

INVESTOR BULLETIN

Opportunity and transition

From growing our insurance business in Asia to financing a range of green projects globally, read the latest on HSBC's strategic progress

HSBC to buy AXA Singapore

How we plan to scale up and diversify our insurance business in Asia



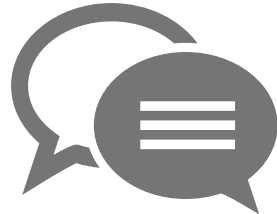
News and Insights



Delivering finance for sustainable infrastructure in Southeast Asia

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HSBC Senior Management Changes



Interview with Annabel Spring

CEO, HSBC Global Private Banking



Read more about what makes our private banking offering unique

Find out how we are supporting sustainable projects globally





Annabel Spring
CEO, HSBC Global Private Banking

Annabel Spring was appointed CEO, HSBC Global Private Banking in September 2020. She joined HSBC in April 2019 and prior to her current role she led retail banking and wealth product teams and was responsible for data and analytics, digital messaging experiences and sales across Wealth and Personal Banking.

From 2009-2018 Annabel was a member of the Group Executive of the Commonwealth Bank where she was Group Executive of the Wealth Management Division, and Global Head of Strategy.

Previously, she was a Managing Director at Morgan Stanley, where she worked in corporate finance, capital markets, leveraged finance and treasury.

She holds an MBA from Harvard Business School and a Bachelors of Laws and Economics from the University of Sydney.

1. Why did you join HSBC in 2019 and how has your opinion of the bank changed since then?

In 2019 when I joined the bank, HSBC represented the leading scale international retail, wealth and commercial banking franchise in all major markets – with a strong Asian presence. My first role as Head of Customers and Products for the Retail Banking and Wealth business was an opportunity to transform the retail and wealth franchise into a truly customer-centric and agile organisation focused on increasing digital engagement. I have been impressed by the enthusiasm and ability of the organisation to deliver on its transformation ambitions, which has been accelerated through continued simplification and a clear strategy.

2. What is special about private banking at HSBC?

HSBC Global Private Banking is unique amongst its competitors. We have a truly global reach with a strong presence in all of the world's major wealth markets and deep Asian expertise. Not only do we offer our clients leading private banking solutions, we also bring the integrated relationship benefits of HSBC's personal and commercial banking capabilities along with products from our Asset Management, Insurance and Global Banking & Markets businesses, with the backing of the balance sheet of a global universal bank. Our aim is to become the world's leading private bank for Asian, international and HSBC-connected clients. And what makes us special – and is most special to us – are our relationships with our clients.

3. What are you hearing from your clients and how is this shaping your strategy?

Our clients have some of the most profound insights into the global world of business. As we support them through a period of great change, we hear three big themes:

1. Technology and people: Even as we digitise at scale for an improved client experience, we are guiding our clients to invest and take advantage of the opportunities whilst being aware of the pitfalls. We use our proximity to markets and clients via our relationship managers, supported by CIO insights, specialist expertise and technology.
2. Legacy and sustainability: COVID-19 has completely reshaped the discussion on the importance of wealth planning and the sustainability of family businesses, their business structures and investments.
3. Global and holistic relationships: The rise of the borderless entrepreneur has only amplified the importance of delivering all of HSBC globally for our clients. Partnering across the Bank across borders helps to serve our clients, their families and their business in a completely integrated way and is opening up a world of opportunities for them – wherever they are.

4. How is your team supporting HSBC's climate strategy?

Our business has an impact on people all over the world – including clients, employees, investors, and the wider communities we serve. Being sustainable means building strong relationships with these stakeholders and taking into account the issues that matter to them. A part of our role in opening up a world of opportunity for our clients is to help contribute to a net zero future and to empower them to make a positive change through wealth creation. We are integrating Environmental, Social & Governance (ESG) factors into client investment processes and solutions. We leverage the knowledge, products and expertise in climate and sustainability from across the HSBC Group and look for the best ESG solutions for our clients across all our markets. Finally, we equip our people with the knowledge they need to engage and help clients align their sustainability objectives with financial goals. Collectively, our impact can be enormous.

“What makes us special – and is most special to us – are our relationships with our clients.”

“Part of our role in opening up a world of opportunity for clients is to help contribute to a net zero future and empower them to make a positive change through wealth creation.”

HSBC and Asia opportunities

We're focusing on our strengths as a global bank to support our ambition of being the preferred international financial partner for our clients.

Asia, in particular, presents a huge opportunity for HSBC to grow as a market leader in wealth management and play a leading role in financing the transition to net zero.

Here are some of the ways we're doing this:

Plugging the GBA into investment opportunities

We were quick off the mark to offer cross-boundary investment services in the Greater Bay Area, following the launch of China's Wealth Management Connect (WMC) initiative. WMC enables residents in Hong Kong and Macau to invest in products sold by banks in nine cities in Guangdong province, with residents in those cities able to invest in the opposite direction. We became one of the first banks offering bespoke support to customers and will set up about 60 WMC centres and offer over 100 medium-to-low-risk products – available 24/7 online or via our app.



HSBC to buy AXA Singapore

We've entered into an agreement to buy the insurance company AXA Singapore, subject to regulatory approval. This acquisition will enable our insurance business, HSBC Life, to scale up and diversify in Singapore – a global hub that is key to our plans to become a leading wealth manager. We plan to merge the operations of HSBC Life Singapore and AXA Singapore, which is currently the eighth-largest life insurer in Singapore by Annualised New Premiums, and the fifth-largest general insurer.

Southbound Bond Connect

We successfully executed the first set of trades for institutional investors in mainland China when the Southbound Bond Connect went live in September. Acting as an authorised market maker, we're helping clients to tap into Hong Kong's \$295 billion bond market. This channel will inject more liquidity into the financial hub, attract international issuers and accelerate the renminbi as an investment currency.

Temasek partnership

Our new partnership with Temasek, an investment company based in Singapore, will deliver finance for sustainable infrastructure to parts of Southeast Asia most vulnerable to climate change. Our debt financing platform will target projects such as renewable energy and storage, water and waste treatment and sustainable transport. HSBC and Temasek are initially investing a combined \$150 million – over five years, our ambition is to deploy blended public and private financing to dispense more than \$1 billion in loans.

The UN climate change conference in Glasgow, Scotland, was an opportunity for HSBC to demonstrate that we have moved beyond commitment into execution. Our delegation spoke to policymakers, clients and other banks about the critical role we can play in the net zero transition, including in some of the highest carbon-emitting sectors, and were involved in a series of significant announcements.

A focus on phasing out coal

We announced in Glasgow that we're supporting the Asian Development Bank (ADB) in a programme that could help reduce carbon on a game-changing scale.

It's called the Energy Transition Mechanism (ETM) and will both increase investment in renewables and accelerate the closure of coal-fired power plants.

In the ETM's pilot phase, the programme will purchase coal-fired power stations in Indonesia and the Philippines. These coal plants will then be retired early, dramatically reducing emissions, with the programme supporting the communities impacted. It will also invest in new, clean, replacement renewables – mobilising the energy transition where it is most challenging.



Coal coalition

COP26 demonstrated that governments across the world and businesses from all sectors are determined to work together on urgent, large-scale action to combat climate change. At the conference, we joined the Powering Past Coal Alliance (PPCA), a global coalition of countries, cities, regions and businesses focused on tackling the challenge of ending the world's reliance on coal. The PPCA is committed to ending coal financing globally by 2040, and by 2030 in OECD countries.

Coal contributes to 25% of global greenhouse gas emissions. In many developing countries it makes up over 60% of the energy mix. Alongside urgent coal phase out, widespread investment into clean energy generation, storage and distribution is needed.

Closing the sustainable infrastructure investment gap

The FAST-Infra initiative, which we helped to found, launched its Sustainable Infrastructure (SI) Label in Glasgow. The label aims to give investors confidence in the environmental credentials and resilience of new projects and help make sustainable infrastructure a deep and liquid asset class. The initiative can help address the estimated \$2.5 trillion to \$3 trillion annual investment gap for sustainable infrastructure. This gap is particularly critical in emerging markets, which don't have the necessary financial and operating expertise.

IN BRIEF

A royal seal of approval

We are among the first global companies to receive the Terra Carta Seal from the Prince of Wales. The Terra Carta is a sustainability charter launched on behalf of Prince Charles's Sustainable Markets Initiative. The seal recognises companies that are "driving innovation and demonstrating their commitment to the creation of genuinely sustainable markets". It was presented to Group CEO Noel Quinn by Prince Charles in Glasgow.

Our £500 million SME fund

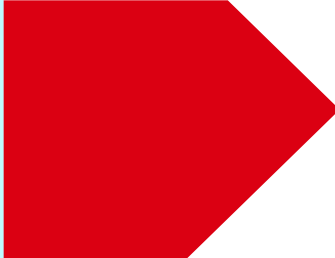
We used the summit to announce our new fund to help small and medium-sized enterprises (SMEs) in the UK transition to a low carbon economy. The Green SME Fund, which launches in January, will be available for businesses with a turnover of less than £25 million. It will offer 1% cashback on loans, starting from £1,000, for green activities such as investing in renewable energy or electric vehicles and is the first offering of its kind in the UK.

Helping the world go greener

Explore our green finance map to find out how we are supporting sustainable projects globally





 Click the pictures for examples of our projects worldwide

Green Banking

Financing the transition to net zero



Central Bank Digital Currencies

For over 150 years, HSBC has been at the forefront of financial innovation, constantly looking for ways to make banking easier and better for our clients, says Noel Quinn, our Group CEO. We're now exploring the possibilities of one of the next waves of innovation: **Central Bank Digital Currencies**. Noel believes they could help to spur further economic growth by making payments and settlements more efficient and cheaper, but warns that there are potential risks to mitigate.



India's outward remittances go digital

COVID-19 has physically separated family members for months, if not years, but our customers still need fast and convenient ways to support loved ones. That's why in India we've expanded our digital capabilities to enable customers to send money overseas online to pay for education, living expenses, medical treatment and other family needs, instead of having to visit a branch or fill out forms.

Chatting with HSBC like your friends

We've launched HSBC GPB Chat so private banking clients in Asia-Pacific can 'talk' with their relationship managers and investment counsellors through WhatsApp and WeChat in a secure way. Key features include one-to-one chat and group chat, two-way document sharing securely on the two social channels and video and audio-conferencing.

The human touch for digital journeys

Our new Click-to-call service means customers in some markets can talk to contact centre agents directly via their mobile banking app. The service bypasses interactive voice response and carries over customers' mobile authentication status, eliminating the need for further identification and verification. This seamless switch from mobile to agents will particularly benefit customers with no phone PIN or voice ID.

Empowering Gen Z to build wealth digitally

Trade25 is HSBC's new stock trading programme for 18 to 25 year olds in Hong Kong. It enables them to trade Hong Kong, US and China A shares without any commission and platform fee. Trade25 builds on the launches of FlexInvest in Hong Kong, My Investment in the UK and EZInvest in Malaysia to help customers start investing at an early age.

Post-trade services

HSBC MarketSpace is our new platform for financial institution clients. It enables them to access services from HSBC and other third-party service providers in the post-trade value chain. The platform provides access to a single place where clients can choose between service providers, with the ability to mix-and-match from across the industry. And its open architecture supports our 'digitise at scale' ambitions by enabling providers to add, develop and improve services on the platform.

Corporate banking solutions

We're working with Oracle NetSuite to embed our digital international payments and expense management solutions into its accounting software for businesses. Our first entry into what is known as Banking as a Service (BaaS) will make it easier for NetSuite customers to pay bills, send invoices, and get paid - giving their businesses full cash flow visibility and freeing up employees for other tasks. This supports our client growth strategy by enabling us to cement relationships with existing clients and establish new ones with their clients.

Cross-border payments

We're the first global bank to introduce SWIFT's Payment Pre-validation service, which aims to make cross-border payments smoother and more secure. SWIFT – the Society for Worldwide Interbank Financial Telecommunication – uses an application programming interface (API) to verify beneficiary account details with banks, giving customers greater confidence about the destination of payments. Inbound payments for business and retail customers in the UAE will benefit first.

People Moves



Manish Kohli

appointed as Global Head of Global Liquidity & Cash Management (GLCM).

Manish joined HSBC from Citi, where he had worked for more than 20 years across Asia, Europe and the Middle East, Africa and the US. Since 2017 he had led Citi's Payments and Receivables business. Before that he was Citi's Global Head of Commercial Cards.

Manish, who is based in New York, is responsible for growing GLCM revenues in key corridors as well as further strengthening and expanding our product capabilities and digital tools to support our clients' needs. He succeeds Diane S Reyes, who has been with HSBC since 2011. Under her leadership GLCM has gained market share and digitised at scale, making it faster and easier for cash management and liquidity clients to do business.



Jo Miyake

joins HSBC as Chief Commercial Officer for Global Commercial Banking.

Jo joined HSBC from Bank of America in New York, where he led the commercialisation of global cross-product solutions for a number of years. He is now based in Hong Kong and reports to Barry O'Byrne, CEO, Global Commercial Banking.

Jo works closely with our regional and global product teams across lines of business to build and drive a model which supports deep, long-term relationships with our Commercial Banking client base.

Over the past 22 years, Jo has built a strong reputation and specialism in driving global growth and transformation projects in Bank of America and JP Morgan, working from hubs including Hong Kong, New York and London.



Aman Narain

appointed Head of Platforms, Global Commercial Banking.

We welcomed Aman to HSBC from Google, where he was instrumental in the build-out and commercialisation of revenue-generating ecosystems, including the launch of Google Pay in Singapore and the design of the Googolplex Account in the US.

Prior to this, he led the digital and marketing transformation for Schroders and held a number of leadership positions at Standard Chartered.

Aman reports to Stuart Tait, Head of CMB for Asia-Pacific, and is based in Singapore. He is responsible for leading CMB's global platform strategy, including the development and commercialisation of market-leading propositions aimed at driving adoption and buy-in across our existing and prospective client base.



Neil Barrable

joins HSBC as Global Head of Wholesale Credit & Lending.

Neil is a risk professional with more than 25 years' experience across Asia and EMEA. He joined HSBC from JP Morgan, where he was Chief Risk Officer and Head of Credit Risk for Asia-Pacific.

Prior to JP Morgan, Neil spent more than 15 years in credit and market risk roles at Barclays and Deutsche Bank in London, Singapore and Hong Kong.

Neil is based in London, and an appointed member of both the Global Banking and Commercial Banking Executive Committees.



Sarah Wiggins

to join HSBC as Vice Chair, Global Banking, in early 2022.

Sarah will come to HSBC following a distinguished career at Linklaters, where she worked for the past 31 years in London, most recently as a senior Corporate and M&A Partner.

Sarah brings deep knowledge and experience of advising UK and international companies, including BP, Reckitt, IAG, SIX Group, Cummins and Carrier. She has worked on M&A transactions with a combined value of more than \$300 billion across chemicals, construction, consumer, energy, fintech, industrials, professional services and real estate sectors.

Sarah will report to Greg Guyett, Co-CEO Global Banking & Markets, and will focus on helping to build our investment banking business in the UK with both UK and international clients.



Greg Hingston

appointed Global CEO, HSBC Life and Insurance Partnerships, with effect from 1 January 2022.

Greg has been with HSBC for 15 years and has a deep understanding of the retail banking and wealth business, including Insurance, a key growth engine of Wealth and Personal Banking (WPB) globally, particularly in driving our ambition to be a leading wealth manager in Asia.

Under Greg's leadership as Regional Head of WPB in Asia-Pacific, which he will continue to cover on an interim basis, we have made significant progress in delivering record financial performance, market share gains and an expanded range of wealth, international and digital capabilities. Greg will succeed Bryce Johns, who has decided to pursue an opportunity outside of HSBC.

Awards



There's no way we could reflect all of the awards won across the bank in the past few months – but here's a few we've picked as our favourites.

A top GBA award

Asiamoney named us Best International Bank for the Greater Bay Area for our ability to connect customers in mainland China, Hong Kong and Macau to the rest of the world.

“HSBC’s unparalleled distribution network and retail client base have put the bank ahead of the competition when it comes to addressing the rising banking and wealth management needs in the region,” the judges said.

No. 1

We retained our titles as the **Best Bank for Sustainable Finance** in both Asia and the Middle East in Euromoney’s Country and Regional Awards for Excellence. We were also named as **#1 for transaction services** in both regions and Western Europe’s **Best Bank for SMEs**. Judges praised our leadership and

sustainability and “for being there when it matters” by continuing to deliver the best transaction services during the pandemic. We were also **named #1** in Asia-Pacific, the Middle East and North America, and for Financial Institutions, we were recognised as #1 globally for USD, EUR, GBP, RMB and HKD.

A 10/10 performance

We’ve been voted the top cash manager for both corporates and financial institutions in the 2021 Euromoney Cash Management Survey. It’s the 10th year in a row that we’ve taken the top spot for corporates. The survey is widely considered as the industry’s benchmark survey of

cash managers, treasurers and financial officers all over the world. In the Corporates section, we were also named number 1 in Asia-Pacific, the Middle East and North America and for Financial Institutions, we were recognised as number 1 globally for USD, EUR, GBP, RMB and HKD.

12 awards

HSBC bagged 12 awards in the Asian Banking and Finance Retail Banking Awards 2021 across 10 markets for an array of our products, services, campaigns and COVID-related initiatives. This haul included being named International Retail Bank of the Year in Bangladesh, mainland China, the Philippines and Sri Lanka, as well as awards for Wealth Management Platform of the Year in mainland China and Singapore.

Partner of the year

We’ve helped deliver about \$400 million in finance to suppliers of vital medical equipment, including PPE and vaccines, through our partnership with the Asian Development Bank (ADB). Our volume of transactions across eight programmes in Asia-Pacific helped us secure ADB’s award for Supply Chain Finance Partner of the Year 2021.

Clients show support

We received a big vote of confidence from our clients when their support helped us win a number of top rankings in the 2021 Institutional Investor survey for Emerging Europe, Middle East & Africa, and Developed Europe. In the survey of more than 4,000 portfolio managers and analysts, we won recognition including **#1 Equity Research** (commission-weighted analyst tables), **#1 Equity Sales** and **#1 Corporate Access in Emerging EMEA**.