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News Release

CLIMATE ISSUE WANES FOR AUSTRALIANS BUT MAJORITY STILL WANT A DEAL AT COPENHAGEN: HSBC RESEARCH

The global financial crisis and domestic issues have overtaken climate change as a priority for Australians but figures show resolution at Copenhagen is critical for them, according to the latest HSBC Climate Confidence Monitor.

The third HSBC Climate Confidence Monitor, commissioned by the HSBC Climate Partnership, measures and tracks consumer attitudes on climate change issues and surveyed 1,000 people in each of 12 markets: Australia, Canada, France, Germany, UK, USA, Brazil, China, Hong Kong, India, Malaysia and Mexico.

Concern about climate change among Australians dropped in the last year, with 22 per cent identifying it as one of their biggest worries (36% in 2008), the largest drop among developed nations surveyed. Optimism that climate change can be stopped also fell, from 12 per cent in 2008 to nine per cent this year, the second highest country for optimism in the developed world but lowest in the Asia-Pacific.

Personal commitment to tackling the problem edged up to 29 per cent (26% in 2008), but is still among the lowest of the developed world and the lowest in the Asia-Pacific region. Confidence that leaders are doing the right thing increased to 11 per cent (8% in 2008), placing Australia at the top of developed economies but still low compared to our Asia-Pacific peers.

A clear majority (56%) of Australians believe a new global deal on emissions is critical. This sentiment was shared globally sending a clear message to governments preparing to attend the UN climate change summit in December to agree on a policy framework to tackle climate change. The enthusiasm for action in emerging markets is noticeably higher than in the developed world.

Lord Nicholas Stern, adviser to HSBC on economic development and climate change said: "With just over a month to go before Copenhagen, this is a clear call from the global population for a strong and effective deal. Rich and developing countries must act together to create an agreement that will lay the foundations for a future era of dynamic low-carbon growth."

HSBC's research reveals a global consensus on emission reduction targets. 79 per cent of global respondents want to see a commitment to 'meet or significantly exceed' a 50-80 per cent cut in emissions by 2050. 72 per cent of Australians think the nation should meet or exceed the 50-80 per cent target by 2050. This demand for commitment to reduction targets is highest in Mexico (91%), China (82%) and Hong Kong (84%) and lowest in the UK (71%) and the US (66%).

Despite the deepening of the global recession since last year's survey was conducted, seven in 10 people (69%) agreed that addressing climate change is at least as important, if not more important than supporting their national economy during the downturn. Respondents were asked to prioritise public spending on

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healthcare, crime, national defence, education and supporting the national economy during the global downturn. Half of Australians put supporting the national economy on an equal footing with tackling climate change, 37 per cent say the economy is more important while 13 per cent think tackling climate change is more important.

Paulo Maia, Chief Executive Officer of HSBC in Australia, said: “Australians are concerned about climate change and it’s patent they want to see a deal at the Copenhagen meeting in December that establishes a strong and effective policy framework to tackle climate change, including a firm global commitment to emissions reductions.”

The HSBC Climate Confidence Monitor 2009 also revealed:

- ***Emerging v Developed Markets:*** For the third year running, there is a stronger desire for action in emerging markets than in the developed world. In Brazil, 86 per cent and in Mexico, 83 per cent believe it is very important that a deal in Copenhagen is reached. Globally only two per cent of people feel a new climate deal isn’t important at all.
- ***Climate Change v other global issues:*** In a year that brought media headlines of pandemic flu and economic meltdown, a third of all respondents (34 per cent) believe climate change is one of the biggest issues they worry about today in comparison with global economic stability, terrorism, violence, pandemic disease, global poverty, natural disasters and social breakdown.
- ***Personal commitment to low carbon choices:*** Commitment to reduce personal impact on climate change by adapting lifestyle choices rose four percentage points from 2008 to 36 per cent this year. In particular, France and Mexico show increases in commitment of at least 15 percentage points in the past 12 months. The most popular steps people are taking to reduce their carbon footprint are recycling, turning off electronic equipment and using energy-saving light bulbs. People living in India, China and France claimed to be most active in making low-carbon lifestyle choices.

Maia said: “We look to the Copenhagen meeting to create a framework for a low carbon economy that will allow emerging markets to continue to prosper and create attractive investment opportunities for businesses worldwide.”

Steve Howard, Chief Executive of the Climate Group commented: “This survey has shown that, as in other countries, the vast majority of Australians think that Australia should meet or exceed the 50-80 per cent cuts in emissions that scientists say we need. We know that these cuts in emissions are not only achievable but also can unlock the kind of investment and job creation around the world that can help re-inflate the global economy. Negotiators and politicians have a clear mandate to produce an ambitious deal at Copenhagen.”

The Climate Confidence Monitor is part of the HSBC Climate Partnership’s aim to raise awareness of climate change issues and to facilitate action to address them. For more information on the results of the research, visit www.hsbc.com/climateconfidencemonitor

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Notes to editors

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1. HSBC Climate Partnership

The HSBC Climate Partnership is a five-year partnership between HSBC, The Climate Group, Earthwatch, Smithsonian Tropical Research Institute and WWF. The partnership aims to combat the urgent threat of climate change by inspiring individuals, businesses and governments worldwide to tackle its impacts on people, forests, water and cities.

Achievements include:

- In 2009, The Climate Group launched the Hong Kong Carbon Reduction Campaign – the first cross-industry effort promoting a low-carbon lifestyle to HSBC employees; co-founded the Mumbai Energy Alliance to implement large-scale energy efficiency projects to reduce the city's energy costs and carbon footprint; and convened Climate Week NYC, a high-profile platform for business, government and citizens to voice their support for a global deal in Copenhagen.
- Since the launch of the HSBC Climate Partnership, Earthwatch has opened five Regional Climate Centres where, to date, almost 1000 HSBC Climate Champions have worked alongside leading scientists to investigate the impacts of climate change on forests and design workplace projects that help HSBC embed sustainable business practice.
- The Smithsonian Tropical Research Institute has implemented a vast global field experiment encompassing nearly 2,000 ha of forest and 3.5 million trees. Across this area that spans 34 countries, STRI is studying the landscape at the scale of individual trees to quantify the benefits – such as carbon storage and water regulation – of forests in a changing climate.
- WWF is working with the Chinese government to extend the work on the central and lower Yangtze Protected Area network to the entire Yangtze River. This will incorporate over 150 protected areas, and the network will be used to provide basin resilience to the impacts of climate change.

3. Background on the research

The Climate Confidence Monitor research was carried out by Lightspeed and analysed by Globescan. It was based on a 10 question online survey. A minimum of 1,000 respondents were surveyed in 12 markets: Respondents selected to be nationally representative in Australia, Canada, France, Germany, the UK and USA. Distribution in Brazil, China, Hong Kong, India, Malaysia and Mexico is representative of the online population in those countries.

3. HSBC Bank Australia

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