investments. We are deeply pleased to be joining HSBC and WWF in this dynamic new partnership that will leverage each organization's unique attributes. We can go further together than we can alone."

Chief Executive of WWF-UK Tanya Steele said:

"With our climate in crisis, the financial sector must urgently rise to the challenge and drive the transition to a net-zero economy. Major players like HSBC have a crucial role to play in leading the sector to become part of the solution to our planet's recovery and building a greener, fairer economy."

"As HSBC moves to align its lending and investments to a sustainable world, we will accelerate progress through this partnership by scaling up clean, renewable technologies and nature-based solutions – some of the key building blocks to a net-zero future."

Media contacts

May Kek	+852 7882 4940	may.y.m.kek@hsbc.com.hk
Robert Sherman	(646) 939-6998	robert.a.sherman@us.hsbc.com
Gita Bartlett	+ 44 7796 704281	gita.bartlett@hsbc.com

Note to editors:

*Source: <https://www.iea.org/data-and-statistics?country=WORLD&fuel=Energy%20consumption&indicator=TotElecCons>

Examples of the Climate Solutions Partnership

- **Energy transition:** The pilots in mainland China will help to improve industry access to renewables and green technologies. We will work with multiple stakeholders to establish market mechanisms, policies and expertise to facilitate decarbonisation
- **Business Innovation in United Kingdom:** We will work with the University of Birmingham and Imperial College London to support 150 companies, including early-stage start-ups, developing services or technologies with potential for impact on climate change by December 2024. Providing research expertise, intensive coaching to help redesign business and technology models, grant funding and run educational workshops to attract commercial investment for ventures to scale.
- **Nature-based solution in the United States:** The Midwest Row Crop Collaborative project is supporting farmers to drive positive environment outcomes in the Upper Mississippi River Basin through the adoption of regenerative agriculture practices to improve soil health and increase resilience in the U.S. food system.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,959bn at 31 March 2021, HSBC is one of the world's largest banking and financial services organisations.

World Resources Institute (WRI)

WRI is a global research organization that spans more than 60 countries, with international offices in Brazil, China, India, Indonesia, Mexico and the United States, regional offices in Ethiopia (for Africa) and the Netherlands (for Europe), and program offices in the Democratic Republic of Congo, Turkey and the United Kingdom. Our more than 1,400 experts and staff turn big ideas into action at the nexus of environment, economic opportunity and human well-being. More information at www.wri.org

WWF

WWF (World Wide Fund for Nature) is one of the world's largest independent conservation organisations, active in nearly 100 countries. Our supporters – more than five million of them – are helping us to restore nature and to tackle the main causes of nature's decline, particularly the food system and climate change. We're fighting to ensure a world with thriving habitats and species, and to change hearts and minds so it becomes unacceptable to overuse our planet's resources.

WWF. For your world. For wildlife, for people, for nature. www.wwf.org.uk