



HSBC Ventures, Innovation & Partnerships

Catherine Zhou – Global Head of Ventures, Digital Innovation & Partnerships

Technology strategy — helping enable the Group to digitise at scale

Speed



We aim to improve our time to market and stay ahead of the competition, making more of our services available via third parties

Programmes

Speed of Work



Modern core



Modern and simple architecture



Scale



We intend to build products once and rapidly scale them across the bank by leveraging Cloud technology, using modernised core platforms and data as our foundation

Programmes

Powered by cloud



Develop once & rapidly scale



Data at scale



Resilience



We plan to make our services more secure, better for the environment and more available

Programmes

Secure digital identity



Cyber uplift & Tech risk management



Available business services



Net-zero carbon



People



Our aim is to have the right people, in the right places, equipped with skills for the future – empowered to be at their best and deliver as one team

Programmes

Dynamic, rewarding careers



Right talent, right place



Group innovation strategy



Workplace experience



- ◆ **Multi-year strategy** aims to deliver long-term business benefits
- ◆ Providing the **next generation of banking products and services** for customers
- ◆ Built around **modernising our technology** architecture and operating model
- ◆ **14 programmes** to deliver our 4 strategic capabilities – **Speed, Scale, Resilience, People**
- ◆ Aligned to the **bank's four strategic pillars**, the businesses, functions and regional strategies

Technology strategy — selected 2027 ambitions

Speed



Release customer-facing applications to market **3x faster** – from more than 6 months to less than 2 months

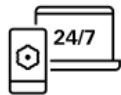


Increase focus on Agile delivery – from 15% in 2021 to **80% of Technology workforce working fully in Agile teams**



Modernise and simplify architecture – **20% of applications demised and 70% modernised**

Resilience



Reduce system downtime – **50% improvement in availability** of important business services¹



Cybersecurity – **Improve within top-quartile² industry rating** (NIST³ Cybersecurity Framework)



Reduce carbon footprint – **10% reduction in data centre energy consumption** by 2026, from 2019 baseline

Scale



Increase focus on cloud adoption – from 27% in 2021, to **>70% of our end-state estate on cloud**



Increase data availability – from 3 to 20 months to build new data analysis **to on-demand big data analysis**

People



Increase employee satisfaction for workplace technology – **significant improvement in Net Promoter Score⁴**



Foster a culture of **innovation** to explore **new business models, alternative asset types** and develop **brand leadership** in ESG



Improve colleague tooling – from 100+ disconnected tools and technology to **simplified, consolidated tools & one centralised social intranet**

1. Refers to availability of Tier 0 and Tier 1 systems
2. Top quartile ratings will move with peer group size

3. National Institute of Standards and Technology
4. Employee NPS within the Technology function

Ventures, Innovation & Partnerships

HSBC is **investing** in and **deploying** technology to **improve customer experience**, make the bank **more efficient** and **enable its growth** priorities

Our objectives are to:

- ◆ Gain insights into **major innovation** trends
- ◆ Catalyse **early adoption** of new technologies or business models
- ◆ **Support** all businesses and functions of HSBC
- ◆ Seek **sound financial returns** but recognise risky nature of venture investment

Ventures, Innovations & Partnerships seeks to **improve upon** HSBC's approach to innovation by **building on** our foundational capabilities, **further scale** existing projects and apply VC-like commercial discipline to our technology investments

Global Ventures, Innovation and Partnerships helps **accelerate the development** of digital products and services in our key markets, spread across **four services**



Open

Testing and developing **new ideas**



Catalyst

Supporting projects and ideas to **scale**



Invest

Investing in early stage technology



Accel

Demonstrating **new ways of working**

HSBC Invest's portfolio

Platform / business model innovation

Deep technologies

Brand innovation

Security, crime prevention & identity

MENLO
SECURITY
Malware Prevention

quantexa
outcomes delivered
Contextual Data

CROWDSTRIKE
Endpoint Security¹

KENNA
Security
Vulnerability Platform¹

PRIVITAR
Data Privacy

BioCatch
Biometric Analytics

callsign
AI Authentication

Cloud, data & analytics

STOIC
Big Data Analytics

CustomerMetrX
Customer Network¹

platfora
Data Analytics¹

Trade Information Network
Transactional Data*

Solidatus
Graph Database

Banking access

vizolution
Digital Journey

kyriba
Treasury Platform¹

TRADESHIFF
Supply Chain Network

openfin
Financial OS

bud
Open Banking Platform

eb episodesix
Payments Technology

divido
BNPL Platform

Operational efficiency

CloudBees
DevOps

KY3P
Know Your Third Party
Vendor Onboarding*

we.trade
more trust. more trade.
SME Trade Platform*

CONTOUR
Digital Trade Docs*

Borderless financial services

cxagroup
Employee Health

Emerging technologies

r3
DLT Consortium*

CONSENSYS
Ethereum Blockchain

Impact & sustainability

MIOTECH
ESG Data Platform

SUPPLYSHIFT
Supplier ESG Rating

* Consortium

1. Exited

Digital Business Services leadership team



John Hinshaw
Group Chief Operating Officer

Regional COOs



David Grimme
Chief Operating Officer
Asia-Pacific



Mehul Desai
Chief Operating Officer
UK (Interim)



Terecina Kwong
Chief Operating Officer
Europe



Jennifer Strybel
Chief Operating Officer
USA

Global Business COOs



Suzy White
Global COO
Markets and Securities
Services



Kevin Martin
Global COO
Head of Digital
Transformation, WPB



Jeff Conway
Global COO
Wholesale



Ian Glasner
Chief of Staff

Functional Leads



Stacey Alioto
Deputy Group Chief Operating
Officer



Steve Van Wyk
Group Chief Information Officer



Kate Platonova
Group Chief Data Officer



Sonali Goel
Global Head of Operations



**Gayatri
Kanakarathnam**
Chief Control Officer

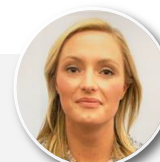


Catherine Zhou
Global Head of Ventures

Business Partners



Simon Parsons
Global Head, Strategic Cost
Management



Kirsty Daly
DBS Corporate Governance
Officer

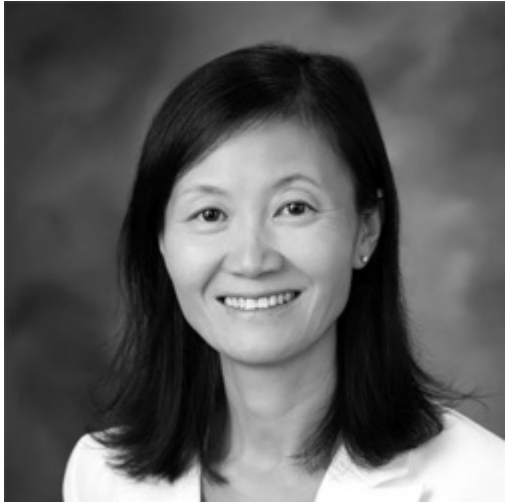


David Matthews
Global Head of Internal
Communications (Interim)



Roshni Haywood
Global Head of HR

Speaker bio – Catherine Zhou



Catherine is the Global Head of Ventures, Digital Innovation & Partnerships at HSBC. She is driving group level efforts to uncover new profit pools, alternative business models and leading changes from outside in.

Prior to HSBC, Catherine ran the Consumer Bank for East West Bank and led the efforts to build an entirely new stack of digital capabilities from ground up. Prior to joining the bank, she was a senior partner at PwC and served as the leader for the Digital Services business for the Financial Services Industry.

Catherine is deeply connected to the financial centres in New York, Asia and Europe while rooted in Silicon Valley, San Francisco the Bay area, working with start ups and technology giants in developing digital first businesses.

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Information in this Presentation was prepared as at 2 March 2022.