



15 June 2017

Global Banking and Markets

Investor Update 2017

HSBC 

Important notice and forward-looking statements

Important notice

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Non-GAAP Financial Information

This presentation contains non-GAAP financial information. The primary non-GAAP financial measure we use is 'adjusted performance' 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 non-GAAP financial measurements and the most directly comparable measures under GAAP are provided in the HSBC Holdings plc Annual Report and Accounts 2016 and the 'Reconciliations of Non-GAAP Financial Measures' document, both of which are available at www.hsbc.com. Note, however, that the global businesses are considered our reportable segments under IFRS 8 and their results are assessed by the chief operating decision maker on the basis of adjusted performance. We therefore present these results on an adjusted basis as required by IFRS. Reconciliations from reported to adjusted results by global business are presented for information purposes only.

Agenda for the day

Presenters

Introduction		9:35AM – 9:40AM	Samir Assaf and Gerard Mattia
1	Industry and Global Banking & Markets overview	9:40AM – 10:00AM	
2	GB&M clients and businesses	10:00AM – 10:20AM	Business Heads: Robin Phillips, Matthew Westerman Diane Reyes, Thibaut De Roux, and Cian Burke
	Break	10:20AM – 10:40AM	
	GB&M clients and businesses	10:40AM – 11:00AM	
3	Outlook	11:00AM – 11:20AM	Samir Assaf and Gerard Mattia
Q&A		11:20AM – 11:45PM	
Lunch		11:45PM – 1:00PM	
Appendix			

Progress since June 2015 Investor Update

Major Strategic actions	Outcome by 2017	Progress so far
Actions to return to Group target profitability		
Reduce RWAs	<ul style="list-style-type: none"> GB&M¹ - gross reduction US\$100bn² and net reduction US\$64bn Legacy - gross US\$40bn reduction 	<ul style="list-style-type: none"> GB&M - US\$99bn gross reduction and net US\$56bn as of 1Q17 Legacy - US\$23bn gross reduction as of 1Q17³
Keep costs flat	<ul style="list-style-type: none"> US\$1.1bn in run rate savings 	<ul style="list-style-type: none"> c.US\$500m run rate savings by end 2016 On track to deliver US\$1.1bn in run rate savings by end 2017
Revenue growth	<ul style="list-style-type: none"> Mid-single digit revenue growth from 2014 to 2017 CAGR 	<ul style="list-style-type: none"> 5% CAGR from 2014 to 2016
RoRWA	<ul style="list-style-type: none"> 2.5% RoRWA⁴ 	<ul style="list-style-type: none"> 1Q17 RoRWA of 2.3%

1. Previously defined as Client Facing GB&M in 2015 Investor Update
 2. June 2015 Investor update gross reduction of US\$140bn updated to US\$100bn and net reduction of US\$130bn updated to US\$64bn as legacy credit has moved to Corporate Centre, re-segmentation and adjusted at 1Q17 FX rate
 3. Legacy now reported in Corporate Centre
 4. Certain internal costs with the Group are now allocated to Global Businesses, notably the cost of MREL debt and Corporate Centre costs. The RoRWA including these allocations would be 2.2%

Distinctive business model

Distinctive GB&M business model

- Client-base with equal mix of corporates and financial institutions
- Diversified and broad wholesale product offering
- Diversified global footprint geared to growth markets

Greater revenue predictability given relatively low volatility

Historical growth outperforming the peer group

Re-affirming investor commitments

Revenue Mid single digit growth

Operating Costs Positive adjusted Jaws

Capital Further US\$20bn+ RWA reduction¹

Returns **RoRWA > 2.5%²**

1. Gross RWA reduction

2. Certain internal costs with the Group are now allocated to Global Businesses, notably the cost of MREL debt and Corporate Centre costs. The RoRWA including these allocations would be 2.2%

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Presenters



Samir Assaf
Chief Executive Officer
Global Banking & Markets



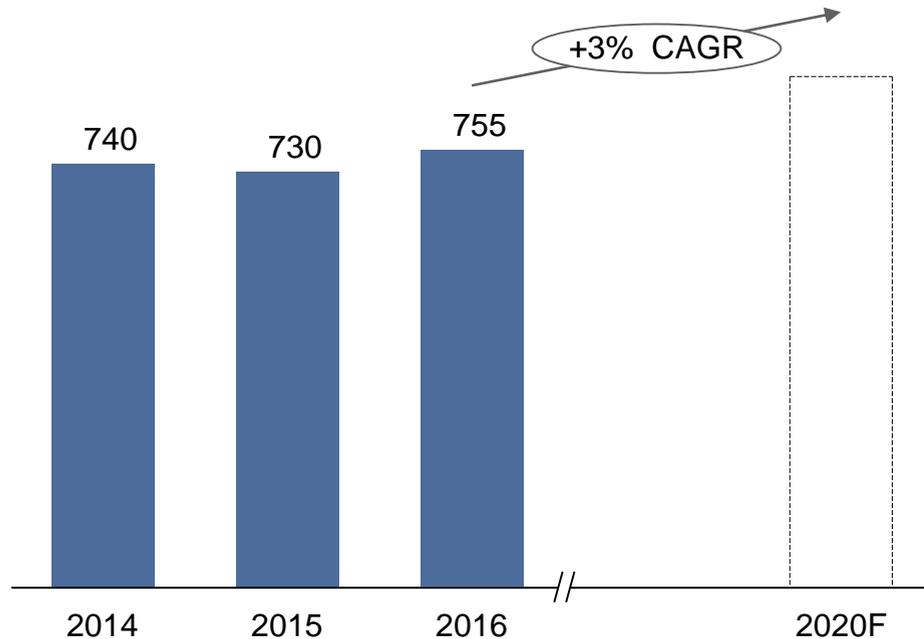
Gerard Mattia
Chief Finance Officer
Global Banking & Markets

Industry

Banking industry wholesale revenues forecast to grow with improving returns

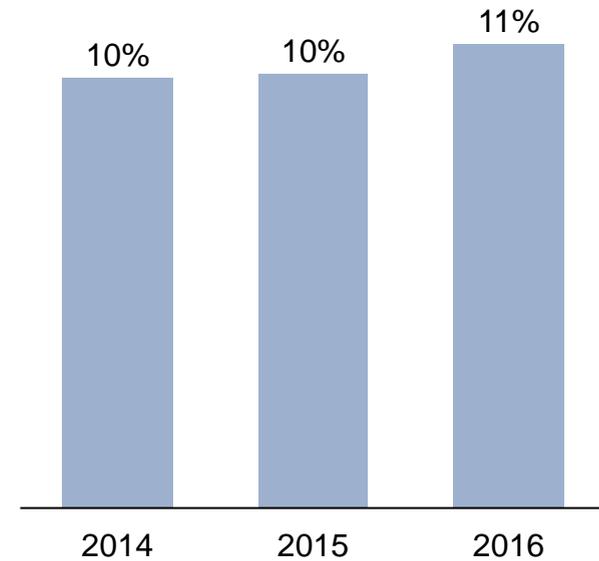
Banking Industry wholesale Revenue¹

2014-20F, US\$bn



Banking Industry wholesale RoE²

2014-16, %



Source: Oliver Wyman analysis

1. Revenue pools include FICC and Equities Sales & Trading revenues, Investment Banking, Transaction Banking, Security Services and Lending. Client scope includes all Corporate clients >\$500m turnover, Institutional and public Sector clients. Excludes fines and non-core businesses, write downs, CVA and DVA charges
2. Return on equity is shown post-tax (32% tax rate assumed)

Regulatory changes – post-crisis policies near finalisation

Regulatory change outlook

Capital and liquidity

- Net Stable Funding Ratio (NSFR)
- Fundamental Review of the Trading Book (FRTB)
- Standardised Approach to Counterparty Credit Risk (SACCR)
- IFRS 9

Structural Reform and Resolution

- UK ring-fencing - 2019
- Brexit - 2019
- Dodd-Frank/Volcker – under review
- Recovery & Resolution
- Minimum Requirement for own funds and Eligible Liabilities (MREL)

Execution and clearing

- Execution and clearing regulations¹ – largely embedded
- Trade reporting regulations² – largely embedded
- Margin requirements for uncleared derivatives – phase-in

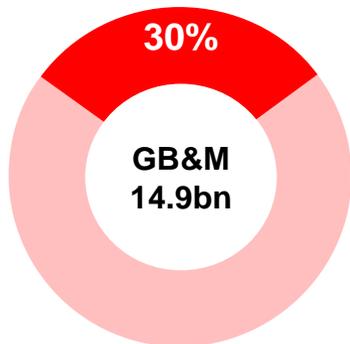
1. Markets in Financial Investments - MiFID II, European Markets Infrastructure Regulation and Dodd-Frank

2. Markets in Financial Investments - MiFID II

GB&M represents circa one third of HSBC Group

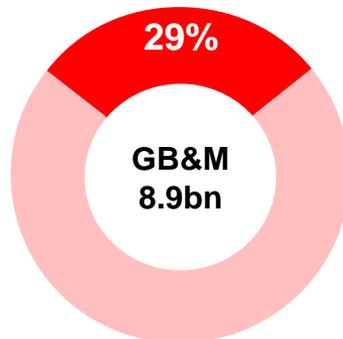
Revenue¹

2016 – US\$



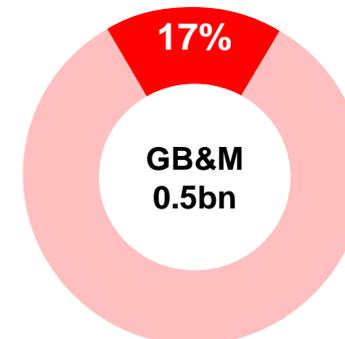
Operating Costs¹

2016 – US\$



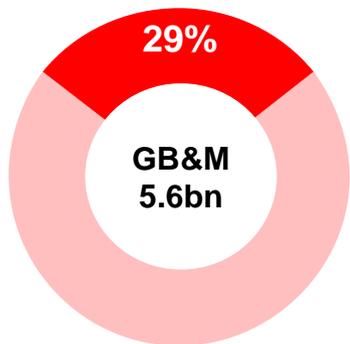
LICs¹

2016 – US\$



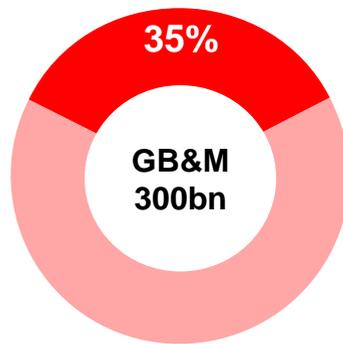
Profit Before Tax¹

2016 – US\$



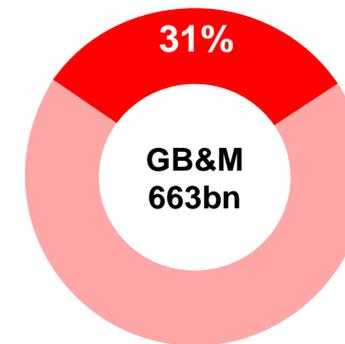
RWAs

2016 – US\$



External Assets²

2016 – US\$



■ Group excl. GB&M ■ GB&M

Further asset break-down provided in Appendix

Note: Numbers may not add up due to rounding

1. On an adjusted basis as disclosed in the HSBC Holdings plc Annual Report and Accounts 2016

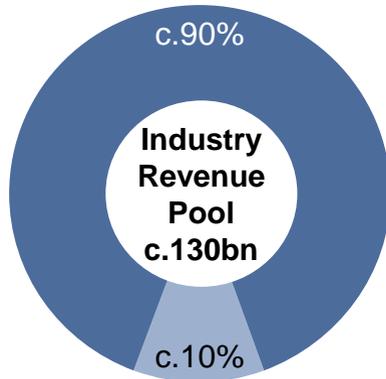
2. GB&M External assets after derivative netting. For further details see appendix

GB&M is focused where it has sustainable competitive advantages

■ HSBC GB&M focus areas

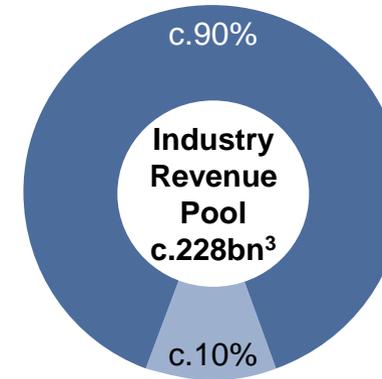
Global Markets¹

2016 – US\$



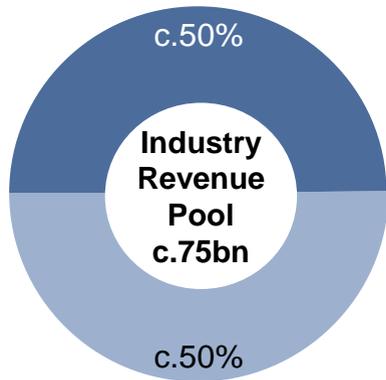
Global Liquidity & Cash Management²

2016 – US\$



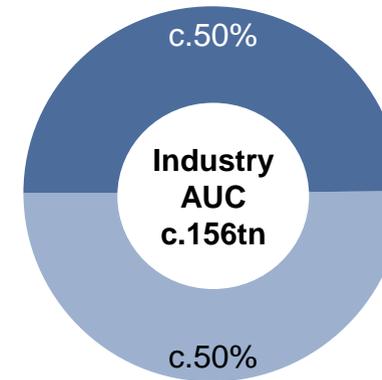
Financing & Advisory⁴

2016 – US\$



Securities Services⁵

2016 – US\$



1. Source: Coalition. Peer group: Bank of America Merrill Lynch, Barclays, BNPP, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Société Générale and UBS. Coalition results are based upon HSBC's product taxonomy and include all Institutional clients and Corporates with a turnover of greater than US\$1.5bn. HSBC GB&M focus areas refers to Global revenues ex Japan, ex America Cash Equities and Core Prime Brokerage and ex Australia and New Zealand Equities

2. Source: Oliver Wyman 2016 analysis. HSBC GB&M focus areas refers to Europe, Americas (Canada, US, Mexico, Argentina, Chile and Uruguay), Asia and MENA, excludes Africa

3. Source: Oliver Wyman; Total market refers to 2016 revenues including Payments, Receivables / Collections, Commercial Cards, Interest income, Liquidity Management and Account Management. Does not include payments linked FX

4. Source: Dealogic Global IB Adjusted Fee League tables 2016; HSBC GB&M focus areas exclude: M&A - fees originating from US, Japan & Australia; ECM - US, Japan, Australia, Canada & China A Shares; DCM - Japan & Chinese Onshore; LOAN - US & Japan

5. Source: EY and internal HSBC analysis 2016; HSBC GB&M focus areas refer to global AuC excluding US domestic market and Africa

GB&M - Competitive advantages

Sustainable competitive advantages generating historically stable and recurring revenues

Group Advantages

Balance Sheet Strength

Strong capital position, highly liquid and highly rated

Universal Banking Model

Four global businesses

International Network

International network covers >90% of global trade and capital flows



GB&M Advantages

1 Clients¹

Client-base with equal mix of corporates and financial institutions

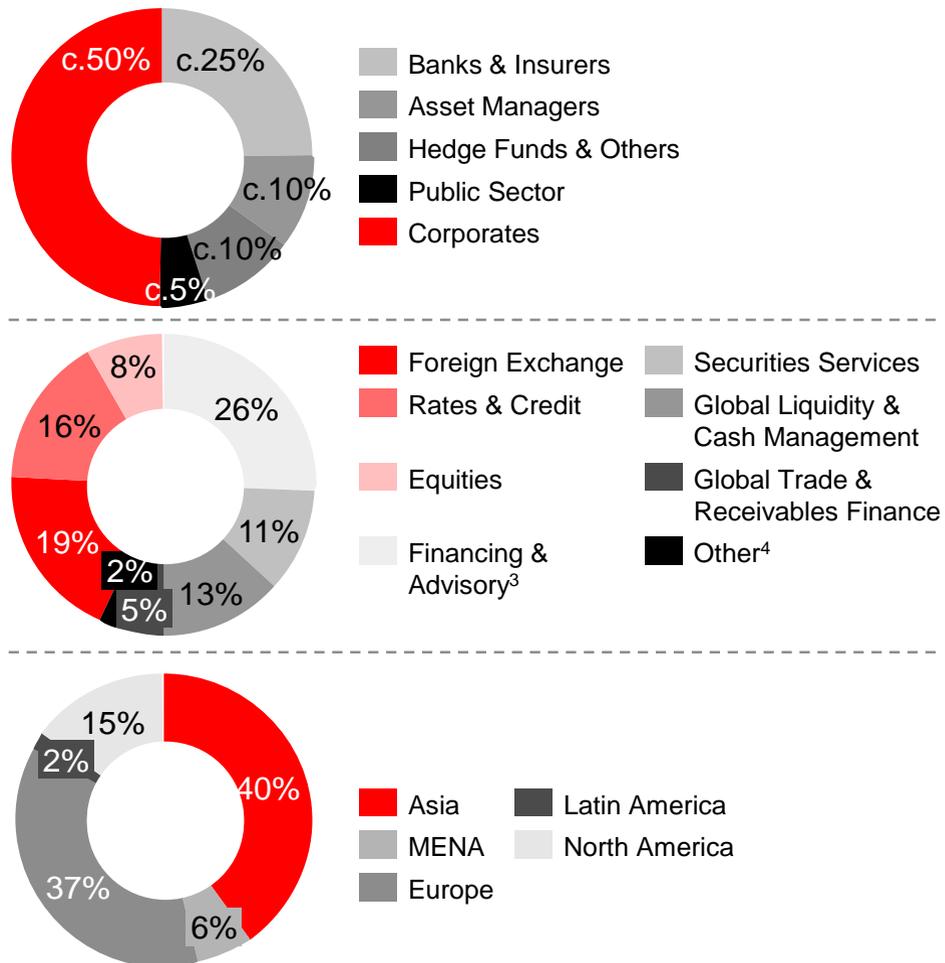
2 Products²

Diversified and broad wholesale product offering

3 Geographies²

Diversified footprint geared to growth markets

GB&M revenue, 2014–16 average



Note: Numbers may not add up due to rounding

1. HSBC internal client MI, 2014-16 average

2. On an adjusted basis as disclosed in the HSBC Holdings plc Annual Report and Accounts 2014-16 average excludes Credit and Funding Valuation adjustments

3. As relates to Global Banking in the Management View of Adjusted Revenue in the HSBC Holdings plc Annual Report and Accounts 2016

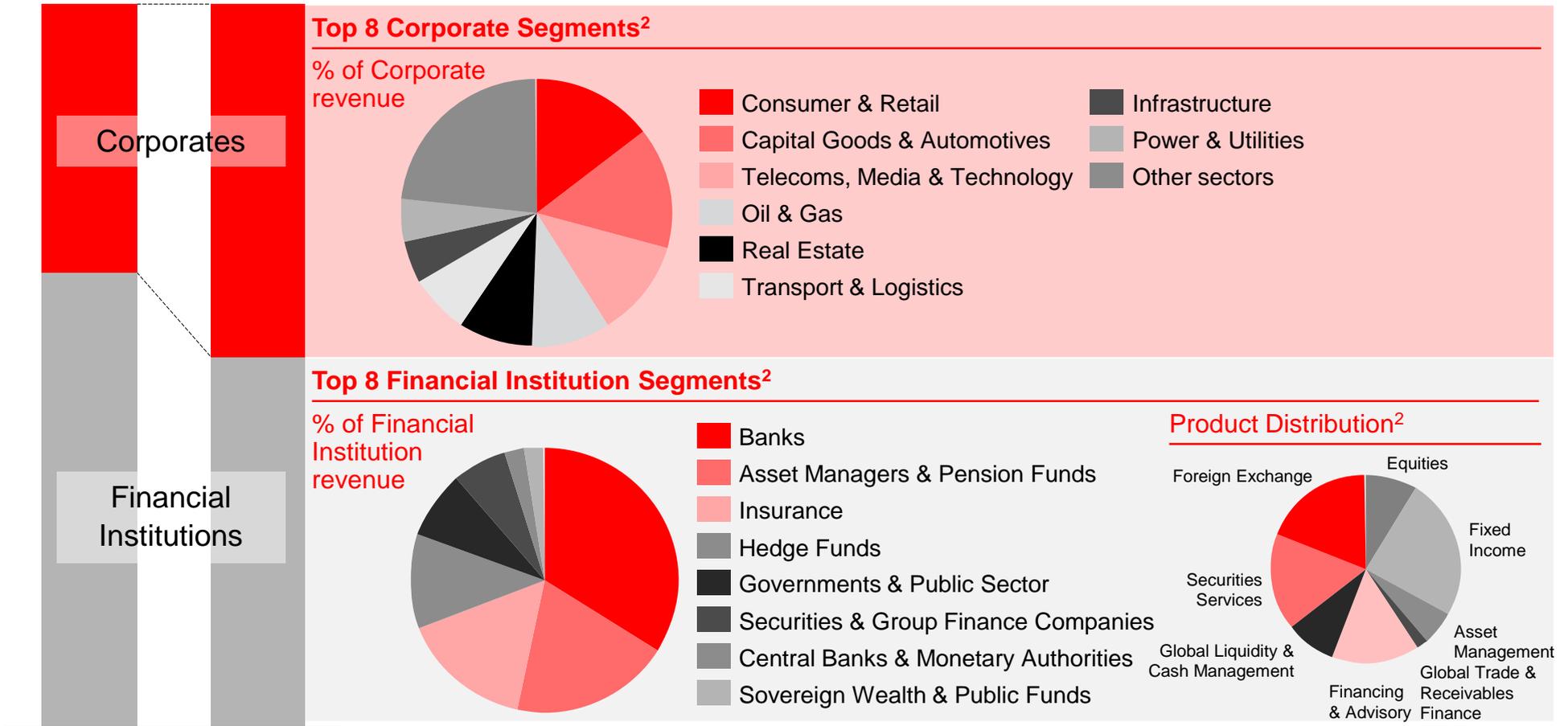
4. Other includes Principal Investments and Other

1 Clients

Client-base with equal mix of corporates and financial institutions

GB&M client distribution by revenue

2016



Top 10 CIB¹ HSBC GB&M²

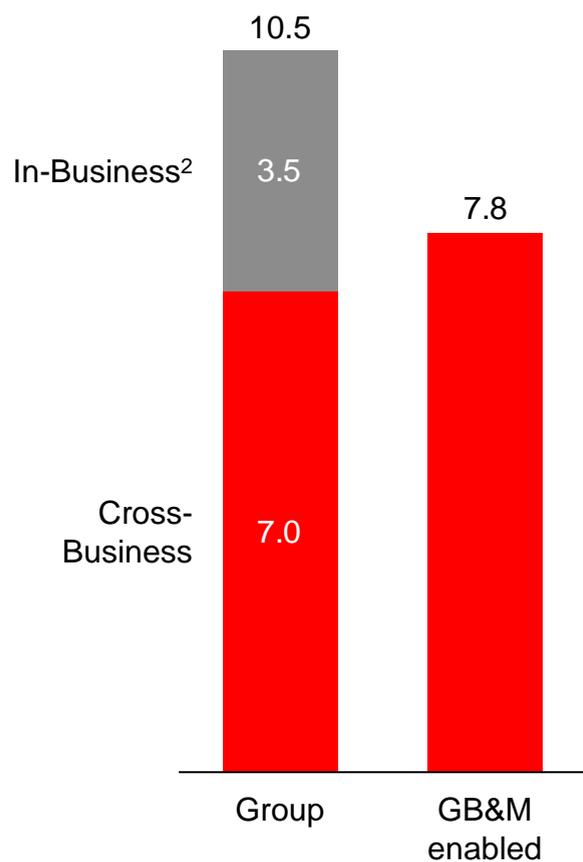
1. Source: Oliver Wyman analysis based on top 10 Corporate and Investment Bank peer group
 2. HSBC internal client MI

1 Clients

Distinctive universal model and international network creates revenue synergies

Total revenue synergies by Global Business

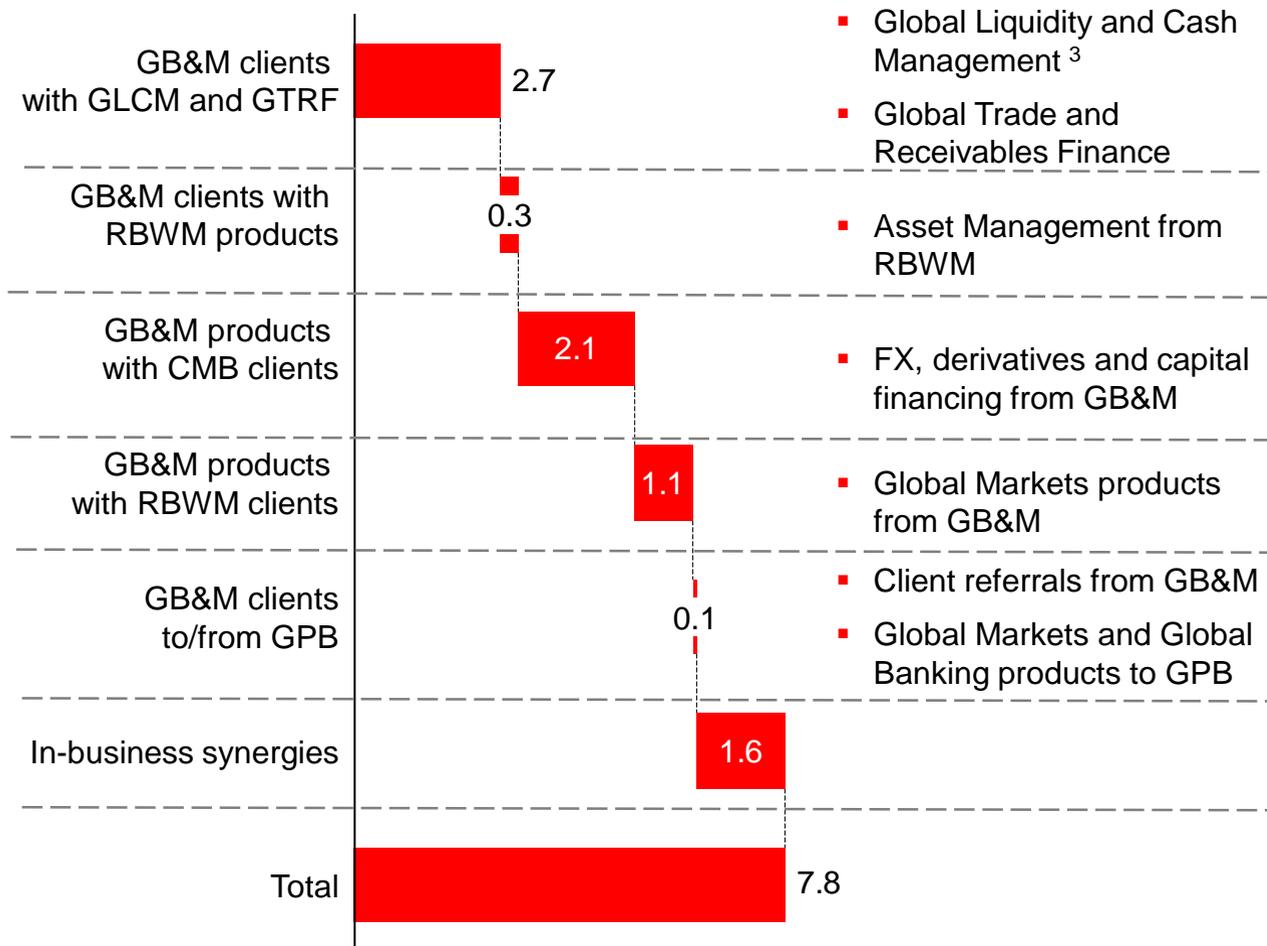
Revenue¹ 2016, US\$bn



GB&M enabled revenue synergies

US\$bn

Definition



Note: Numbers may not add due to rounding

1. Cross-business synergies are presented as gross revenue and do not reflect any revenue sharing arrangement between Global Businesses

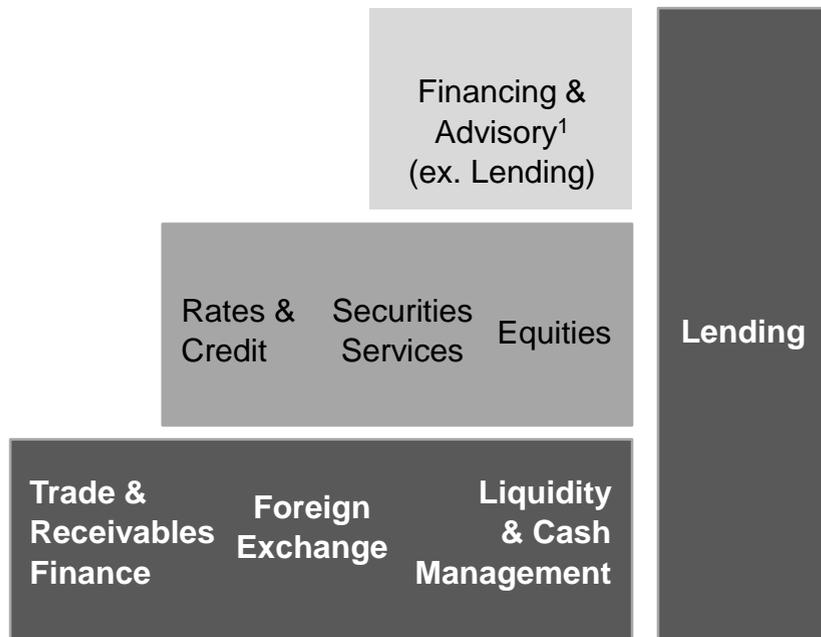
2. In-business synergies include separately managed operations that are reported within a global business line

3. GLCM is now managed under GB&M. The GB&M portion is included as a revenue synergy to be consistent with the treatment of GTRF

2 Products

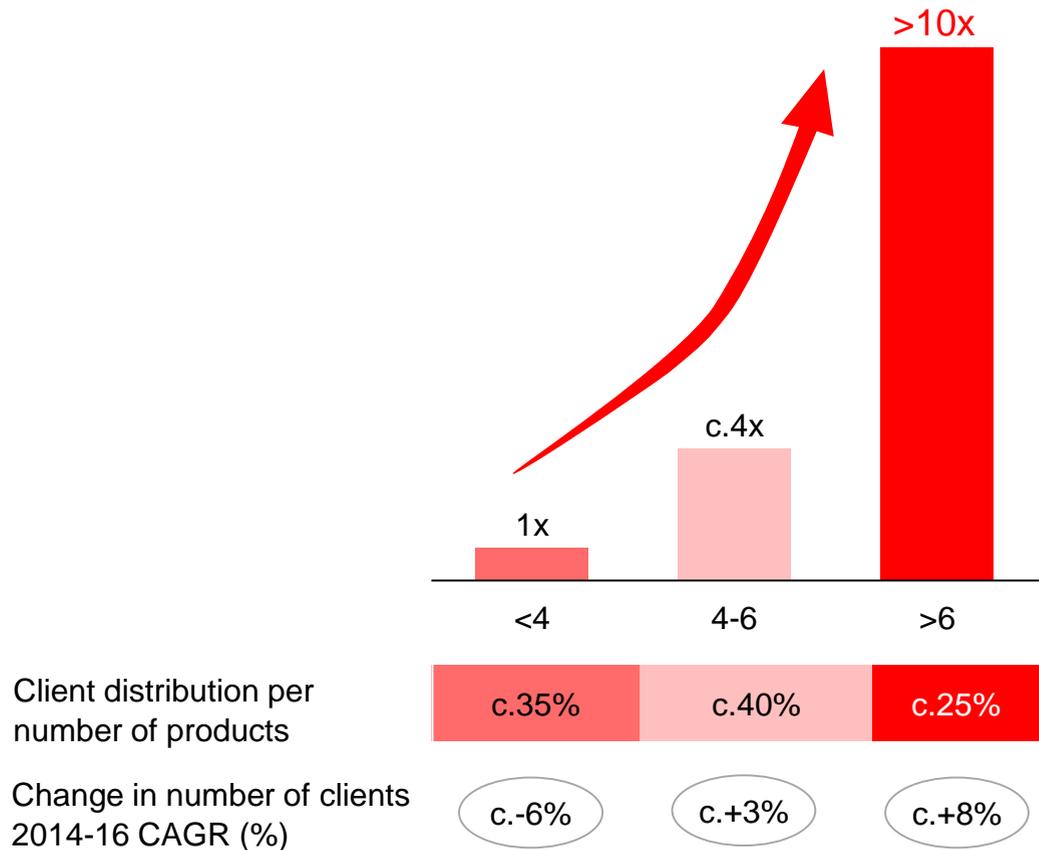
Broad wholesale product suite helps enable deep client relationships

Product building blocks



Client revenue multiplier by number of products²

2016, # of products



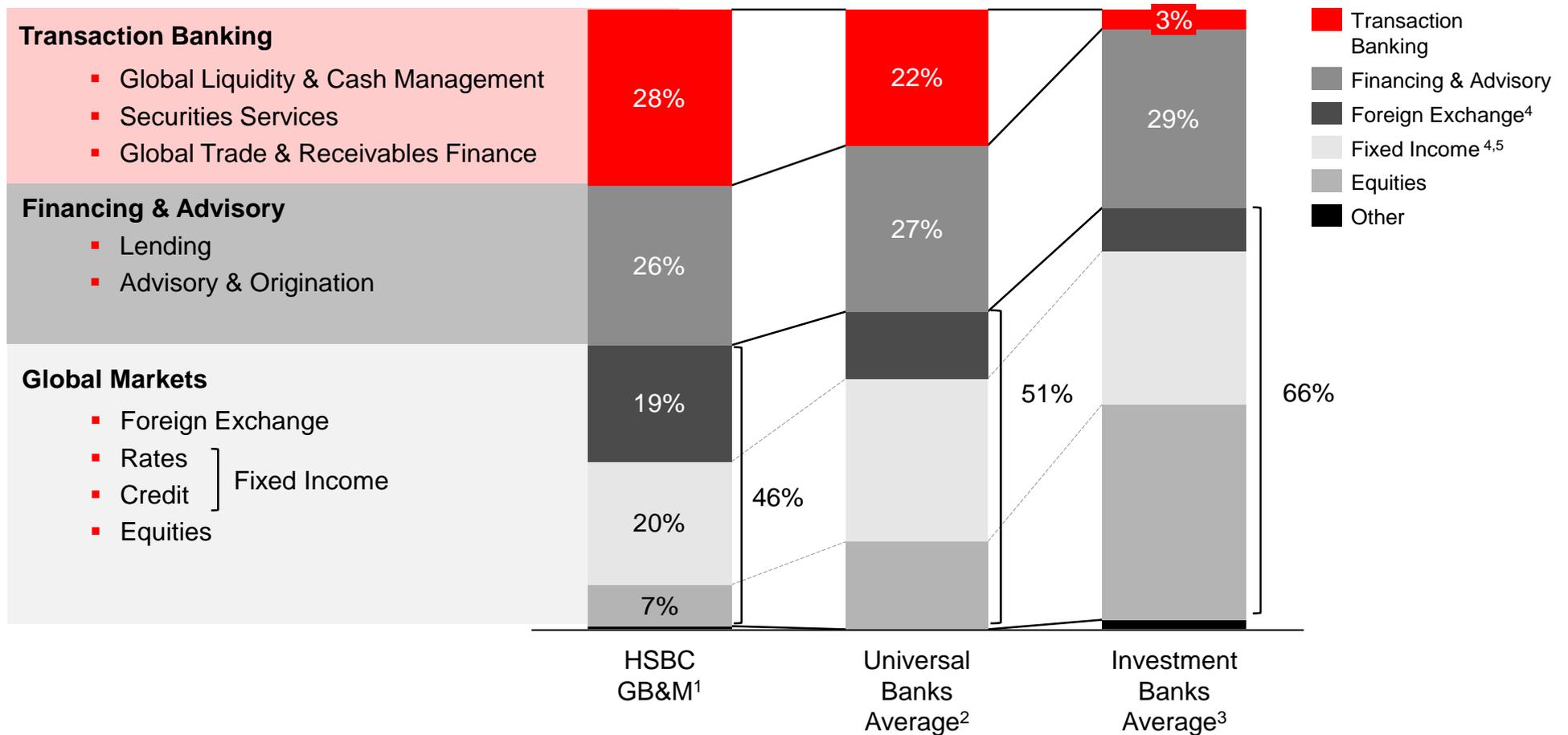
1. Includes Debt Capital Markets, Mergers & Acquisitions, Equity Capital Markets, Infrastructure & Real Estate and Structured Finance
 2. HSBC internal client MI

2 Products

Diversified product offering distinct from our peers

Revenue split by Products against peers

2016



1. HSBC Management View of Adjusted Revenue as reported in the 2016 HSBC Holdings plc Annual Report and Accounts

2. Universal banks comprise JP Morgan, Citi (excluding private bank), Bank of America, Deutsche Bank, Barclays, BNPP and Societe Generale. Dec16 spot rate was used to translate European peers results to US\$

3. Investment banks comprise Goldman Sachs, Morgan Stanley, Credit Suisse and UBS. Dec16 spot rate was used to translate European peers results to US\$

4. Foreign Exchange and Fixed Income split based on Coalition analysis. Peer group: Bank of America Merrill Lynch, Barclays, BNPP, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Société Générale and UBS. Coalition results are based upon HSBC's product taxonomy and include all Institutional clients and Corporates with a turnover of greater than US\$1.5bn

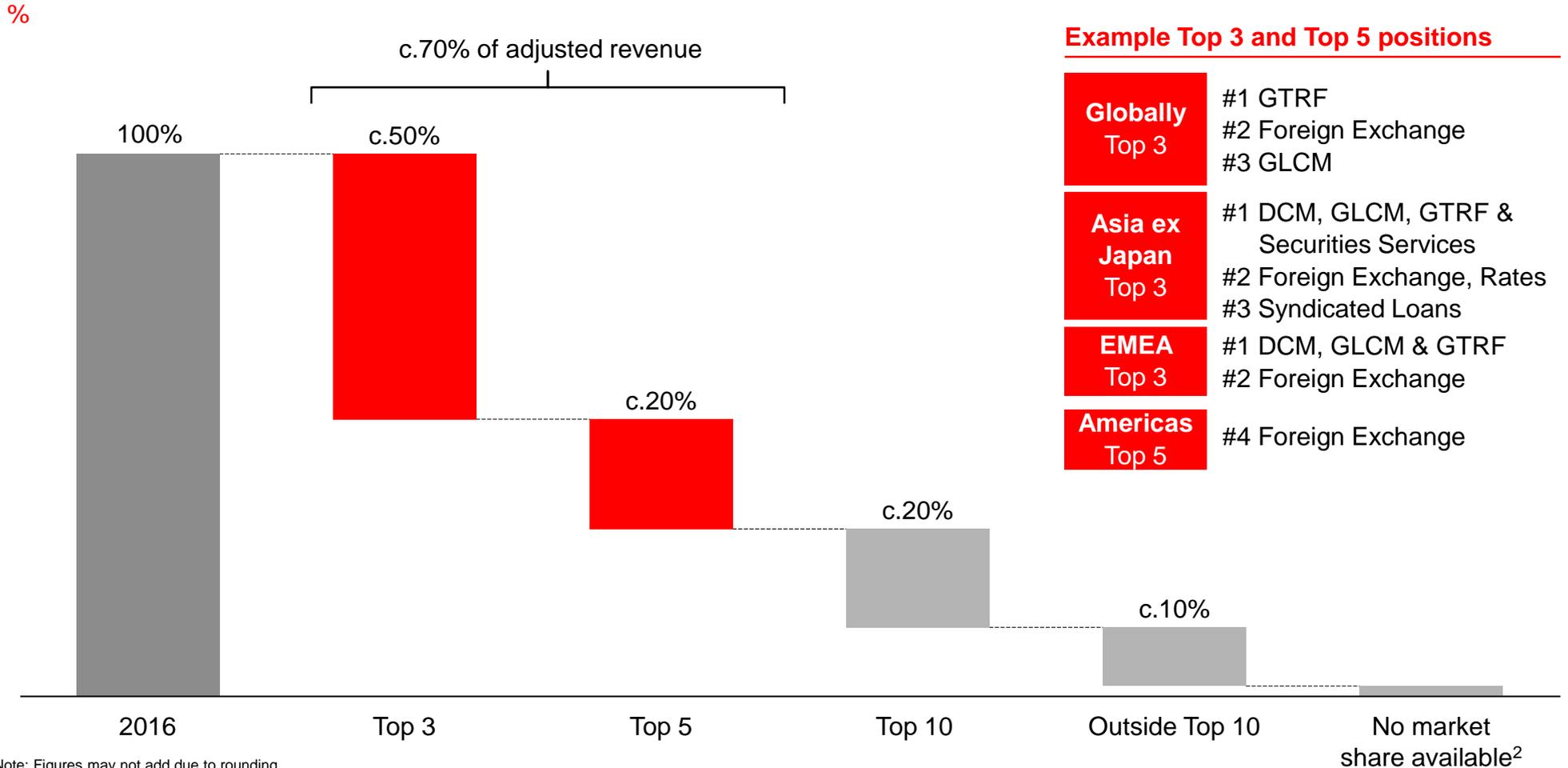
5. Fixed Income includes revenue from Rates and Credit

Source for Universal Banks and Investment Banks: Peers Annual Reports and Accounts. Total Operating Income (TOI) where available or Net Operating Income where TOI not available

2 Products

Focused strategy has resulted in a top 5 market positions driving c.70% of revenue

GB&M: revenue¹ by product by market rank



Note: Figures may not add due to rounding

1. HSBC Management View of Adjusted Revenue as reported in the 2016 HSBC Holdings plc Annual Report and Accounts

2. Includes Principal Investments, Credit and Funding Valuation Adjustments and Other

Sources:

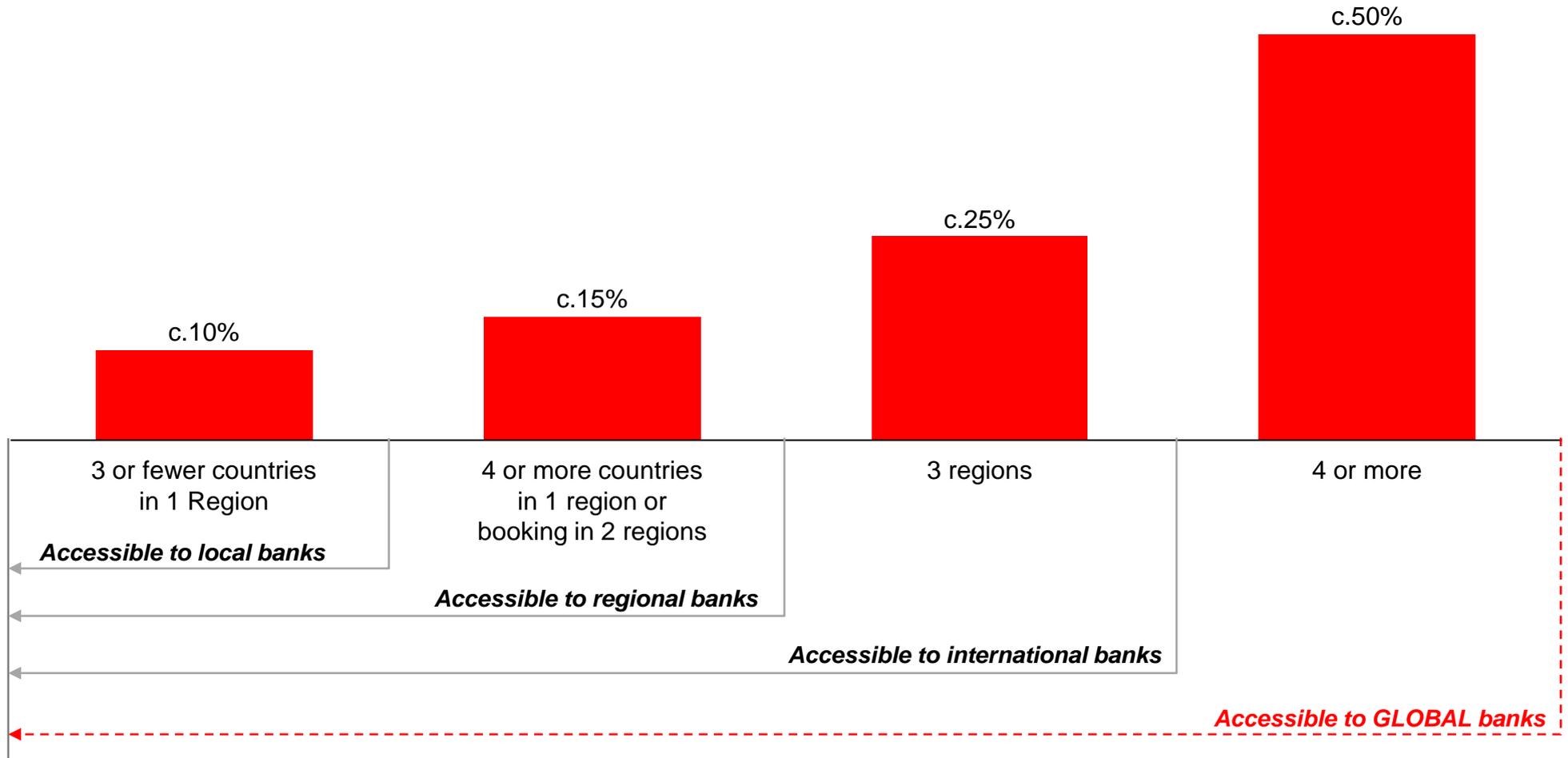
- FX, Rates, Credit and Equities – Coalition FY16. Peer group: Bank of America Merrill Lynch, Barclays, BNPP, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Société Générale and UBS. Coalition results are based upon HSBC's product taxonomy and include all Institutional clients and Corporates with a turnover of greater than US\$1.5bn
- M&A, ECM, DCM and Lending – Dealogic Global IB Adjusted Fee League tables 2016
- GLCM and GTRF – Oliver Wyman 2016
- HSS – Europe: EY 2016, based on AUC and AUA. Asia: EY 2016 analysis, MENA: The Asset Triple A Asset Servicing Awards 2016 - Best Custody Specialist Award & Best Subcustodian, Global Investor - ISF MENA Awards 2016 - Regional Fund Administrator of the Year

3 Geographies

Distinctive network enables us to serve the largest global clients

GB&M client revenue by number of countries/regions

2016, %



Source: HSBC internal client MI

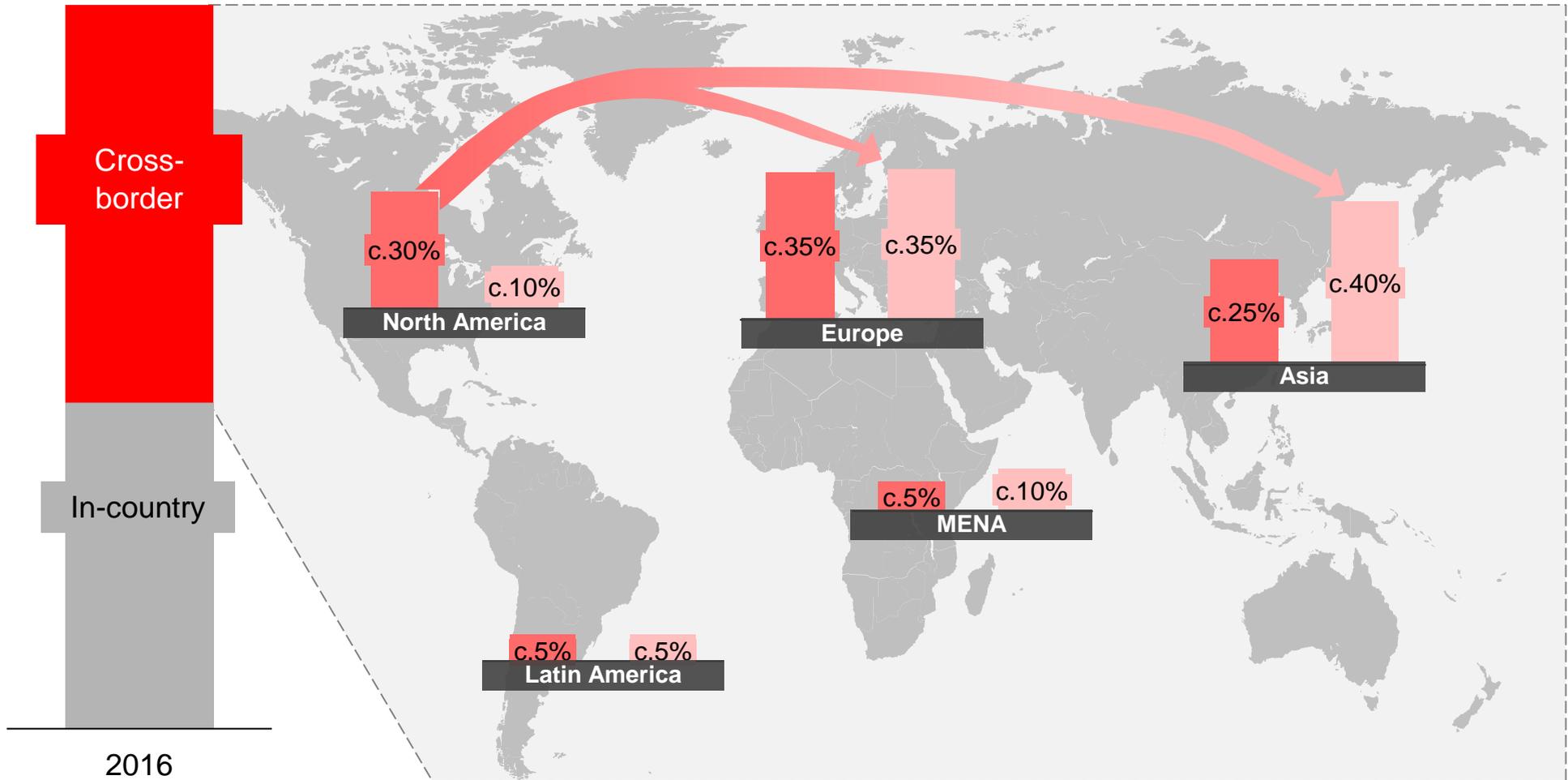
3 Geographies

More than half of GB&M revenue is cross-border

Cross-border client revenue along major corridors

% of Global GB&M cross-border revenue, 2016

■ Outbound total = 100% ■ Inbound total = 100%



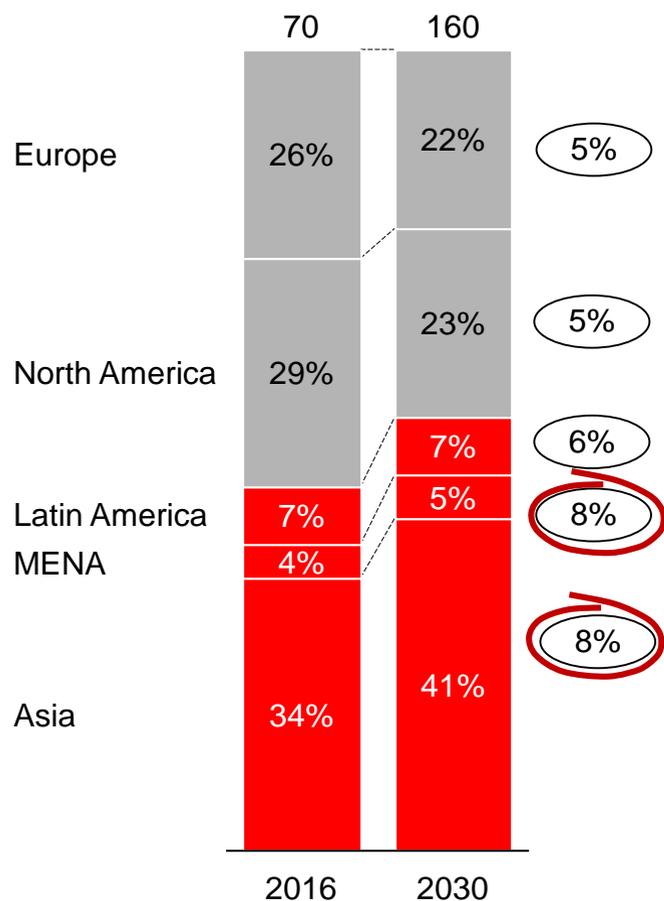
3 Geographies

Geographic footprint geared towards faster growing markets

(%) CAGR %

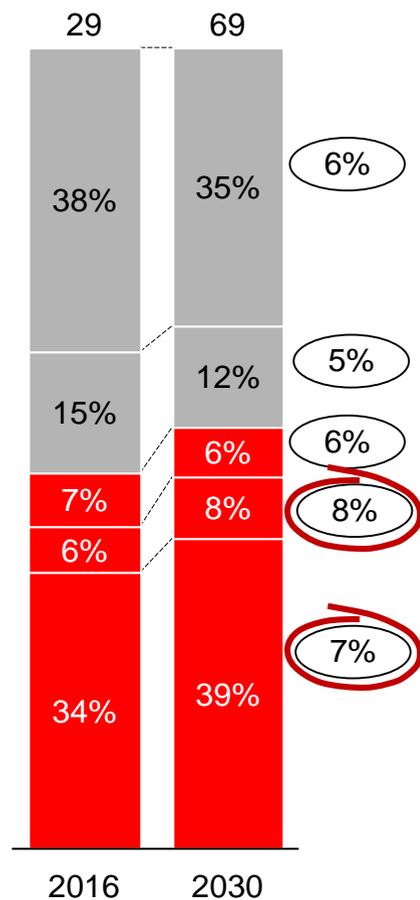
Global GDP¹

US\$tn



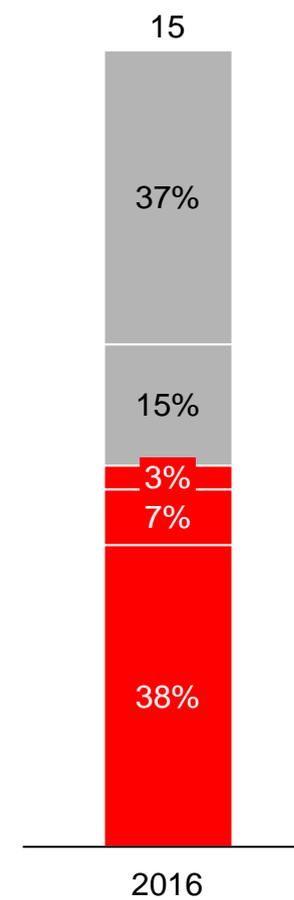
Global trade²

US\$tn



GB&M Revenue³

US\$bn

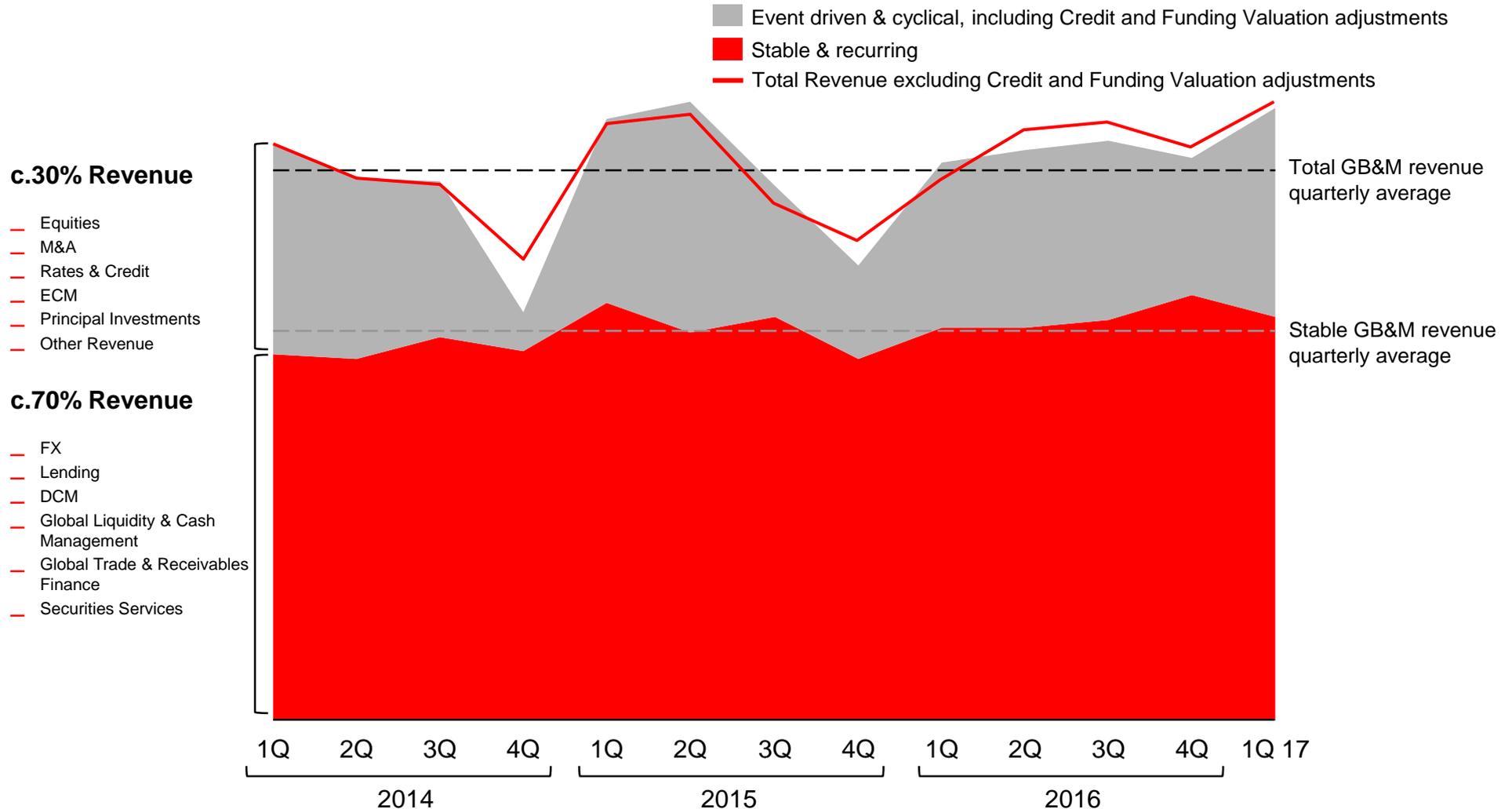


Sources:

1. Nominal GDP growth; Source: Global Insights. Note: Excludes Commonwealth of Independent States and Sub-Saharan Africa
2. Merchandise imports plus exports; Source: Global Insights. Note: Excludes Commonwealth of Independent States and Sub-Saharan Africa
3. As disclosed in the 2016 HSBC GB&M Factbook

Historically stable and recurring revenue with low volatility

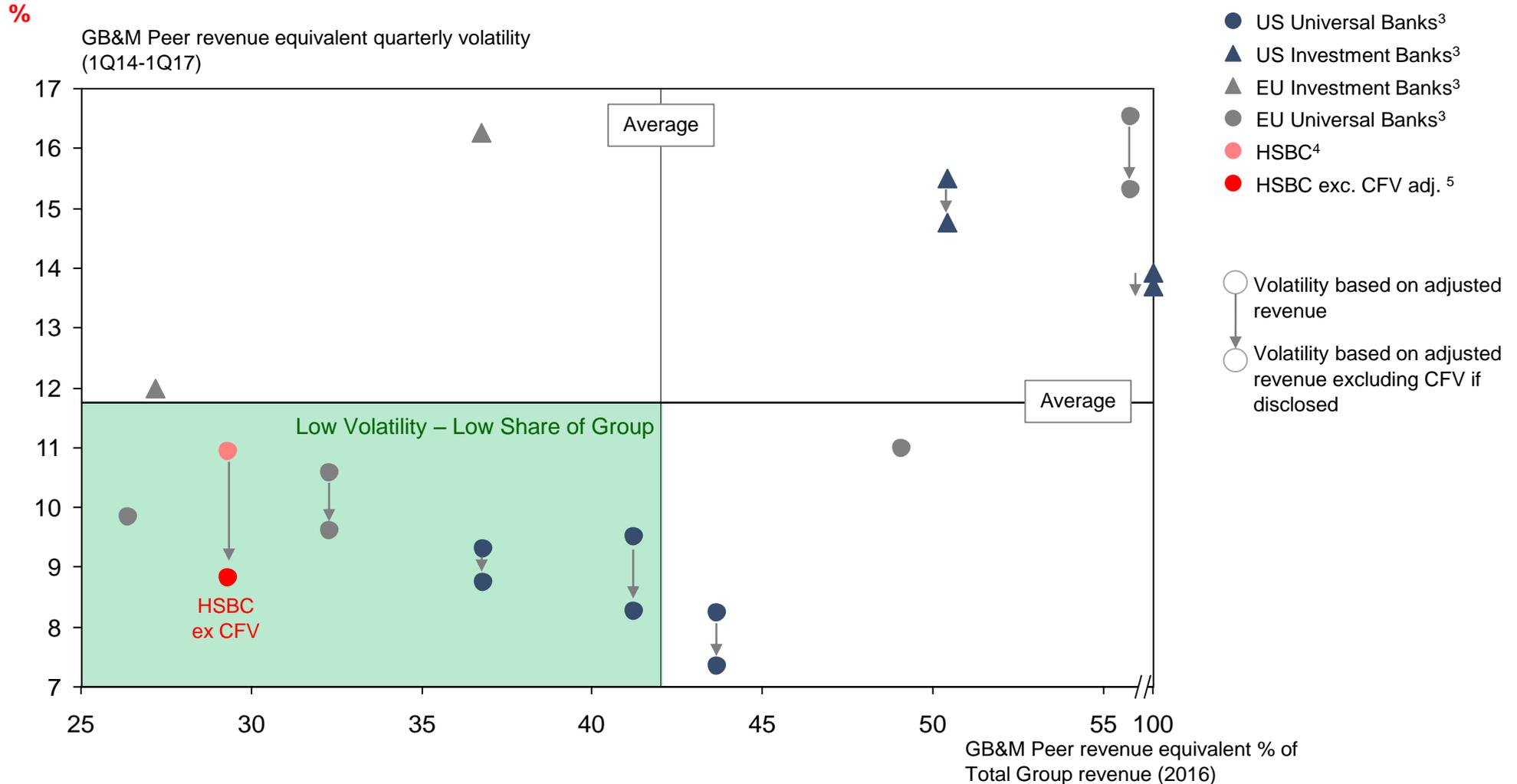
Quarterly GB&M Revenue¹



1. GB&M Adjusted Revenue, translated at 1Q17 FX rates, post-Corporate Centre resegmentation
 Source: HSBC Management View of Adjusted Revenue as reported in the 2014-2016 HSBC Holdings plc Annual Report and Accounts

Historically predictable revenue driven by relatively low volatility

1Q14 – 1Q17 Quarterly volatility peer comparison^{1,2}

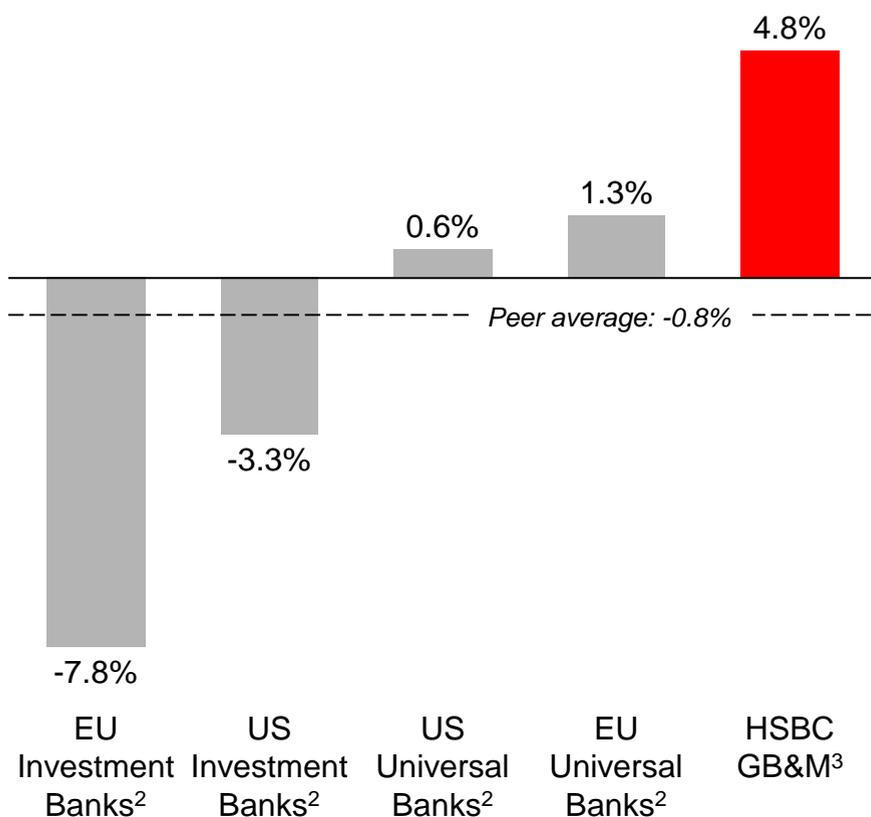


1. Volatility: calculated as standard deviation of the total operating income over the mean of the period (13 consecutive quarters from 1Q14 to 1Q17)
 2. Revenue based on disclosed total operating income. Net operating income used where total operating income not available
 3. US Universal Banks comprise: JP Morgan, Citi (excluding private bank) and Bank of America. US Investment Banks comprise: Goldman Sachs and Morgan Stanley. EU Universal Banks comprise: Barclays, Deutsche Bank, BNPP and Societe Generale. EU Investment Banks comprise Credit Suisse and UBS
 4. HSBC revenues on an adjusted basis as disclosed in the HSBC Holdings plc Annual Report and Accounts 2016
 5. HSBC revenues on an adjusted basis as disclosed in the HSBC Holdings plc Annual Report and Accounts 2016. Excluding Credit and Funding Valuation adjustments (CFV adjustments)

Significantly outperforming our peer group historical growth

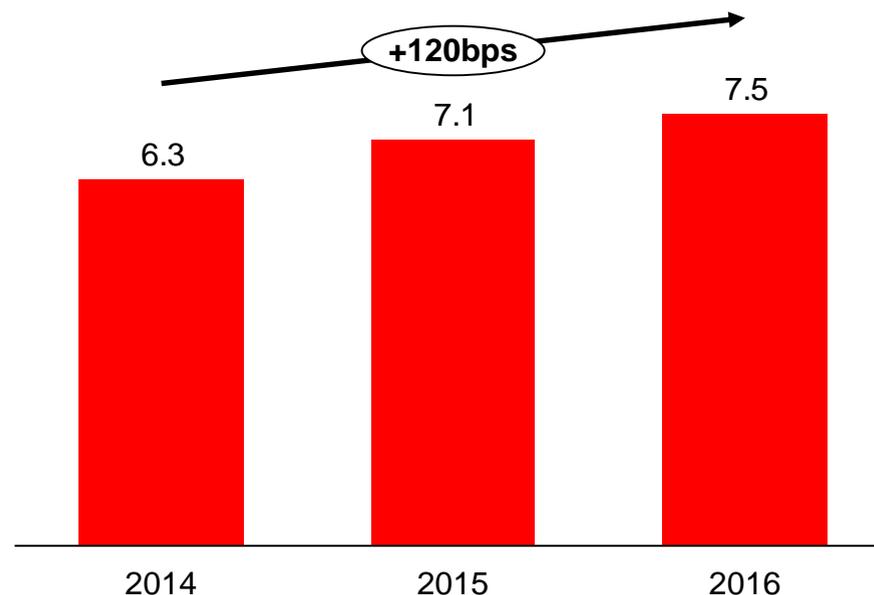
Peer Revenue Growth Comparison¹

Growth CAGR 2014-16, %



HSBC Market Share

Corporate & Investment Banking⁴, %



Main drivers of growth

- Global Markets – Fixed Income, Europe
- Global Liquidity & Cash Management
- Financing & Advisory⁵

1. Source: Peers' annual report accounts, HSBC analysis, wholesale division only

2. US Universal banks comprise: JP Morgan, Citi (excluding private bank) and Bank of America. US Investment Banks comprise: Goldman Sachs and Morgan Stanley. EU Universal Banks comprise: Barclays, Deutsche Bank, BNPP and Societe Generale. EU Investment Banks comprise Credit Suisse and UBS
Net operating income used where total operating income not available

3. HSBC GB&M revenues on an adjusted basis as disclosed in the HSBC Holdings plc Annual Report and Accounts 2016

4. Source: Coalition. Peer group: Bank of America Merrill Lynch, Barclays, BNPP, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Société Générale and UBS. Coalition results are based upon HSBC's product taxonomy and include all Institutional clients and Corporates with a turnover of greater than US\$1.5bn

5. As relates to Global Banking in the Management View of Adjusted Revenue in the HSBC Holdings plc Annual Report and Accounts 2016

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Presenters



Robin Phillips
Co-Head of
Global Banking



Matthew Westerman
Co-Head of
Global Banking



Diane Reyes
Global Head of Global
Liquidity & Cash Management



Thibaut De Roux
Global Head of
Markets



Cian Burke
Global Head of
HSBC Securities Services

Client coverage

GB&M has a client centric coverage model allowing us to serve our clients with more products in more countries

Single point of delivery for all Group products

Other Businesses
Products

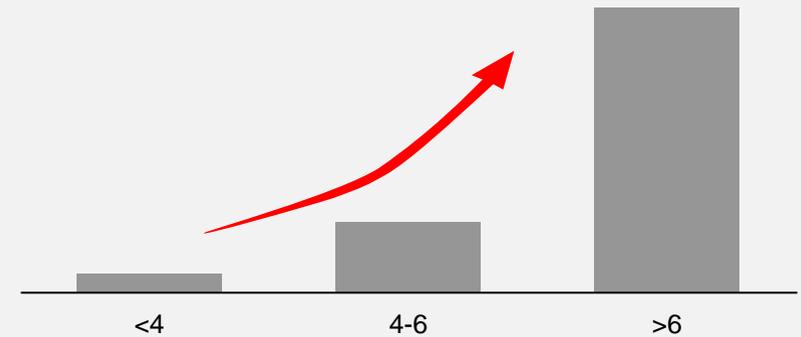
GB&M Products



Global Relationship Bankers are the focal point of client relationships – delivering all of HSBC's products

Client revenue multiplier by number of products¹

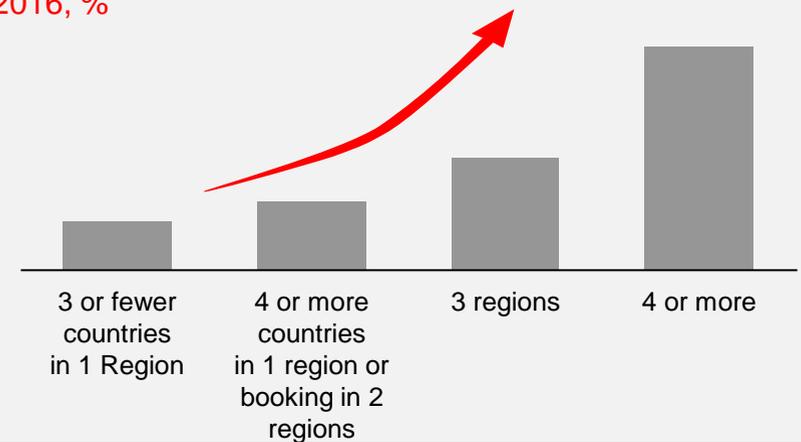
2016, # of products



Clients' global networks supported by multinational Relationship Managers in each location

GB&M client revenue by number of countries /regions¹

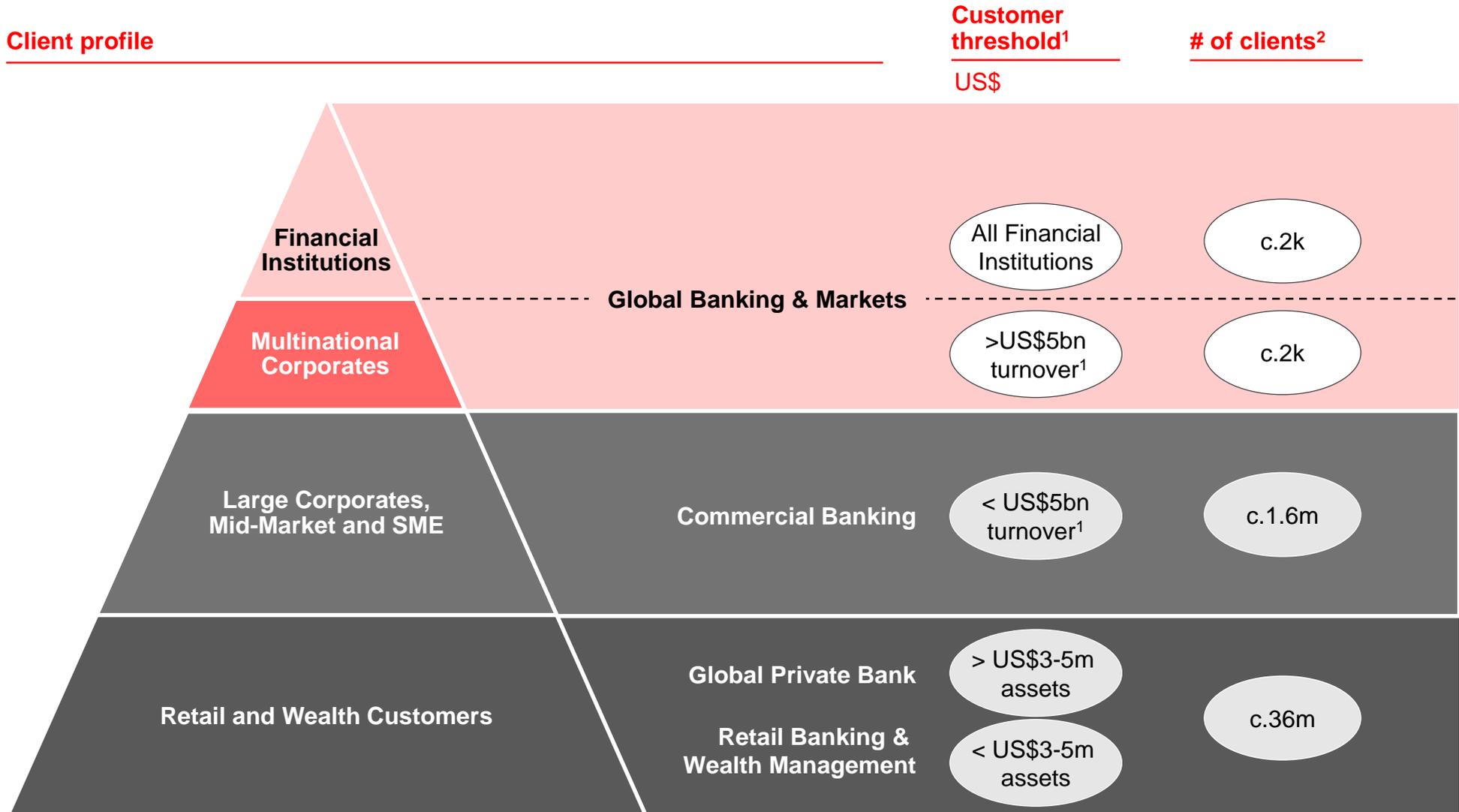
2016, %



1. HSBC internal client MI
2. Managed by Commercial Banking (CMB)
3. Managed by Retail Banking and Wealth Management (RBWM)

Client coverage

GB&M clients are large multinational corporates and institutions



1. Global average. Approximate thresholds, differs by country

2. GB&M based on client master groups, RBWM is based on individual clients, CMB is an amalgamation of client master groups and Individual clients. Figures as of December 2016

Client coverage

GB&M has a disciplined approach to capital allocation

Capital allocation approach

Guided by overall GB&M required return and assessed at deal, client level

Deal-by-deal reviews of new capital commitments against hurdle rates



Client-by-client returns reviewed against hurdle rates

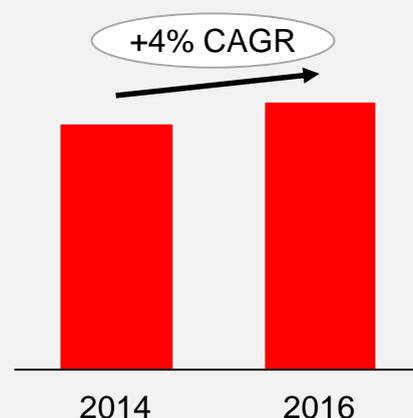


Disciplined tracking of deal related revenues

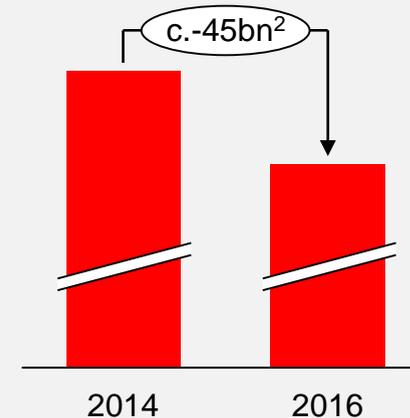
Ensuring that every dollar of committed capital is tracked

Track record

Revenue¹, US\$bn



Financing & Advisory¹ RWAs US\$bn



Industry Awards



- World's Best Investment Bank
- World's Best Bank For Corporates
- Asia's Best Bank For Financing



- Most innovative investment bank from Western Europe
- Most innovative investment bank for bonds
- Most innovative investment bank for emerging markets

1. Relates to Global Banking as referenced in the HBSC Holdings plc Annual Report and Accounts 2016. Revenues are on an adjusted basis

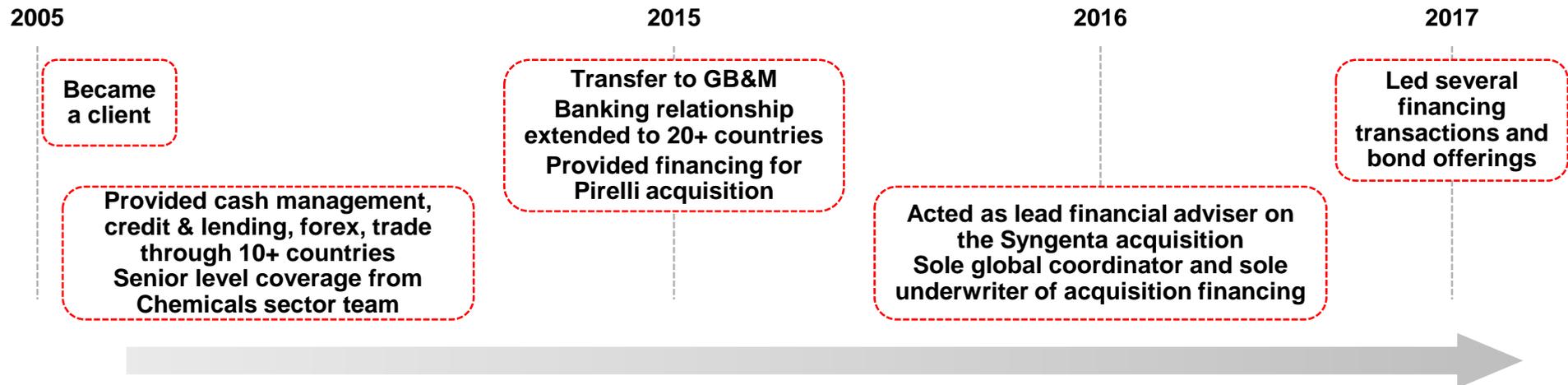
2. Gross RWA reductions from December 2014 to December 2016. As presented at June 2015 Investor day FX rate

Client coverage

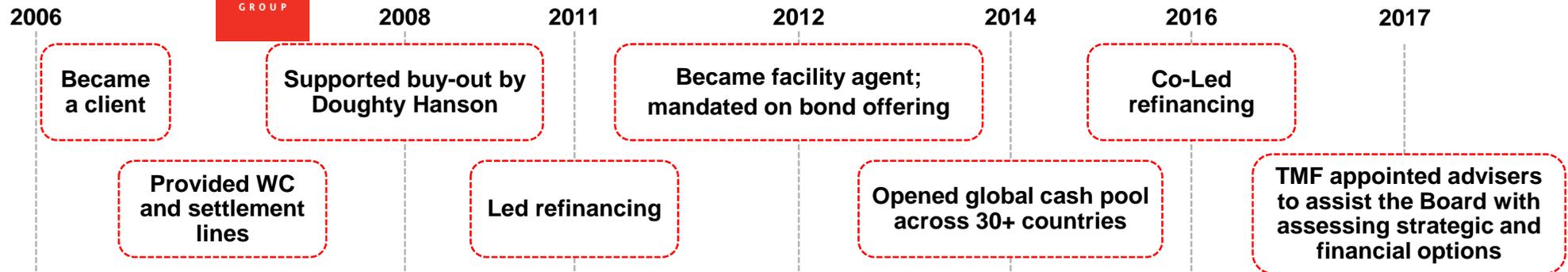
Universal banking model enables us to provide solutions throughout the client lifecycle

Positioned to bank the client throughout its lifecycle, from basic banking services through to international cash management and capital markets solutions

Case study 1 **CHEMCHINA**



Case study 2



Growth opportunity in Asia and Americas and well positioned in Europe despite ring-fencing and Brexit

Trends

Asia

- **Macro** – Strong GDP and trade growth
- **Infrastructure** – Infrastructure investment (e.g. Belt & Road Initiative)
- **RMB** – Continued internationalisation

Europe, Middle East and North Africa

- **Ring Fencing** – UK ring-fencing of retail operations
- **Brexit** – EU business to be conducted from within the EU27
- **Gulf** – GCC accessing the international capital markets

North America and Latin America

- **Macro** – US\$ rate rises and GDP growth across North America Free Trade Agreement (NAFTA)
- **Trade** – NAFTA renegotiation
- **US outbound** – continued US international expansion

Initiatives

Unrivalled position in Asia

- **Pivot to Asia** – continue re-deployment of resources and investment
- **Belt and Road Initiative** – capture opportunities in 44 BRI countries within HSBC footprint
- **RMB** – maintain **market leading** position
- **Pearl River Delta** – continue expansion into Pearl River Delta, China Securities JV

Strong UK, Continental Europe & Middle East

- **UK** – Implement ring-fencing
- **Continental Europe** – HSBC France as the hub to win business post-Brexit
- **MENA** – support Gulf countries to diversify their economies beyond oil and gas

Full bank presence in US, Canada and Mexico

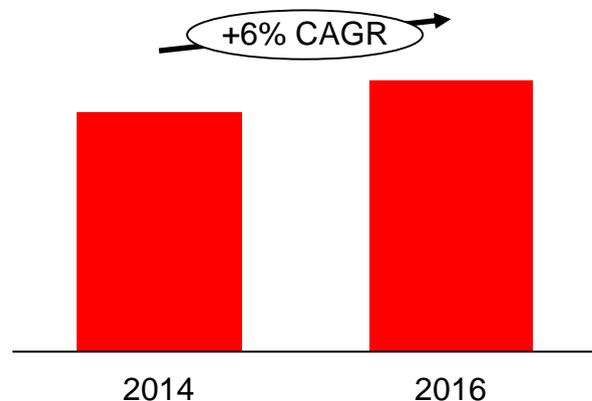
- **US outbound and inbound** – continue growth in serving US clients in Asia and Europe and MENA
- **Canada** – capture opportunities from investment
- **Mexico** – continue progress on turnaround
- **LATAM** – Brazil new bank license to serve multinationals

Financing and Advisory - Profile and track record

Historically stable revenue growth and market share gains

DCM, ECM, Advisory, IRG, Credit and Equity financing revenue growth¹

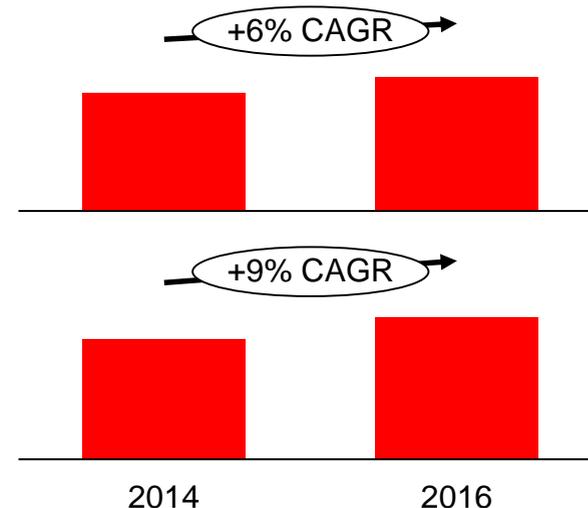
Revenue, US\$bn



With positive momentum in a number of strategic areas²

Technology client revenues

MENA client revenues



With market share gains in key products^{3,4,5}

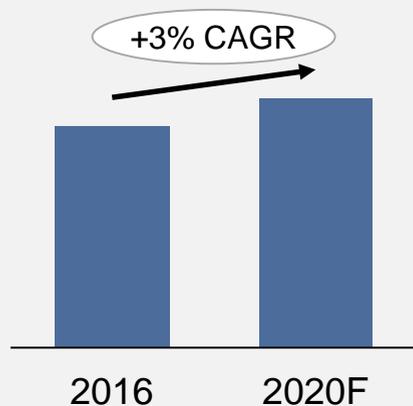


1. Includes certain products in Global Banking before revenue sharing agreements with Global Markets and other businesses. Figures exclude Credit and Lending
2. HSBC internal client MI
3. Source: Dealogic, based on Volumes
4. HSBC rank and % share is yoy as at 31st December 2016
5. Data comparison from 1995 onwards

Well placed to continue to grow share of client event wallet

Industry revenue forecast¹

US\$bn



Trends

- Continued growth in Asia
- Fragmentation in European capital markets (eg Brexit)
- Growth in infrastructure development opportunities
- Shift from international trade growth to intra-regional growth
- Growth in sponsor activity

Initiatives

1 Regions

- **Asia:** Maintain leadership
 - Grow assets in the Pearl River Delta
 - Retain leadership in Investment Banking revenues in Hong Kong
 - Invest in ASEAN to grow market share and improve returns
 - Capitalise on the Belt and Road Initiative
- Be the leading international bank in key network markets (e.g. Korea, Japan etc.)
- **North America:** Capitalise on international trade flows, both into and out of North America
- **EMEA:** Invest in key growth areas
 - Well placed to continue to serve clients post-Brexit
 - Improve returns across Europe
 - Retain leadership position in MENA

2 Products

- **Loans:** Top 3 market share in target markets in Europe and Asia with increased share in Americas
 - Grow market share with global financial sponsors
- **DCM:** Top 5 globally
 - Increase sales of derivatives solutions
- **M&A:** Leading China outbound advisory
 - Maintain focused teams in each hub to service clients across the Group
- **ECM:** Achieve top 3 position in Hong Kong and ASEAN
 - Continued growth in EMEA market share
 - Targeted growth in Americas
 - Full service but focused teams in each hub to service clients across the Group

3 Sectors

- Continued focus on building out our market shares on sector by sector basis, including for example:
 - **FIG:** leverage extensive Financial Institution client base to grow revenues
 - **Financial sponsors:** Grow market share of large scale financings and associated event fees
 - **Technology:** Continued investment in deepening market share across event and transaction banking

1. Source: BCG Analysis. Investment banking revenue forecast

Progress in Sectors

Case study: Global Chemicals sectors

Supported by
best in class
research team¹

Acquisition financing

Apr 2017

EUR0.7bn & US\$1.2bn
Refinancing of Acquisition Term Loans
Bookrunner/Joint Lead Arranger/ Left-Lead Arranger

Apr 2017

US\$2.1bn
Acquisition bridge financing
Sole initial bridge provider

Feb 2017


US\$2.1bn
Acquisition facilities for The Carlyle Group's acquisition of Atotech
Joint Lead Arranger/Joint Bookrunner

Sep 2016

US\$56.9bn
Acquisition facilities for the proposed acquisition of Monsanto
Underwriter

Feb 2016

US\$20.0bn
Acquisition facility
Global Coordinator and Underwriter

Dec 2015

US\$12.0bn
Bridge loan for the acquisition of Air Gas
Mandated Lead Arranger

Dec 2015

US\$6.0bn
Bridge loan for the acquisition of MEGlobal
Underwriter, Bookrunner, MLA

Aug 2015

US\$5.8bn
Bridge loan for the acquisition of Cytec
Mandated Lead Arranger

Capital markets

Apr 2017

US\$2.1bn
High yield bonds in relation to Williams Partners olefins facility acquisition
Joint Active Bookrunner

Nov 2016

EUR4.0bn
Mandatory Convertible
Co-Bookrunner

Nov 2016

SAR600m
Rights issue
Adviser/Lead Manager/Underwriter

Oct 2016

EUR3.3bn
Rights issue
Joint Bookrunner

Oct 2016

US\$2.25bn
Inaugural bonds offering
Lead Manager and Global Coordinator

Jun and Sep 2016

EUR3.0bn 5-tranche bond
US\$4.5bn 5-tranche bond
Bookrunner

Aug 2016

EUR1.9bn
3-tranche bond issue
Joint Bookrunner

Nov 2015

US\$1.6bn 144A/Reg S Dual Tranche
EUR1.0bn Hybrid bond
Active Joint Bookrunner, Joint Global Coordinator

Advisory

Ongoing

Financial Advisor to AkzoNobel in relation to the separation of Specialty Chemicals
Financial Advisor

Jun 2017

EUR26.9bn
Financial Advisor to AkzoNobel in relation to the unsolicited approach from PPG Industries (aborted by PPG)
Financial Advisor

Apr 2017 (Announced)

US\$2.1bn
Acquisition of Williams Partners olefins facility
Sole financial advisor

Feb 2017 (Announced)

US\$2.2bn
Sale of Cristal's TiO2 businesses to Tronox Ltd in return for cash and a 24% stake
Financial Advisor

Oct 2016

EUR350m
Disposal of graphite electrode business of SGL Group to Showa Denko
Joint Financial Advisor

Jun 2016

Undisclosed
Sale of Coventya to Silverfleet Capital
Sole Financial Advisor

Feb 2016

US\$46.3bn
Recommended public offer for Syngenta AG
Lead Financial Advisor

Dec 2015

US\$3.2bn
Sale of Dow's stake in MEGlobal to EQUATE
Sole Financial Advisor


EM EMEA Chemicals
#1 Team
2017


EM EMEA Chemicals
#1 -Sriharsha Pappu
2017


EM EMEA Chemicals
#3 – Nick Webster
2017


EM EMEA Chemicals
#2 Team for Continental Europe
2016

1. EXTEL 2016 and 2017 – Emerging EMEA Chemicals /Industrials Rankings

Agenda for the day

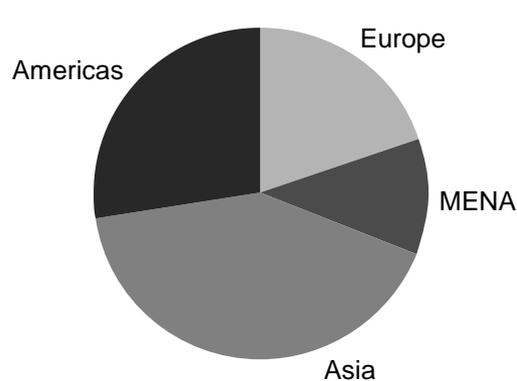
Introduction		9:35AM – 9:40AM
1	Industry and Global Banking & Markets overview	9:40AM – 10:00AM
2	GB&M clients and businesses	10:00AM – 10:20AM
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	GB&M clients and businesses	10:40AM – 11:00AM
3	Outlook	11:00AM – 11:20AM
Q&A		11:20AM – 11:45PM
Lunch		11:45PM – 1:00PM
Appendix		

Global Liquidity and Cash Management – Profile and track record

Historically strong revenue and deposit growth enabled by key deals and recognised by industry awards

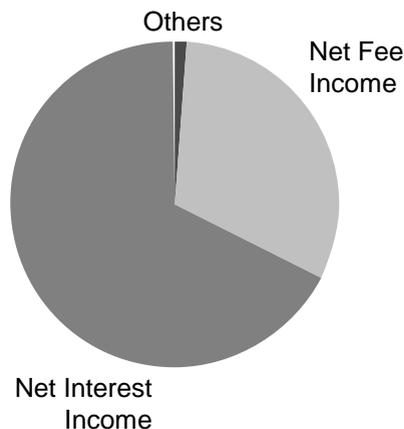
Balanced geographical footprint¹

2016, Revenue %

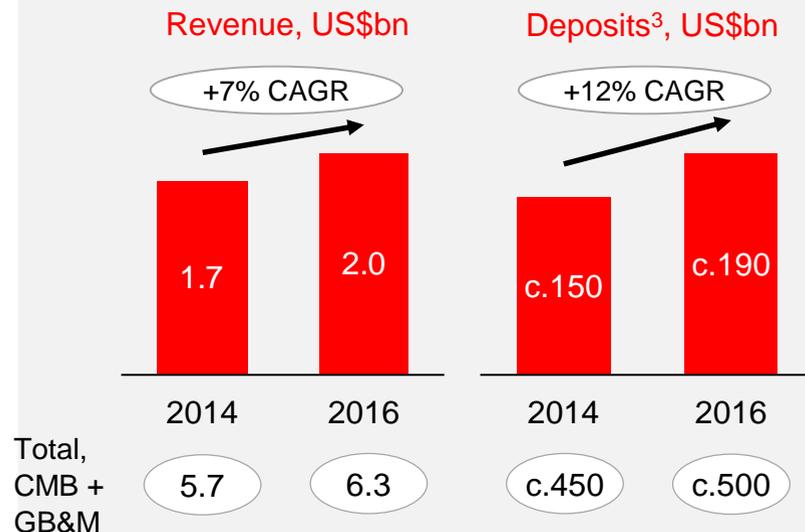


Product suite¹

2016, Revenue %



Track Record²



Customer Examples

2016



HSBC assisted eBay invest its surplus cash in a range of investment options, ensuring excess liquidity was optimised, banking fees were reduced, and time was freed to enable the Treasury team to focus on other strategic initiatives.



Consolidation of banking across the Middle East region to drive greater operational efficiency, economies of scale and optimise liquidity to aid greater working capital management

Facts and Industry Awards⁴

2016

- **4.2bn⁵**: Volume of Payments processed annually
- **US\$425tn⁵**: Value of Payments processed annually
- **Client revenue**: Cross-border 76% and In-country 24%⁶



Best Global Cash Manager for financial and non-financial institutions (#1) by Euromoney



Recognised by Greenwich Associates as the #1 Cash Management provider for large corporates in Asia

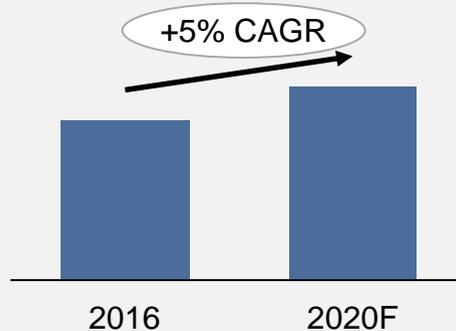
Note: Figures may not add due to rounding

1. As disclosed in Management View of Adjusted Revenue in the HSBC Holdings plc Annual Report and Accounts 2016. Americas include US, Canada and Latin America
2. Revenue included for both CMB and GB&M customers as disclosed in Management View of Adjusted Revenue in the HSBC Holdings plc Annual Report and Accounts 2016
3. Growth in customer deposits partially offset by reductions in non-operational balances. Based on average YE deposits. Total GB&M customer accounts, on an adjusted basis, were US\$256bn in 2016 and US\$261bn in 2014
4. 2017 Greenwich Associates Survey; Euromoney Cash Management Survey 2016
5. Global Liquidity and Cash Management internal management information
6. HSBC internal client MI

Continue to be leading provider of Liquidity and Cash Management solutions globally for our customers

Industry revenue forecast¹

US\$bn



Trends

- Interest rate rises
- Increasing FDI flows, in particular from Asia to developed markets
- Accelerating innovation from Digitisation and the FinTech revolution
- Fragmented market creates opportunities for global scale players to consolidate and grow market share
- Brexit offers an opportunity to increase market share in Europe

Initiatives

1

Geographies

- Extend proven coverage model to better **penetrate key corridors** (e.g. Asia to US, Europe to US)
- Further **investment in ASEAN and PRD**, in order to retain our #1 Asiamoney Offshore RMB ranking
- Continue to leverage the **GLCM dedicated staff in 52 to countries** to better penetrate opportunities from corporates expanding abroad

2

Clients

- **Grow our stable deposit base**
- **Leverage strong Continental Europe** proposition to maximise post-Brexit opportunities

3

Investments in Digital

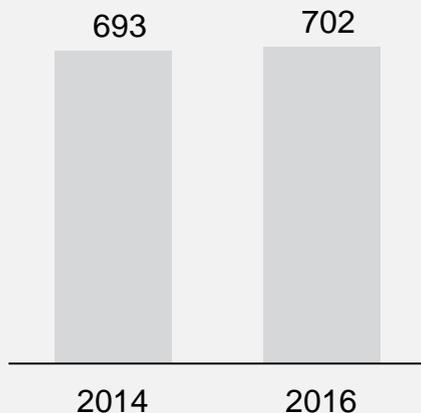
- **Maintain and build market leading Global Payment capabilities** through partnership with FinTechs
- **Investment in digital** to deliver step change in client experience, including enhanced self service capabilities

1. Source: BCG Analysis; Payments industry revenue forecast

Trade is pivotal to the value of HSBC's network

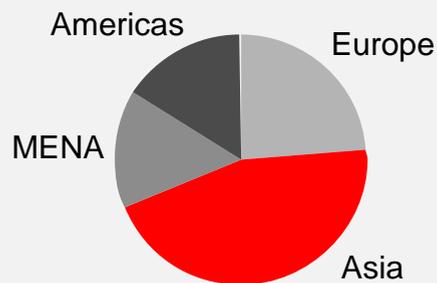
GTRF GB&M Track Record

Revenue¹, US\$m



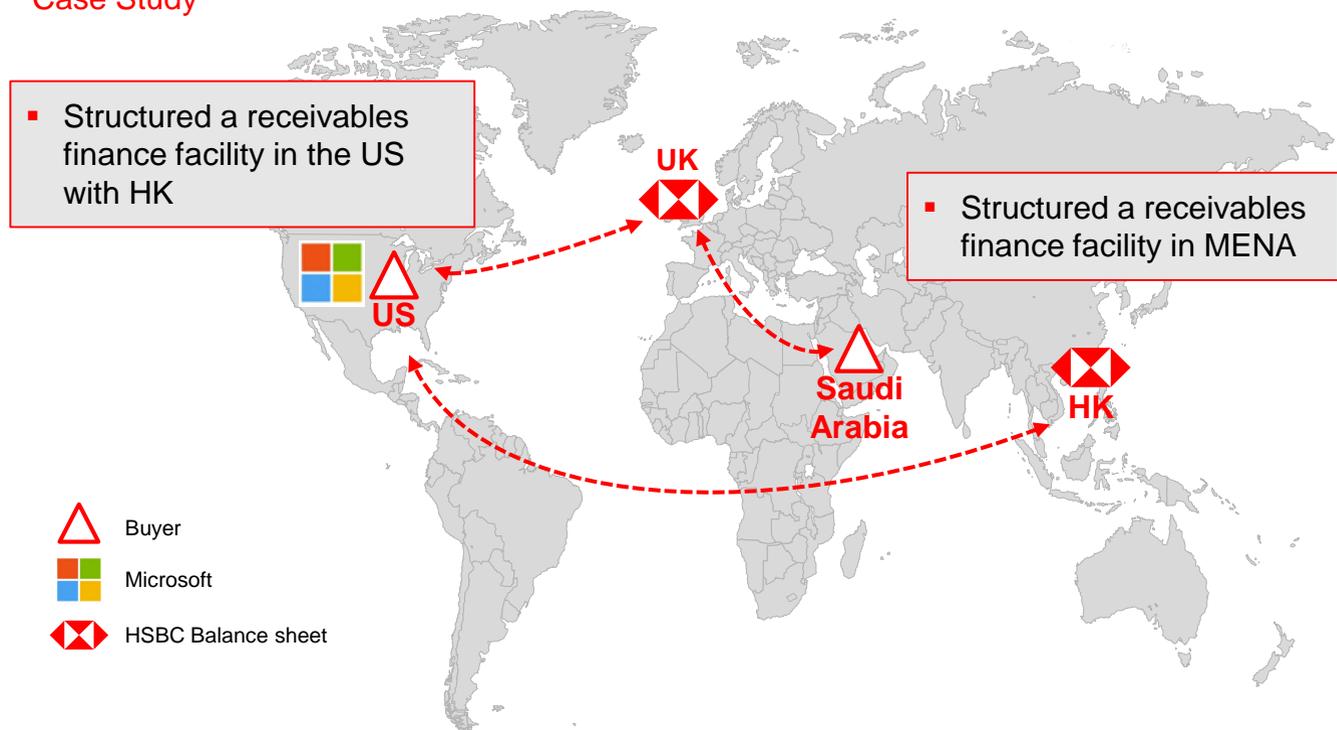
With focus in Asia²

2016, Revenue, %



Global Trade Finance Solution

Case Study



Key Characteristics

- Enabled Microsoft to extend payment terms whilst mitigating concentration risk on key partners
- HSBC's solution combined use of several booking centres and of credit insurance to maximise efficiency of capital

1. HSBC Management View of Adjusted Revenue as reported in the 2016 HSBC Holdings plc Annual Report and Accounts
 2. On an adjusted basis for GB&M customers

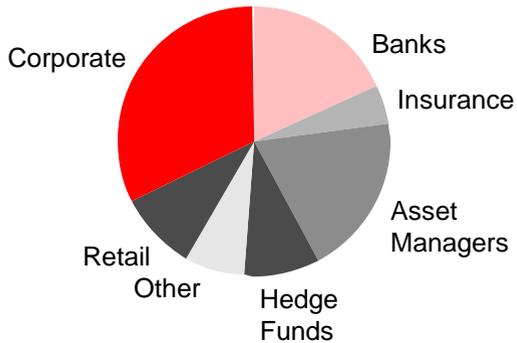
Global Markets – Profile and track record

Sustained revenue growth, RWA reduction and market share gains

Delivering solutions, financing, emerging market and network to corporate and institutional clients

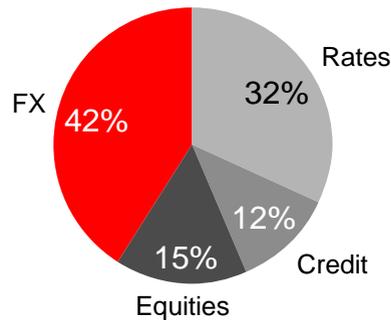
Client profile¹

2016, Revenue %



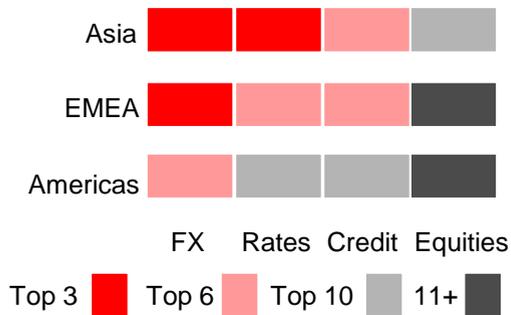
Product suite²

2016, Revenue %



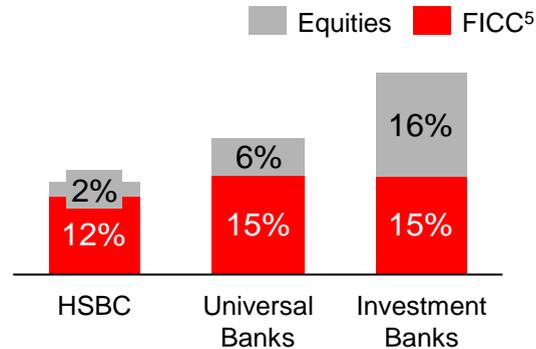
Market position³

2016, Revenue %



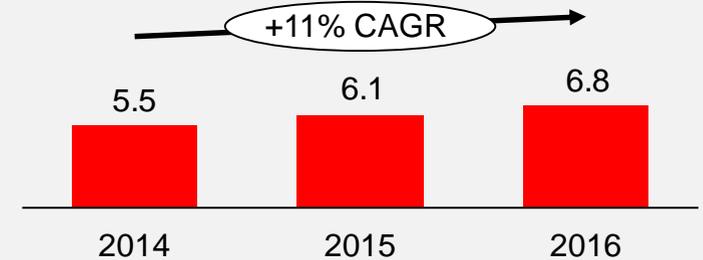
Global Markets as a % of group⁴

2016, Revenue %

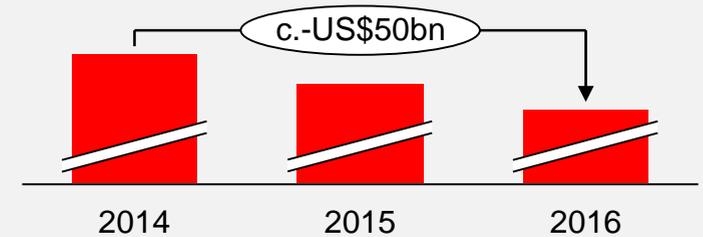


Track Record

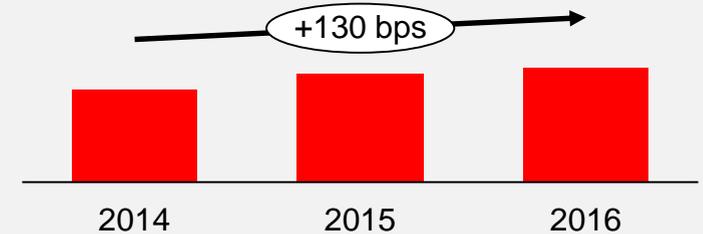
Revenue², US\$bn



RWAs⁶



Market Share³,%



1. HSBC internal client MI

2. GB&M adjusted revenue based on the 2016 HSBC Holdings plc Annual Report and Accounts. Numbers may not add due to rounding

3. Source: Coalition. Peer group: Bank of America Merrill Lynch, Barclays, BNPP, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Société Générale and UBS. Coalition results are based upon HSBC's product taxonomy and include all Institutional clients and Corporates with a turnover of greater than US\$1.5bn

4. Based on reported revenue. Universal Banks comprise: JP Morgan, Citi, Bank of America, Barclays, BNPP, Deutsche Bank and Societe Generale. Investment Banks comprise: Goldman Sachs, Morgan Stanley, Credit Suisse and UBS. Dec16 spot rate was used to translate European peers results to US\$

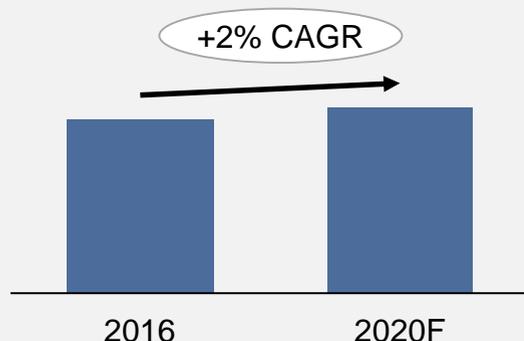
5. Comprising Credit, Rates and Foreign Exchange revenue within Global Markets

6. Gross RWA reductions on an adjusted basis

Defined plans to continue growth momentum

Industry revenue forecast¹

US\$bn



Trends

- **Post-crisis regulatory changes** near finalisation except Fundamental Review of Trading Book
- **Re-pricing** of balance sheet and capital commitment
- Increased focus on **client relationships and solutions**
- Polarisation of trading activities between **execution** and **financing / solutions**
- End-to-end **digitalisation** and rise of FinTech
- **Client opportunities** including global trade growth and AUM growth
- **Client challenges** including fees, regulation, industry transformation

Initiatives

1

Client Financing and Solutions opportunities

- Grow higher margin businesses aligned to HSBC strengths
- Credit – leverage our franchise for origination opportunities and build further capabilities in investment grade, high yield, exchange-traded funds, asset backed securities, loans and repo trading
- Financing and Solutions - leverage balance sheet, capital and diverse franchise (CMB, Banks, Insurers, Hedge Funds, Sponsors) to originate, transform and finance pools of assets or risks for redistribution

2

Growth aligned with HSBC's strengths in Emerging Markets

- Delivering market access and notably Asian network
- Growing our greater China best in class offering including RMB, market access and China Securities JV
- Positioned to capture internationalisation of capital markets in the Gulf countries
- Expand and complete LATAM franchise

3

Digital for clients

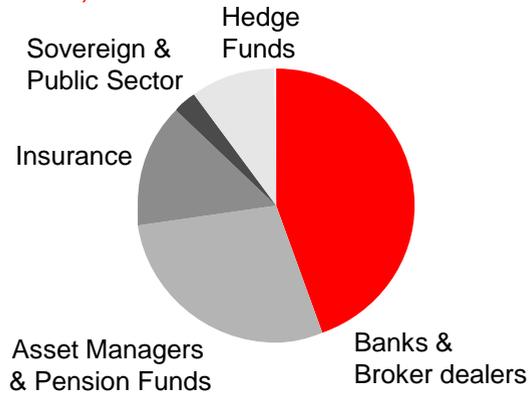
- Investment in digital to enhance efficiency and better serve our clients
- eTrading as a service
- Business intelligence and analytics to sales and clients deliver the “power of the franchise”
- Leveraging cloud computing and FinTech innovation

HSBC Securities Services – Profile and track record

Market share gains enabled by leadership position in Asia and Middle East

Client base¹

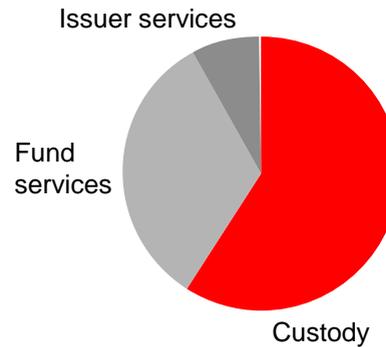
2016, Revenue %



Core product for Financial Institutions

Product Suite²

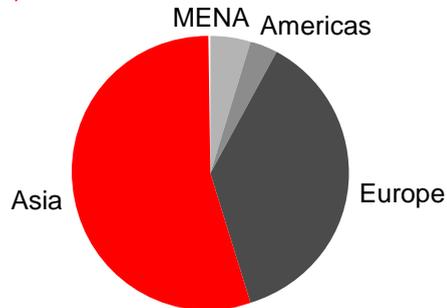
2016, Revenue %



Stable and recurring revenue

Geography¹

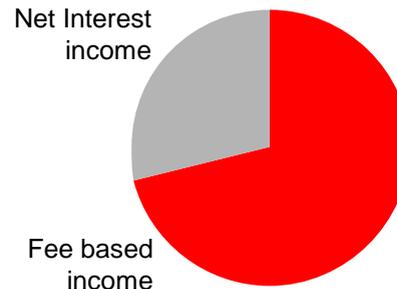
2016, Revenue %



Accessing c.90 markets worldwide

Revenue type²

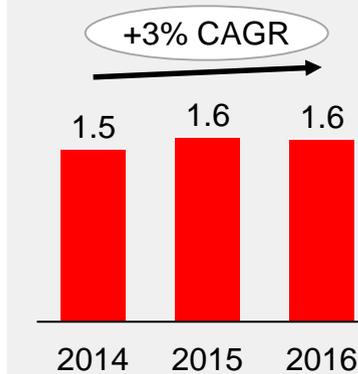
2016, Revenue %



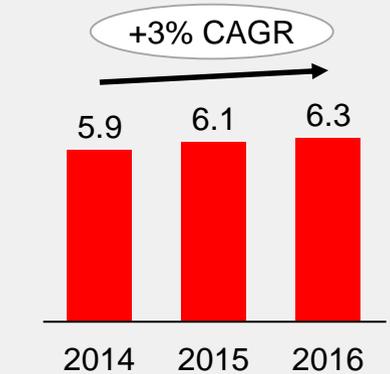
Ranked #6 globally by AUC⁵

Track record

US\$bn, Revenue²



US\$tn, AUC³



Key awards 2017

AsianInvestor

- Asset Services Provider of the Year
- Bank of the Year for Cross-Border Custody
- Global Custodian of the Year Mutual Funds

Asia Money

Best for offshore RMB fund services

Global Custodian

Innovation in Proxy Voting

Key deals

- **BlackRock** - RQFII⁴ custodian bank, helping US investors buy domestic Chinese securities for the first time
- **Credit Suisse** - Provider of equity markets post-trade processing in Australia

1. HSBC internal client MI

2. GB&M adjusted revenue based on the 2016 HSBC Holdings plc Annual Report and Accounts. Revenue type: Fee-based income includes Funds and Custody, Issuer Services, Foreign Exchange and Securities lending

3. AUC figures above on a constant currency basis. On a reported basis, AUC for 2016 is US\$6.3tn; 2015 is US\$6.2tn and US\$6.4tn for 2014

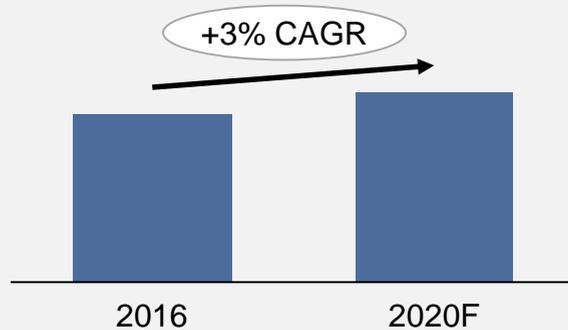
4. RQFII: RMB Qualified Foreign Institutional Investor

5. Source: EY and HSBC internal analysis

Invest to capture market growth, automate our platforms and deliver enhanced client experience

Industry revenue forecast¹

US\$bn



Trends

- **Interest rate** rises
- **Compression** of industry **margins**
- Increasing client demand for **digital** services
- **Asset growth** in asset managers and owners sectors with a drive to diversify asset classes
- Increased **regulatory focus** on investor protection and asset safekeeping rules

Initiatives

1 Invest in Digital & Data

- Increased investment in digital & data programmes
- Improve client experience through APIs² and enhanced data channels providing greater insights to client's portfolios
- Leverage robotics and 'Artificial Intelligence' to drive automation

2 Grow the asset managers and asset owner sectors

- Deliver next generation integrated custody and funds platforms
- Broaden asset classes (e.g. ETFs, alternatives)
- Sales & Commercial excellence by fully leveraging GB&M relationships

3 Strengthen our network

- Evaluate options to expand our footprint e.g., Europe
- Invest in high growth markets e.g. China, Indonesia
- Capture more cross-border flows in/outbound to Asia and EMEA

4 Grow the value of our business by leveraging our franchise

- New middle office outsourcing services to banks and broker dealers
- Improve Issuer Servicing capabilities & connectivity to better support our Financing & Origination business
- Enhance collaboration with HSBC Asset Management, Private Banking and Insurance to leverage our universal banking model

1. Source: BCG analysis. Custodian Revenue based on the top 10 global custodians

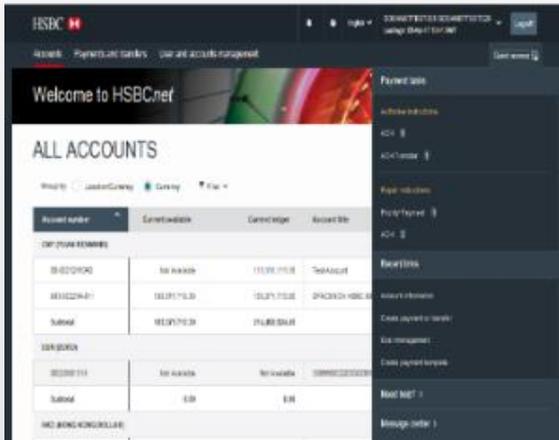
2. API: Application Programming Interfaces

Invest in digital and innovation for efficiency and growth

Client and Market Connectivity

Strategic Investments and Partnerships

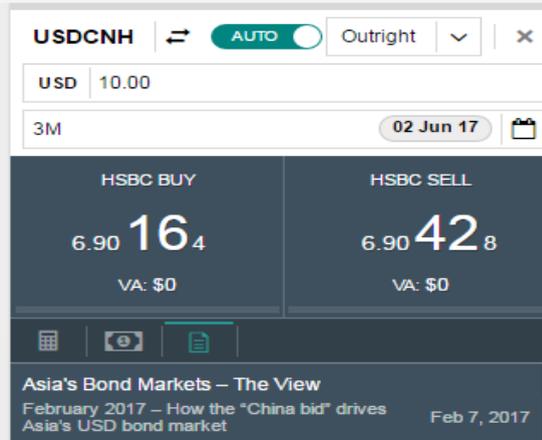
HSBCnet



Transform transaction banking browser and mobile:

- New User Interface & virtual assistant
- New authentication & TouchID on Mobile

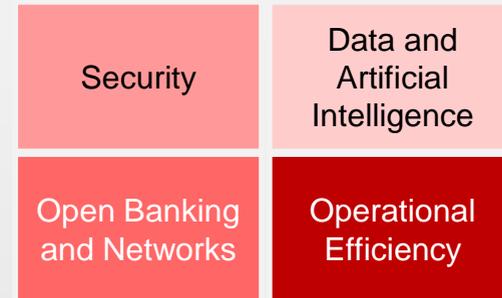
HSBC Evolve



Investing in our execution platform:

- Integrated customisable execution platform, from pre-trade, trade through to post-trade

- ✓ 10+ Investments in technology start ups to date
- ✓ Across four key themes



HSBC Connect

Transform transaction banking host to host connectivity:

- New user interface
- More file formats

Agenda for the day

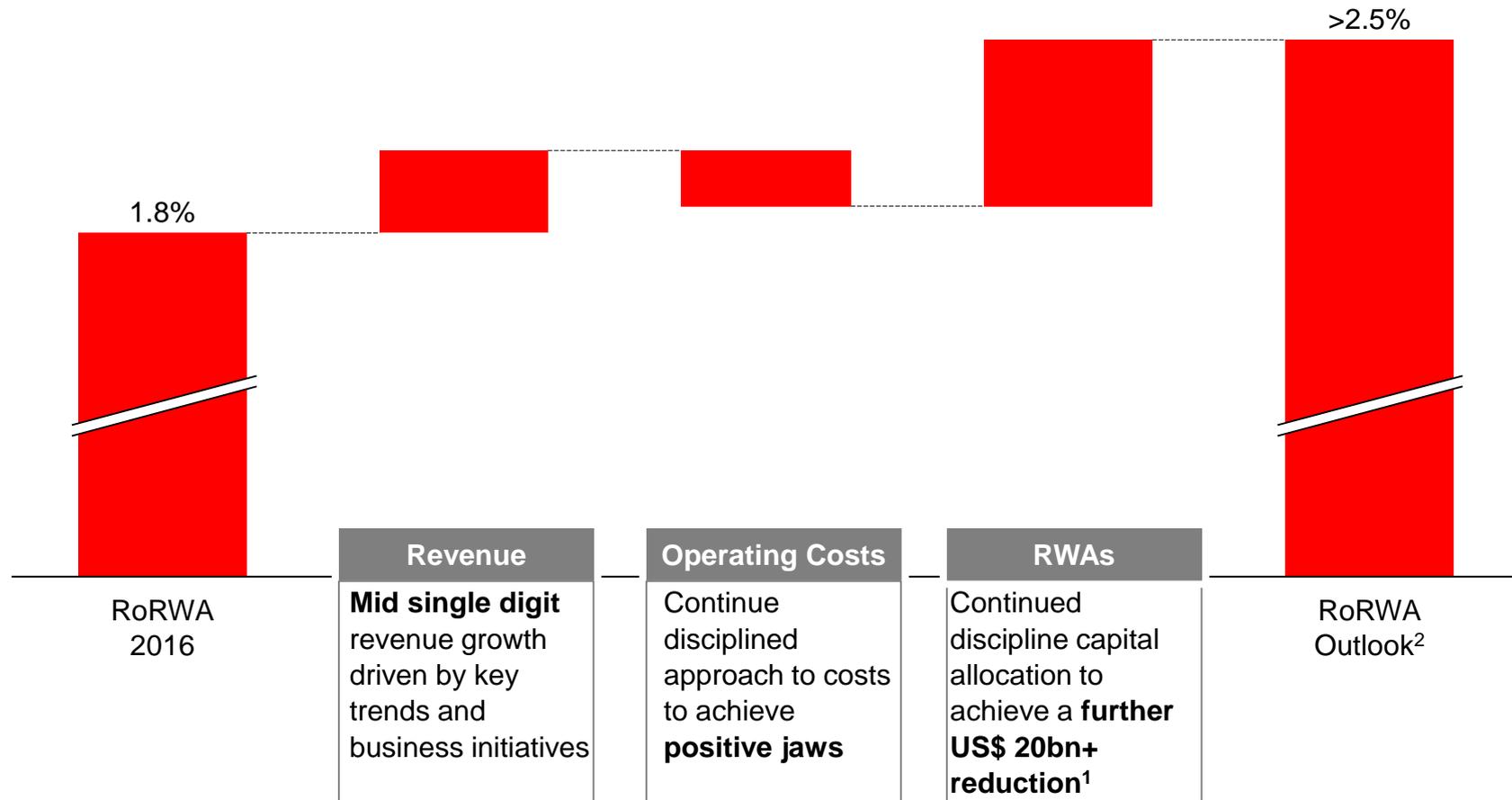
Introduction		9:35AM – 9:40AM
1	Industry and Global Banking & Markets overview	9:40AM – 10:00AM
	GB&M clients and businesses	10:00AM – 10:20AM
2	Break	10:20AM – 10:40AM
	GB&M clients and businesses	10:40AM – 11:00AM
3	Outlook	11:00AM – 11:20AM
Q&A		11:20AM – 11:45PM
Lunch		11:45PM – 1:00PM
Appendix		

Outlook

Further scope to improve RoRWA to greater than 2.5%

GB&M RoRWA

%



1. Gross RWA reduction

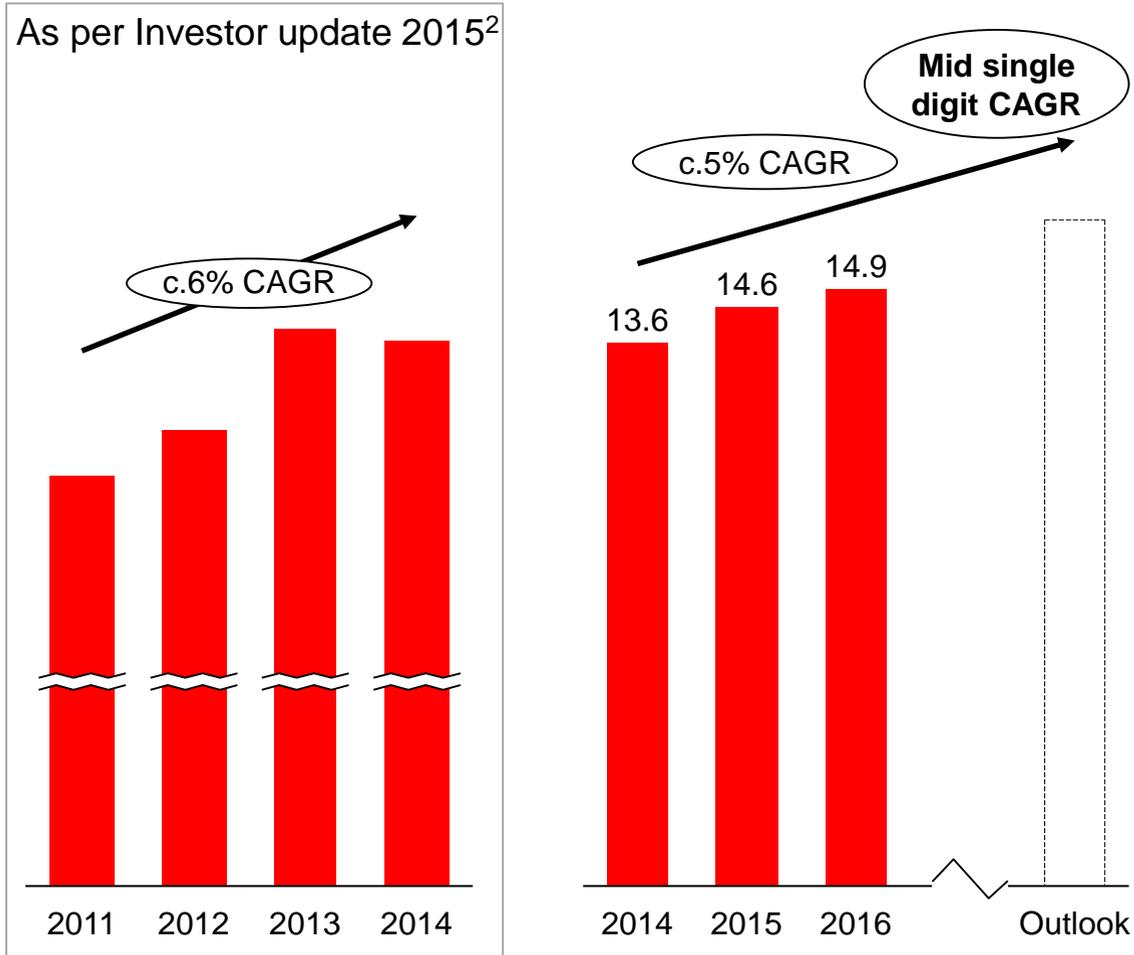
2. Certain internal costs with the Group are now allocated to Global Businesses, notably the cost of MREL debt and Corporate Centre costs. The RoRWA including these allocations would be 2.2%

Outlook

Revenue – Mid single digit growth driven by macro and competitive advantages

GB&M revenue¹

US\$bn



Drivers

1

Macro factors

- Economic growth
- Interest rate rises
- Banking Industry wholesale revenue growth

2

Monetise competitive advantages

- Deepen and broaden client relationships - more products in more countries
- Continue market share gains

3

Investing for future growth

Financing

- Grow financing business e.g. Sponsors and Credit

Emerging Markets

- Asia – Infrastructure (Belt & Road), China Securities JV, Pearl River Delta expansion
- Middle East – support Gulf countries to diversify their economies beyond oil and gas

Digital

- Invest in digital in Global Liquidity & Cash Management, Global Markets and Securities Services to improve client experience

1. On an adjusted basis. Graphs not comparable due to account restructures and FX difference

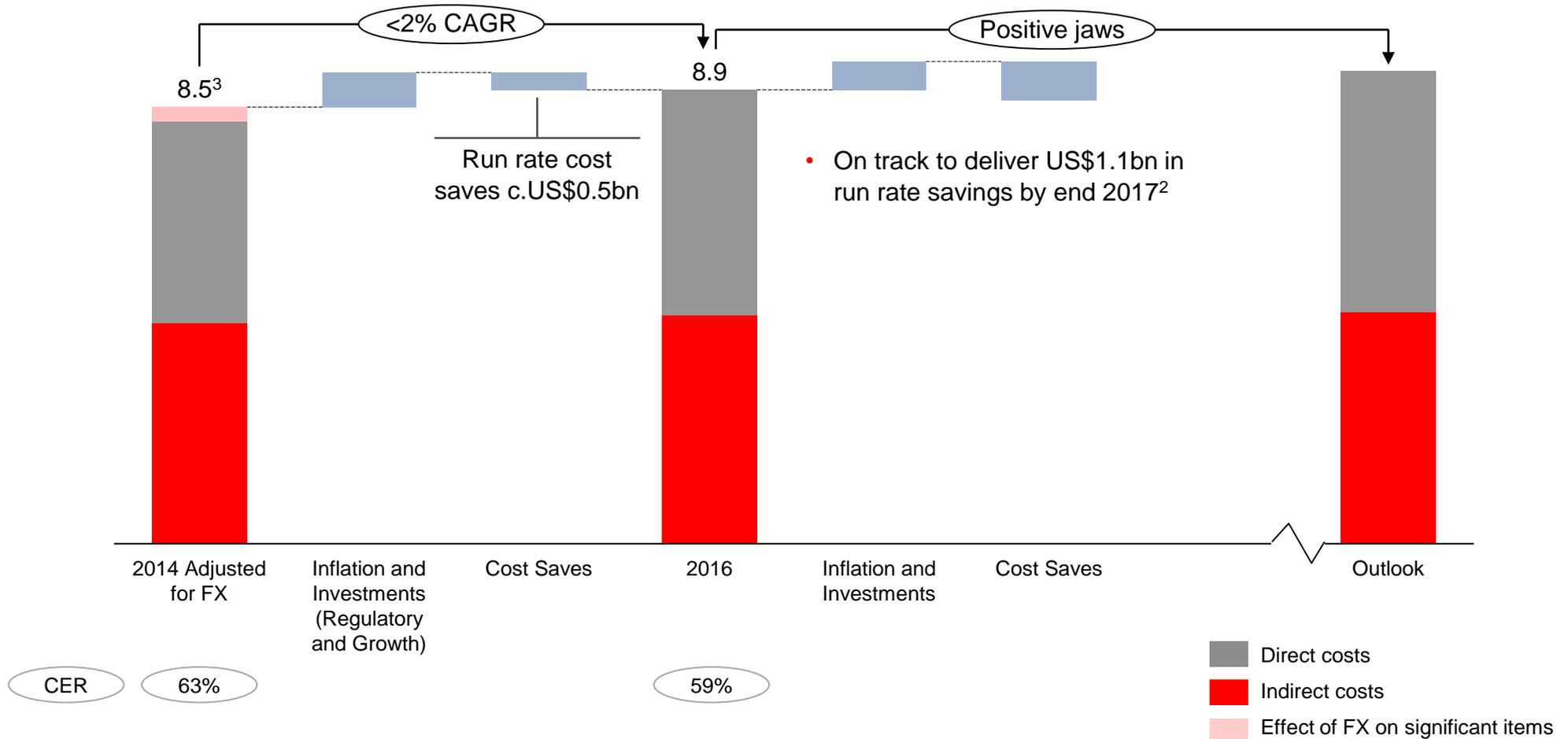
2. On an adjusted basis, as shown in the Investor Update 2015 Slide 12. Relates to 2015 definition of client-facing GB&M. Figures for 2011-2013 have not been adjusted for disposal of Brazil and realignment of customers between Global Businesses

Outlook

Costs - Continue disciplined approach to costs to achieve positive jaws

Cost walk¹

US\$bn



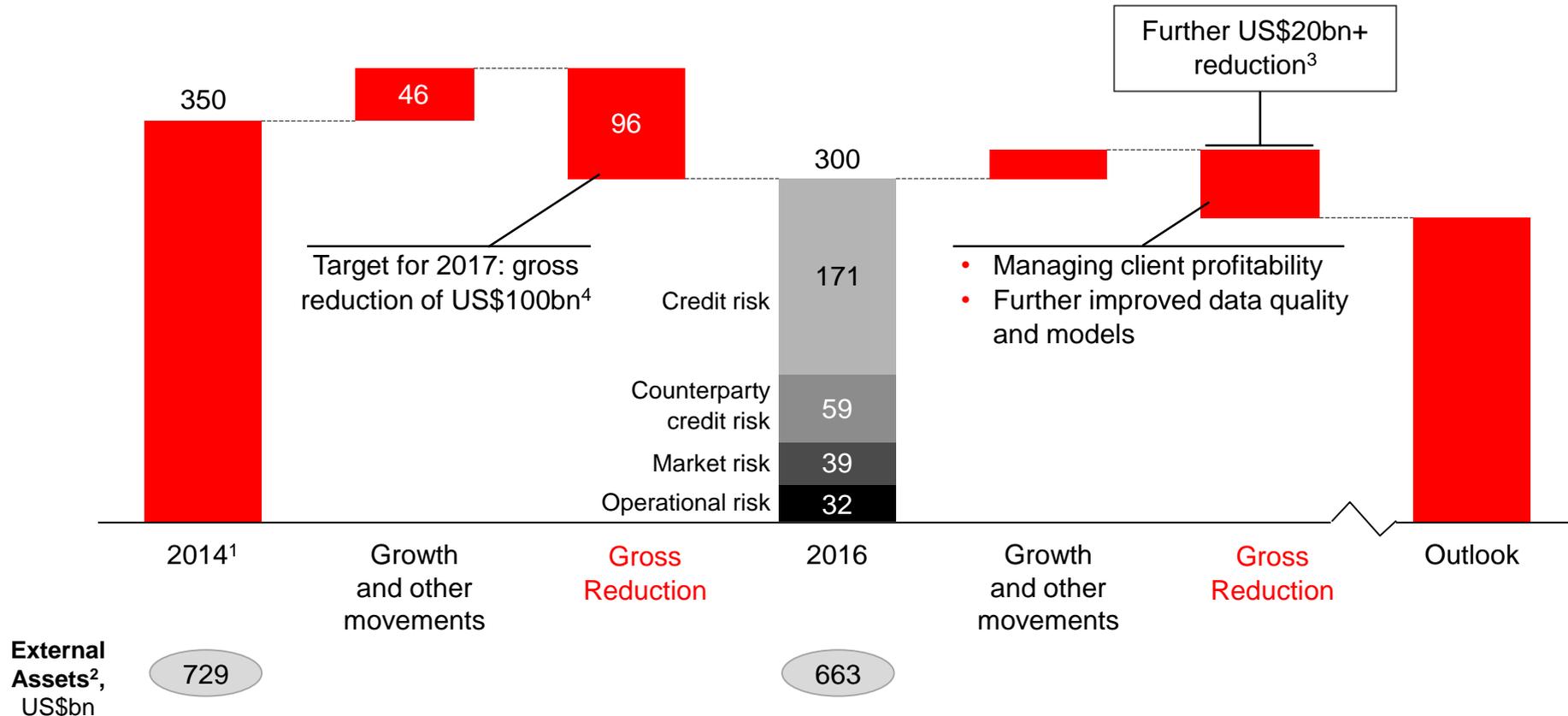
1. On an adjusted basis as reported in the 2016 HSBC Holdings plc Annual Report and Accounts
 2. 2015 Investor Update US\$1.1bn target included BSM and Legacy which is now part of Corporate Centre
 3. From 1Q17 onwards, the foreign currency translation differences related to significant items were presented as a separate component of significant items. This figure is based on the updated presentation. The effect of FX on significant items is US\$0.3bn

Outlook

Capital – Continue disciplined capital allocation to achieve a further US\$ 20bn RWA reduction

GB&M Risk Weighted Assets

US\$bn



1. On an adjusted basis
 2. GB&M External assets after derivative netting. For further details see appendix
 3. Gross RWA reduction
 4. June 2015 Investor update gross reduction of US\$140bn updated to US\$100bn as legacy credit has moved to Corporate Centre, re-segmentation and adjusted at 1Q17 FX rate

Outlook

Global Banking & Markets is well positioned to continue to grow whilst improving returns

- **Market trends**
 - Positive growth for the medium term
 - Improving returns
- **Proven track record in execution**
 - **Revenue growth:** distinctive competitive advantages and market share gains
 - **Improved returns:** track record in reducing RWAs whilst maintaining revenue momentum
 - **Historical stable** and recurring revenue
- **Defined plans to capture growth whilst keeping tight cost management and further RWA reduction**

Re-affirming Investor commitments

Revenue	Mid single digit growth
Operating Costs	Positive Jaws
Capital	Further US\$20bn+ RWA reduction ¹
Returns	RoRWA > 2.5%²

1. Gross RWA reduction

2. Certain internal costs with the Group are now allocated to Global Businesses, notably the cost of MREL debt and Corporate Centre costs. The RoRWA including these allocations would be 2.2%

Agenda for the day

Introduction		9:35AM – 9:40AM
1	Industry and Global Banking & Markets overview	9:40AM – 10:00AM
	GB&M clients and businesses	10:00AM – 10:20AM
2	Break	10:20AM – 10:40AM
	GB&M clients and businesses	10:40AM – 11:00AM
3	Outlook	11:00AM – 11:20AM
Q&A		11:20AM – 11:45PM
Lunch		11:45PM – 1:00PM
Appendix		

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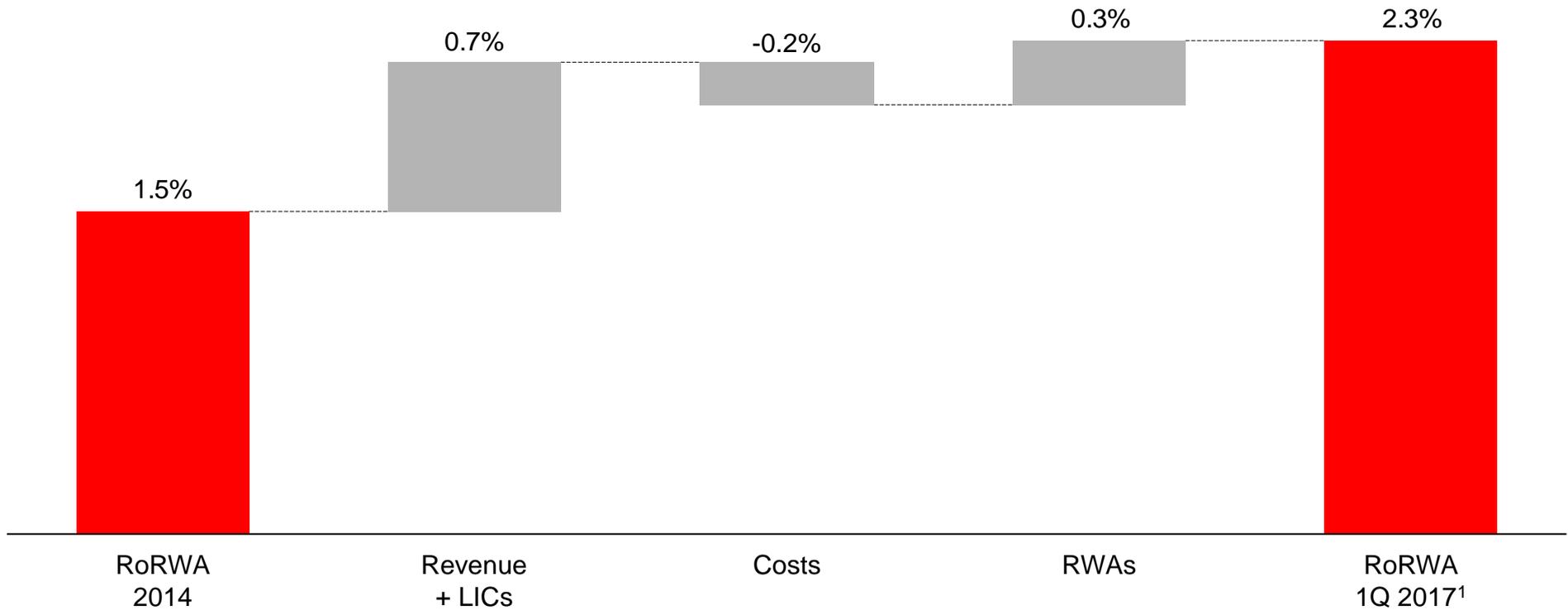
Appendix

Appendix – Track record

RoRWA 2014 to 1Q 2017

Global Banking & Markets RoRWA

%



1. As disclosed in the 1Q17 HSBC Earnings release. 1Q17 has been annualised and on a 2pt Average. Revenues include LICs

Appendix – Track record

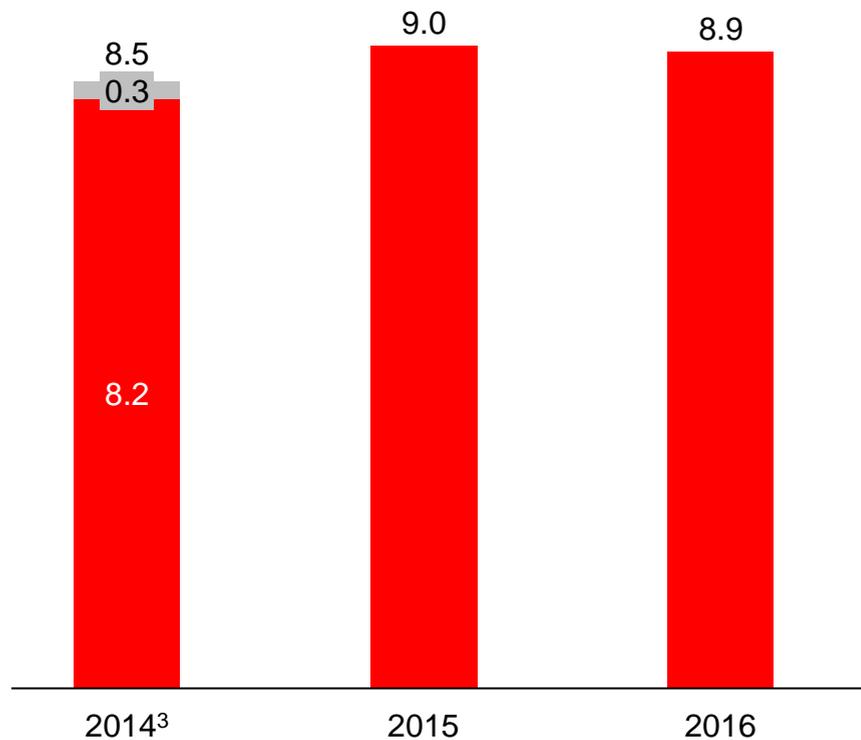
Costs 2014 to 2016

Update on progress¹

GB&M Adjusted Operating Expenses¹

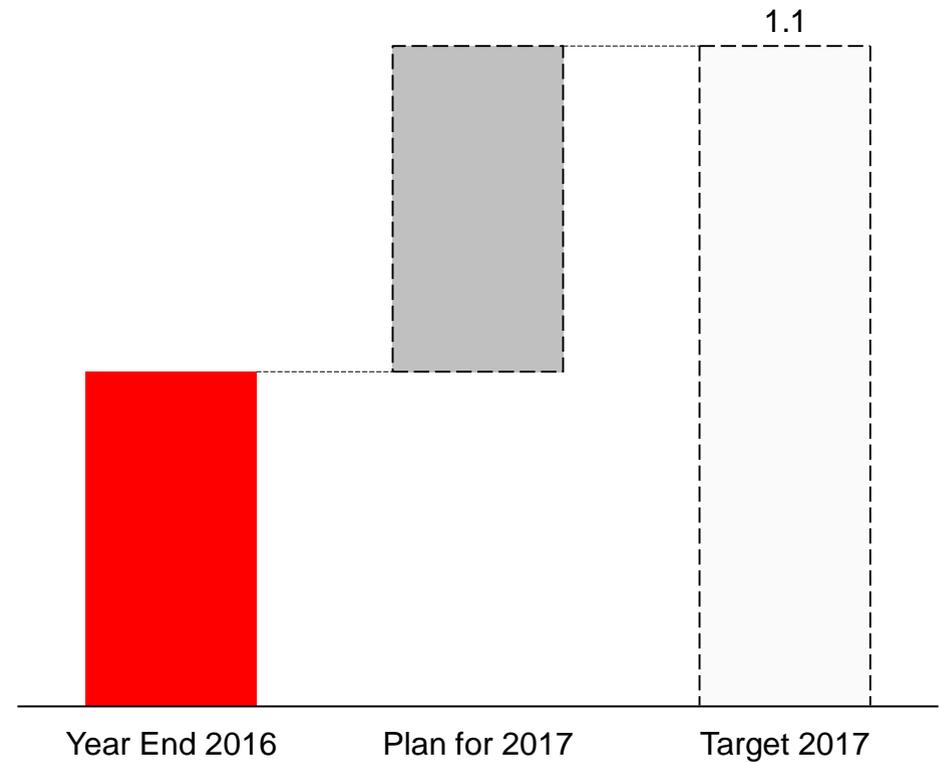
US\$bn

FX related to significant items
 Adjusted Operating Expenses²



GB&M cost reductions

US\$bn, run-rate basis



Note: Numbers may not add up due to rounding

1. Presented on an adjusted basis to exclude the effects of currency translation and significant items

2. As reported in the 2016 HSBC Holdings Annual Report and Accounts

3. From 1Q17 onwards, the foreign currency translation differences related to significant items were presented as a separate component of significant items. The adjusted operating expenses figures have been updated to reflect this change

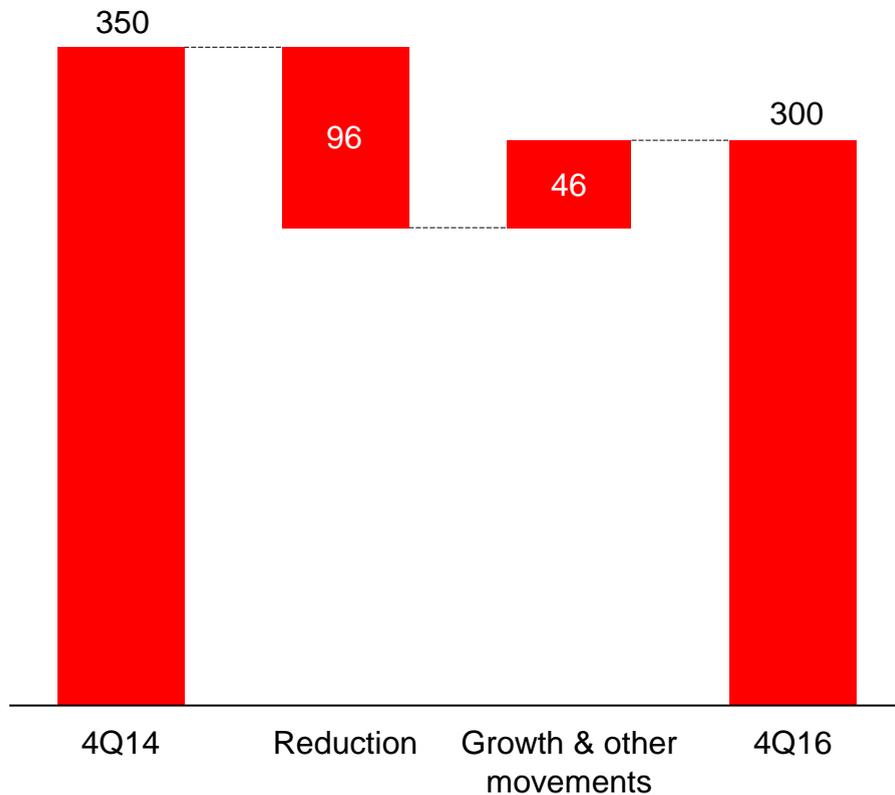
Appendix – Track record

RWAs 2014 to 2016

Update on progress¹

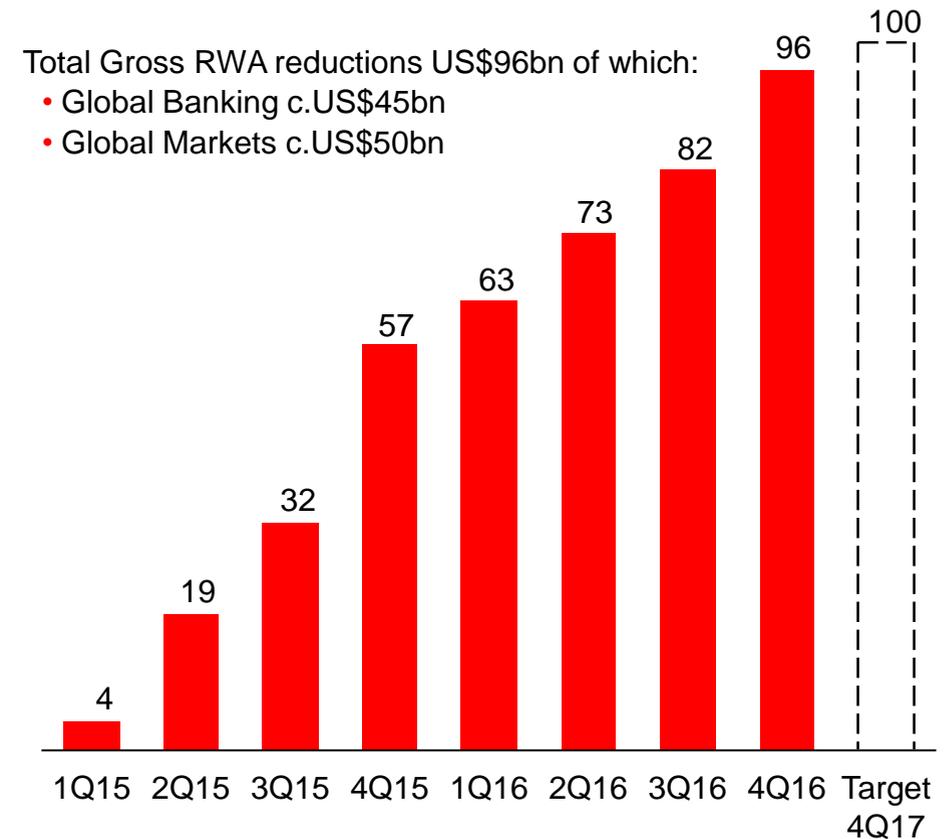
RWAs¹

US\$bn



Cumulative Gross RWA reductions²

US\$bn



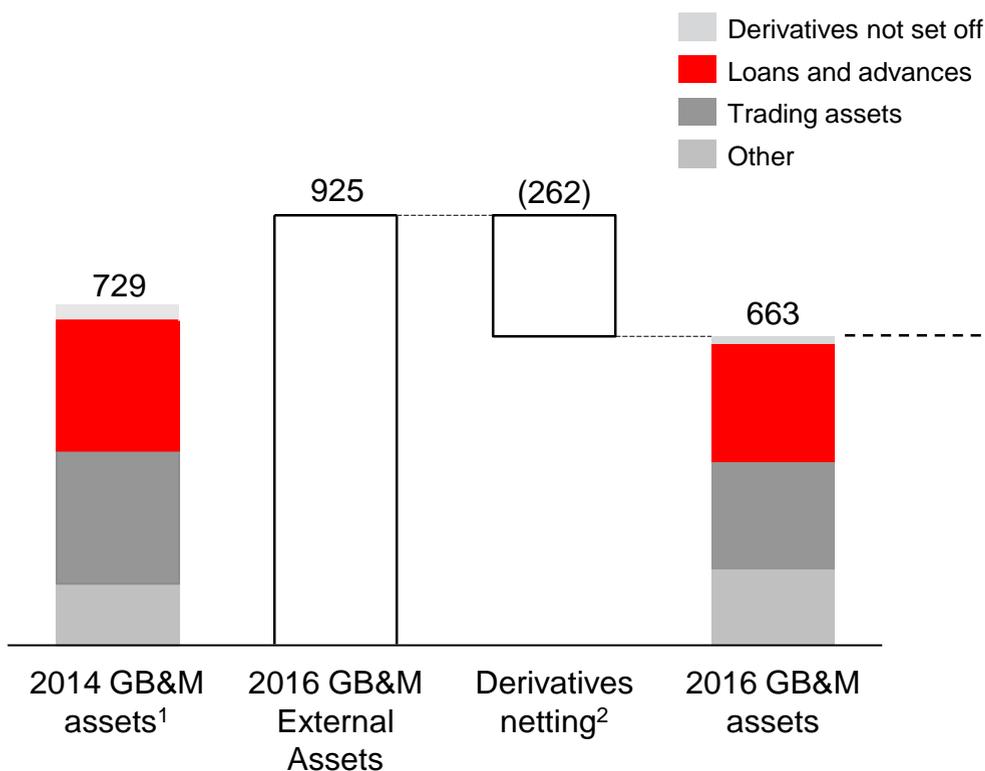
1. RWAs on an adjusted basis, stated at 4Q16 FX rate
 2. As reported

Appendix – Track record

Balance sheet assets of US\$663bn, smaller than most major peers

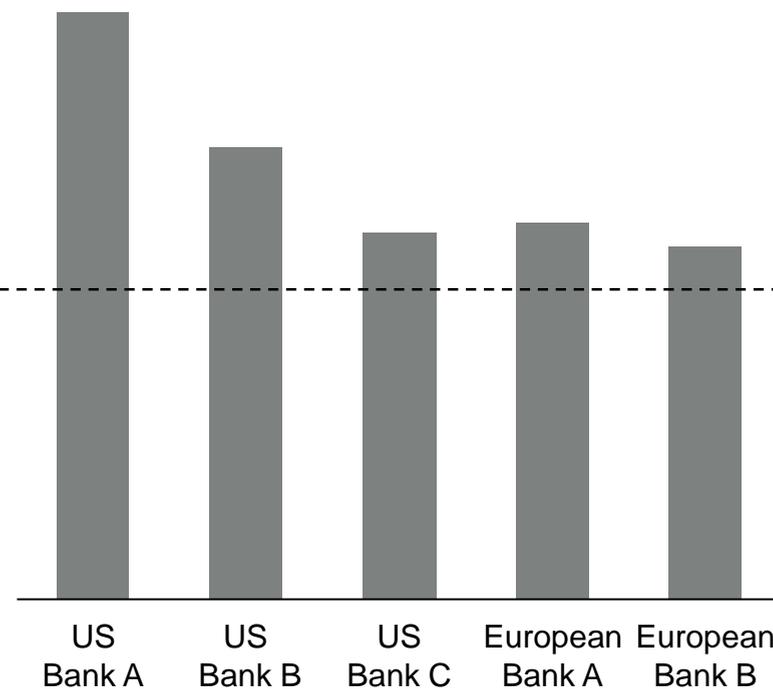
GB&M assets

US\$bn



Peer estimated CIB assets³

US\$bn



1. 2014 GB&M assets as disclosed at June 2015 Investor day for GB&M Client Facing assets (includes Brazil and FX)

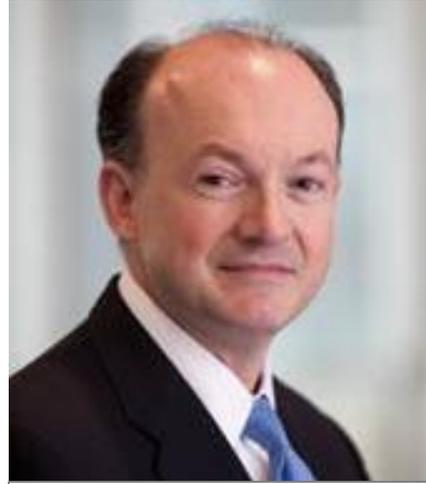
2. Includes transactions where the counterparty has an offsetting exposure with HSBC and a master netting or similar arrangement is in place with a right of set off only in the event of a default, insolvency or bankruptcy, or the offset criteria are otherwise not satisfied and non-cash collateral received in respect of these transactions. The majority of the HSBC Group total relates to GB&M

3. Peer estimated CIB assets calculated as segmental period end assets offset by derivative netting, methodology as follows i) financial data sourced from peer published financial disclosures, ii) assumptions made as to the equivalent peer segments, iii) assumptions made as to the allocation of the peer derivative balances and respective netting to the GB&M equivalent segment and iv) European peers converted at the Dec 2016 spot FX rates

Presenters



Samir Assaf
Chief Executive Officer
Global Banking & Markets



Gerard Mattia
Chief Finance Officer
Global Banking & Markets



Robin Phillips
Co-Head of
Global Banking



Matthew Westerman
Co-Head of
Global Banking



Thibaut De Roux
Global Head of
Markets



Diane Reyes
Global Head of Global
Liquidity & Cash Management



Cian Burke
Global Head of
HSBC Securities Services



Richard O'Connor
Group Head of
Investor Relations

Basis of Preparation

- Assumed no changes from 2014 in
 - IFRS accounting rules
 - Regulatory capital / RWA rules
 - Common law
- Figures are presented on an adjusted basis and exclude the effects of significant items, currency translation and acquisitions and disposals
- Assumed that where targeted reduction on RWAs require regulatory approvals (e.g. model changes), these will be received
- Forward interest rate curves as at 31 March 2017

Definitions (1/4)

Adjusted performance	Adjusted performance excludes the year-on-year effects of foreign currency translation differences and significant items which distort the year-on-year comparison of reported results. The term significant items collectively describes the group of individual adjustments excluded from reported results when arriving at adjusted performance and which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the trends of the business.
ASEAN	Association of Southeast Asian Nations; member states include Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam
AuC	Assets under Custody
AuM	Assets under Management
BCG	Boston Consulting Group
BSM	Balance sheet management
CAGR	Compounded Annual Growth Rate
CCR	Counterparty Credit Risk - Counterparty credit risk, in both the trading and non-trading books, is the risk that the counterparty to a transaction may default before completing the satisfactory settlement of the transaction
CER ratio	Cost Efficiency Ratio - Total operating expenses divided by total revenue
CET1	Common Equity Tier 1: CET1 Capital - The highest quality form of regulatory capital under Basel III that comprises common shares issued and related share premium, retained earnings and other reserves excluding the cash flow hedging reserve, less specified regulatory adjustments. CET1 Ratio – A Basel III measure, of CET 1 capital expressed as percentage of total risk exposure amount
China	Mainland China
Client facing GB&M	As defined in 2015 Investor update as the GB&M structure in 2015 excluding Associates, Legacy Credit & Balance Sheet Management
Client revenue	Differs from reported revenue. Client revenue relates to client income which includes total income from GBM clients relationships before synergies with other global businesses and excludes internal costs of funds.
CMB	Commercial Banking
CRDIV	Capital Requirements Directive IV - A capital adequacy legislative package issued by the European Commission and adopted by EU member states. CRD IV package comprises a recast Capital Requirements Directive and a new Capital Requirements Regulation. The package implements the Basel III capital proposals together with transitional arrangements for some of its requirements. CRD IV came into force on 1 January 2014

Appendix

Definitions (2/4)

CTB	Change the Bank - defined as costs that drive change (excluding transformation), e.g. regulatory changes. Once a programme is implemented, ongoing running costs are no longer classed as CtB
CVA	Credit Valuation Adjustment - An adjustment to the valuation of OTC derivative contracts to reflect the creditworthiness of OTC derivative counterparties
DCM	Debt Capital Markets
Derivative netting	Either where the counterparty has an off-setting exposure with HSBC but offsetting exposure with HSBC but offsetting criteria are not satisfied or where collateral (cash or non-cash) has been received in respect of these transactions
DVA	Debit Valuation Adjustment
EMEA	Europe Middle East and Africa as per Dealogic definition
Europe	Europe geographic segment
Exit run-rate cost	Run-rate as of 31 st December including impact of inflation, investment and full effect of savings
Footprint	HSBC Presence (countries)
FTE	Full-Time Equivalent staff
FX	Foreign Exchange
FX related	Settlement and provisions in connection with FX investigations
GB	Global Banking
GB&M	Global Banking and Markets
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GLCM	Global Liquidity and Cash Management
Global Businesses	Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, Global Private banking
Global Functions	Risk and Compliance, Finance, Human Resources, Communications, Marketing, Legal, Internal Audit, Sustainability, Company Secretary, Strategy & Planning, HSBC Technology & Services (HTS)

Definitions (3/4)

Global Standards	The adoption and deployment the highest or most effective financial crime controls everywhere that we operate. Global Standards include policies set out these controls for anti-money laundering ('AML') and sanctions. They are our Global Standards. We are transforming how we detect, deter and protect against financial crime through the deployment of Global Standards, which govern how we do business and with whom
GRB	Global Relationship Banker
G-SIB	Global Systemically Important Bank
GTRF	Global Trade and Receivables Finance
HSS	HSBC Securities Services
Inbound revenue	Client revenue booked in Country A where the primary relationship is managed outside of Country A
Investment banks	Investment banks comprise Goldman Sachs, Morgan Stanley, Credit Suisse and UBS.
JAWs	Percentage growth in net operating income before loan impairment charges and other credit risk provisions less percentage growth in total operating expenses
JV	Joint Venture
LATAM	Latin America
Legacy	A portfolio of assets comprising Solitaire Funding Limited, securities investment conduits, asset-backed securities trading and correlation portfolios and derivative transactions entered into with monoline insurers. Previously referred to as "Legacy Credit"
LICs	Loan Impairment Charges and other credit risk provisions
MENA	Middle East and North Africa
Mid Market	Mid Market Enterprise
NAFTA	North American Free Trade Agreement
Outbound revenue	Client revenue relating to clients where the primary relationship is managed in Country A, but the revenue is booked outside of Country A

Definitions (4/4)

Pearl River Delta	Pearl River Delta is located in Guangdong Province, Mainland China. It includes 9 prefectures: Guangzhou, Shenzhen, Foshan, Dongguan, Zhongshan, Huizhou, Zhuhai, Jiangmen and Zhaoqing
PRA	Prudential Regulation Authority
RBWM	Retail Banking and Wealth Management
Reported	Reported view of performance is determined on an IFRS basis as reported in HSBC's annual report and accounts and other financial and regulatory reports
ROE	Return on average ordinary shareholders equity, defined as profit attributable to ordinary shareholders of the parent company divided by average ordinary shareholders equity
RoRWA	The metric, return on risk weighted assets ('RoRWA'), is defined as profit before tax divided by average risk weighted assets ('RWAs'). RWAs have been calculated using FSA rules for the 2010, 2011 and 2012 metrics. In all cases, RWAs or financial metrics based on RWAs for geographical segments or Global Businesses include associates, are on a third party basis and exclude intra-HSBC exposures.
RQFII	Renminbi Qualified Foreign Institutional Investor Scheme
RTB	Run the Bank is defined as costs that are required to keep operations running, maintain IT infrastructure and support revenue growth
RWA	Risk Weighted Assets
Strategic corridors	The largest and fastest growing corridors connected to HSBC's priority markets
Synergies	Benefits from shared resources and product capabilities
TLAC	Total Loss-Absorbing Capacity see MREL
TMT	Telecommunications Media and Technology
Transaction banking products	GTRF, GLCM, and HSS Products
Universal banking	Retail, wholesale and investment banking services in one banking group
Universal banks	Comprises JP Morgan, Citi (excluding Private Bank), Bank Of America, Deutsche Bank, Barclays and BNPP