

HSBC Wealth and Personal Banking

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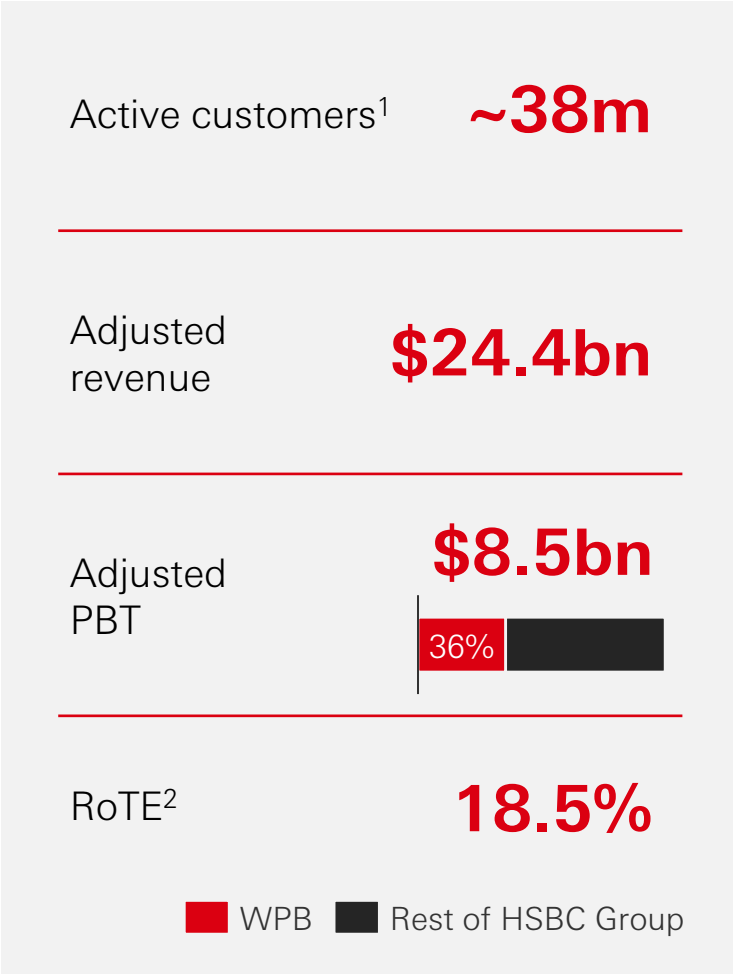


We run a profitable franchise across retail and wealth with significant scale and a clear strategy in full execution mode

Our strategic priorities



Scale across key metrics (FY22)



Figures in this presentation are prepared using our prior financial reporting framework on an IFRS 4 basis for the fiscal year ending 31 December 2022 as published in HSBC Holdings plc's Annual Report and Accounts 2022. Effective from 1 January 2023, the Group has adopted a new financial reporting framework which no longer excludes significant items from 'adjusted performance' and reflects the adoption of IFRS 17. Constant currency performance is computed by adjusting comparative reported results for the effects of foreign currency translation differences, with 'notable items' being disclosed separately. A reconciliation between adjusted and reported financial metrics can be found on slide 6.

We have made strong progress delivering on our wealth ambition in 2022



Continue to attract new funds



Grow wealth revenues by high single digits



Hire >5k front line staff by 2025 in Asia

1

Attracted **\$80bn** in global net new invested assets, of which **\$59bn** were in Asia, leading to a global total of **\$1tn** of invested assets

2

+9% YoY global wealth revenue and **+5% YoY** Asia wealth revenue on an IFRS 4 basis and excluding insurance market impacts³

3

Increased our front line staff by **>1.9k** since commencement of the programme

We continue to expand our wealth offering across key Asian markets to capture the wealth opportunity

Mainland China

- ◆ Completed acquisition of remaining 50% equity interest in **HSBC Life China**
- ◆ Grew **Global Private Banking** (GPB) business and expanded footprint to six cities, becoming the first international bank to set up dedicated private banking services in western China
- ◆ Expanded **Pinnacle** presence to six cities, with c.1,300 Personal Wealth Planners in role

India

- ◆ Completed acquisition / integration of **L&T Investment Management** (LTIM), expanding our asset management presence
- ◆ **GPB India** expected to launch in July 2023



Hong Kong

- ◆ Launched **Family Office** proposition, giving UHNW clients direct access to HSBC's investment banking capabilities and bespoke solutions. Proposition also available in Singapore

Singapore

- ◆ Expanded our insurance presence with the integration of **AXA Singapore** and establishment of **HSBC Life Singapore**
- ◆ Introduced new segment coverage with the launch of an **Independent Asset Manager** (IAM) desk in the Private Bank
- ◆ Launched Asset Management **direct real estate team** to build out our alternatives business

We are on the path to becoming the most recommended bank for International customers

Launched Global International proposition in 1Q23, underpinned by six customer promises and one global campaign



1

Make it simple to open an international account

2

Provide access to credit when relocating

3

Simplify cross-border banking



4

Help me plan for my future

5

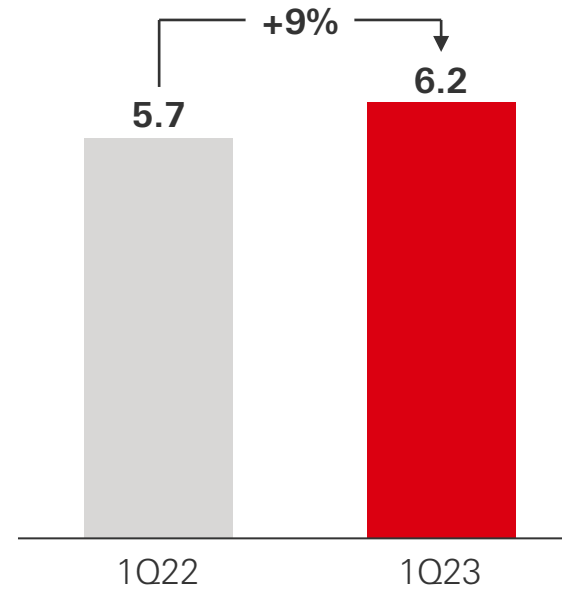
Support me globally

6

Beyond Banking

Fastest growing segment in WPB⁴...

International active customers⁴, m



+33% YoY International new to bank customer growth^{4, 5}

c.2x Average International customer revenue vs. domestic customers^{4, 6}

...with differentiating international capabilities now live

- ◆ Digital international account opening allowing accounts to be opened digitally 'pre departure'
- ◆ International credit decisioning allowing credit history to be transferred across borders for decisioning
- ◆ Global Money transfers providing easy, quick and competitively priced international payments

...and a continued evolution of the proposition to support key archetypes and diasporas



International students and parents



International investors

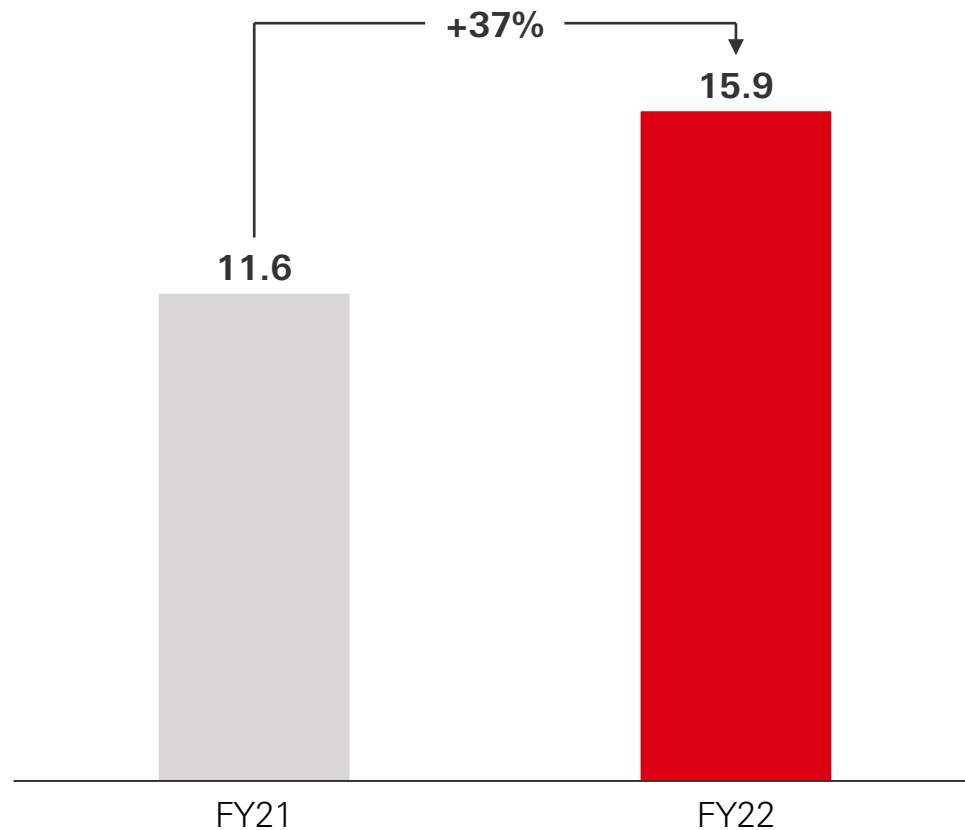


Non-resident Indians and overseas Chinese diasporas

We are delivering significant growth in our Payments & Lending business by further improving our capabilities

Strong growth in payments and lending

Personal Banking adjusted revenue, \$bn



Growth drivers



- ◆ **Digital account opening** launched in Singapore & HK, with the UK and the UAE expected to go live later in the year. Customers can complete their application in less than 5 minutes, with instant account usage and mobile registration



- ◆ **Personal Financial Management (PFM)** launched in the UK and HK, delivering 2x better customer engagement



- ◆ **New credit card growth** of c.50% and card spend increase of 20%⁷



- ◆ **TravelOne credit card launched** in May 2023 in Singapore, Malaysia and Vietnam with an extensive selection of airline and hotel reward partners



- ◆ **Digital mortgage journeys** launched in the UK, Hong Kong, mainland China, India and Malaysia, delivering up to 90% of mortgage volume through the new journeys



- ◆ **Global Money** is live in 8 markets with 650k+ customers

- ◆ **PayMe** reached 3 million customers with 76% market share⁸ of the peer-to-peer payments market in Hong Kong alongside fast growth in the peer-to-merchant space

Reconciliation of adjusted and reported financial information

\$m	FY22	FY21
WPB adjusted revenue	24,367	20,963
Significant items	(2,170)	2
FX translation differences	—	1,152
WPB reported revenue	22,197	22,117
Memo: WPB revenue (IFRS 17 basis)	21,103	n/a

\$m	FY22	FY21
WPB adjusted PBT	8,533	6,721
Significant items	(2,493)	(901)
FX translation differences	—	313
WPB reported PBT	6,040	6,133
Memo: WPB PBT (IFRS 17 basis)	5,588	n/a

- ◆ From 1 January 2023 HSBC has adopted changes to the presentation of its financial results, including the adoption of IFRS 17 'Insurance Contracts'. 'Adjusted performance' no longer excludes the impact of significant items, reported results are instead adjusted only for the effects of foreign currency translation differences between periods. Separately disclosed are 'notable items' which are components of our income statement which management and investors would consider as outside the normal course of business and generally non-recurring in nature
- ◆ Applicable targets and guidance have been recalibrated to reflect the impact of the above changes

Footnotes

1. Customer numbers exclude those acquired through our purchase of L&T Investment Management
2. Excludes significant items
3. FY22 YoY negative insurance market impacts were \$1.4bn. Including insurance market impacts, global wealth revenue declined 8% and Asia wealth revenue declined 20%. FY22 IFRS 17 global reported wealth revenue was \$6.9bn
4. WPB international customers comprises customers who are either multi-country, non-resident or resident foreigners within our International markets in the UK, Hong Kong, Canada, the US, India, Singapore, Malaysia, UAE, Australia, mainland China and CIOM. Multi-country are those customers who bank with HSBC in more than one market; Non-Resident customers are those whose address is different from the market we bank them in; Resident Foreigners are customers whose nationality, or country of birth is different to the market we bank them in. Note, customers may be counted more than once when banked in multiple markets
5. 1Q22 vs. 1Q23
6. Multiple as of FY22
7. April 2023 YTD versus April 2022 YTD
8. Data as of May 2023

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Additional detailed information concerning important factors, including but not limited to ESG related factors, that could cause actual results to differ materially from this Presentation is available in our Annual Report and Accounts for the fiscal year ended 31 December 2022 filed with the Securities and Exchange Commission (the “SEC”) on Form 20-F on 22 February 2023 (the “2022 Form 20-F”) and our 1Q 2023 Earnings Release furnished with the SEC on Form 6-K on 2 May 2023 (the “1Q 2023 Earnings Release”).

Alternative Performance Measures

This Presentation contains non-IFRS measures used by management internally that constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with SEC rules and regulations (“Alternative Performance Measures”). The primary Alternative Performance Measures we use are presented on a “constant currency” basis which is computed by adjusting comparative period reported results for the effects of foreign currency translation differences, which distort period-on-period comparisons.

Reconciliations between Alternative Performance Measures and the most directly comparable measures under IFRS are provided in the 1Q 2023 Earnings Release, which is available at www.hsbc.com.

Information in this Presentation was prepared as at 14 June 2023.

