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WORLD EXPERT ON ECONOMICS AND CLIMATE CHANGE BECOMES HSBC SPECIAL ADVISER

HSBC has appointed Sir Nicholas Stern, the renowned academic and former World Bank Chief Economist, as Special Adviser to the Chairman on Economic Development and Climate Change. Sir Nicholas will be responsible for advising HSBC on economic development issues and the implications of climate change on the Group and its clients.

Sir Nicholas brings unique qualifications and experience to the role including a distinguished academic career at the universities of Oxford, Warwick and the London School of Economics and Political Science (LSE), where he is currently IG Patel Professor of Economics and Government. From 2003-2007, Sir Nicholas was Head of the Government Economic Service and Adviser to the UK Government on the Economics of Climate Change and Development, reporting to the Prime Minister and to the Chancellor. During this time, he was appointed to conduct a review of the economics of climate change, which led to the publication of the influential and widely publicised Stern Review on the Economics of Climate Change. From 2004-2005, he directed the writing of the Report of the Commission for Africa.

Sir Nicholas retains his position at the LSE while working in a part-time capacity with the HSBC global head office in London, where his role will include:

- Providing direct advice on specific strategic issues in emerging markets where the bank has aspirations to grow its business;
- Advising on the socio-economic implications of climate change and representing HSBC on these issues;
- Contributing to management development programmes, from graduate intake through to senior management development activities; and
- Providing advice to major clients of the Group who seek to develop sustainable business strategies or other programmes relating to climate change and to economic development issues.

Commenting on the appointment, HSBC Group Chairman Stephen Green, said: “Sir Nicholas Stern brings unrivalled knowledge and insight of the economic consequences of climate change at a global level. We are delighted that someone of his calibre and international reputation has agreed to join HSBC. His appointment further demonstrates that sustainability issues are at the forefront of HSBC’s agenda.”

Speaking about his appointment, Sir Nicholas Stern said: “HSBC understands that climate change is an issue we cannot ignore. I intend to further develop and incorporate an understanding of climate change into HSBC's economic models and analysis for the future. Unless organisations of this scale embed the principles of sustainability into their business and respond to what we already know about the causes and likely impacts of climate change, they will be letting down their customers, their shareholders and future generations.”

As a former Crown servant, Sir Nicholas has applied for and received Government approval for this appointment.

HSBC has a long-standing commitment to the environment. The Group recently announced a five-year, US\$100 million partnership to respond to the urgent threat of climate change worldwide with the support of The Climate Group, Earthwatch Institute, Smithsonian Tropical Research Institute and WWF. The ‘HSBC Climate Partnership’ will work in some of the world’s major cities to influence climate change policy and practice and to engage HSBC’s global workforce, customers and the wider community. HSBC has also committed a further US\$90 million over five years to reduce the Group’s impact on the environment through a series of initiatives, including the introduction of renewable energy technology, water and waste reduction programmes and employee engagement.

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Note to editors

HSBC Holdings plc – www.hsbc.com

The HSBC Group is one of the largest banking and financial services organisations in the world. The Group has around 10,000 offices in 82 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa, serves over 125 million customers and has assets of US\$1,861 billion as 31 December 2006. HSBC was the first major bank – and the first FTSE 100 company – to become carbon neutral.

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