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

Alternative Performance Measures

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

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

Information in this Presentation was prepared as at 18 May 2023.

Alternative Performance Measures
<table>
<thead>
<tr>
<th>Location</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>3</td>
</tr>
<tr>
<td>India</td>
<td>14</td>
</tr>
<tr>
<td>Rest of Asia</td>
<td>26</td>
</tr>
<tr>
<td>CMB South and South-East Asia</td>
<td>38</td>
</tr>
<tr>
<td>GBM Asia</td>
<td>51</td>
</tr>
<tr>
<td>Sustainable Finance</td>
<td>65</td>
</tr>
</tbody>
</table>
Singapore

Kee Joo Wong | CEO, HSBC Singapore
Overview

1. HSBC Singapore is well positioned to capture opportunities in one of the fastest growing regions in the world.

2. Singapore is a priority market for the Group; we are investing in our people, propositions and digital to build a regional wholesale hub and international Wealth centre.

3. We're delivering on our Singapore strategy and seeing green shoots of our success, having doubled our share of Asia PBT contribution since 2019.

4. Singapore is at an inflection point; we want to capitalise on new market opportunities through its financial sector transformation, especially around sustainability and digitalisation.
Singapore: positioned to capture opportunities as an international financial centre

Gateway to South & South-East Asia for corporates

ASEAN is the #5 largest economy in the world (c.$3.2tn) with 660m people

46% of Asia Regional HQs (RHOs) are based in Singapore

Singapore is the largest recipient of FDI in ASEAN and largest intraregional investor

Inbound FDI flows

$bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Singapore</th>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>76</td>
<td></td>
<td></td>
<td>174</td>
</tr>
<tr>
<td>2021</td>
<td>99</td>
<td>122</td>
<td>122</td>
<td>174</td>
</tr>
</tbody>
</table>

Fast growing hub for Wealth and Asset Management

Some of the fastest retail offshore AUM growth globally

<table>
<thead>
<tr>
<th>Region</th>
<th>2022</th>
<th>2027e</th>
<th>2022-2027e CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>2.7</td>
<td>3.4</td>
<td>+5%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1.3</td>
<td>1.8</td>
<td>+7%</td>
</tr>
<tr>
<td>Singapore</td>
<td>1.1</td>
<td>1.7</td>
<td>+9%</td>
</tr>
</tbody>
</table>

Fast-growing global gateway for asset managers

$4tn AUM with 78% of funds sourced outside Singapore

<table>
<thead>
<tr>
<th>Year</th>
<th>Singapore</th>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>3.5</td>
<td></td>
<td></td>
<td>4.0</td>
</tr>
<tr>
<td>2021</td>
<td>3.5</td>
<td>4.0</td>
<td></td>
<td>4.0</td>
</tr>
</tbody>
</table>

+16% Growth in AUM

Hub for tech & innovation and leading green finance centre

Strong fintech ecosystem drew $4.1bn investment in 2022, up 22% vs. 2021 (vs. 31% globally)

59% of tech MNC RHQs in Asia are based in Singapore

Green, social and sustainability issuances

57% in ASEAN booked in Singapore in 2021

Inbound FDI flows

$bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Singapore</th>
<th>Vietnam</th>
<th>Indonesia</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>14</td>
<td>36%</td>
<td></td>
<td>57%</td>
</tr>
<tr>
<td>2021</td>
<td>24</td>
<td>36%</td>
<td></td>
<td>57%</td>
</tr>
</tbody>
</table>

1. Source: ASEAN Investment Report 2022 - Pandemic Recovery and Investment Facilitation; published October 2022
2. Source: Economic Development Board (EDB) Singapore
5. Source: KPMG. ‘Pulse of Fintech H2’22 report’
We were one of the earliest banks in Singapore, a prominent player today

**1800-1900s**

- **1877**: Established as one of the first banks in Singapore
- **1881**: Issued banknotes, significant to Singapore’s development
- **1948**: Handled 35% of Forex business in Singapore
- **1972**: Unveiled first ATM in Singapore

**Today**

- **Universal banking coverage**
  - Wealth and Personal Banking (WPB)
  - Commercial Banking (CMB)
  - Global Banking & Markets (GBM)

- **Community**
  - **Future skills** – employability and financial capability programmes
  - **Climate solutions** & environmental protection programmes

- **Key statistics**
  - c.4k employees
  - c.460k customers
  - 6 branches (incl. wealth centres)
  - c.200+ points of business (ATMs)

- **Key accolades**
  - Best International Bank in Singapore 2022
  - Best Bank for ESG in Singapore 2022

1. Source: Asiamoney Best Bank Awards 2022: Singapore
We are delivering on our Singapore strategy

Growing PBT contribution in Asia

PBT by global business

<table>
<thead>
<tr>
<th>Global Business</th>
<th>FY22 ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPB</td>
<td>+64%</td>
</tr>
<tr>
<td>GBM</td>
<td>772</td>
</tr>
<tr>
<td>CMB</td>
<td>470</td>
</tr>
</tbody>
</table>

Revenue by global business

<table>
<thead>
<tr>
<th>Global Business</th>
<th>FY22 ($bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WPB</td>
<td>2.0</td>
</tr>
<tr>
<td>GBM</td>
<td>1.0</td>
</tr>
<tr>
<td>CMB</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Lending breakdown

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY22 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal</td>
<td>45%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>55%</td>
</tr>
</tbody>
</table>

Key drivers of growth

Personal

Mass Affluent / HNW customers

- Half of WPB customers are offshore, mainly in Asia

WPB Wealth Balances

- ¾ is offshore, mainly from ASEAN-4, mainland China and Hong Kong

Customers by segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Banking</td>
<td>20%</td>
<td>22%</td>
</tr>
<tr>
<td>CMB - Large Corporate</td>
<td>40%</td>
<td>44%</td>
</tr>
<tr>
<td>CMB - Mid-Market Enterprise</td>
<td>35%</td>
<td>33%</td>
</tr>
<tr>
<td>CMB - Business Banking</td>
<td>5%</td>
<td>2%</td>
</tr>
</tbody>
</table>

1. Institutional includes Insurance Manufacturing and Asset Management 3rd party distribution
2. ASEAN-4: Indonesia, Malaysia, Thailand, Philippines
Our ambition
Our 2027 ambition is buoyed by Singapore’s financial sector roadmap

$3.3bn invested\(^1\) in 23 Industry Transformation Maps (ITMs) across 7 clusters

1. Source: Singapore Ministry of Trade and Industry; SGD4.5bn = USD3.3bn
2. Monetary Authority of Singapore – Financial Services Industry Transformation Map 2025 (2022)
Wholesale: investing in people, propositions and digital to serve our customers

Aim to be the #1 Wholesale Bank for Digital by…

Growing market share in priority segments

Being the primary offshore booking centre in South and South-East Asia

Growing regional Institutional client business

Maintaining top Transaction Bank positions by focusing on RTC clients

Key accolades

#1 in FX Penetration

#1 Trade Finance Services Provider

#1 DCM provider by G3 volume

#2 in Large Corporate market penetration

#3 in Cash Management market penetration

What we have achieved

- Head of Commercial Banking, South and South-East Asia and Head of Global Banking, South Asia
- Head of Global Payments Solutions and Head of Global Trade and Receivables Finance, South Asia
- Head of Sustainable Finance and Investments, ASEAN
- Chief Digital Officer, ASEAN

- Scale & sharpen market coverage by adding regional relationship / account managers and Europe & China desks
- Built out client solutions & regional expertise by enhancing Global Markets capabilities (e.g. FX) across all asset classes, and strengthening Corporate Financing and Investment Banking Coverage
- Wealth and Wholesale collaboration to create distinct propositions that cover multiple client needs (e.g. Employee Banking Solutions)

- Global Wallet: Allow customers to pay and receive like a local, first launched in Singapore
- Trade Working Capital: Digitised trade loans to reduce drawdown from hours to minutes (first in Asia to launch)
- HSBC Evolve: Access to HSBC’s trading products and services, 24 hours a day, 5.5 days a week

1. RTC clients – Regional Treasury Centre clients are clients who locate their treasury centres in Singapore
2. Greenwich Survey 2021
3. Euromoney Trade Finance Survey 2023
4. At February 2023. Source: Dealogic
5. Greenwich Survey 2023; 2023 Greenwich Leaders: Asian Large Corporate Banking and Cash Management
Wealth: investing to build a borderless Wealth continuum

Aim to be a leading Health and Wealth Hub by...

Growing market share in priority segments – Mass affluent and HNW

Growing AUM

Growing our insurance business

Accelerating growth in Asset Management

What we have achieved

- Regional Head of Wealth and Personal Banking (incoming)
- Global Head of Capital Markets and Investment & Wealth Solutions Platforms
- Global Head of Wealth & Investment Solutions
- Head of Sustainable Finance and Investments, ASEAN
- Chief Digital Officer, ASEAN

- Acquired AXA Singapore, increasing life insurance market share rank from #10 to #7

- Reinforced regional hub status – Global India Desk, launching GPB in Thailand (booked in Singapore)

- Developed client solutions & regional expertise – launching Institutional Family Office service, Independent Asset Managers desk, shifting AM model to include manufacturing

- Wealth and Wholesale collaboration to create distinct propositions that cover multiple client needs (e.g. Employee Banking Solutions); entered 15-year partnership with MSIG Insurance on general insurance

Key accolades

- #1 for HNW segment in Strategic NPS (2022)
- #2 for Mass Affluent segment in Strategic NPS (2022)
- Best digital customer experience for account opening and customer onboarding (2023)

Invest in digital

- Global Money Transfers: Hold, manage and send money to over 200 countries and territories, 24/7 (first in HSBC to launch)

- Digital International Client Onboarding: Allow offshore customers to open a bank account – future improvements with World Class Account Opening, a mobile native application and instant access to online banking (first in market)

- International Credit Decisioning: Access credit based on home country credit history (first in market & HSBC)

Key accolades

1. Source: The Digital Banker: Digital CX Awards 2023
2. At 31 December 2020. Source: MAS filings and Life Insurance Association of Singapore; based on annualised new premiums
We are at the forefront of new opportunities in sustainability and technology

Aim to be a leading ESG bank

Support Singapore’s Green Plan 2030

Lead in regulatory engagements and adoption of standards
- Chair of the Green Finance Industry Taskforce
- Co-chair of the working group on Taxonomy & Transition Standards in ASEAN
- Vice-chair of the GFANZ APAC Workstream

Supporting our clients
- Partnered with Temasek to launch Pentagreen Capital
- Innovative financing solutions: Joint Lead Manager and Bookrunner for first Sustainability Bond and first Sustainability Interest Rate Swap product
- Bookrunner for Singapore Government’s inaugural Green Infrastructure bond

Educating our colleagues
- Educating and empowering colleagues to engage clients on their transition plans
- Cultivating expertise in senior management

Sustainable Finance volume, $bn

<table>
<thead>
<tr>
<th>Year</th>
<th>10% of HSBC Asia volumes in 2022 (up 4.4ppts vs. 2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>0.9</td>
</tr>
<tr>
<td>2022</td>
<td>2.1</td>
</tr>
</tbody>
</table>

+139%

Pioneering new technologies

Partnerships with regulators and industry on new technology

Digital initiatives
- **Project Guardian** (MAS): Test the feasibility of applications in asset tokenisation and DeFi. HSBC is collaborating with Marketnode and UOB to enable native digital issuance of wealth management products
- **Point Carbon Zero Programme** (Google and MAS): Advisory Board Member for the programme, which aims to drive the innovation, incubation and scale of climate fintech solutions in Asia
- **Project NovA!** (MAS): Member of the NovA! Consortium, an industry-wide AI platform that generates insights on financial risk
- **Project Dunbar** (multiple): Part of project to explore how multiple CBDCs could enable cheaper, faster and safer cross-border payments
- **COSMIC (MAS)**: Co-created industry digital platform to fight money laundering, terrorism financing and proliferation financing by securely sharing information

Implementing new technologies and proofs of concept
- Completed Asia’s first digital bond issuance using distributed ledger technology (DLT)
- Launched HSBC Orion, a tokenisation platform for digital bond issuance based on DLT
- Launched HSBC Open in Singapore, HSBC’s first Web 3.0 digital asset wallet app

1. The Transition Standards Working Group is under the ASEAN Capital Markets Forum Industry Advisory Panel
2. Marketnode, an SGX Group and Temasek joint venture, is a digital markets infrastructure provider
Key messages

HSBC Singapore 2027 ambitions

#1 Wholesale Bank for Digital
Leading Health and Wealth Hub
Leading ESG bank

1 We’re **delivering on our strategy** as a regional wholesale hub and international wealth centre, having doubled our share of PBT contribution for Asia since 2019

2 We’ve achieved this through **scaling expertise, collaborating** across businesses, and **investing in digitalisation**. Our acquisition of AXA Singapore and launch of Pentagreen Capital are markers of our commitment to the Singapore market

3 We’re **capitalising on new market opportunities** as part of Singapore’s financial services transformation, particularly in **sustainability and digitalisation**
India

Hitendra Dave | CEO, HSBC India
Overview

1. Indian financial system is **on the cusp of a multi-year run of revenue growth**

2. We already have a **significant wholesale business**; poised to expand into higher yielding segments

3. From a private bank for UHNWIs to unsecured loans – **WPB is core** to our future plans

4. Digital developments have created **attractive and safe opportunities**

5. Seeing the benefit from being the **largest global bank**\(^1\) in the country; key external developments are favourable for HSBC

---

1. By assets amongst global peers who comprise Citi and Standard Chartered
## The India opportunity

<table>
<thead>
<tr>
<th>Megatrends</th>
<th>Key developments</th>
<th>HSBC positioning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Supportive macroeconomics</strong></td>
<td>✧ $3.4tn GDP in 2022 and expected to exceed $5tn by 2027&lt;sup&gt;1&lt;/sup&gt;; favourable demographic trends</td>
<td>✧ Strong in Payments, Trade and FX&lt;sup&gt;9&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>✧ Low credit to GDP ratio: households and small businesses relatively under-leveraged&lt;sup&gt;2&lt;/sup&gt;</td>
<td>✧ Strong balance sheet</td>
</tr>
<tr>
<td></td>
<td>✧ Record remittances&lt;sup&gt;3&lt;/sup&gt;, FDI&lt;sup&gt;4&lt;/sup&gt; and Services Exports&lt;sup&gt;4&lt;/sup&gt;</td>
<td>✧ APIs already in place with public data sources</td>
</tr>
<tr>
<td><strong>Digitisation and physical infrastructure</strong></td>
<td>✧ World leader in global real-time payments&lt;sup&gt;5&lt;/sup&gt;</td>
<td>✧ Core banker to local and global investors</td>
</tr>
<tr>
<td></td>
<td>✧ Digital Public Infrastructure playing transformational role</td>
<td>✧ Expecting to launch Private Bank in July 2023</td>
</tr>
<tr>
<td></td>
<td>✧ Significant additions to road, rail, aviation, and power capacity</td>
<td>✧ ‘High street presence’ in all major NRI centres</td>
</tr>
<tr>
<td><strong>Growing affluence</strong></td>
<td>✧ 3rd largest population of tech unicorns&lt;sup&gt;6&lt;/sup&gt; globally</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✧ Rapid growth&lt;sup&gt;7&lt;/sup&gt; of formal white-collar workforce</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✧ 32m&lt;sup&gt;8&lt;/sup&gt; Non-Resident Indian (NRI) diaspora</td>
<td></td>
</tr>
</tbody>
</table>

---

<sup>1</sup> Source: IMF. World Economic Outlook Database, April 2023  
<sup>2</sup> Source: Bank for International Settlements  
<sup>3</sup> Source: The World Bank  
<sup>4</sup> Source: India Ministry of Commerce & Industry  
<sup>5</sup> Source: ACI Worldwide. Realtime Payment Data Report 2023  
<sup>6</sup> Source: Orios Venture Partners; India Unicorns & Exits Tech Report 2022  
<sup>7</sup> Source: India Ministry of Labour & Employment  
<sup>8</sup> Source: India Ministry of External Affairs  
<sup>9</sup> Euromoney Trade Finance Survey 2021-2023
The largest global bank in India\textsuperscript{1}, with deep roots and longstanding heritage

### Significant presence

- Payments
- Employees
- FX
- Trade
- Geographical presence

### Recognition\textsuperscript{2}

- Best Foreign Bank
- Most respected Foreign Bank
- Payments and Trade for 6+ years
- Marquee Awards

### Strategic focus segments

#### Wholesale:
- Global and local MNCs; banks; SMEs; startups

#### WPB:
- High net worth individuals; NRIIs; mass affluent

### Scale market share in strength areas

<table>
<thead>
<tr>
<th>%</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>c.45%</td>
<td>Percentage of multinational corporates in India that we bank\textsuperscript{3}</td>
</tr>
<tr>
<td>c.45%</td>
<td>Percentage of Indian unicorns that we bank\textsuperscript{3}</td>
</tr>
<tr>
<td>c.10%</td>
<td>Percentage of India’s exports\textsuperscript{4}, FDI\textsuperscript{4} and foreign exchange\textsuperscript{4} that we facilitate</td>
</tr>
</tbody>
</table>

#1 For FIG cross-border issuances\textsuperscript{5}

### 170 years\textsuperscript{6} of heritage

- HSBC’s 4th branch globally
- Active member of regulatory committees

### Supporting communities

- Mumbai Dabbawalas, Women entrepreneurs, Athletics Federation
- ‘Skills for Life’ - 1m+ women and youth
- HSBC Water Programme – c.3m people

---

1. By assets amongst global peers who comprise Cit and Standard Chartered
2. *Financial Express* Best Foreign Bank (2019, 2021, 2022); Businessworld Most Respected Foreign Bank (2020, 2022, 2023); Great Place to Work (2020, 2021, 2022); Euromoney Trade and Payments (2018 to 2023); Earth Care Awards 2022
3. Source for multinationals: Saverisk and Ministry of Corporate Affairs; Source for unicorns: Venture Intelligence
5. Source: Bloomberg. FIG G3 currency bonds
6. Dating back to the founding of the Mercantile Bank of India, acquired by the Hongkong and Shanghai Banking Corporation Limited in 1959
Competitive environment

<table>
<thead>
<tr>
<th>FY22 revenue</th>
<th>Local peer 1</th>
<th>Local peer 2</th>
<th>Local peer 3</th>
<th>Local peer 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.3bn</td>
<td>$3.5bn</td>
<td>$7.1bn</td>
<td>$9.7bn</td>
<td>$14.3bn</td>
</tr>
</tbody>
</table>

| FY18-FY22 revenue CAGR | 10% | 9%  | 14% | 16% | 16% |

| Retail PBT as a % of total | <5% | 20% | 29% | 44% | 14% |

- Prepared on Indian GAAP, for the 12 months ended 31 December 2022
- FY22 revenue converted using average USD:INR rate of 78.76
- Annual revenue CAGR for 12 month periods ending 31 December
- Local competitors are bank-only results, including foreign branches

**Indian bank impairments (GNPA, %)**

For financial years ending 31 March

<table>
<thead>
<tr>
<th>Indian NPA crisis</th>
<th>Covid-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.28</td>
<td>3.84</td>
</tr>
<tr>
<td>3.84</td>
<td>2.90</td>
</tr>
<tr>
<td>2.90</td>
<td>0.78</td>
</tr>
</tbody>
</table>

**HSBC India IFRS key financial metrics by global business**

<table>
<thead>
<tr>
<th>Revenue, $bn</th>
<th>PBT², $bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.5bn</td>
<td>$0.9bn</td>
</tr>
</tbody>
</table>

- HSBC
- Foreign banks
- Private sector
- Public sector

1. Legal entity view; excludes Investment Banking, Asset Management and GSC/HTI entities. Revenue CAGR is at constant currency
2. Calculation excludes Corporate Centre. Corporate Centre had negative reported PBT of $24m in 2022
Consistent high returns and a top 5 contributor to Group PBT for the last 5 years; 1Q23 PBT of $0.3bn, up 37% vs. 1Q22
International connectivity

#IndiasGlobalBank

- Capture larger share of the fast-growing international customer wallet
- Plan to increase the existing strength of India’s linkages with the Group network
- Provide a consistent global coverage and credit model
- Facilitate growing international trade
- Connect other banks and their customers with global markets
- Customers are able to open WPB accounts in 30 countries, with credit access in our top 10 markets

Well balanced client business\(^1\) across regions

Client managed location view, FY22

- North America
- Europe
- Asia Pacific
- MENA
- Latin America

Deposits\(^2\)

At 31 December 2022

- International\(^3\)
- Domestic\(^3\)

---

1. Refer to glossary for definitions
2. Retail Non-Resident Indian and Global Payments Solutions deposit balances
3. International customers are customers who hold a relationship with HSBC in two or more markets; domestic customers hold a relationship with HSBC in only one market
Leveraging India’s digital ecosystem to help enable customer acquisition and balance sheet expansion

<table>
<thead>
<tr>
<th>Themes</th>
<th>Key opportunities</th>
<th>Actions</th>
<th>Partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Public Infrastructure (DPI)</td>
<td>◆ Real-time, consent-based journeys</td>
<td>◆ Join Account Aggregator, ONDC</td>
<td>◆ 50+ APIs available externally</td>
</tr>
<tr>
<td></td>
<td>◆ New base of customers for extending credit</td>
<td>◆ API integrations</td>
<td></td>
</tr>
<tr>
<td>Platform partnerships</td>
<td>◆ Access to large fintech client base</td>
<td>◆ BaaS integration for ‘Beyond Banking’</td>
<td></td>
</tr>
<tr>
<td></td>
<td>◆ Cross-sell full suite of products</td>
<td>◆ API developer portal live for India</td>
<td></td>
</tr>
<tr>
<td>Journey digitisation</td>
<td>◆ Customer acquisition at scale</td>
<td>◆ Straight-through journeys</td>
<td></td>
</tr>
<tr>
<td></td>
<td>◆ Higher margin, large volume segments</td>
<td>◆ Parameterised and AI/ML based credit tools</td>
<td></td>
</tr>
</tbody>
</table>
## Integrate with corporate ecosystems to help fortify leading wholesale proposition

<table>
<thead>
<tr>
<th>Themes</th>
<th>Actions</th>
<th>2022 highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inbound / outbound</td>
<td>Help enable a ‘soft landing’ in India and around the world</td>
<td>+21% employee banking new customer growth vs. 2021</td>
</tr>
<tr>
<td></td>
<td>Generate second-order leads for WPB and CMB</td>
<td></td>
</tr>
<tr>
<td>Transaction banking</td>
<td>API-led connections with local ecosystems, including e-commerce</td>
<td>&gt;9m monthly API calls</td>
</tr>
<tr>
<td></td>
<td>Integrate Trade, Payments and FX</td>
<td>&gt;95% UniTransact client adoption</td>
</tr>
<tr>
<td>Customer acquisition</td>
<td>Facilitate global supply chain shifts</td>
<td>+50% growth in new MNC customers vs. 2021</td>
</tr>
<tr>
<td></td>
<td>Leverage analytics on wholesale payments and trade data</td>
<td>+66% growth in SME new customers vs. 2021</td>
</tr>
<tr>
<td>Financing</td>
<td>Maintain a well capitalised and liquid balance sheet</td>
<td>Top 3 bank in GIFT City(^1)</td>
</tr>
<tr>
<td></td>
<td>Expand GIFT proposition; cement sustainable finance leadership</td>
<td>c.7.5% share of green finance(^2)</td>
</tr>
</tbody>
</table>

1. By total asset size
2. Green finance market: Landscape of Green Finance in India Report, September 2022, Climate Policy Initiative
# Tapping into DPI and leveraging wholesale to capture opportunities for WPB

## Themes

<table>
<thead>
<tr>
<th>Wealth</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• <strong>Private Bank</strong> expected to launch in July 2023; bringing the full wealth continuum in-country</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retail credit</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• ‘<strong>AnytimeCredit</strong>’ expected to launch in June 2023; rapid, self-serve credit journeys</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee banking</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Recently <strong>refreshed proposition</strong> is live with market-leading features</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>International</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• <strong>Global View</strong> and <strong>Global Money</strong>; globally developed propositions, launched locally</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Manufacturing capabilities</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• $0.5bn <strong>LTIM acquisition</strong> completed in November 2022</td>
</tr>
</tbody>
</table>

## 2022 highlights

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>+26%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail lending, $m</td>
<td>1,365</td>
<td>1,723</td>
<td></td>
</tr>
</tbody>
</table>

### Book growth

<table>
<thead>
<tr>
<th></th>
<th>+26%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgages</td>
<td></td>
</tr>
<tr>
<td>Top tier</td>
<td>+43%</td>
</tr>
<tr>
<td>Premier</td>
<td>+57%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>+18%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal loans</td>
<td></td>
</tr>
<tr>
<td>Wealth</td>
<td>+234%</td>
</tr>
<tr>
<td>NRI</td>
<td>+154%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>+17%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal banking</td>
<td></td>
</tr>
<tr>
<td>savings account balances</td>
<td></td>
</tr>
<tr>
<td>New insurance policies</td>
<td>+62%</td>
</tr>
<tr>
<td>Cards</td>
<td>+19%</td>
</tr>
</tbody>
</table>

# Book growth and customer growth metrics are FY22 vs. FY21

---

1. FY22 vs. FY21, on a constant currency basis
2. Top Tier: HNW / UHNWI families with qualifying total relationship balance of at least $1m
Key messages

1. There is a **clear opportunity** for international banks **to compete with local banks** in India.

2. We are **favourably positioned** to benefit from external developments and our global network.

3. Early signs indicate that **our strategy is working**; we are looking to **increase investment** and **focus** on India.
Rest of Asia

Surendra Rosha | Co-CEO, Asia Pacific
Philip Fellowes | Chief of Staff, Asia Pacific
Rest of Asia is attractive for HSBC

GDP & trade
- Rest of Asia GDP $12.2tn\(^1\), c.33% of Asia Pacific total
- Rest of Asia trade $7.5tn\(^2\), c.44% of Asia Pacific total

Median age <32 in Malaysia, Vietnam, Indonesia and Philippines (EU: 44; USA: 38.8)\(^3\)

Demographics

New Economy
- 23.8% of technology-focused start-ups in Asia Pacific are in Japan, Australia and South Korea\(^4\)
- c.35 unicorns in the Rest of Asia, with a combined valuation of c.$130bn\(^5\)

Governments and policymakers supportive of cross-border business
- >10% of the adult population in Australia and Taiwan are forecast to have >$1m wealth by 2030 (USA c. 8.5%)\(^6\)
- Adults with $250k of wealth will have tripled in Malaysia by 2035\(^6\)
- Over $30tn financial wealth in Japan, Korea, Australia and Taiwan\(^7\)
- By 2027 >40% of wealth flows into Singapore will originate from the Rest of Asia\(^8\)

---

Note: Rest of Asia comprises Australia, Malaysia, Bangladesh, Indonesia, Japan, South Korea, Mauritius, New Zealand, Philippines, Sri Lanka, Maldives, Taiwan, Thailand, and Vietnam
1. IMF, 2023
2. S&P Global Market Intelligence
3. United Nations, 2021
4. Emerging Giants in Asia Pacific, HSBC and KPMG Report, 2022
5. Source from CB Insight, valuation at last round of fundraising
6. HSBC Research, 2022-23
7. Credit Suisse Global Wealth Databook 2022
Strengthening our position and franchise in Rest of Asia

Rest of Asia PBT contribution to Asia, $bn

<table>
<thead>
<tr>
<th>Geography</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong, mainland China, India and Singapore</td>
<td>10.3</td>
<td>11.0</td>
</tr>
<tr>
<td>Rest of Asia</td>
<td>1.4</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Rest of Asia contributed 15% of Asia PBT in FY22

By business, $bn

- WPB: 0.3 (Growth vs. FY21: +40%)
- CMB: 0.8 (Growth vs. FY21: +89%)
- GBM: 1.1 (Growth vs. FY21: +23%)

By geography, $bn

- Malaysia: 0.4
- Australia: 0.4
- International markets & other: 1.2

Euromoney Survey #1 Cash Manager for Corporates
Asia Pacific, 2022

#1 Euromoney Trade Finance Survey
Asia Pacific, 2022

The Asset Triple A Best Sub-Custodian
Asia Pacific, 2022

Euromoney Trade Finance Survey Best in Service
Asia Pacific, 2022
## Pan-regional wholesale capabilities to serve clients

### Capabilities across markets

<table>
<thead>
<tr>
<th>Transaction Banking</th>
<th>ASEAN</th>
<th>Australasia</th>
<th>North Asia</th>
<th>South Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; payments</td>
<td>MY</td>
<td>ID</td>
<td>PH</td>
<td>TH</td>
</tr>
<tr>
<td>Trade</td>
<td>AU</td>
<td>NZ</td>
<td>JP</td>
<td>KR</td>
</tr>
<tr>
<td>FX</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DCM</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M&amp;A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Euromoney Cash Management Survey 2022
2. Euromoney Trade Finance Survey 2022
3. Oliver Wyman 1H22, excludes domestic banks in Japan and China
4. The Asset Triple A Sustainable Investing Awards, 2022
WPB capabilities focused on high potential markets

Asia continues to drive financial wealth creation

Total financial wealth for Asia ex. Japan, $tn

Strategic focus

- Large and diversified client base, c.1m total customers, including >100k Premier customers
- Wealth manager with >10% Mutual Funds market share

Malaysia
- Top 2 international bank, >50% of the WPB customer base are international customers

Australia
- Leadership in retail wealth and insurance within the mass affluent segment

Taiwan
- Serving wealth and banking needs of affluent population

Indonesia
- Aim to extend our leadership in mass and emerging affluent segments

Vietnam
- Originating wealth and private customers, served through hubs

Philippines
- Launched Private Banking in 2022

Thailand

Private Banking and Wealth hubs in Hong Kong & Singapore

1. BCG, 2022
2. By retail AUM, Morningstar, 2022
3. Based on total assets
4. See glossary for definition of international customers
Malaysia opportunities

**Economic significance**

- >25% per annum export growth in 2021 and 2022\(^1\)
- 2024-28 expected to transit into a high-income economy\(^3\)
- 40% of jobs in Malaysia linked to export activities\(^3\)
- 29.9yrs median age of population; <10% population above 65 years old\(^6\)
- 2024-28 expected to transit into a high-income economy\(^3\)
- 8.7% GDP growth in 2022\(^4\)
- c. 10m adults with $250k of wealth by 2030, up from c. 4m in 2021\(^2\)
- 52.6% of filled jobs in the service sector as of end-2022\(^5\)
- c.$500bn foreign merchandise trade\(^2\)

**HSBC relevance**

- Presence in the country since 1884
- First locally incorporated foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia
- Network of 54 branches
- Growing our **universal banking franchise** across retail and wholesale
- Serve Malaysian and multinational clients for trade and cross border business
- Leveraging our **international network** as a differentiator
- Maximising cross-selling opportunities
- Connecting Malaysia with key trading partners and markets
- Helping the Malaysian economy transition to **net zero**

---

1. Malaysia External Trade Development Corporation, 2022
2. HSBC Research, 2022
3. The World Bank, 2022
4. IMF, 2022
5. The United Nations, 2022
6. Malaysia Department of Statistics, 2022
HSBC Malaysia: a full-service international bank, strong global connectivity

Revenue, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.7</td>
<td>0.7</td>
<td>+11%</td>
</tr>
</tbody>
</table>

PBT, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.1</td>
<td>0.4</td>
<td>+192%</td>
</tr>
</tbody>
</table>

Franchise

- HSBC Bank Malaysia is a full-service bank
- HSBC Amanah is the largest International Islamic bank by assets\(^1\)
- Onshore and offshore wholesale capabilities in Trade, Payments, Markets, Custody & Capital Markets products
- WPB proposition is focused on affluent and international customers needs

Market positioning

- #1 Cash Manager for Corporates\(^2\)
- Market Leader\(^2\) and Best Service Provider\(^3\) for Trade Finance
- #1 Custody position by market share for foreign investment in the capital markets\(^4\)
- Top 3 FX position by market share\(^5\)
- Best Debt & Bond House: #1 bookrunner for Malaysia G3 issuance and #1 foreign bookrunner in MYR Bonds & Sukuk\(^6\)
- A leading wealth manager with >10% Mutual Funds AUM market share\(^7\)
- A market Leader in ESG\(^2\)
- Digital Bank of the Year for 3 consecutive years\(^8\)

1. At 31 December 2022. Amongst peers comprising OCBC Al-Amin and SCB Saadiq
2. Euromoney Market Leaders 2022
3. The Asset Triple A Treasury, Trade, Sustainable Supply Chain and Risk Management Awards 2022
4. Internal estimates based on assets under custody
5. Bank Negara Malaysia, 2022
6. Source: Bloomberg
7. Morningstar, 2022, based on assets under management
8. The Asset Triple A Country Awards for Sustainable Finance, 2022
Australia opportunities

Economic significance

- High GDP per capita (ranked 10th globally and 2nd in APAC)\(^1\)
- AAA rated sovereign
- 4th largest Pension size globally by AUM\(^3\), estimated to be $5.0tn by 2030
- Top trading partners include China, Japan, South Korea and Singapore\(^6\)

Impact on HSBC

- 4th destination country in Asia Pacific for Foreign Direct Investments\(^2\)
- 4th largest Asia Pacific economy by nominal GDP\(^1\)
- 1st globally for Median household\(^4\) wealth and 2nd for per capita millionaires\(^5\)
- c.50% of Australians or their parents were born overseas\(^7\)

HSBC relevance

- Presence in Australia since 1965
- Capturing opportunities across all segments: retail, corporate and institutional with full-service capabilities
- Leveraging our network to connect Australian and multinational clients for cross border business
- Equipped to serve affluent international population (annual net migrants c.200k since 2005)
- Free Trade Agreements and growth aligned with our strength and strategic focus
- Significant pension pool driving internationalisation of assets
- Supporting the local economy in the net zero transition journey, leveraging our Sustainable Finance capabilities

1. IMF 2022 GDP data
2. UNCTAD, 2021
3. OECD Pension Markets in Focus, June 2022
4. Credit Suisse Wealth Report, 2022
5. HSBC Research, September 2022
6. Australian Trade and Investment Commission, 2022
HSBC Australia: a full-service international bank, strong global connectivity

Revenue, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.9</td>
<td>1.0</td>
<td></td>
</tr>
</tbody>
</table>

+6%

Franchise

- HSBC Australia is a full-service bank
- A leading international bank with onshore and offshore trade, payments, markets, custody and capital markets product capabilities
- Retail banking proposition focussed on international customers
- Developing wealth and offshore Private Banking capabilities

Market positioning

- Leading cash management and trade finance businesses (Euromoney – best service and market leader awards, 2022)
- #1 Custody position for foreign clients, 70% market share of Australian AUC¹
- #1 DCM offshore bond issuance²
- Leading International Bank for Corporate clients³

1. Australian Custodial Services Association, as of December 2022
2. Bloomberg DCM League Tables, 2023
3. 2022 Peter Lee Associates Large Corporate Relationship Banking Survey

PBT, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.4</td>
<td>0.4</td>
<td></td>
</tr>
</tbody>
</table>

+17%

FY21 FY22

+6%
International markets and other: significant economies with relevant HSBC presence

### Economic significance

- **28%** of Asia-Pacific GDP ($10.1tn in 2022)\(^1\)
- **36%** of Asia-Pacific goods Trade ($6.1tn in 2022)\(^2\)
- **18%** of FDI into Asia-Pacific ($112bn in 2021)\(^3\)
- **c.950m population**\(^1\)
- **6 markets with median age below 32**\(^6\)
- **4 of top 10 global largest consumer markets by 2030: Japan, Vietnam, Indonesia, Bangladesh**\(^6\)

### HSBC relevance

- HSBC operates in **12 international markets**\(^7\) with >100 years average presence
- Pan Asia Pacific corporate and institutional client offering
- Transaction banking (Payments, Trade, Foreign Exchange, Securities Services), supported by financing; capital markets capability offered from hubs in Hong Kong and Singapore
- Intra-Asia: Japan, South Korea, Taiwan are the largest outbound markets (North to South/Southeast Asia) for HSBC
- Inbound from Americas, Europe, MENA to Asia, of which a quarter comes to international markets for HSBC
- Offer wealth and affluent propositions in high potential markets including Indonesia, Philippines, Taiwan and Vietnam which is supported by our wealth hubs in Hong Kong and Singapore

---

1. IMF, 2023
2. S&P Global Market Intelligence
3. UNCTAD
4. Credit Suisse Global Wealth Report
5. United Nations, 2021
6. HSBC Global Research, 2022
7. International markets comprise Bangladesh, Indonesia, Japan, Korea, Mauritius, New Zealand, Philippines, Sri Lanka, & Maldives, Taiwan, Thailand, Vietnam
International markets and other: profitable and growing franchise

### Revenue, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.4</td>
<td>2.8</td>
<td>+17%</td>
</tr>
</tbody>
</table>

### PBT, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.9</td>
<td>1.2</td>
<td>+33%</td>
</tr>
</tbody>
</table>

**Franchise**

- **Wholesale-led** franchise across **12 markets**—c.11k corporate and institutional clients; c.180k private, wealth and affluent customers
- Diversified franchise with >$100m revenue in **9 markets** in 2022
- Efficient operations with CER <50% in 2022

**Market position**

- Ambition to be the leading international corporate and institutional bank in Asia Pacific, including our international markets
  - #1 Cash Management market share in 4 markets, top 3 in 3 more markets (Euromoney)\(^1\)
  - Top 3 in Trade in 9 markets (Euromoney)\(^2\)
  - Best sub-custodian Asia Pacific overall and in 6 local markets\(^3\)
- Ambition to be a fast-growing wealth and affluent player in specific high potential markets:
  - Indonesia, Philippines, Taiwan, Vietnam
  - Wealth management platform of the year in Indonesia and Taiwan (ABF Retail Banking Awards 2022)

---

1. Euromoney Cash Management Survey, 2022
2. Euromoney Trade Finance Survey, 2022
3. The Asset Triple A Sustainable Investing Awards, 2022

International markets comprise Bangladesh, Indonesia, Japan, Korea, Mauritius, New Zealand, Philippines, Sri Lanka & Maldives, Taiwan, Thailand, Vietnam
Key messages

1. **Strong GDP growth outlook**, favourable demographics, increasing wealth pools

2. **Solid FY22 financial contribution**, representing **15%** of total Asia PBT

3. Franchise **intrinsically linked** to Asia and the rest of the world; wholesale capabilities are part of an **integrated pan-regional model**

4. Wealth and personal banking **focused on high potential markets**

5. **Positioned for growth**; driven by macroeconomic trends, international network, and client franchise
CMB South & South-East Asia

Amanda Murphy | Head of CMB, South & South-East Asia
Overview

1. **Fresh focus and targeted investment since 2022**
   - Specialist support in Singapore covering S&SEA, including Sustainable Finance and Structured Finance teams
   - Clear strategy to focus on previously under-penetrated opportunities around S&SEA

2. **A diversified business with scale in Corporate Banking across 13 high-growth markets**
   - c.22k active customers, covered by a fully RM-managed model
   - Presence in key growth markets across S&SEA, with exciting macroeconomic dynamics

3. **A targeted SME Banking franchise in 4 of these markets**
   - Focus on SME segment in markets with scale, where we have capabilities to capture value
   - We bank both corporates and the top end of the SME segment in India, Indonesia, Malaysia and Singapore

4. **We have market leading product capabilities**¹
   - An extensive product suite across lending, cash management, trade finance and markets
   - Core capability to connect customers to international opportunities

---

¹ #1 Cash Management Bank in Asia (Greenwich Share Leader Award, 2023), #1 Trade Finance Bank in Asia (Euromoney, 2023), #1 Bank for Sustainable Finance (Euromoney, 2022)
S&SEA represents one of the most exciting growth opportunities for CMB

S&SEA has strong growth characteristics

- >2bn potential consumers across India and ASEAN\(^1\)…with a population median age of 32\(^2\)
- One of the world’s highest labour force participation rates for women\(^3\)
- The largest digitally enabled population in the world\(^4\)
- >80m new internet users since the pandemic across ASEAN\(^4\)
- Supply chain diversification is driving growth in manufacturing across the region\(^5\)
- ASEAN is one of the world’s fastest-growing trade blocs\(^6\)
- Over 130 unicorns in the region\(^7\)

...with significant potential for further growth

- Regional GDP growth will outpace global growth figures\(^8\)
- The internet economy alone is forecast to be worth $360bn by 2025\(^9\)
- New trade agreements anticipated to support continued import/export growth
- Increasing importance of sustainability & energy transition in the region

What does this mean for CMB?

- S&SEA is one of the most significant growth opportunities for CMB globally…and we are targeting significant revenue growth
- The economies across S&SEA will remain highly international, offering significant opportunities to leverage our global network
- As economies grow, we can leverage our international relationships to capture greater share of wallet within each of our key markets

---

1. World Bank, 2022
2. Statista, 2022
3. Asian Development Bank, 2018
4. HKTDC, 2021
5. ASEAN, 2023
6. WEF, 2023
7. Economic Research Institute for ASEAN and East Asia, 2022; Invest India 2022
8. Asian Development Bank, 2023
9. East Asia Forum, 2022
Our business is diversified across 13 markets, with a clear coverage strategy

**FY22 CMB Asia revenue, $bn**

- 2.3 S&SEA
- 4.9 Hong Kong and mainland China
- 7.2

**S&SEA revenue contribution by market**

% of FY22 CMB S&SEA revenue

- India: 20%
- Singapore: 19%
- Other: 41%
- Malaysia: 8%
- Australia: 12%

**Customer segment coverage**

<table>
<thead>
<tr>
<th>Turnover threshold</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;$5bn</td>
<td>c.1k</td>
</tr>
<tr>
<td>$500m-5bn</td>
<td>c.2.5k</td>
</tr>
<tr>
<td>$50m-500m</td>
<td></td>
</tr>
<tr>
<td>&lt;$50m</td>
<td>c.18.8k</td>
</tr>
</tbody>
</table>

**Revenue mix**

% of FY22 CMB S&SEA revenue

- GTRF: c.20%
- GPS: c.40%
- Credit & Lending: c.20%
- Other: c.20%

---

1. Corporates are on Master Group level, Business Banking customers are on entity level
The leading international bank in S&SEA\(^1\) with opportunity to grow further

HSBC is already the **leading international bank** across S&SEA\(^1\), and we are now targeting **to do more with our clients in each market**.

---

**“Most Important Bank” in our scale markets\(^1\)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
<th>Share</th>
<th>Gap to Top 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>10th</td>
<td>4%</td>
<td>46ppts</td>
</tr>
<tr>
<td>Singapore</td>
<td>10th</td>
<td>10%</td>
<td>28ppts</td>
</tr>
<tr>
<td>India</td>
<td>10th</td>
<td>10%</td>
<td>15ppts</td>
</tr>
</tbody>
</table>

---

**“Most Important Bank” in our international markets\(^2\)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Rank</th>
<th>Share</th>
<th>Gap to Top 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam</td>
<td>10th</td>
<td>8%</td>
<td>15ppts</td>
</tr>
<tr>
<td>Philippines</td>
<td>10th</td>
<td>5%</td>
<td>10ppts</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>10th</td>
<td>12%</td>
<td>4ppts</td>
</tr>
</tbody>
</table>

---

1. RFI FY22 Survey – based on customers defining the respective bank as their most important financial institution for the business
2. East & Partners 2021 Survey - based on customers defining the respective bank as their most important financial institution for the business
Strong growth in FY22 across the business and region

Asia CMB FY22 financials, $bn

<table>
<thead>
<tr>
<th></th>
<th>Asia</th>
<th>S&amp;SEA</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2.3</td>
<td>4.9</td>
<td>7.2</td>
</tr>
<tr>
<td>Loans</td>
<td>43.6</td>
<td>114.4</td>
<td>158.0</td>
</tr>
<tr>
<td>Deposits</td>
<td>56.3</td>
<td>157.4</td>
<td>213.6</td>
</tr>
<tr>
<td>PBT</td>
<td>1.3</td>
<td>1.7</td>
<td>3.0</td>
</tr>
</tbody>
</table>

S&SEA FY22 financials

- **$2.3bn** revenue
  - +35% vs. FY21

- **$44bn** customer loans
  - +7% vs. FY21

- **$56bn** customer deposits
  - +12% vs. FY21

- **$1.3bn** PBT
  - +70% vs. FY21

FY22 S&SEA highlights

- Double-digit revenue growth across all segments, with **non-NII growth of 11%**
- Acquired >5,000 new customers
- Invested in key S&SEA capabilities and teams
- Strong growth in cross-border client business
- Intra-group collaboration revenue grew by c.20%
- Stable ECL vs. FY21

---

1. See glossary for definition
Our aspiration is to significantly scale our business across S&SEA

To achieve this, CMB aims to do three things...

1. **Deepen share of wallet from our customers**
   - Scale up cross-border revenue
   - Increase revenue from strategic clients (via Corporate Finance capabilities)
   - Deliver a material increase in collaboration revenue

2. **Grow our customer base in priority areas**
   - Become the leading New Economy Bank across S&SEA
   - Support the transition to a net zero-carbon economy
   - Capture new opportunities from emerging FDI and supply chain flows into S&SEA

3. **Continue discipline with capital and operational efficiency**
   - Redeploy RWAs into higher returning opportunities around the region
   - Leverage technology investments to create capacity for accelerated growth

“Our aspiration is to be the **leading international bank across S&SEA...**

and a **top-3 bank for our customers** within target markets...”
Scale up cross-border revenue through highly connected global network

CMB S&SEA is highly international

- Significant portion of client business\(^1\) booked in S&SEA markets is **cross border** (i.e. company HQ in another market)
- S&SEA is the #1 outbound destination (by client business\(^1\)) for US, UK and Cont. Europe clients
- Significant **growth in inbound and outbound client business**\(^1\) in FY22

A dedicated client-centric offering

- Leverage Singapore as an emerging regional hub
- Dedicated desks to originate and service high growth corridors: China, Germany, France and the USA
- Specialist coverage teams for Commercial Real Estate, Non Bank Financial Institutions and Multinationals

**Strong market opportunity**

<table>
<thead>
<tr>
<th>GDP forecast 2023(^2,3)</th>
<th>2.8%</th>
<th>4.7%</th>
<th>6.4%</th>
<th>6.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southeast Asia</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vietnam</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **$175bn**\(^4\) in FDI inflows to South-East Asia
- Key sectors for ASEAN are manufacturing and the digital economy; for South Asia electronic hardware/software and services\(^5\)

---

1. See glossary for definition
2. International Monetary Fund, 2023
3. Asian Development Outlook (ADO), 2023
4. UNCTAD World Investment Report, 2022
5. HSBC, Rise of ASEAN’s digital economy, 2021
Increase revenue from strategic clients

**Structured Banking**

- Executing bespoke “first-of-its-kind” financing in emerging sectors
- Leveraging our International Presence through lending in multiple jurisdictions supporting acquisitions, capex and roll up strategies
- Origination channel for clients to access other sources of capital i.e. Private Credit

**Private Capital**

- Dedicated financial sponsor origination and execution team supporting Local, Regional and Global sponsors
- High value client acquisition supported by high quality investors opening up event wallet
- Growing opportunity in the growth and venture asset classes that require structured solutions

**CMB Origination**

- Drive Capital Markets & Advisory revenue across the CMB client base, prioritised to the largest wallet opportunity
- Increase M&A and Advisory revenue through focused coverage of clients earlier in their development
- Drive event dialogue into small and middle market clients to capture wallet opportunity early

---

Our S&SEA Head of Corporate & Structured Finance is based in Singapore

> 30 FTE supporting RMs and clients across the S&SEA region

Supports ability to structure complex transactions for our full ranges of clients across key markets in S&SEA
Deepen share of wallet by capturing collaboration opportunities across the firm

Positive momentum with collaboration revenue

Double digit CAGR

FY20 FY21 FY22 FY25 ambition

FY22 highlights

>250 referrals from CMB to GPB…more than 2x FY21

Growing collaboration revenue with GBM

Further opportunities

Global Banking & Markets (GBM)
- Grow market share of Capital Finance revenue
- Increase Global Markets penetration; focus on MME and LC
- Scale simple FX; grow structured volumes

Global Private Banking (GPB)
- Deepen GPB penetration of CMB portfolio
- Bank the business owners across Business Banking portfolios

Wealth & Personal Banking (WPB)
- Employee Banking Solutions (EBS) to CMB clients
- Asia Wealth Strategy; HSBC Life to offer insurance solutions across the CMB client base
Aim to be the leading New Economy Bank across S&SEA

What is the opportunity?

- ASEAN ‘new economy’ sector projected to grow to $300bn by 2025\(^1\)
- $17bn invested into SEA by VCs in 2022 alone…with another $23bn going into India\(^2\)
- Banking fast-growth names early, allows us to capture value and growth throughout their lifecycle

How are we delivering the opportunity?

We are growing our New Economy business through three clear initiatives:

1. **Capabilities**: launched New Economy lending funds in Singapore and India ($450m total)
2. **Coverage**: increased coverage of investors, incl. through Non-Bank FI team in Singapore
3. **Collaboration**: working with GPB and AMG to offer alternative sources of capital

What is our ambition by 2025?

- Increase the number of unicorns banked by CMB in S&SEA
- Grow our deposit balances and flow volumes from New Economy clients
- Selectively grow our New Economy lending book to support key names
- Increase the number of investors banked in CMB

Proof points

- **atome**: First asset-backed financing for a buy-now-pay later platform
- Structured across Singapore, Hong Kong and Malaysia

- **funding societies**: Largest asset-backed financing for ASEAN’s #1 digital MSME lender
- Structured across Singapore and Indonesia

- **growthwell**: Early stage (Series-A) Singapore based alternative-protein and food-tech company
- Supported working capital and M&A financing, and overseas expansion

1. e-Conomy SEA, 2022
2. Baker McKenzie, 2023
We are capturing new opportunities through our Sustainable Finance strategy

Strong momentum in deploying SF assets

Case studies

- **Mar-23**
  - Australia, Singapore
  - **Renewable energy company**
  - AUD2bn
  - Green Loan and Senior Secured Non-Recourse Project financing
  - Mandated Lead Arranger + Hedge Provider

- **Feb-22**
  - Vietnam
  - **Conglomerate**
  - USD500m
  - Syndicated Green Loan
  - Joint Green Finance Coordinator & Joint Mandated Lead Arranger and Book runner

- **Oct-22**
  - Malaysia
  - **Conglomerate**
  - USD20m
  - Green Loan Principle
  - GLP to finance investments in renewable energy projects

- **Mar-23**
  - India, Philippines
  - **ACEN Corporation**
  - USD250m
  - Equity raise from ACEN Corporation to fund development of hybrid and round-the-clock power projects in India
  - Sole Financial Advisor

Key growth markets

- Australia, Singapore, India, Taiwan, Bangladesh, Vietnam and Malaysia

Key priorities

- Support the **net zero transition** of our customers
- Capture sustainable infrastructure needs
- Support mobilisation of capital (e.g. Just Energy Transition Partnership in Vietnam and Indonesia)
- Leverage GTRF capabilities to support **shifts in supply chains**, and emerging value chains e.g. in electric vehicles
- Develop **innovative financing solutions** for green or clean tech
- Build capabilities
  - Invest in frontline training
  - Hire colleagues with sustainability expertise
Key messages

1. South and South-East Asia represents one of the most exciting growth opportunities for CMB.

2. We are well positioned to capture this opportunity and have already invested to unlock this growth.

3. Our strategy and investment is working – and we delivered substantial growth in all areas in 2022.

4. Looking ahead - we aim to capture more wallet share with existing clients around the region...and expand our client base in the most exciting growth areas...incl. New Economy and Sustainable Finance.

5. Executing this strategy is expected to deliver significant and sustained revenue growth over coming years.
GBM Asia

Stuart Lea | Head of Global Banking, South Asia
Monish Tahilramani | Head of Markets and Securities Services, Asia Pacific
Key highlights

1. Diversified business delivering resilient revenue growth with market leading capabilities across our core product suite

2. With a track record of execution and a business positioned for continued growth

3. Highly relevant to clients doing business in Asia as they increasingly look to connect their businesses across geography and digitally

4. Core products highly integral to our CMB and WPB proposition, driving mutually beneficial revenues

5. Whilst we will continue to focus on our strengths, our business is positioned to capture further growth from strong fundamentals and evolving themes in Asia
Asia GBM at a glance

We are a diversified business delivering revenue growth and market share gains...

2022 revenue split, booked basis

**Product**

- Global Foreign Exchange: c.15%
- Global Payments Solutions: c.30%
- Credit & Lending: c.5%
- Securities Services: c.15%
- Global Trade & Receivables Finance: c.5%
- Capital Markets & Advisory: c.15%
- Others: c.15%

2022 client business, booked basis

**Client**

- Asian clients: 20%
- Non-Asian clients: 80%

...with market leading product capabilities

- **#1 Cash Management bank in Asia**
- **#1 Trade Finance bank in Asia**
- **#1 Securities Services bank in Asia**
- **#1 loans house in Asia**
- **#2 Foreign Exchange bank in Asia**
- **#2 bond house in Asia**

**Geographies**

- Hong Kong: c.45%
- Mainland China: c.15%
- India: c.10%
- Singapore: c.10%
- Rest of Asia: c.10%

See page 64 for footnotes
Track record of execution and positioned for continued growth

**Portfolio repositioning**

- Reshaped and growing client base
- Repositioned capital to Asia
- Build out of capabilities in strategic activities
- Cost discipline whilst optimising Asia footprint

**Continuing to invest in our leading capabilities and platforms**

- To enhance and extend existing products and services
- To develop new digitally integrated solutions
- To deliver holistic transaction banking solutions
- To improve client experience, efficiency and scalability

### Revenue, $bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21</td>
<td>6.9</td>
</tr>
<tr>
<td>FY22</td>
<td>7.4</td>
</tr>
</tbody>
</table>

### PBT, $bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21</td>
<td>3.2</td>
</tr>
<tr>
<td>FY22</td>
<td>3.5</td>
</tr>
</tbody>
</table>
We are well positioned to capture growth opportunities connected with trends and changes we see in the external environment.

1. **Supply chain reorientation**
   - **Leading bank in Asia** with c.7% revenue market share and lead both Traditional Trade (c.14%) and Structured Trade (c.3%)\(^1\)
   - **Presence in 19 key markets**, to capture the supply chain diversification opportunity
   - **Strong product capability and innovative solutions**, including in sustainability

2. **Rapidly growing Wealth pool**
   - **Increased manufacturing and distribution** of wealth products
   - **Offering broadened product suites** catering to different levels of client sophistication
   - **Increase cross sell & expand business** with WPB and third party wealth providers

3. **Market evolution**
   - **Our global business** connects sources of capital in the West / Middle East to Asia
   - **Strength in Hong Kong**, which remains a conduit into mainland China and a leading location for capital raising
   - **Continued investment into Digitisation** to enhance the client experience

**Opportunity:**
We aim to **continue to capture wallet share** as clients shift towards supply chain resilience and structured trade

---

\(^1\) Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and for rankings the following peer group: BofA, BARC, BNPP, CA-CIB, Citi, DBS, JPM, SCB. Revenue pool & peer analysis includes all Institutional clients and Corporates with turnover of more than US$5-10mn.
International clients are at the centre of our Asia revenues driving stable, sticky flows

**c.45% of client business booked in Asia from clients managed outside Asia**

2022 client business\(^1\), $bn

Inbound flows primarily driven by Payments, Trade, FX and Securities Services

<table>
<thead>
<tr>
<th>Region</th>
<th>Multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas - Asia</td>
<td>c.50%</td>
</tr>
<tr>
<td>Europe - Asia</td>
<td>c.45%</td>
</tr>
<tr>
<td>MENA - Asia</td>
<td>c.5%</td>
</tr>
</tbody>
</table>

**c.70% of client business is from clients using 5+ markets in Asia**

Multiplier by # of Asian booking sites

<table>
<thead>
<tr>
<th>% of client business</th>
<th>1 market</th>
<th>2-4 markets</th>
<th>5-9 markets</th>
<th>10+ markets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>c.5%</td>
<td>c.25%</td>
<td>c.30%</td>
<td>c.40%</td>
</tr>
</tbody>
</table>

---

1. Refer to glossary for definition of client business
Our capabilities drive growth across other business lines through collaboration

GBM’s broad and diverse franchise, drive revenues for other client businesses...

...which has delivered a strong history of collaboration revenue...

Collaboration revenue, $bn

<table>
<thead>
<tr>
<th></th>
<th>FY21</th>
<th>FY22</th>
<th>+13%</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBM</td>
<td>1.0</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>WPB</td>
<td>0.5</td>
<td>0.6</td>
<td></td>
</tr>
</tbody>
</table>

...and we are positioned to capture further growth opportunities

- Expected growth of Wealth across Asia
- Increasing number of new clients being acquired in WPB and CMB
- Recent acquisitions by HSBC in Asia
Capturing the rapid growing wealth pool in Asia

Strong market position in Asia

- Wealth Management Platform of the Year, Excellence Performance in ESG Investing Products¹
- Most Innovative Index AiPEX5 Index (China)²

Differentiating highlights of our Wealth business

- **GBM supports WPB’s regional growth** as wealth AUM expands
- **Products** introduced to sophisticated investors – AI thematic indices (e.g. AI-powered QIS - AiGO, AiPEX)
- **Third party distribution** of wealth products and solutions provide cross-sell opportunities into a wider client franchise
- Building digital connectivity with various platforms to increase scale

Our strategy to accelerate growth

- **Product suite Diversification**
  - Fixed Income
  - Private Credit & Solutions
  - Digital Assets
  - Custody for Wealth
  - ESG
  - QIS
  - FX Overlay

- **Geographic Growth**
  - Greater Bay Area
  - Singapore
  - ASEAN and India

- **Client Base Expansion**
  - Asset Managers
  - Securities Houses
  - Retail & Private Banks
  - Family Offices
  - Insurance Companies

---


² Source: Structured Retail Products China Awards 2021- Most Innovative Index AiPEX5 Index (China)
Playing to our strengths: Foreign Exchange

Market Leadership in Asia

- A leading bank in Asia with ~12% FX revenue market share including ~14% with institutional clients in EM FX.
- GBM’s international reach together with Asia’s economic growth, facilitates cross-border flows and connects the West with the East.
- Supply chain shifts have led to increased growth in key Asian countries. New-to-market clients drive our revenues higher.

Our strategy to accelerate growth

HK and mainland China Growth

Our Hong Kong presence, while being a leading international bank in mainland China, positions us to capture inbound and outbound investment.

Supply Chain Developments

Recent supply chain developments brings new client interest and FDI to India and ASEAN as new regulations open up new markets.

Investing in our key growth markets:

- Digitalisation (AI Markets)
- New products (holistic payments strategy)
- API feeds allow clients to embed our pricing

Connectivity & Footprint

Maintain and grow our distinctive position connecting East and West, enabling cross-border flows for corporate, institutional and wealth clients.

Differentiating ourselves in the market

- Our FX business is a key cross-border enabler for our clients: from GBM institutional and corporate clients through to the CMB and VWPB franchise.
- GBM’s international reach together with Asia’s economic growth, facilitates cross-border flows and connects the West with the East.
- Supply chain shifts have led to increased growth in key Asian countries. New-to-market clients drive our revenues higher.

1. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and for ranking the following peer group: BofA, BARC, BNPP, CITI, DB, GS, JPM, MS, SG & UBS. Revenue pool and peer analysis includes all institutional clients and Corporates with turnover of more than US$1.5bn.
2. Source: Coalition Greenwich Client Intelligence Analytics – 1H22. Based on ~1,600 institutional clients only.
3. Source: FX Markets Asia FX Awards 2022 – FX House of the Year overall and in HK, China, Thailand and South Korea.
6. West refers to Americas and Europe. East refers to Asia and the Middle East.
Playing to our strengths: Securities Services

Market Leadership in Asia

#1 Bank in Asia with c.15% revenue market share¹

Winner: Securities Services Award²

Northbound Top Custodian⁴

Top Assets Under Depository of the Year⁵

Won 40 awards including best Sub-custodian³

Differentiating ourselves in the market

- Securities Services is a key enabler of our global corridor network, linking our institutional clients with investment and hedging opportunities.
- The adoption of digital infrastructure and processes provides clients with greater connectivity and real-time access to information⁶.
- Cross-border investment flows have rebounded from the Covid-19 pandemic and are increasing in Asian markets⁷

Our strategy to accelerate growth

Enhance our offering by
- building capabilities for global institutional clients
- innovating and going digital
- delivering solutions in emerging products

Strong global network

Enables seamless access and connections to our broad footprint spanning Asia-Pacific, Middle East, Europe and Americas

On-the-ground presence

Leverage our on-the-ground presence around the world with robust custodian network across 96 markets

Market advocacy

Market advocacy and working with regulators is key for thought leadership and new launches

1. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and for ranking the following peer group: BofA, BNPP, Citi, DB, JPM, SG, ING, NT, STST. Revenue pool & peer analysis includes all Institutional clients and Corporates with turnover of more than US$1.5bn
2. Source: The Banker Transaction Banking Awards 2022 – Securities Services Award
4. Source: Bond Connect Awards 2022 – Northbound top Custodian Award
5. Source: HKEX Stock Connect Award 2021 – Top Assets Under Depository of the Year – Custodian Bank
6. Source: Future of Securities Services, Oliver Wyman
7. Source: Foreign direct investment trends and outlook in Asia and the Pacific 2021/2022, United Nations ESCAP
Playing to our strengths: Global Payments Solutions

Market leadership in Asia

#1 Bank in Asia with c.4% revenue market share, up c.2% YoY\(^1\)

34% Market Penetration\(^2\)

#1 Cash Manager for Corporates in Asia Pacific\(^3\)

Best Cash Management Bank in Asia Pacific\(^4\)

Best Payments and Collections Solutions in Asia Pacific\(^5\)

Differentiating ourselves in the market

- Flexibility to serve clients of any size due to our integrated digital infrastructure and solutions
- Helping to optimise clients’ working capital and maximise their interest returns through liquidity solutions that increase clients’ visibility of cash balances.
- Reducing complexity and saving costs for clients through integrated transaction banking solutions

Our strategy to accelerate growth

- Build digital ‘one stop shop’ payments solutions
- Support our clients’ treasury transformation
- Create digital-first onboarding solutions
- Streamline and rationalise products, processes, and documentation
- Operate as a global product house to deliver client-centric solutions
- Drive market presence and strengthen the new GPS brand

1. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and for ranking the following peer group: BofA, BARC, BNPP, CITI, DB, DBS, JPM, SCB.
2. Revenue pool & peer analysis includes all Institutional clients and Corporates with turnover of more than US$5-10m.
3. Source: Coalition Greenwich Voice of Client - 2022 Asian Large Corporate Cash Management Study. Market penetration is the proportion of companies interviewed that consider each bank an important provider of corporate cash management services. Based on 1,179 respondents for large corporate cash management.
4. Corporate Treasurer Awards 2022
5. The Asset Triple A Treasurise Awards 2023
Managing ESG risk whilst commercialising the opportunity

**Market leadership in Asia**

- Asia’s Best Bank for Sustainable Finance (5th consecutive year)¹
- North Asia Best Bond Advisor²
- 8 House Awards and 33 Deal Awards in Asia²

**Commercialisation of the ESG opportunity**

- Proactive **engagement with clients** to support their transition, delivering client and shareholder value
- Continue to **lead with innovation**
- Continue to **build capabilities** in our frontline
- Industry leading **research and thought leadership**
- Awareness of **market developments** including buy-side, regulation, and policy
- Proactively **shaping industry and policy discussions in Asia** through engagement with business / industry forums, development banks and regulators

**Supporting our clients through the transition journey**

**Advisory and research**

- ESG Rating Advisory
- ESG Coverage

**Investments**

- ESG bonds
- ESG-linked hedging solutions
- ESG Investment solutions
- ESG-linked yield enhancement solutions
- Sustainable equity passive investing

**Short term financing**

- Green trade finance
- Sustainable supply chain finance
- Sustainable trade instruments

**Issuer services**

- Sustainable bond trustee and loan agency
- Sustainable escrow

**Long term financing & hedging**

- Bonds and loans: green, social, sustainability, sustainability-linked and transition

---

1. Euromoney Awards for Excellence 2022
2. The Asset Triple A Country Awards for Sustainable Finance 2022
Key messages

1. Diversification across the business by geography and product delivers resilient revenue growth and market share gains.

2. Asia is critical to GBM globally; Asia GBM also relies on EMEA / Americas for inbound revenue as markets open up, and for access to deeper capital markets.

3. Our international network makes a huge difference to our relevance and profitability as we increase the number of countries we bank our clients in and the products our clients use.

4. Whilst the US / Western Europe are critical, we’re seeing growth in the Asia / MENA corridor in transaction banking, investment banking and FX, as well as intra-Asia.

5. We see further growth from supply chain reorganisation, ESG, wealth, and securities services thematics.
Asia GBM at a glance (footnotes)

1. Client managed location view. Refer to glossary for definition of client business
2. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and the following peer group: BoIA, BARC, BNPP, CITI, DB, DBS, JPM, SCB. Analysis includes all Institutional clients and Corporates with turnover of more than US$5-10m
3. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and the following peer group: BoIA, BARC, BNPP, CA-CIB, CITI, DBS, JPM, SCB. Analysis includes all Institutional clients and Corporates with turnover of more than US$5-10m
4. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and the following peer group: BoIA, BNPP, Cit, DB, JPM, SG, BNY, NT, STST. Revenue pool & peer analysis includes all Institutional clients and Corporates with turnover of more than US$1.5bn
5. Source: Dealogic – FY22 HSBC market position in Asia (excl Japan & China Onshore) based on Fee payer country (Fees)
6. Source: Coalition Greenwich Competitor Analytics – FY22. Based on HSBC’s internal business structure and internal revenue numbers, and the following peer group: BoIA, BARC, BNPP, CITI, DB, JPM, MS, SG & UBS. Analysis includes all Institutional clients and Corporates with turnover of more than US$1.5bn
7. Source: Dealogic – FY22 HSBC market position in Asia (excl Japan & China Onshore) based on Deal nationality / G3 Currency (volumes)
Sustainable Finance

Justin Wu | Co-Head of Climate Change, Asia Pacific
Decarbonisation investment has topped the first $1tn, with Asia leading the way

- Asia Pacific (APAC) accounted for **59%** of the global energy transition investment in 2022, representing a **53% YoY growth**
- Renewables and Electrified transport together accounted for **91%** of the $654bn invested in APAC in 2022

### Global investment in energy transition by region, $bn

<table>
<thead>
<tr>
<th>Region</th>
<th>2022 Investment, $bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>1,110</td>
</tr>
<tr>
<td>AMER</td>
<td>849</td>
</tr>
<tr>
<td>EMEA</td>
<td>626</td>
</tr>
</tbody>
</table>

### APAC region investment in energy transition by sector, $bn

- Electrified transport: $654bn
- Sustainable materials: $428bn
- Electrified heat: $290bn
- Hydrogen: $280bn
- CCS: $256bn
- Energy storage: $267bn
- Nuclear: $233bn
- Renewable energy: $211bn

Source: BloombergNEF, Energy Transition Investment Trends 2023: Countries, March 2023
But a lot more investment is needed to be on track for net zero emissions

The global annual investment requirement is significant, averaging **$3.5tn per year to 2050**, more than half of that needs to come from Asia.

- **Power: $2,400bn**
  - Renewables, networks, storage and flexibility

- **Buildings: $500bn**
  - Retrofits, heat pumps, renewable heating

- **Removals: $130bn**
  - Afforestation, direct air capture

- **Hydrogen: $80bn**
  - Production, Transport and storage

- **Transport: $240bn**
  - EV infrastructure, aviation, shipping

- **Industry: $70bn**
  - Chemicals, steel, cement, aluminium

Source: Energy Transitions Commission, Financing the Transition: How to Make the Money Flow for a Net-Zero Economy, 2023
Asian companies are expected to supply climate technology to the world, a growing opportunity for trade and investment.
# HSBC is focused on helping to deliver a net zero global economy

<table>
<thead>
<tr>
<th>Our Group ambitions</th>
<th>Key outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Become a net zero bank</td>
<td>Reduced greenhouse emissions in Asian operations by 41% vs 2020 baseline</td>
</tr>
<tr>
<td>Be net zero in our operations and supply chain by 2030</td>
<td>Published supply chain emissions as part of scope 3 disclosures for first time</td>
</tr>
<tr>
<td>Support clients to transition</td>
<td>Asia has contributed $46.7bn to our sustainable finance target since 2020</td>
</tr>
<tr>
<td>$750bn-$1tn of sustainable finance and investment by 2030</td>
<td>Expanded 2030 financed emissions targets for critical industries</td>
</tr>
<tr>
<td>Unlock green business opportunities:</td>
<td>Updated our Energy Policy to help reduce financed emissions of our portfolio</td>
</tr>
<tr>
<td>Expand our product offerings, develop our asset management and infrastructure finance business.</td>
<td>Continued to channel capital to help enable emissions reduction, e.g. $5bn Sustainable Finance Scheme for GBA</td>
</tr>
</tbody>
</table>

- Best Bank for Sustainable Finance in Asia for the fifth time in 2022
- Expanded product offerings, e.g. green mortgages to retail customers in mainland China, HK, India
- Developed asset management franchise; >$650m commitments in 2022 from joint venture with climate change investment and advisory firm Pollination
- Connected with clients on infrastructure finance, launched Pentagreen Capital, to finance development of sustainable infrastructure in SE Asia
- Supporting Just Energy Transition Partnership with Indonesia and Vietnam, mobilising capital towards emerging / developing economies to support national climate strategies

Note: Our sustainable financing and investments data dictionary is available at [www.hsbc.com/investors](http://www.hsbc.com/investors)

1. Asia’s Best Bank for Sustainable Finance 2022, Euromoney Awards for Excellence
Our ambition is to be the preferred financial partner for our clients, with sustainable finance and net zero transition being a key focus

With our **net zero and climate transition ambitions** we have made progress in Asia with a track record of supporting clients in net zero transition and climate solutions

We continue to **innovate** with sustainable finance, green trade facilities and asset management products launched in multiple markets in Asia

We help **shape industry and policy discussions in Asia** through scaled engagement with business / industry forums, development banks and regulators; and industry-leading research

We are **progressively embedding sustainability** across our businesses, products and services for commercial execution, as well as integrating into risk considerations and bank operations

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**Sustainable finance and investment**

- **$210.7bn** cumulative total provided and facilitated since 2020
- **$46.7bn** of this contributed by Asia

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**Highlights of our sustainable finance recognitions:**

- **Euromoney Awards for Excellence:** Best Bank for Sustainable Finance in Asia (5 consecutive years since 2018)
- **Best Green Advisor** by The Asset Triple A Sustainable Capital Markets Awards 2022
- **Six awards at the Environmental Finance Bond Awards in 2022**
- **IFR Awards 2022:** ESG Financing House of the Year
- **S&P Global Ratings** ESG Evaluation Score 76 (Preparedness Strong)
- **MSCI ESG Rating:** AA, recognising strong corporate governance and commitment to sustainable finance
Working with stakeholders to shape green finance policy discussions in Asia

### Business and industry forums
- GFANZ (Glasgow Financial Alliance for Net Zero)
- The Alliance for Green Commercial Banks
- HKGFA (Hong Kong Federation of Financial Services
  Authorities)
- Climate Governance Initiative (Hong Kong)
- Australian Industry Energy Transitions Initiative
- World Economic Forum
- asifma
- Climate Governance Initiative (Singapore)

### Policy-maker engagement and multilateral partnerships
- Sustainable Markets Initiative
- Hong Kong Monetary Authority
- MAS ( Monetary Authority of Singapore)
- ADP (Asian Development Bank)
- Just Energy Transition Partnership
- Energy Transition Mechanism

### Shaping industry and policy discussions in Asia

### Partnerships with NGOs and think-tanks to deliver industry-leading research
- Energy Transitions Commission
- RMI
- Apparel Impact Institute
- CDP
- Earth Security
- WWF
- World Resources Institute

### Standard-setting bodies
- TCFD (Task Force on Climate-Related Financial Disclosures)
- MIFID (Markets in Financial Instruments Directive)
- PCAF (Partnership for Carbon Accounting Financials)
- FAST-Infra Platform
Supporting our customers to transition

- Our biggest impact is by **working with our customers** to **support their transition**
- We’ll **engage closely with clients** on their **transition plans, helping to finance and invest** in the technologies and infrastructure needed to succeed in the transition
- This includes **financing companies in heavy emitting** sectors to help them invest in new technologies and develop more sustainable business models

```
Collect Information

Monitor progress  Assess customer

Finance the transition  Proactively engage
```
**Financed emissions targets to guide our ambition**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Date of disclosure/planned disclosure date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; Gas</td>
<td>Feb 2022</td>
</tr>
<tr>
<td>Power</td>
<td></td>
</tr>
<tr>
<td>Thermal Coal</td>
<td>Dec 2022</td>
</tr>
<tr>
<td>Cement</td>
<td></td>
</tr>
<tr>
<td>Iron, Steel &amp; Aluminum</td>
<td>Feb 2023</td>
</tr>
<tr>
<td>Automotive &amp; Aviation</td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td></td>
</tr>
<tr>
<td>Commercial Real Estate</td>
<td>2024</td>
</tr>
<tr>
<td>Residential Real Estate</td>
<td></td>
</tr>
<tr>
<td>Shipping</td>
<td></td>
</tr>
</tbody>
</table>
Embedding sustainability into HSBC

Our sustainability **target operating model** is being implemented to **embed sustainability** into all business and functions.

- **Sustainability Centre of Excellence** established to activate commercial opportunities and enable strategy execution.
- **Enhance sustainability expertise** in Global Businesses for client engagement and proposition/solution development.
- **Develop specialist capability and capacity** in Global Functions (e.g. risk management, climate analytics, reporting and disclosures).
- **Strengthen collaboration** across the bank to offer the best of HSBC to clients and be responsive to market changes.

Our **focus in 2023** is on continuing our journey to **fulfilling our commitments**, and the execution of key strategic commercial, infrastructure, and risk management initiatives.
Key messages

1. Transition to net zero is a significant opportunity for Asia

2. HSBC is well positioned to capture this opportunity; we bank some of the largest companies in Asia and can help to finance their transition journey

3. Our international connectivity will help enable Asia’s new economy clients to deploy their climate tech globally

4. We are a recognised leader in sustainable finance in Asia and continue to innovate with products and thought leadership

5. We are proactively shaping industry and policy discussions in Asia alongside our partners, creating an enabling environment to support our client’s transition

6. We are building expertise to help us become a leading bank in building Asia’s net zero economy
Appendix
## Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI</td>
<td>Artificial Intelligence</td>
</tr>
<tr>
<td>AM</td>
<td>Asset Management</td>
</tr>
<tr>
<td>APAC</td>
<td>Asia Pacific</td>
</tr>
<tr>
<td>API</td>
<td>Application Programming Interface</td>
</tr>
<tr>
<td>ASEAN</td>
<td>The Association of Southeast Asian Nations (ASEAN) is a trade bloc of 10 member states: Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam</td>
</tr>
<tr>
<td>AUC</td>
<td>Assets under custody</td>
</tr>
<tr>
<td>AUM</td>
<td>Assets under management</td>
</tr>
<tr>
<td>BaS</td>
<td>Banking-as-a-Service</td>
</tr>
<tr>
<td>BB</td>
<td>Business Banking, a customer segment within Commercial Banking</td>
</tr>
<tr>
<td>CBDC</td>
<td>Central Bank Digital Currency</td>
</tr>
<tr>
<td>CER</td>
<td>Cost efficiency ratio</td>
</tr>
<tr>
<td>CMB</td>
<td>Commercial Banking, a global business</td>
</tr>
<tr>
<td>Corporate Centre (CC)</td>
<td>Corporate Centre comprises Central Treasury, our legacy businesses, interests in our associates and joint ventures and central stewardship costs</td>
</tr>
<tr>
<td>DCM</td>
<td>Debt capital markets</td>
</tr>
<tr>
<td>DeFi</td>
<td>Decentralised Finance</td>
</tr>
<tr>
<td>DPI</td>
<td>Digital Public Infrastructure</td>
</tr>
<tr>
<td>EBS</td>
<td>Employee Banking Solutions</td>
</tr>
<tr>
<td>ECL</td>
<td>Expected credit losses. In the income statement, ECL is recorded as a change in expected credit losses and other credit impairment charges. In the balance sheet, ECL is recorded as an allowance for financial instruments to which only the impairment requirements in IFRS 9 are applied</td>
</tr>
<tr>
<td>ECM</td>
<td>Equity capital markets</td>
</tr>
<tr>
<td>EMEA</td>
<td>Europe, Middle East, and Africa</td>
</tr>
<tr>
<td>FD</td>
<td>Foreign direct investment</td>
</tr>
<tr>
<td>FI</td>
<td>Financial institution</td>
</tr>
<tr>
<td>FIG</td>
<td>Financial institutions group</td>
</tr>
<tr>
<td>FTE</td>
<td>Full-time equivalent</td>
</tr>
<tr>
<td>FX</td>
<td>Foreign exchange</td>
</tr>
<tr>
<td>GBCM</td>
<td>Global Banking and Markets, a global business</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross domestic product</td>
</tr>
<tr>
<td>GPANZ</td>
<td>Glasgow Financial Alliance for Net Zero</td>
</tr>
<tr>
<td>GIFT</td>
<td>Gujarat International Finance Tec-City</td>
</tr>
<tr>
<td>GBP</td>
<td>Global Private Banking</td>
</tr>
<tr>
<td>GPS</td>
<td>Global Payments Solutions</td>
</tr>
<tr>
<td>Group</td>
<td>HSBC Holdings plc and its subsidiary undertakings</td>
</tr>
<tr>
<td>GTRF</td>
<td>Global Trade and Receivables Finance</td>
</tr>
<tr>
<td>HNW</td>
<td>High net worth</td>
</tr>
<tr>
<td>HQ</td>
<td>Headquarters</td>
</tr>
<tr>
<td>International customer (CMB)</td>
<td>International customers means customers who hold a relationship with HSBC in two or more markets</td>
</tr>
<tr>
<td>International markets and other</td>
<td>Financials for ‘International markets and other’ represent HSBC Asia, excluding Hong Kong, mainland China, Australia, India, Malaysia and Singapore</td>
</tr>
<tr>
<td>ITM</td>
<td>Industry transformation maps</td>
</tr>
<tr>
<td>LC</td>
<td>Large corporates, a CMB customer segment</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>Mergers and acquisitions</td>
</tr>
<tr>
<td>MAS</td>
<td>Monetary Authority of Singapore</td>
</tr>
<tr>
<td>MENA</td>
<td>Middle East and North Africa</td>
</tr>
<tr>
<td>ML</td>
<td>Machine Learning</td>
</tr>
<tr>
<td>MM</td>
<td>Mid-market enterprises, a CMB customer segment</td>
</tr>
<tr>
<td>MNC</td>
<td>Multinational corporates</td>
</tr>
<tr>
<td>NPS</td>
<td>Net promoter score</td>
</tr>
<tr>
<td>NRI</td>
<td>Non-resident Indian</td>
</tr>
<tr>
<td>ONDC</td>
<td>Open Network for Digital Commerce</td>
</tr>
<tr>
<td>PBT</td>
<td>Profit before tax</td>
</tr>
<tr>
<td>QIS</td>
<td>Quantitative Investment Strategies</td>
</tr>
<tr>
<td>Rest of Asia</td>
<td>Financials for ‘Rest of Asia’ represent HSBC Asia, excluding Hong Kong, mainland China, India and Singapore</td>
</tr>
</tbody>
</table>

Client business:

Client business differs from reported revenue as it relates to certain client specific income, and excludes certain products (including Principal Investments, GBM “other” and asset management, Group allocations, recoveries and other non-client related and portfolio level revenue. It also excludes Hang Seng. GBM client business includes an estimation of client-specific day one trade specific revenue from MSS products, which excludes ongoing mark-to-market revenue and portfolio level revenue such as hedging. Cross-border client business represents the income earned from a client’s entity domiciled in a different geography than where the client group’s global relationship is managed. ‘Booking location’ represents the geography of the client’s entity or transaction booking location where this is different from where the client group’s global relationship is managed. Cross-border client business represents the income earned from a client’s entity domiciled in a different geography than where the client group’s global relationship is managed.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>RHQ</td>
<td>Regional headquarters</td>
</tr>
<tr>
<td>RWA</td>
<td>Risk-weighted asset</td>
</tr>
<tr>
<td>S&amp;SEA</td>
<td>South and South-East Asia. HSBC financials for S&amp;SEA represent HSBC Asia, excluding Hong Kong and mainland China</td>
</tr>
<tr>
<td>SF</td>
<td>Sustainable finance</td>
</tr>
<tr>
<td>SG / SGP</td>
<td>Singapore</td>
</tr>
<tr>
<td>SME</td>
<td>Small and medium sized enterprises</td>
</tr>
<tr>
<td>UHNW</td>
<td>Ultra high net worth</td>
</tr>
<tr>
<td>UHNWI</td>
<td>Untra high net worth individuals</td>
</tr>
<tr>
<td>VC</td>
<td>Venture capitalist</td>
</tr>
<tr>
<td>WPB</td>
<td>Wealth and Personal Banking, a global business</td>
</tr>
</tbody>
</table>