Climate groups' revenue hits $300bn
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Published: October 8 2008 03:00 | Last updated: October 8 2008 03:00

Companies providing goods and services that tackle climate change now form a bigger industry grouping than the global software and biotechnology sectors combined, according to new research.

Global annual revenues from such businesses - which include renewable energy companies, nuclear power and energy management specialists - have surpassed $300bn for the first time, HSBC's global banking and markets research team have found.

HSBC said that 390 companies around the world could now be classed as providing goods or services that tackle climate change, up from 300 companies a year ago and about 166 in early 2004.

"During the last year we've seen a massive growth in the number of companies providing goods and services designed to address climate change," said Joaquim de Lima, global head of quant research for equities at HSBC. "This demonstrates that companies are taking the issue seriously and are willing to adapt their businesses to the challenges."

That had not been uncovered before, because companies providing climate change products are not normally considered together, but are spread across many existing sector categories.

The companies include large multinationals such as Siemens and Philips, which are usually considered as general industrials; large renewable energy companies, such as Vestas and Suzlon, the Danish and Indian maker of wind turbines; and a large number of smaller start-ups, such as energy management software specialists.

But the HSBC index of climate change companies excludes those that derive only a small proportion of their revenues from low-emissions products or services. The company's index was designed to help investors gain exposure to companies that are expected to profit from dealing with climate change. HSBC said there was now a "clearly identifiable sector".

The UK-listed global bank's index represented about 4 per cent of global market capitalisation in September, up from about 2.5 per cent last year.

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