

## California AB 1305 Compliance Statement

This statement is meant as a guide to where the disclosure required by California's Voluntary Carbon Market Disclosures Act ("AB-1305") can be found throughout the [Annual Report and Accounts 2023](#) ("Annual Report") of HSBC Holdings plc (the "Company" or "we"/ "our" as the context requires below) and certain other Company environmental, social and governance ("ESG") reports ([link](#)). The information in the table below is not intended to fulfill the Company's AB-1305 disclosure obligations by itself; such disclosure is located throughout the Annual Report and other documents as noted in the table.

The following is a summary of the statements regarding net-zero and emissions reduction made by the Company throughout the Annual Report and other materials. We refer you to those documents where these claims are outlined in full (including interim steps related to the claims).

- Ambition to achieve net zero in our financed emissions by 2050
- Ambition to achieve net zero in our own operations and supply chain by 2030
- Ambition of providing and facilitating between \$750bn and \$1tn of sustainable finance and investment by 2030
- Ambition of HSBC Asset Management to reach net zero emissions by 2050 across all of its assets under management

The Company's AB 1305 disclosures should be understood in the context of its overall approach to the disclosure of climate-related financial risks, which includes the following:

- The Company has made disclosures consistent with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in preparing its annual report, with certain exceptions as noted on pages 440-443 of the Annual Report.
- Pages 69-74 of the Annual Report include a table providing high-level TCFD-related disclosures, as well as cross-references to other sections of the report that provide further detail of TCFD disclosures.
- The Company also reports against the core World Economic Forum "Stakeholder Capitalism Metrics" and the Sustainability Accounting Standards Board ("SASB") metrics, as noted on page 43 of the Annual Report.
- Additional data in relation to the Company's climate-related disclosure, as well as an index identifying where SASB-related disclosure is located, is published in an ["ESG Datapack"](#) on the Company's website.

AB-1305 Disclosure Category	Location in 2023 Annual Report or other HSBC materials
How the Company's claims regarding its net-zero emissions goals are determined to be accurate	<ul style="list-style-type: none"> <li>Information regarding the Company's governance of climate-related matters and methodologies with respect to measuring GHG emissions and reduction targets are contained throughout the annual report, including pages 44-74, 88 and 221-225 of the Annual Report.</li> <li>Information regarding the Company's 2050 net zero ambition is included in the Annual Report.</li> <li>In addition, as noted below in this table, certain categories of the Company's emissions data are subject to limited third party assurance.</li> <li>Information regarding how HSBC originates, reports, tracks and monitors its sustainable finance and investment activities is included in <a href="#">HSBC's USD750 bn-USD 1 tn Sustainable Financing and Investment Ambition - Data Dictionary 2023</a> (the "Sustainable Finance Data Dictionary").</li> <li>Information regarding how HSBC Asset Management continues to work towards its ambition of reducing scope 1 and 2 financed emissions intensity by 58% by 2030 for 38% of its total assets under management is located on page 62 of the Annual Report. Further information regarding HSBC Asset Management's ambition is available on <a href="#">Creating a new climate for change</a></li> </ul>
How interim progress toward the company's net zero goals is being measured	<ul style="list-style-type: none"> <li>Details regarding how the Company manages and measures progress towards its net zero ambitions are located throughout the ESG section of the Annual Report (pages 41-74).</li> <li>Details regarding how the Company's sustainable finance and investment activities support its customers' transition to net zero and a sustainable future are located on pages 49-52 of the Annual Report, and information regarding how the Company tracks and monitors these financing activities is included in the Sustainable Data Dictionary as well as the <a href="#">policies and frameworks</a> relevant to specific finance transaction categories.</li> <li>Information regarding how HSBC Asset Management continues to work towards its ambition of reducing scope 1 and 2 financed emissions intensity by 58% by 2030 for 38% of its total assets under management is located on</li> </ul>

	<p>page 62 of the Annual Report. Further information regarding HSBC Asset Management's ambition is available on <a href="#">Creating a new climate for change</a></p>
Identification of the company's science-based targets for its emissions reduction pathway	<ul style="list-style-type: none"> <li>• The Company's 2030 operations and supply chain net zero ambition, its interim 2030 targets for certain financed emissions sectors, and its ambition to align financed emissions to net zero by 2050, are discussed throughout the ESG section of its Annual Report (pages 41-74), in particular: <ul style="list-style-type: none"> <li>○ Page 45 (description of the Company's transition approach and net zero targets)</li> <li>○ Pages 53-62 (description of the Company's financed emissions targets and how these are set, managed and reported)</li> <li>○ Pages 63-64 (how the Company addresses and measures emissions from its own operations and supply chain)</li> </ul> </li> </ul>
Disclosure of relevant sector methodology used for the company's science-based targets and emissions pathway	<ul style="list-style-type: none"> <li>• Information regarding the sectors covered by the Company's financed emissions targets, including the scenarios used to set these targets and how progress is measured, is located on pages 53-62 of the Annual Report.</li> <li>• Information regarding the company's overall climate scenario analysis is located on pages 225-230 of the Annual Report.</li> </ul>
Whether there is independent third-party verification of the company data and claims listed	<ul style="list-style-type: none"> <li>• Information regarding independent limited assurance is located on page 43 of the Annual Report (linked below): <ul style="list-style-type: none"> <li>• <a href="#">Green bond assurance report 2023</a></li> <li>• <a href="#">Sustainable finance</a></li> <li>• <a href="#">Financed emissions for 2023</a></li> <li>• <a href="#">Scope 1, 2 and certain scope 3 emissions (business travel) and supply chain emissions data</a></li> <li>• <a href="#">2019 baseline for financed emissions for our asset management business</a></li> </ul> </li> </ul>

## **Important notice**

The information, statements and opinions set out in this document are for informational and reference purposes only and do not constitute a public offer for the purposes of any applicable law or an offer to sell or solicitation of any offer to purchase any securities or other financial instruments or any advice or recommendation in respect of such securities or other financial instruments.

This document, which does not purport to be comprehensive nor render any form of legal, tax, investment, accounting, financial or other advice, has been provided by HSBC Holdings plc (together with its consolidated subsidiaries, the “Group”) and has not been independently verified by any person. You should consult your own advisers as to legal, tax investment, accounting, financial or other related matters concerning any investment in any securities. No responsibility, liability or obligation (whether in tort, contract or otherwise) is accepted by the Group or any member of the Group or any of their affiliates or any of its or their officers, employees, agents or advisers (each an “Identified Person”) as to or in relation to this document (including the accuracy, completeness or sufficiency thereof) or any other written or oral information made available or any errors contained therein or omissions therefrom, and any such liability is expressly disclaimed.

No representations or warranties, express or implied, are given by any Identified Person as to, and no reliance should be placed on, the accuracy or completeness of any information contained in this document, any other written or oral information provided in connection therewith or any data which such information generates. No Identified Person undertakes, or is under any obligation, to provide the recipient with access to any additional information, to update, revise or supplement this document or any additional information or to remedy any inaccuracies in or omissions from this document. Past performance is not necessarily indicative of future results. Differences between past performance and actual results may be material and adverse.

## **Forward-looking statements**

This communication contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements may be identified by the use of terms such as ‘expects,’ ‘targets,’ ‘believes,’ ‘seeks,’ ‘estimates,’ ‘may,’ ‘intends,’ ‘plan,’ ‘will,’ ‘should,’ ‘potential,’ ‘reasonably possible’ or ‘anticipates,’ variation of these words, the negative thereof or similar expressions. HSBC has based the forward-looking statements on current plans, information, data, estimates, expectations and projections about future events, and therefore undue reliance should not be placed on them. These forward-looking statements are subject to risks, uncertainties and assumptions about us, as described under ‘Cautionary statement regarding forward-looking statements’ and ‘Additional cautionary statement regarding ESG and climate-related data, metrics and forward-looking statements’ contained in the HSBC Holdings plc Annual Report on Form 20-F for the year ended 31 December 2023, filed with the Securities and Exchange Commission (‘SEC’) on 22 February 2024 (the ‘2023 Form 20-F’) and in other reports on Form 6-K furnished to or filed with the SEC subsequent to the 2023 Form 20-F (‘Subsequent Form 6-Ks’). HSBC undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed herein might not occur. Investors are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their dates. Additional information, including information on factors which may affect the Group’s business, is contained in the 2023 Form 20-F and Subsequent Form 6-Ks.