

## **HSBC plans climate tech funding push**

*- \$1bn financing to support early-stage climate tech companies -*

HSBC today announced that it plans to make available \$1bn of financing to early-stage climate tech companies around the world.

The financing is expected to support start-ups to create a range of new solutions, including EV charging, battery storage, sustainable food and agriculture, and carbon removal technologies. This announcement also follows the launch of HSBC Innovation Banking<sup>[1]</sup> and of HSBC Asset Management's Climate Tech Venture Capital strategy.<sup>[2]</sup>

**Barry O'Byrne, CEO of Global Commercial Banking at HSBC said:** "Access to finance is critical for early-stage climate tech companies to create and scale real-world solutions. We are already working with some of the most exciting companies at the forefront of climate tech, from seed to global scale-up. With HSBC's global reach, in-house climate tech expertise, and newly launched Innovation Banking proposition, we can offer these pioneer companies unrivalled support."

HSBC is seeking to deepen its support for the ecosystem of climate tech innovation. This comes as recent data shows that after successive rapid year-on-year growth, venture capital funding for climate start-ups plunged by 40 per cent in the first half of 2023, as market conditions in the venture capital space put downward pressure on nascent tech valuations.<sup>[3]</sup> HSBC's climate tech proposition aims to enable these critical technologies to reach the market more quickly at scale.

While the majority of global early and growth stage climate tech investment has focused on the USA and Europe, HSBC's \$1bn allocation plans to focus on high potential climate tech companies, wherever they are in the world.

Estimates suggest almost half the emissions reductions required to reach net zero in 2050 will come from technologies that are currently at the demonstration or prototype phase.<sup>[4]</sup>

HSBC aims to support climate tech innovation to scale, supporting early-stage companies and providing capital for first-of-a-kind demonstration projects, including through its \$100m investment in Breakthrough Energy Catalyst.

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**Note to editors:**

**HSBC Holdings plc**

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 62 countries and territories. With assets of US\$3,041bn at 30 June 2023, HSBC is one of the world's largest banking and financial services organisations.

<sup>[1]</sup> <https://www.hsbc.com/news-and-views/news/media-releases/2023/hsbc-innovation-banking-launches-at-london-tech-week>

<sup>[2]</sup> [www.assetmanagement.hsbc.co.uk/en/institutional-investor/capabilities/alternatives/venture-capital/climatech](http://www.assetmanagement.hsbc.co.uk/en/institutional-investor/capabilities/alternatives/venture-capital/climatech)

<sup>[3]</sup> Climate tech VC: Venture funding down 40% in H1 2023 [www.ctvc.co/climate-tech-h1-2023-venture-funding/](http://www.ctvc.co/climate-tech-h1-2023-venture-funding/)

<sup>[4]</sup> IEA, Net Zero by 2050 <https://www.iea.org/reports/net-zero-by-2050>