Who we are

- A leading global integrated bancassurer
- Presence in 9 markets (4 in Asia¹)
- Serving customers across retail, wealth, corporate/SME and private bank
- Offering products that meet protection, health, savings, investment, retirement and legacy planning needs
- Complementary products from strategic partners in 30 markets
- Key pillar of our Asian Wealth strategy

Our purpose

Opening up a world of opportunity

Our ambition

To build the pre-eminent Health & Wealth Insurance Platform in Asia

Our strategy

Focus on our strengths
Digitise at scale
Energise for growth
Transition to net zero

FY21 Business highlights

- Completed acquisition of AXA Singapore in Feb 2022
- Received regulatory approval for 100% ownership in HSBC Life China
- Market leadership in HK²
- Market share gains in other key markets (China, Singapore, India, UK and Mexico)³
- Scaled up our flagship health and wellness platforms in HK: Well+, Benefits+, Hang Seng Olive
- Expanded Pinnacle Venture to 5 cities in mainland China with c. 700 Personal Wealth Planners⁴
- Increased remote advice and digital fulfillment capabilities
FY21 key financials

Financial results for the Insurance business are prepared on the current IFRS 4 basis and, as such, do not reflect any potential impacts of IFRS 17 ‘Insurance Contracts’, which is effective from 1 January 2023

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY21</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td>$145bn</td>
<td>$138bn</td>
</tr>
<tr>
<td><strong>Manufacturing PBT</strong></td>
<td>$2.1bn</td>
<td>$1.4bn</td>
</tr>
<tr>
<td><strong>Embedded Value</strong></td>
<td>$17.0bn</td>
<td>$15.4bn</td>
</tr>
<tr>
<td><strong>Gross Premium Income</strong></td>
<td>$11.4bn</td>
<td>$10.5bn</td>
</tr>
<tr>
<td><strong>Value of New Business</strong></td>
<td>$1,090m</td>
<td>$776m</td>
</tr>
<tr>
<td><strong>Annualised New Business Premiums</strong></td>
<td>$2.9bn</td>
<td>$2.4bn</td>
</tr>
</tbody>
</table>

+ Denotes an alternative performance measure

FY21 manufacturing revenue by region, $m

- **Hong Kong incl. Hang Seng**: 68%
- **Other Asia**: 19%
- **Europe**: 7%
- **Americas**: 6%

$2,761m

FY21 distribution income by region, $m

- **Hong Kong incl. Hang Seng**: 47%
- **Other Asia**: 27%
- **Europe**: 17%
- **Americas**: 2%
- **MENAT**: 7%

$832m

Manufacturing markets + Bermuda Captive

<table>
<thead>
<tr>
<th>Asia</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>HK: HSBC</td>
<td>France</td>
</tr>
<tr>
<td>HK: Hang Seng</td>
<td>Mainland China7</td>
</tr>
<tr>
<td>Mainland China7</td>
<td>India7</td>
</tr>
<tr>
<td>Other Asia</td>
<td>Argentina</td>
</tr>
<tr>
<td>Americas</td>
<td>Mexico</td>
</tr>
</tbody>
</table>

Distribution markets

22 markets distributing only Partners’ products

- **Allianz**
- **Aviva**
- **AXA**
- **QBE**
- **MetLife**
- **Zurich**
## Financial highlights

Financial results for the Insurance business are prepared on the current IFRS 4 basis and, as such, do not reflect any potential impacts of IFRS 17 ‘Insurance Contracts’, which is effective from 1 January 2023.

### Adjusted profit before tax, $m

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: NII</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: market impacts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of profit in associates and JVs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Reported Embedded value^{5,6}, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported Embedded value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other net assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PVIF^{9}</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Insurance manufacturing sensitivities

#### 2021 Sensitivity to market risk factors

<table>
<thead>
<tr>
<th>Effect on profit after tax, $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>+100 basis point parallel shift in yield curves</td>
</tr>
<tr>
<td>-100 basis point parallel shift in yield curves</td>
</tr>
<tr>
<td>10% increase in equity prices</td>
</tr>
<tr>
<td>10% decrease in equity prices</td>
</tr>
</tbody>
</table>

### Adjusted income statement, $m

<table>
<thead>
<tr>
<th>Adjusted income statement, $m</th>
<th>FY21</th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,761</td>
<td>1,973</td>
<td>2,741</td>
</tr>
<tr>
<td>Of which: NII</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: market impacts</td>
<td>2,492</td>
<td>2,414</td>
<td>2,318</td>
</tr>
<tr>
<td>ECL</td>
<td>(20)</td>
<td>(78)</td>
<td>(70)</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(618)</td>
<td>(514)</td>
<td>(506)</td>
</tr>
<tr>
<td>Share of profit in associates and JVs</td>
<td>18</td>
<td>1</td>
<td>43</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>2,141</td>
<td>1,382</td>
<td>2,208</td>
</tr>
<tr>
<td>Memo: distribution income^{8}</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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\(^{5}\text{Reported ANP and VNB}\)

\(^{6}\text{Reported Embedded value}\)

\(^{9}\text{PVIF}\)
Annualised new business premiums
Commission income for selling HSBC manufactured insurance products and insurance products manufactured by third parties
Value of new business written
Expected credit losses
returns contained herein.

Forward-looking statements
This Presentation may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, strategy and business of the Group which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “plan”, “estimate”, “seek”, “intend”, “target” or “believe” or the negatives thereof or other variations thereon or comparable terminology (together, “forward-looking statements”), including the strategic priorities and any financial, investment and capital targets and any ESG related targets, commitments and ambitions described herein. Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market conditions, regulatory changes, the impact of the Covid-19 outbreak or as a result of data limitations and changes in applicable methodologies in relation to ESG related matters). Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, express or implied, are given by any Identified Person as to or in relation to this Presentation or any additional information or to remedy any inaccuracies in or omissions from this Presentation. Past performance is not necessarily indicative of future results. Differences between past performance and actual results may be material and adverse.

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 an “adjusted performance” basis which is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons. Significant items are those items which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the underlying trends in the business.
Reconciliations between Alternative Performance Measures and the most directly comparable measures under IFRS are provided in our 2021 Form 20-F, which is available at www.hsbc.com.

Information in this Presentation was prepared as at 28 March 2022, unless otherwise specified.

Footnotes:
1. Manufacturing markets include Hong Kong, China, Singapore, India, France, UK, Malta, Mexico and Argentina
2. Hong Kong Insurance Authority. Market shares and ranking based on ANP, HSBC Life HK and Hang Seng Insurance combined.
3. Market share gains are based off the following periods: FY21 vs FY20 in China (National Insurance Industry Communication Club. Ranking based on bancassurance ANP among 27 foreign JV players); FY21 vs FY20 in Singapore (Life Insurance Association of Singapore Statistics, ANP); April to December 2021 vs April to December 2020 in India (Insurance Regulatory and Development Authority of India; ANP Rank among private players only, Individual business only, relates to CHOICe, our 26% associate); 4Q21 vs 4Q20 in the UK (Association of British Insurers (ABI). Please note that not all Insurers are members of the ABI and the ANP ranking / market share based on data from ABI members); 4Q21 vs 4Q20 in Mexico based on Gross Written Premium (Comision Nacional de Seguros y Finanzas Mexico)
4. Data as of 31 December 2021
5. Metric excludes Canara HSBC OBC Life Insurance (“CHOICe”), 26% owned Indian associate
6. Embedded value is measured as the total IFRS equity of Insurance manufacturing operations.
7. Mainland China is a 50% owned joint venture, but consolidated as subsidiary for accounting purposes. India is a 26%-owned associate
8. Commission income for selling HSBC manufactured insurance products and insurance products manufactured by third parties
9. Present value of long-term in-force insurance contracts and investment contracts with discretionary participation features

Glossary
ANP Annualised new business premiums
BAU revenue Manufacturing revenue before market impacts
ECL Expected credit losses
Distribution revenue Commission income for selling HSBC manufactured insurance products and insurance products manufactured by third parties
VNB Value of new business written
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