Global franchise with presence in 53 markets generating significant value for the Group

**FY2020 Performance**

- **Adjusted Revenue** $13.3bn (12% decrease from $3.6bn)
- **Adjusted ECLs** $4.75bn (greater than 200% increase from $3.6bn)
- **Adjusted Costs** $6.7bn (2% decrease from $6.8bn)
- **Credit & Lending** $5.6bn (4% increase from $5.4bn)
- **Customer deposits** $470bn (18% increase from $400bn)
- **RWAs** $328bn (1% decrease from $330bn)

**Value Generated for the Group**

- **Adjusted Revenue** $13.3bn
- **RWAs** $328bn

**Recognised Market-Leading International Transaction Bank**

- **#1 Global Trade Finance Bank** for fourth consecutive year
- **Improved GTRF market share** at 9% in Asia (+28bps)
- **c.15% GTRF market share** in both Hong Kong and Singapore
- **Best Global Cash Manager** for ninth consecutive year
- **Best Cash Management service provider** across 22 markets

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1. All financial data is presented on an adjusted basis (an alternative performance measure). For a reconciliation of reported to alternative performance measures, see the HSBC Holdings plc Annual Report and Accounts 2020. For definitions, refer to the HSBC Holdings plc Annual Report and Accounts 2020.
2. Euromoney 2021 Trade Finance Survey
3. OW Coalition 3Q20 revenue benchmarking report
4. Market share by HKMA and MAS
5. Best Global Cash Manager by Corporates - Euromoney Cash Management Survey 2020
Strong franchise with clear participation strategy aligned with our competitive advantage

**Deep coverage across customer segments**

- Global Banking
- Large Corporate ($500m-5bn)
- Mid Market Corporate ($50-500m)
- Business Banking Upper ($5-50m)
- Business Banking Mass ($0-5m)

**Distinct participation models**

- Full Participation
  - Corporate
  - Business Banking Upper
- Corporate
- Corporate overseas subs. only

**Few competitors match coverage**

- Global peers
  - Entrepreneurial heartland
  - CMB’s ‘sweet spot’
  - Providing deep, international coverage
- Regional & local competitors

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1. As at 31 December 2020 excludes Hang Seng. Large Corporates includes Corporate Real Estate customers
Well-diversified revenue streams targeted at entrenching relationships across products and geographies

**FY20 adjusted revenue by product ($bn)**

- Credit & Lending: 42%
- Global Liquidity & Cash Management\(^2\): 31%
- Global Trade & Receivables Finance: 13%
- Markets products, Insurance and Other\(^3\): 14%

**FY20 adjusted revenue by market\(^1\) ($bn)**

<table>
<thead>
<tr>
<th>Market</th>
<th>Adjusted Revenue ($bn)</th>
<th>% of Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>3.6</td>
<td>27%</td>
</tr>
<tr>
<td>HSBC UK</td>
<td>3.4</td>
<td>25%</td>
</tr>
<tr>
<td>Rest of Asia</td>
<td>2.4</td>
<td>18%</td>
</tr>
<tr>
<td>North America</td>
<td>1.8</td>
<td>13%</td>
</tr>
<tr>
<td>Rest of Europe(^4)</td>
<td>1.2</td>
<td>9%</td>
</tr>
<tr>
<td>Latin America</td>
<td>0.6</td>
<td>4%</td>
</tr>
<tr>
<td>MENA</td>
<td>0.6</td>
<td>4%</td>
</tr>
</tbody>
</table>

Note: numbers presented on an adjusted basis and totals may not cast due to rounding. 1. Market breakdown excludes amounts relating to intercompany eliminations which have been booked outside of the regions and consolidated at a Global level. 2. GLCM includes payments and cash management, current accounts, and savings deposits. 3. Includes revenue from Foreign Exchange, insurance manufacturing and distribution, interest rate management and Global Banking products. It also includes an allocation revenue relating to Markets Treasury, Holdings interest expense and Argentina hyperinflation. 4. Rest of Europe includes the elimination of intercompany transactions between HSBC UK and the rest of Europe.
**Strategic priorities**

1. **Enable our customers to internationalise**
2. **Continue to leverage transaction banking as our core strength**
3. **Focus on Asia for growth, investment and capital deployment**
4. **Innovate our business model to stay relevant for our customers**
5. **Collaborate across business lines so we can operate as partners**

**2020 Achievements**

- 8% increase in international account openings year-on-year\(^1\)
- International Subsidiary Banking deposits grew 23%\(^2\)
- 151%\(^3\) increase in volume of payments through HSBCnet mobile
- Launched next generation virtual accounts in 8 markets
- Deployed market-leading supply chain cloud platform in 13 markets (c. 40% volume) with 100% digital client and supplier experience
- 100% online account opening in Hong Kong
- Launched digital multicurrency wallet, enabling customers to pay & receive like a local, an answer to international money transfer challengers
- Integrated client management system live across 50 markets
- Supporting clients transitioning to sustainable solutions and supply chain resilience
- Business to Business platform Serai connecting +3.2k businesses
- Strong collaboration revenues, especially in Europe and US
- Growing referrals in Wealth and Private Bank, particularly in Asia

---

1. FY 20 vs FY 19  2. FY20 vs FY19  3. Increase in wholesale customer payments FY20 vs FY19
Delivering Digital Services for our customers: Transaction Banking

**Global Wallet, Multi-Currency Account**
- Enable customers to **manage, send, and spend like a local** with real-time FX rates
- Transact across **6 currencies** without need of local accounts
- **Commercial launch in Singapore** of mobile-first proposition, meeting international banking needs

**Trade, Transforming and Digitising**
- **Full suite of product capabilities** across Core and Structured Trade
- **New trade platform** in HSBCnet live in Hong Kong
- **2k Hong Kong customers** benefiting from enhanced experience
Delivering Digital Services for our customers: Business Banking

**Kinetic, Mobile-First Business Banking Proposition in the UK**

- **Built on the cloud**, a truly mobile-first banking service designed for small businesses in the UK
- Simple, user-friendly experiencing, enabling **same-day onboarding** and insights for customers
- >5k\(^1\) users; 4.7 / 5.0 iOS App store rating; 93\(^2\)% satisfaction rating

**Business Banking, New Mobile Experience**

- **Our new digital experience** (BBX) for Business Banking customers
- Digital channel connecting customers to their **transactional banking needs**
- **49k customers** using BBX across **9 markets**

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1. As at 26 March 2021
2. In January 2021
Extending support to customers during a period when they needed it most

### Value of drawn loans under market-wide schemes $bn

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q20</td>
<td>32.4</td>
</tr>
<tr>
<td>3Q20</td>
<td>40.2</td>
</tr>
<tr>
<td>4Q20</td>
<td>31.2</td>
</tr>
</tbody>
</table>

- **+24%**
- **-22%**

### Supporting customers

- Supported 237k\(^1\) customers globally through government and HSBC schemes
- Digital credit portals for government schemes deployed in 6 days\(^2\) (average)
- Majority of branches and call centres remained open throughout the pandemic
- 100% of Relationship Managers digitally enabled to stay connected to customers

### Customers Feedback

- “When we needed you most, you were there for us. Your personal actions on our behalf have literally saved my business and the jobs of my employees.”
- “HSBC supported us very strongly through that period, we were able to get our credit facility approved in record time.
- “You have taken tremendous care of us and have helped and supported us through this very challenging and difficult phase.”
- “HSBC is our trusted advisor in the good times and the bad times.”

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1. As at 31 December 2020 for wholesale lending
2. Average time taken to deploy UK lending portals.
3. Based on an average of 14,000 loans processed p.a.
Key Highlights of CMB

- Significant businesss with diversified revenue streams across products and geographies
- Digitising through c. $2bn of planned investments over 5 year period
- A franchise with the position and ability to serve SMEs and MMEs globally
- Customer-centric franchise that have supported over 237k businesses through relief measures during Covid-19
- Driving capital efficiency by reducing non-strategic RWAs by $13bn in 2020
Appendix
### Adjusted Financial Performance (FY20)

<table>
<thead>
<tr>
<th>$m</th>
<th>FY20</th>
<th>FY19</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTRF</td>
<td>1,744</td>
<td>1,826</td>
<td>▼ (4)%</td>
</tr>
<tr>
<td>Credit and Lending</td>
<td>5,640</td>
<td>5,421</td>
<td>▲ 4%</td>
</tr>
<tr>
<td>GLCM</td>
<td>4,178</td>
<td>5,932</td>
<td>▼ (30)%</td>
</tr>
<tr>
<td>Markets products, Insurance and Other¹</td>
<td>1,750</td>
<td>1,985</td>
<td>▼ (12)%</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>13,312</td>
<td>15,164</td>
<td>▼ (12)%</td>
</tr>
<tr>
<td>ECL</td>
<td>(4,754)</td>
<td>(1,162)</td>
<td>▲ &gt;(200)%</td>
</tr>
<tr>
<td>Costs</td>
<td>(6,689)</td>
<td>(6,832)</td>
<td>▼ 2%</td>
</tr>
<tr>
<td>Share of profits in associates and JVs</td>
<td>(1)</td>
<td>0</td>
<td>▼ -</td>
</tr>
<tr>
<td><strong>Adjusted PBT</strong></td>
<td>1,868</td>
<td>7,170</td>
<td>▼ (74)%</td>
</tr>
<tr>
<td>Significant items and FX translation</td>
<td>(229)</td>
<td>(3,011)</td>
<td>▼ (92)%</td>
</tr>
<tr>
<td><strong>Reported PBT</strong></td>
<td>1,639</td>
<td>4,159</td>
<td>▼ (61)%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$m</th>
<th>FY20</th>
<th>FY19</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loans</td>
<td>343,182</td>
<td>353,781</td>
<td>▼ (3)%</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>470,428</td>
<td>397,182</td>
<td>▲ 18%</td>
</tr>
<tr>
<td>RWAs</td>
<td>327,734</td>
<td>332,543</td>
<td>▼ (1)%</td>
</tr>
<tr>
<td>RoTE, %²</td>
<td>1.3%</td>
<td>13.0%</td>
<td>▼(11.7)ppts</td>
</tr>
</tbody>
</table>

1. Includes Markets Treasury allocations, Holdings interest expense and Argentina hyperinflation. 2. RoTE excluding significant items and UK bank levy.

- **Adjusted Revenue 12% lower** mainly in GLCM and other products due to lower global interest rates
- **Adjusted PBT of $1.9bn down $5.3bn (74%) vs FY19**, primarily from higher ECL and lower revenue, partly offset by lower costs
- **Adjusted ECL $3.6bn higher** reflecting global impact of Covid-19 on forward economic outlook
- **Adjusted costs decreased 2% vs FY19** continued investment was offset by reductions in discretionary spending and cost saves
- **Customer loans decreased $11bn (3%) vs. FY19** primarily due to lower trade and overdraft balances, partly offset by government scheme lending
- **Customer deposits increased $73bn (18%) vs. FY20** as customers held liquidity
- **RWAs down $5bn (1%) vs FY19** as we delivered $13bn transformation programme reductions, which mitigated an increase from asset quality deterioration
## Geographic financial performance (FY20)

### Adjusted income statement, $m

<table>
<thead>
<tr>
<th></th>
<th>Asia</th>
<th>Of which: Hong Kong</th>
<th>Europe</th>
<th>Of which: HSBC UK</th>
<th>North America</th>
<th>Latin America</th>
<th>MENA</th>
</tr>
</thead>
<tbody>
<tr>
<td>NII</td>
<td>4,408</td>
<td>2,645</td>
<td>2,782</td>
<td>2,400</td>
<td>1,223</td>
<td>515</td>
<td>390</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,638</td>
<td>989</td>
<td>1,810</td>
<td>965</td>
<td>580</td>
<td>91</td>
<td>213</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>6,046</td>
<td>3,634</td>
<td>4,592</td>
<td>3,365</td>
<td>1,803</td>
<td>606</td>
<td>603</td>
</tr>
<tr>
<td>ECL</td>
<td>(1,565)</td>
<td>(489)</td>
<td>(2,022)</td>
<td>(1,611)</td>
<td>(496)</td>
<td>(282)</td>
<td>(388)</td>
</tr>
<tr>
<td>Costs</td>
<td>(2,531)</td>
<td>(1,355)</td>
<td>(2,890)</td>
<td>(1,534)</td>
<td>(930)</td>
<td>(344)</td>
<td>(334)</td>
</tr>
<tr>
<td>Associates</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>(1)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Profit/(loss) before tax</strong></td>
<td>1,950</td>
<td>1,790</td>
<td>(320)</td>
<td>220</td>
<td>377</td>
<td>(21)</td>
<td>(119)</td>
</tr>
<tr>
<td>Significant items</td>
<td>(6)</td>
<td>(3)</td>
<td>(209)</td>
<td>(52)</td>
<td>(11)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Reported profit/(loss) before tax</strong></td>
<td>1,944</td>
<td>1,787</td>
<td>(529)</td>
<td>168</td>
<td>366</td>
<td>(22)</td>
<td>(120)</td>
</tr>
</tbody>
</table>

### Balance sheet, $bn

<table>
<thead>
<tr>
<th></th>
<th>Asia</th>
<th>Of which: Hong Kong</th>
<th>Europe</th>
<th>Of which: HSBC UK</th>
<th>North America</th>
<th>Latin America</th>
<th>MENA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net customer loans</td>
<td>156</td>
<td>99</td>
<td>126</td>
<td>91</td>
<td>44</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>190</td>
<td>131</td>
<td>201</td>
<td>135</td>
<td>63</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Reported RWAs</td>
<td>139</td>
<td>72</td>
<td>115</td>
<td>80</td>
<td>49</td>
<td>10</td>
<td>15</td>
</tr>
</tbody>
</table>
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Additional detailed information concerning important 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 2020 filed with the Securities and Exchange Commission (the "SEC") on 24 February 2021 (the "2020 Form 20-F"), which is available at www.hsbc.com.

Non-GAAP financial information

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 2020 Form 20-F, which is available at www.hsbc.com.

Information in this Presentation was prepared as at 31 March 2021, unless otherwise stated.