

16 June 2017

HSBC LAUNCHES £10 BILLION FUND TO SUPPORT UK SMEs

*****£10bn fund to be available for SMEs across the UK***
HSBC approves nine out of 10 small business lending applications**

HSBC has today launched a £10 billion lending fund to support small and medium-sized enterprises (SMEs) in the UK, as part of a broader commitment to helping British businesses to realise their ambitions for growth.

The £10bn fund has been structured to ensure it is truly UK-wide so that SMEs in England, Wales, Scotland and Northern Ireland are able to access the funds they need.

HSBC continues to be open to lending, having approved 91% of small business lending applications in the last year.

Ian Stuart, UK CEO, HSBC said: “The launch of this £10bn fund reaffirms our commitment to support the growth of UK SMEs of all sizes, from start-ups to established businesses.

“The UK is home to a diverse range of SMEs across established and emerging sectors, operating in their regional markets or looking to trade internationally. We want to put SMEs in a stronger position to make investments that will stimulate local economies and create more jobs.”

A key focus of this year’s fund is to encourage small businesses to feel confident about exploring opportunities for export. A 2016 FSB Report noted that one in five (21%) of small businesses currently export, but there is potential to double this figure with the right support*.

Amanda Murphy, Head of Commercial Banking at HSBC UK said: “SMEs are the lifeblood of the UK economy, and for many there is an opportunity and appetite to grow their business through exporting.

“HSBC can provide access to new trading networks for businesses of all sizes, help them to understand how they can consider exporting with confidence, and has the expertise to help businesses navigate change by being responsive, flexible and nimble.”

HSBC research findings into 1000 UK SMEs, both those already exporting and those that are considering it, reflected a business population prepared to consider the opportunities of international trade but wary of a range of perceived barriers.

For potential exporters, among the barriers to growth were:

- A lack of understanding of local market (68%)
- A lack of international business experience (73%)
- Problems overcoming language/cultural barriers (60%).

With a geographic network covering more than 90% of global trade and capital flows, HSBC is uniquely placed to help businesses to understand the available markets and overcome the obstacles to growth.

The findings also noted a perception that businesses need to be a long-established business to explore export opportunities, but 70% of HSBC’s exporting SMEs started to trade abroad

when they were less than ten years old. Nearly two thirds (35%) of these were not yet one year old when they began exporting.

HSBC's 2017 SME Fund and broader package of support includes:

- A **£10bn UK-wide fund for SMEs**, allocated regionally across the UK.
- A **free banking offer** of up to 18 months for start-ups and 12 months for switchers.
- A **fixed-price £5.50 monthly account tariff** to commence at the end of a customer's initial free banking period.
- A **Personal Guarantee Fee of just £10** for any lending facility above £10,000.
- The **Business Lending Eligibility Checker (BLEC)** – an online tool offering potential new customers a credit decision in principle for loans of up to £30,000 in under two minutes.
- A free **text alert service for informal overdrafts**, which will help customers avoid paying informal overdraft fees and interest.
- Services such as the **Parental Leave Support Package** help our customers to grow their business, knowing they can be prepared for changes in their business.
- Access to **HSBC Connections Hub** to help our customers connect, and build relationships, with HSBC Business customers from across the globe.

Terms and conditions apply

Ends

Media enquiries to:

Nicola Forsyth 020 7991 6004 / 07387 244 103 nicola1.forsyth@hsbc.com

Sorrel Beynon 020 7991 4645 / 07796 704 755 sorrel.beynon@hsbc.com

For the latest updates visit:

<http://www.about.hsbc.co.uk/news-and-media> or <http://twitter.com/HSBCUKBusiness>

Notes to Editors:

*FSB Report: <https://www.fsb.org.uk/media-centre/press-releases/new-fsb-report-reveals-huge-opportunity-to-double-the-number-of-small-business-exporters>

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,000 offices in 70 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,416bn at 31 March 2017, HSBC is one of the world's largest banking and financial services organisations.

HSBC Commercial Banking

For 150 years we have been where the growth is, connecting customers to opportunities. Today, HSBC Commercial Banking serves businesses ranging from small enterprises focused primarily on their domestic markets through to corporates operating globally. Whether it is working capital, term loans, trade finance or payments and cash management solutions, we provide the tools and expertise that businesses need to thrive. As the cornerstone of the HSBC Group, we give businesses access to a geographic network

covering more than 90% of global trade and capital flows. For more information see <http://www.hsbc.com/about-hsbc/structure-and-network/commercial-banking>