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HSBC UK LAUNCHES GREEN FINANCE PROPOSITION TO SUPPORT UK BUSINESSES

HSBC UK Commercial Bank is supporting British companies to meet their environmental and sustainability goals with the launch of a new green finance proposition.

The new range - available for small to medium enterprises (SME) through to large corporates - includes a Green Loan, a UK industry first Green Revolving Credit Facility (RCF) and a Green Hire Purchase, Lease and Asset loan.

Amanda Murphy, HSBC UK Head of Commercial Banking, said: "With the Government committing the UK to reach net zero carbon emissions by 2050, sustainability is increasingly important for companies of all sizes. We can now support their aspirations through our comprehensive Green lending proposition, which supports businesses as they pursue sustainable and environmentally-focused activities."

The range includes:

Green Loans

Following a pilot launch to larger corporates last year¹, HSBC UK has broadened its Green Loan proposition to SMEs and mid-market companies wanting to secure loans for sustainable activities. The minimum Green Loan starts at £300,000, enabling a broad range of companies to access finance to support sustainability projects.

Green RCF

The UK industry first Green RCF enables companies to access funds when required, depending on sustainable cash flow needs, and is available for a minimum loan value of £1 million. Customers can adopt HSBC UK's Green Framework² to manage their green cash flows and meet the four pillars of the Green Loan Principles³.

Green Hire Purchase, Lease and Asset loan

The Green Hire Purchase, Lease and Asset loan product facilitates the financing of green assets through hire purchase, lease and asset loan.

HSBC UK has aligned its Green Lending offering to the Loan Market Association's Green Loan Principles³, which aims to create market standards and guidelines, providing a consistent methodology for use across the wholesale green loan market.

Amanda Murphy said: "HSBC UK was the first bank to have a specific offering aligned to the Green Loan Principles and we've become the first bank to offer a Green RCF; we continue to innovate in this space. This is part of HSBC's global commitment to provide \$100 billion in sustainable financing and investment by 2025."

HSBC UK has already provided Green Loans valuing £600 million to UK businesses as part of the pilot, including:

- Green Arranger as part of a club funding package for UK property developer Argent to support the development of Facebook's new UK headquarters in London, which is one of the world's greenest buildings.
- A £175 million Green Loan for Edwardian Hotels London to ensure its new 'Super Boutique' hotel, The Londoner, situated in Leicester Square, will be one of the greenest hotels in the UK. This was the first Green Loan in the hotels sector.

HSBC UK Commercial Banking Head of Sustainable Finance Rob King added: "We have seen strong demand from businesses since launching the Green Loan pilot last year, so we are confident this suite of green finance products will support our customers to meet their sustainability agendas. Our customers are asking for more green finance products to support their specific ambitions.

"Our offering allows our customers to showcase their green credentials to stakeholders by demonstrating that a portion of their funding is ring-fenced for genuine environmental and sustainability activities. Many stakeholders are now considering a company's green credentials when making decisions about whether to work with, work for or invest in that company."

Ends

1. Pilot launched in November 2018 to large corporate customers. Minimum loan of £25m
2. Sustainalytics, a leading global provider of environmental, social and corporate governance research and ratings has reviewed HSBC's Eligible Criteria for Green Activities and consider them to be environmentally impactful. They have extensive experience in reviewing eligibility criteria developed by financial institutions for green products and funds and providing external review for Green bonds and Green loans
3. [Loan Management Association Green Loan Principles](#)

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Note to editors:

HSBC UK:

HSBC UK serves around 14.5 million customers across the UK, supported by 32,000 colleagues. HSBC UK offers a complete range of retail banking and wealth management to personal and private banking customers, as well as commercial banking for small to medium businesses and large corporates.

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 66 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,659bn at 31 March 2019, HSBC is one of the world's largest banking and financial services organisations.

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