

# United Nations Environment Programme Finance Initiative (UNEP FI)

## Principles for Sustainable Insurance (PSI) HSBC Life Progress Report 2025

Date: June 2026



# Table of Contents

---

UNEP FI Principles for Sustainable Insurance Progress Report 2025	2
Our approach to sustainability	3
Progress in 2025	5
Disclaimer	10

---

# UNEP FI Principles for Sustainable Insurance Progress Report 2025

This document outlines the progress made by HSBC Insurance (Asia Pacific) Holdings Limited in 2025 towards implementing the PSI and how our sustainability commitments help shape the way we do business.

Unless the context specifies otherwise, 'we', 'our' and 'HSBC Life' refer to HSBC Insurance (Asia Pacific) Holdings Limited and all associated HSBC insurance entities. References to 'HSBC Group' within this document mean HSBC Holdings plc together with its subsidiaries. HSBC Insurance (Asia-Pacific) Holdings Limited is a subsidiary of HSBC Holdings plc. More detailed information regarding HSBC Group's approach to Environmental, Social and Governance ('ESG') can be found on [HSBC.com](https://www.hsbc.com) including the [Annual Report and Accounts 2025](#); see pages 34-64 for ESG disclosures.

HSBC Life<sup>1</sup> became a signatory to the PSI on 23 April 2013. Progress updates on this initiative can be found in the subsequent annual reports, which are available on the [United Nations Environment Programme Finance Initiative website](#).

Whilst we are making progress, we are aware that we still have more to do in supporting the transition to a net zero economy and embedding sustainable insurance principles across our business. We recognise the need to further enhance our reporting capabilities and will continue to address these challenges and report on our progress.

The HSBC Group continues to review and enhance its approach to disclosures and engages with standard setters to support the development of transparent and consistent climate-related industry standards in areas such as implementation of new International Sustainability Standards across jurisdictions, sustainable finance taxonomy and emissions accounting.

The effective measurement, governance and reporting of progress against the HSBC Group's climate ambitions is reliant on the availability of high-quality, accessible, comparable and reliable internal and external data. Newer data sources and topics may be difficult to assure using traditional verification techniques. This, coupled with diverse external data sources and complex structures, further complicates data consolidation.

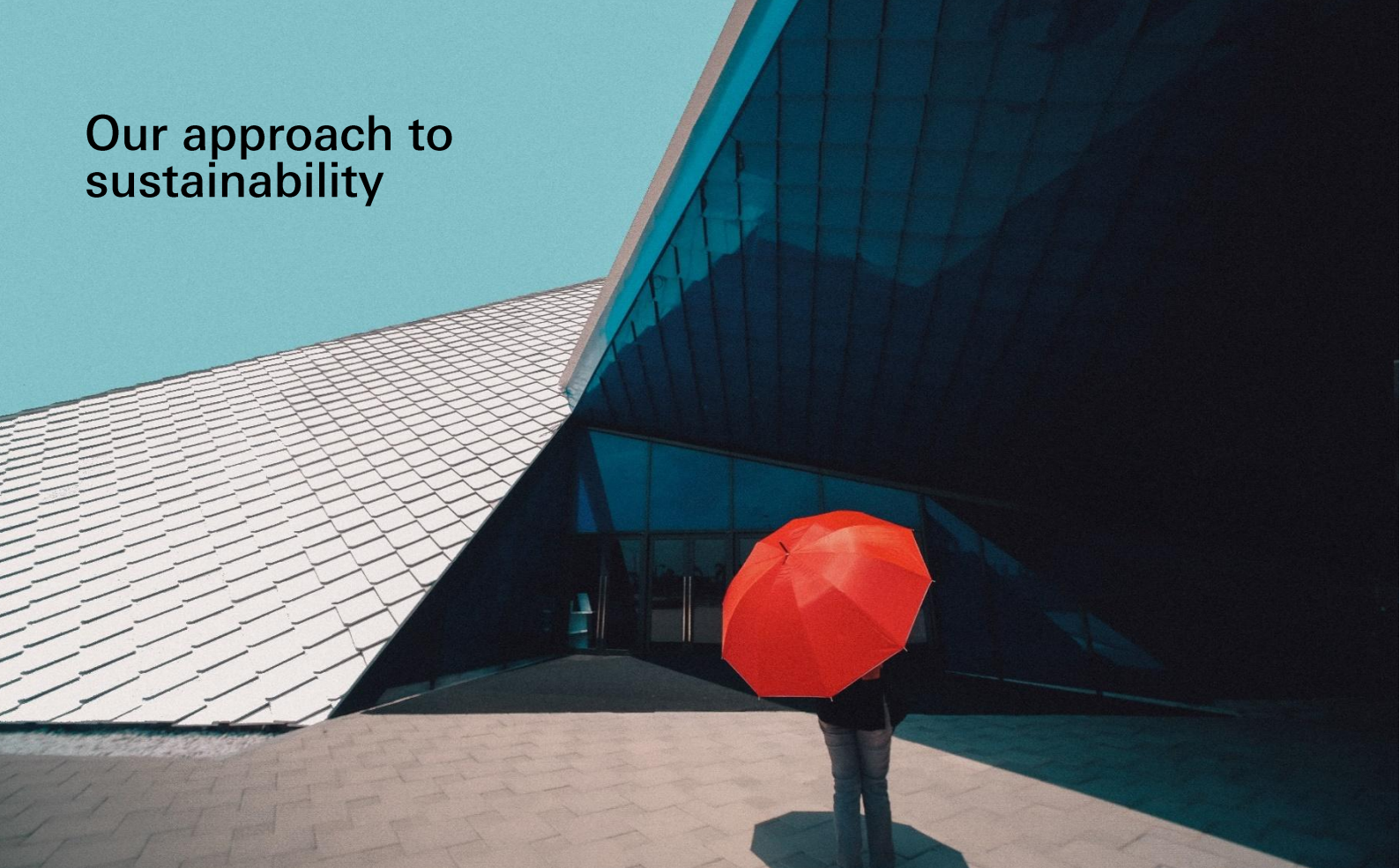
The HSBC Group continues to strengthen its ESG data and analytics capability, working to deliver trusted data assets, dashboards, AI, and advanced analytics solutions that help support initiatives like financed emissions, climate scenario analysis, stress testing, sustainable finance and portfolio optimisation.

The HSBC Group's sustainability risk policies form part of our broader risk management framework and are important mechanisms for managing risks, including delivering its net zero ambition. The HSBC Group continues to review policy implementation as it applies policies in practice, engage customers on their transition plans and consider how HSBC Group can support them. HSBC Group conduct periodic policy reviews, incorporating feedback and where appropriate, updating based on factors including risk materiality, implementation experience, evolving scientific guidance, regulatory requirements and evolving industry practices.

---

<sup>1</sup> Originally through the entity HSBC Insurance Holdings Limited but which has now been replaced as signatory entity by HSBC Insurance (Asia Pacific) Holdings Limited.

# Our approach to sustainability








## Who we are

HSBC Life is committed to helping customers embrace their future with confidence, leveraging the HSBC Group's expertise and international reach. We offer a comprehensive range of products and solutions to help customers meet their protection, education, retirement, wealth growth and legacy planning needs.



## Our approach to sustainability

At HSBC Life, sustainability is a key aspect of our long-term business strategy. We are supporting the transition to a net zero economy and embedding sustainable insurance principles across our business including the products we design, the investments we make, the way we operate, and our people and culture, supported by key risk considerations and responding to sustainability-related regulations.

 <p><b>Sustainable Investments</b></p>	<ul style="list-style-type: none"> <li>◆ Aligned to HSBC Group’s net zero ambition, work to transition our investment portfolio to net zero by 2050</li> <li>◆ Adopt a responsible investment approach, continuing to build our sustainable investments whilst continuing to meet our financial objectives</li> <li>◆ Incorporate ESG principles into our investment governance, that includes restricting certain investments that may have an adverse impact on environment and society in line with HSBC Group’s sustainability risk policies</li> <li>◆ Expand the availability of ESG investment fund options within our investment-linked products</li> </ul>
 <p><b>Sustainable Propositions</b></p>	<ul style="list-style-type: none"> <li>◆ Create health and well-being propositions across our priority markets</li> <li>◆ Enhance financial inclusion by improving access to insurance propositions</li> <li>◆ Drive financial capability through creation of educational content and simplification of customer tools</li> </ul>
 <p><b>Sustainable Operations</b></p>	<ul style="list-style-type: none"> <li>◆ Aim to be a responsible consumer of natural resources</li> <li>◆ Reduce business travel emissions against the 2019 baseline</li> <li>◆ Aim to ensure fair customer outcomes are delivered by insurance products and services</li> <li>◆ Aim to collaborate with our suppliers to deliver sustainable services</li> </ul>
 <p><b>People and Culture</b></p>	<ul style="list-style-type: none"> <li>◆ Foster a diverse environment and inclusive culture in the workplace</li> <li>◆ Equip colleagues with knowledge, resources, and experiences to support their well-being</li> <li>◆ Embed sustainability into employee culture and upskill teams to help colleagues fulfil their potential</li> </ul>
 <p><b>Sustainability Risk Management and Compliance</b></p>	<ul style="list-style-type: none"> <li>◆ Align with HSBC Group’s sustainability risk policies and frameworks</li> <li>◆ Integrate sustainability risk into business processes and controls</li> <li>◆ Engage with industry bodies and regulators to support the development of standards for managing risks and respond to sustainability-related regulations</li> </ul>



## Progress in 2025

Principle 1: We will embed in our decision-making environmental (E), social (S) and governance (G) issues relevant to our insurance business.

### **Sustainable Investments**

#### **Sustainable Investment Portfolios**

As a life insurer, our investment horizon is long-term, looking out for potential ESG opportunities and risks when investing our shareholders' and policyholders' funds.

We continue to incorporate ESG considerations into our investment governance and processes. This includes restricting certain investments that may have an adverse impact on society and the environment.

We continue to build our sustainable investments whilst fulfilling our financial objectives. We recognise the need to continue to enhance our reporting capabilities and data quality controls around ESG data sets together with our asset managers.

The financed emissions related to HSBC Life are partially captured within the disclosures of HSBC Asset Management, which manages much of our insurance assets. For further details, see page 47 of the [Annual Report and Accounts 2025](#). The Partnership for Carbon Accounting Financials ('PCAF') standard for insurance associated emissions (Part C) is not applicable to our insurance business as HSBC Life focuses on the manufacturing of life insurance products.

#### **Sustainability Funds**

We continue to give customers access to Sustainability funds through investment-linked insurance products that offer a range of investment choices, including those relating to ESG and sustainable investing.

Any sustainability fund manufactured by third party asset managers follows their respective ESG policies and controls, which are assessed for alignment with HSBC Group's own internal standards for ESG and sustainable investing. For details of HSBC Group's 2025 Sustainable Finance and Investment Data Dictionary, see <https://www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre>.

## Sustainable Propositions

### Health and Well-being

We aim to support customers in improving their health and well-being. The following initiatives took place during 2025:

- In February, HSBC Life Hong Kong launched HSBC HealthPass, an affordable subscription-based membership scheme offering preferential consultation rates and the option to add family and friends as sub-members, with no medical assessment needed.
- HSBC Life Hong Kong also opened a Health and Wellness (Longevity) Centre in September, delivering holistic services that support our customers' financial and physical wellbeing, through medical and lifestyle services that complement our protection product offerings.
- HSBC Life Singapore launched its Health and Wellness Centre in July. The new centre is part of an enhanced partnership between HSBC Life Singapore and Raffles Medical, a longstanding partner that has helped deliver premium medical underwriting and wellness services to HSBC Life Singapore customers for over a decade. The centre will exclusively serve HSBC bank customers undergoing medical underwriting for their HSBC Life Singapore policies.
- Leveraging HSBC Life's expertise and healthcare network, HSBC Premier banking customers in Hong Kong, Singapore, and the UK receive health value-added services as part of the core banking offering, e.g. customers can enjoy discounted health screening packages, and access to 24/7 General Practitioner and Mental Wellness teleconsultations.

### Financial Capability

We also strive to improve the financial capability of our customers by educating them about insurance and protection.

HSBC Life Singapore updated its product sales kits for their relationship managers to help drive meaningful conversations with customers and educate them on their insurance needs.

In mainland China, HSBC Life China and HSBC Insurance Brokerage Company ran campaigns to improve consumer financial literacy and help safeguard against financial fraud.

### Financial Inclusion

We aim to ensure there are no unnecessary barriers for our customers as well as supporting customers in accessing insurance products. Our Insurance Diversity and Inclusion framework continues to be applied to support us in developing products with a diversity and inclusion lens.

## Sustainable Operations

HSBC Life continues to contribute to HSBC Group's ambition to become a net zero bank, by aiming to achieve net zero emissions in our own operations and supply chain by 2050. For details of HSBC Group's climate ambitions, see the HSBC Holdings plc's [Annual Report and Accounts 2025](#).

### Business Travel

HSBC Life aims to reduce business travel emissions against the 2019 baseline. We do this by setting local internal targets. In 2025, HSBC Life's actual emission levels were lower than the 2019 baseline, despite seeing an increase in travel from 2022 for business purposes. We leverage the impact of hybrid working and virtual meetings which result in a reduced need for business travel and therefore decreased travel emissions.

### Paper Reduction

Aligned to HSBC Group, our aim is to be a responsible consumer of natural resources. We continue to develop paper-free processes through automation and drive digital transformation to enhance our customer journey.

## Fair and Transparent Customer Treatment

Our insurance entities continue to follow a clear conduct framework to help ensure fair customer outcomes. Customer complaints key performance indicators (KPIs'), including the time taken to resolve complaints, are closely monitored and reported to help ensure they are within internal targets.

In Mainland China, this year we refreshed and strengthened our expense policy to comply with a new Chinese insurance regulation released in Nov 2025, with the aim to improve transparency and fair customer treatment.

## Engaging with our Supply Chain

We are aligned to HSBC Group, recognising that the supply chain is critical to achieving net zero in its own operations by 2050.

Our engagement with suppliers is further supported by HSBC Group's supplier code of conduct which sets out the minimum standards HSBC Group expects of its suppliers in respect of the environment, inclusion and human rights.

## People and Culture

Aligned to HSBC Group, we embrace diversity and are building an inclusive culture.

This year, we launched a mini-podcast series "Talent Exchange: Unscripted" featuring conversations between the CEO of Insurance, HSBC, and top talent within our business, creating a platform for intergenerational, international and open discussion

on topics such as career development, personal purpose and motherhood.

We energise our colleagues for growth and build resilience by equipping them with the skills needed today and for future challenges. In 2025, we launched an inaugural Generative AI (GenAI') Innovation Contest, encouraging colleagues to develop GenAI solutions for real-world insurance problems. This generated over 200 ideas with the best selected ideas progressing under our Responsible AI standards.

To further support GenAI skill development, we encouraged colleagues to complete a GenAI training programme and established a dedicated network of AI Champions to ensure consistent and ethical implementation of GenAI solutions. We also continued our 'Teach In' webinar series in 2025, educating our employees on sustainability topics such as ESG reporting and disclosures.

We recognise and celebrate the diversity of our colleagues across HSBC Life. For example, both HSBC Life Hong Kong and Singapore hosted inclusive cultural celebrations for all colleagues, including a dance workshop, leveraging art and culture to raise awareness on diversity and inclusion.

## Sustainability Risk Management and Compliance

HSBC Life continues to develop its climate risk management capabilities. We are improving our ability to perform exploratory assessment of the solvency of our biggest insurance businesses under climate stress scenarios.

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

## Community Engagement and Volunteering

Aligned to HSBC Group, we offer paid volunteering days, and encourage our people to offer their time, skills and knowledge to causes within their communities. We also work with charity partners around the world to strengthen the resilience of communities.

During 2025, colleagues from HSBC Life organized and participated in events focused on supporting young students, people facing disadvantages and vulnerable communities. Examples include:

- Global HSBC Life colleagues, along with HSBC Life Hong Kong and Hang Seng Insurance, collaborated on several events throughout the year that supported a number of charitable causes, including homelessness, disability, elderly and low-income families through fund-raising activities, social engagement and meal provision.
- Global HSBC Life colleagues based in the UK hosted a career insights day at the HSBC headquarters in Canary Wharf, London. Staff volunteered to share their career stories, discuss HSBC opportunities and offer advice to young students with the aim of promoting social mobility.
- HSBC Life Hong Kong ran an HSBC Life Insurance Innovation Competition inviting local university students to learn about emerging trends in Insurtech, customer-centricity and health and wellness integration and to submit their innovative ideas. Shortlisted teams received coaching and an opportunity to present their ideas to senior HSBC Life stakeholders.



Principle 3: We will work together with governments, regulators, and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

## Longevity and Retirement

HSBC Life participated in initiatives to educate the public on longevity challenges in the context of an ageing population and the importance of retirement planning.

The CEO of Insurance, HSBC, contributed to a report published by the Geneva Association titled “Insurance and the Longevity Economy: Navigating protection in the era of 100-year lives”, which examines public perceptions of longevity, mortality and health, and how insurers can address these risks. Complementing this theme, the Chief Product and In-force Officer, HSBC Life Hong Kong, led a discussion on the dynamic intersection of retirement and longevity at the HSBC Future Wealth Conference 2025, with industry panelists in Hong Kong.

HSBC Life Hong Kong sponsored a study and published a research report titled “Between responsibility and restfulness: Retirement challenges and new horizons for the sandwich generation” exploring retirement challenges and opportunities, as well as emerging trends among Hong Kong and Macau pre-retirees and retirees. The insights in the report serve as signposts on the road to better retirement planning.

## Industry Recognition

We received external awards in recognition of our sustainability progress and achievement in 2025.

HSBC Life Hong Kong received the following awards at the Bloomberg Businessweek Financial Institution Awards:

- Bancassurance ESG Sustainability of the Year
- GBA – Macau – ESG Sustainability of the Year

HSBC Life Singapore were awarded Social Media Initiative of the Year at the Insurance Asia Awards for their ‘Dream Bold’ campaign, highlighting the importance of protection particularly for millennials and Gen Z consumers.

Principle 4: We will demonstrate accountability and transparency by regularly disclosing publicly our progress in implementing the principles.

This is our thirteenth report since becoming a signatory on 23 April 2013 which demonstrates our continued commitment in communicating our progress in implementing the PSI in a transparent manner. We are participating in relevant disclosure and reporting frameworks, including regular updates in the HSBC Group’s ESG disclosures.

# Disclaimer

This report should not form the basis of any third party's decision to undertake, or otherwise engage in, any activity; and third parties do not have any right to rely on it. The report, by its nature, is not comprehensive and has not been independently verified. It contains various statements that are or could be "forward-looking" statements including as to HSBC Group's intentions, estimates, forecasts, targets and objectives. Words such as 'may', 'will', 'should', 'expects', 'targets', 'anticipates', 'plans', 'believes', 'seeks', 'estimates', 'potential' and 'reasonably possible' or the negative thereof, other variations thereon or similar expressions are intended to identify forward-looking statements. These statements are based on currently available information, plans, data, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as at the date they are made. HSBC Group makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, as they may involve significant stated or implied assumptions, factors and subjective judgements which may or may not prove to be correct. A number of risks, uncertainties and other important factors could cause actual developments, performance and/or results to differ materially from HSBC Group's expectations. These include, among others, the risks and uncertainties HSBC Group identifies in the HSBC Group's Annual Report and Accounts filed with the Securities and Exchange Commission ("SEC") on Form 20-F and interim reports and earnings releases furnished to the SEC on Form 6-K from time to time.

Neither HSBC Group nor any of its officers, employees, agents or advisers accepts any duty of care, responsibility or liability in relation to this report or its application or interpretation, including as to the accuracy, completeness or sufficiency of it or any outcomes arising from the same.

Neither HSBC Group nor any of its officers, employees, agents or advisers is responsible for any loss, damage or other consequences of any kind that any third party may incur or suffer as a result of, arising from or relating to their use of or reliance upon the information available from this report. The information within this report and materials made available herein are not intended to provide advice and do not constitute a solicitation, marketing or recommendation for the purchase of any product, making of any deposit or investment. Investment involves risks.

Save as expressly set out in this report, HSBC Group is not under any obligation and does not give any undertaking to provide any additional information in relation to the report or its application, to update it or to correct any inaccuracies or errors.