

THE FINANCIAL SERVICES TASKFORCE: PART OF HRH'S SUSTAINABLE MARKETS INITIATIVE

At His Royal Highness The Prince of Wales' invitation, executives from a number of the world's largest banks have come together as members of the Sustainable Markets Initiative's (SMI) Financial Services Task Force* (FSTF) to work on meaningful and actionable plans to help accelerate the world's transition to a sustainable future.

HRH launched the SMI at the World Economic Forum's annual meeting in Davos in January 2020. The SMI is a network of global business leaders and others committed to creating truly sustainable markets through the integration of natural, social, and financial capital. A crucial element of the SMI's work is to help shape responsible transition pathways in order to decarbonise economies, support Nature-positive solutions and achieve net-zero greenhouse gas (GHG) emissions by the second half of the century, in line with the Paris Agreement.

The financial services industry plays an important role in this transition to a net-zero economy. Recognising this, FSTF member organisations are committed to mobilising finance, and working with customers to support their transition.

In coordination with other SMI Task Forces, the FSTF will focus its attention on the following areas ahead of the 26th UN Climate Change Conference of the Parties (COP26) in November 2021:

1. **Net-zero carbon emissions:** Building on the ongoing efforts of its members and the broader sector, the FSTF will look to define a credible pathway for how banks can achieve net zero. In partnership with our clients and external stakeholders, the group will also work to advance industry best practices, engage across industries to help accelerate the transition to a net-zero economy, and report publicly on progress of this work in the lead up to COP26.
2. **Accelerating investment into sustainable infrastructure:** The FSTF aims to accelerate the flow of private investment into sustainable infrastructure projects. The group will identify and recommend initiatives and solutions that will remove barriers and can scale investment into sustainable finance projects around the world.
3. **Climate solutions:** Carbon markets, coupled with overall emission reductions, are a critical component in order to achieve a net-zero economy. Building on the work of the Taskforce on Scaling Voluntary Carbon Markets, the FSTF will support the development of a deep and liquid global market for carbon credits, generated by high quality projects, and provide a clear collective demand signal that finance stands ready to accelerate the flow of capital towards all forms of emissions reduction, avoidance and removal projects globally.

Significant work is already underway in many of these areas. The FSTF will look to build on and promote such efforts, aiming to accelerate the pace of change and deliver ambitious and meaningful progress.

The FSTF will keep national and global policy and decision-makers updated on its activities throughout the year.

As His Royal Highness recently underscored, 'the clock is ticking'. COP26 marks a pivotal moment in the fight against climate change. We are committed to playing our part.

HRH The Prince of Wales said: "In launching the Sustainable Markets Initiative last year, my aim was to convene global leaders, as part of a 'Coalition of the Willing', from across industries and almost every sector of the economy. The Financial Services sector has a vital role to play as a catalyst and driver for change across other industries. I am delighted that the Financial Services Task Force has come together under the S.M.I. umbrella to identify ways to set our planet on a fundamentally more sustainable trajectory."

Chairman of the FSTF and Group Chief Executive of HSBC, Noel Quinn said on behalf of the Task Force: “Climate change is bigger than any institution or industry. In coming together, we recognise the critical role our organisations play in the fight against it. The Financial Services Task Force is committed to accelerating efforts within the banking sector, recognising its catalytic role across all industries, to move towards a net-zero economy.”

**The Financial Services Task Force operates as an industry sub-group of the SMI, and is chaired by Noel Quinn, Group Chief Executive of HSBC. Its members are drawn from across the banking industry, and include Bank of America, Barclays Plc, BNP Paribas, Citi, Coutts, Credit Suisse, J.P. Morgan, Lloyds, Macquarie, NatWest Group and Standard Chartered Bank.*