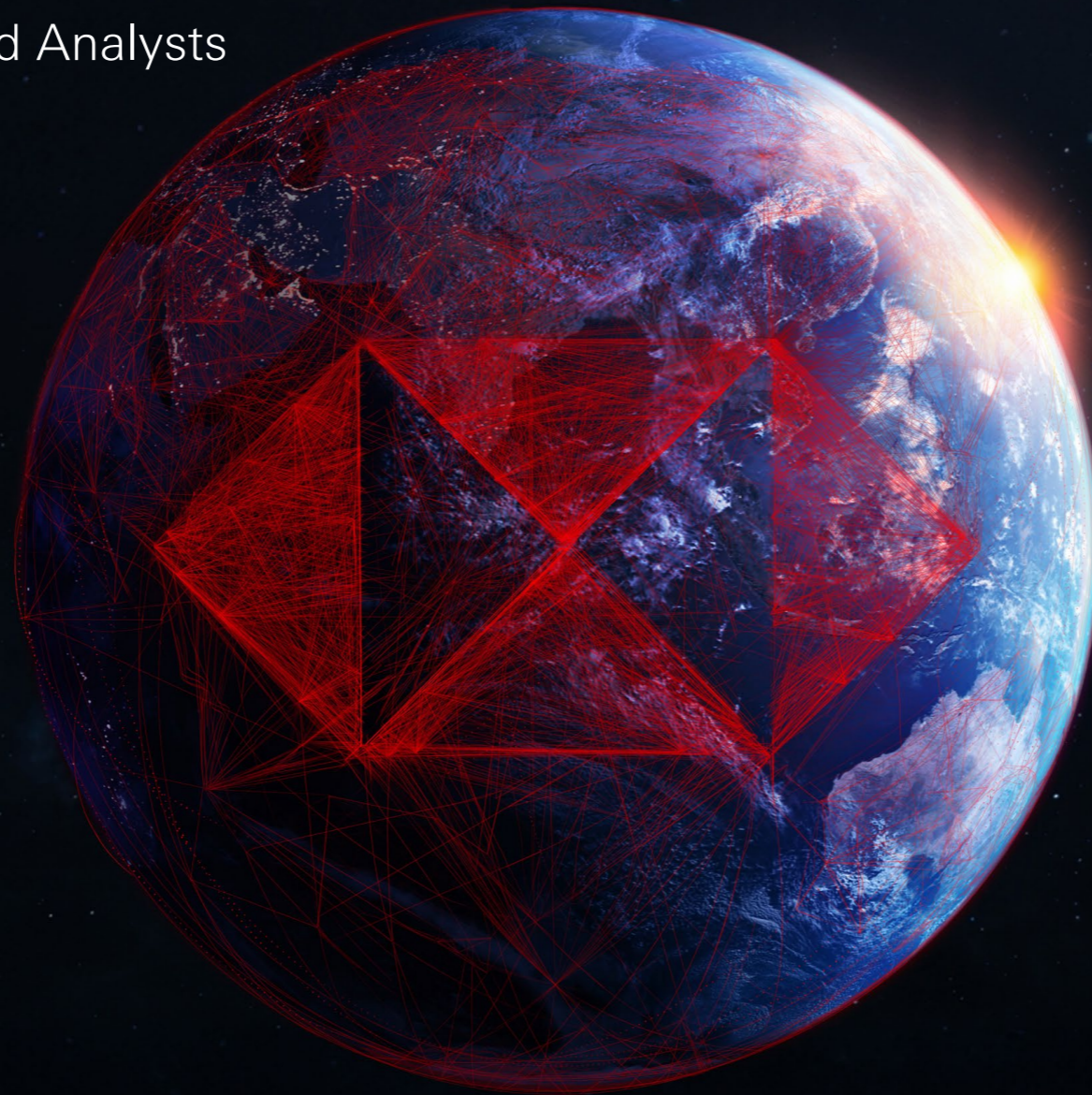


HSBC Holdings plc 2024 Results

Presentation to Investors and Analysts



Summary of 1H24 performance and guidance

1 | **\$37.3bn reported revenue**, up 1% vs. 1H23
\$33.7bn revenue excluding notable items, up 2% vs. 1H23

2 | **\$21.6bn reported PBT**, stable vs. 1H23
\$18.1bn PBT excluding notable items, stable vs. 1H23

3 | On a target basis¹, **costs were up (7)%** vs. 1H23

4 | **21.4% reported RoTE²**
17.0% RoTE excluding notable items²

5 | **\$5bn buybacks completed** (\$12bn since YE22)
\$4.8bn of further distributions announced:

- ◆ **\$1.8bn** dividends on ordinary shares
- ◆ **Up to \$3bn** share buyback

Guidance

New: FY25 RoTE in the mid-teens, excluding notable items

Existing guidance: FY24 RoTE in the mid-teens, excluding notable items

Upgraded: FY24 Banking NII of ~\$43bn³

Previous FY24 guidance was Banking NII of at least \$41bn

Revised: FY24 ECL charge to be within our medium term planning range of (30) to (40)bps⁴

Previous FY24 guidance was a FY24 ECL charge of around (40)bps

Reconfirming: Cost growth in FY24 of approximately (5)% vs FY23, on a target basis¹

Strategic overview

Noel Quinn
Group Chief Executive



Our transformation journey since 2019

Portfolio repositioning

- ◆ **Exited non-strategic markets**, including US mass market retail, France retail banking, Canada and Argentina*
- ◆ **Optimised balance sheet** with \$128bn gross RWA saves during 2020-22 (ahead of our \$110bn target)

Revenue diversification

- ◆ Built up **International Retail & Wealth** business; NNIA[‡] up from \$53bn in 2020 to \$84bn in 2023
- ◆ Reached **\$1bn PBT in 3 additional markets** (apart from HK & the UK): mainland China, Singapore and India

International connectivity

- ◆ Continued build-up of **multi-jurisdictional client revenue** in wholesale; c.60% of our Wholesale revenue
- ◆ Delivered significant **growth in international retail** customer base; c.40% of our WPB revenue

Cost discipline & investments

- ◆ Instilled **strict cost discipline** against high inflationary environment; \$5.6bn annual saves through our CTA programme¹
- ◆ **Created capacity** to enable investment in **Technology** (in 2023, 22% of our Opex vs. 16% in 2019)

Performance

- ◆ Delivered **RoTE improvement from 8.4% in 2019 to 21.4% in 1H24²**

Return to shareholders

- ◆ **Returned \$54 billion** by way of dividends and buybacks to our shareholders³

* Argentina: announced agreement to sell the business on 9 April 2024

‡ Net new invested assets

Our strategy is delivering sustainable profitable growth



Driving growth by diversifying our revenue streams, including **fee income**:

- ◆ **Wealth:** Strong revenue growth (+12% YoY¹), with 2Q building on a good 1Q, and positive Asia NNIA (+43% YoY)
- ◆ **Wholesale Transaction Banking:** maintaining our leadership (#1 in Trade², #2 in Payments³, #3 in FX⁴), with fee and other income growth in GPS (+4% YoY) and GTS (+1% YoY)
- ◆ **Innovation Banking:** almost 600 new customers in 1H24, revenue growth +4% QoQ⁵



Hong Kong and UK: scale driving profit generation in HK (+1% PBT YoY) and UK (+11% PBT YoY, excl. SVB UK gain); progress in **growth markets** e.g. India (+4% PBT YoY⁶), Singapore (+2% PBT YoY⁶)



International connectivity: client revenue growth from **multi-jurisdictional wholesale customers**⁷ (+4% YoY) and **WPB international customers**⁸ (+6% YoY)



Balance sheet: quarterly growth in both L&A (+1% QoQ⁵) and deposits (+2% QoQ), driven by all businesses



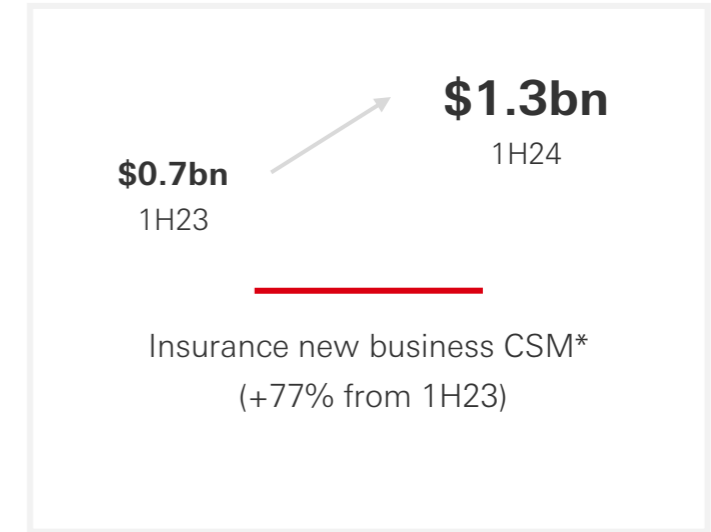
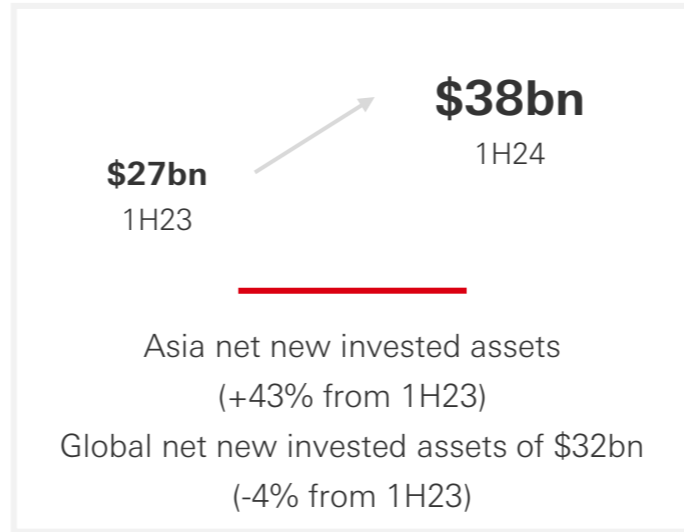
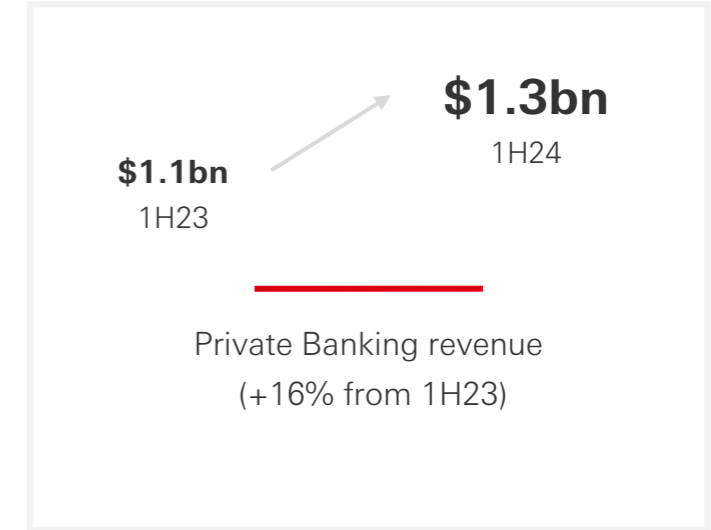
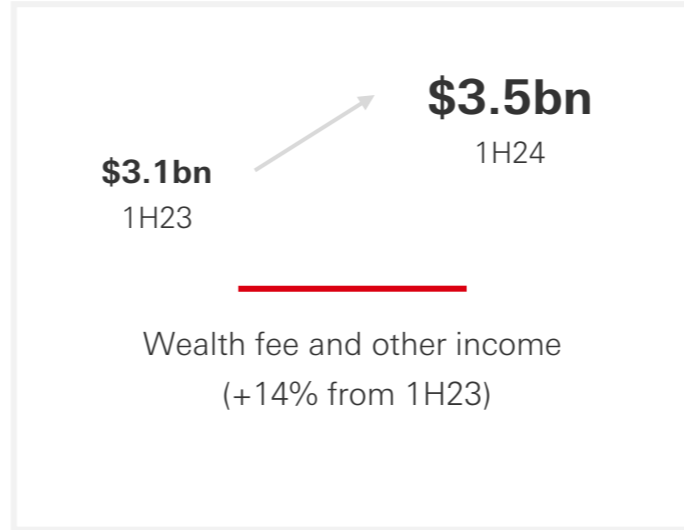
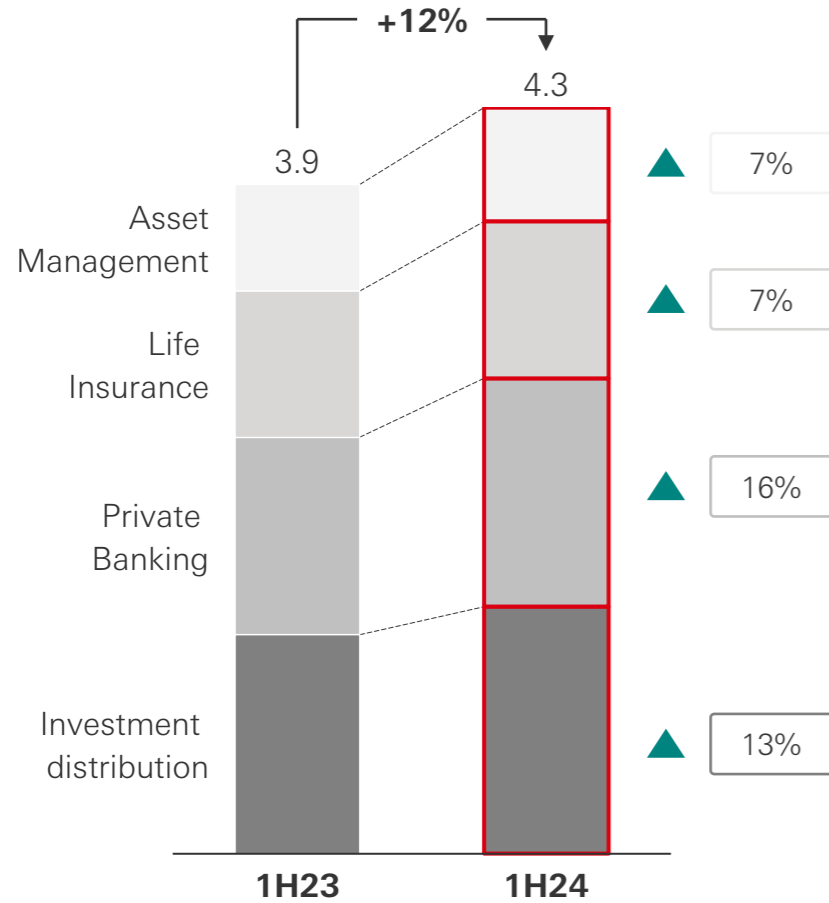
Structural hedge: reducing our earnings sensitivity to interest rate movements

FY24 and **FY25**
RoTE in the
mid-teens⁹

Wealth: Key driver of revenue growth

Wealth revenue

\$bn

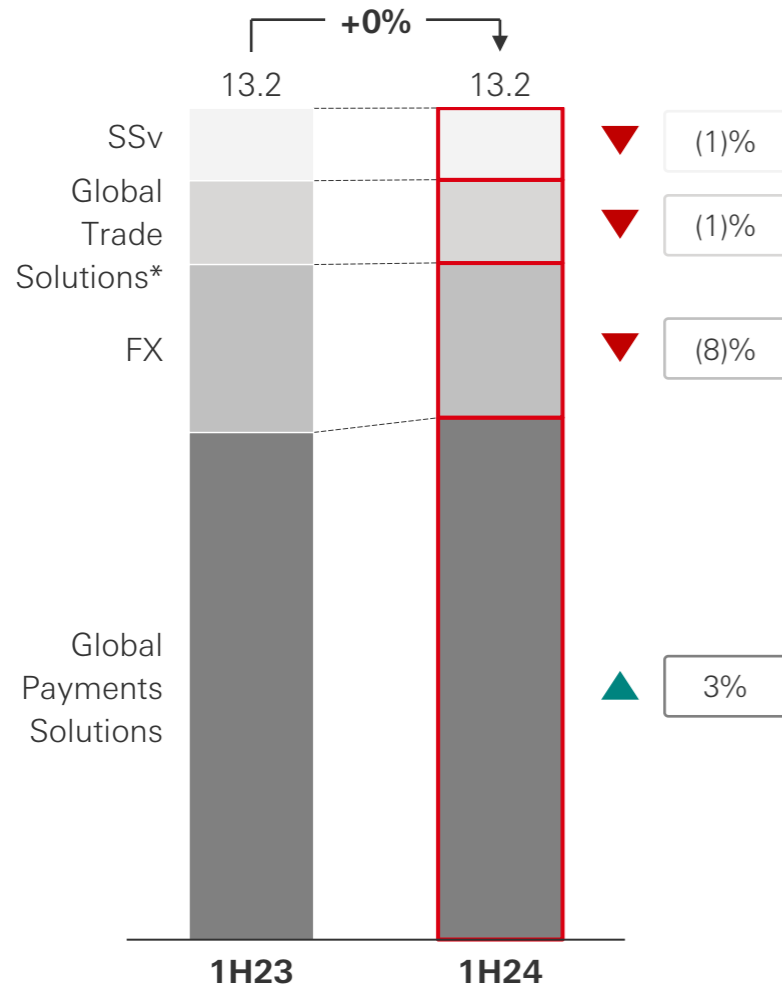


* Insurance manufacturing new business contractual service margin

Wholesale Transaction Banking: Maintaining leadership and driving growth through payments

Wholesale Transaction Banking revenue

\$bn



\$1.1bn

1H24 GPS fee and other income
(+4% from 1H23)

4.8%

2023

3.5%
2022

Market share by GPS revenue
(+1.3ppts vs. FY22 | #2 ranking up from top 4 bank in 2022)¹

#1

Ranking by Trade revenue¹
Best Global Trade Finance bank
since 2018²

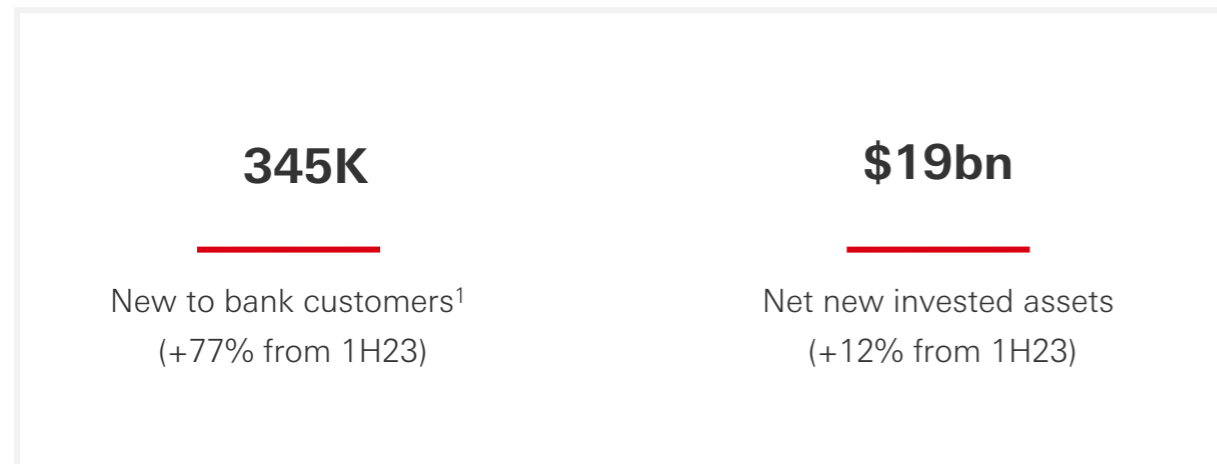
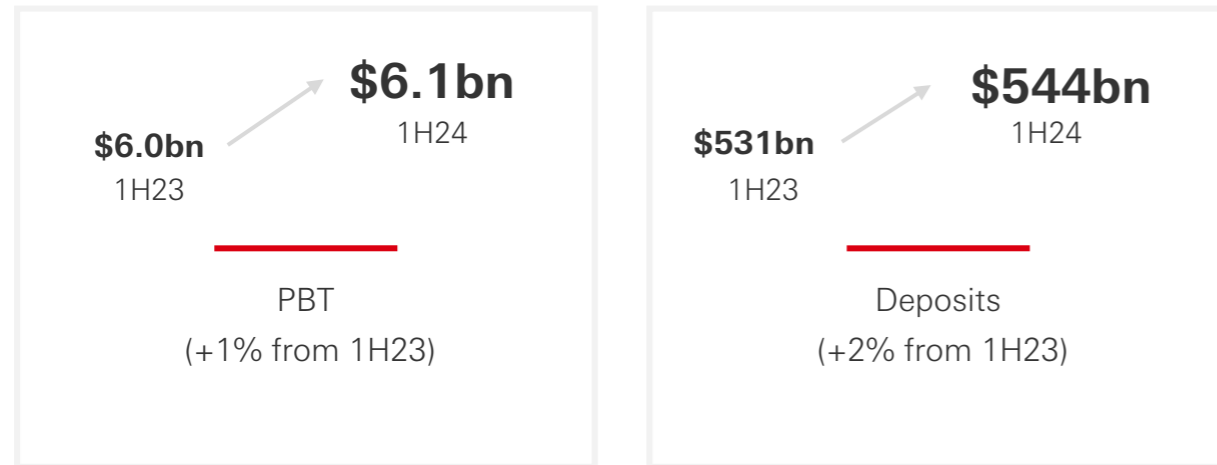
#3

Ranking
by GFX revenue since 2021³

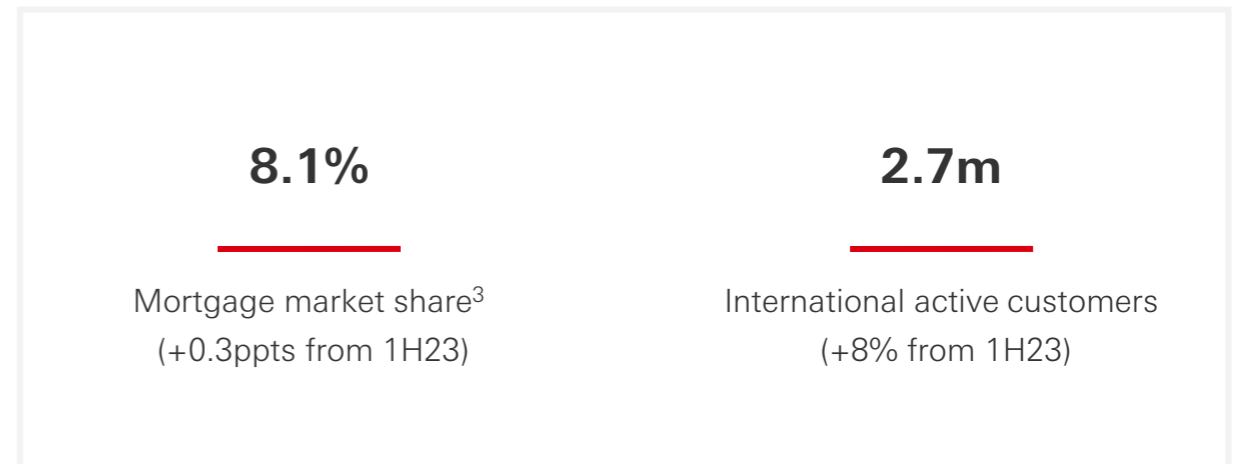
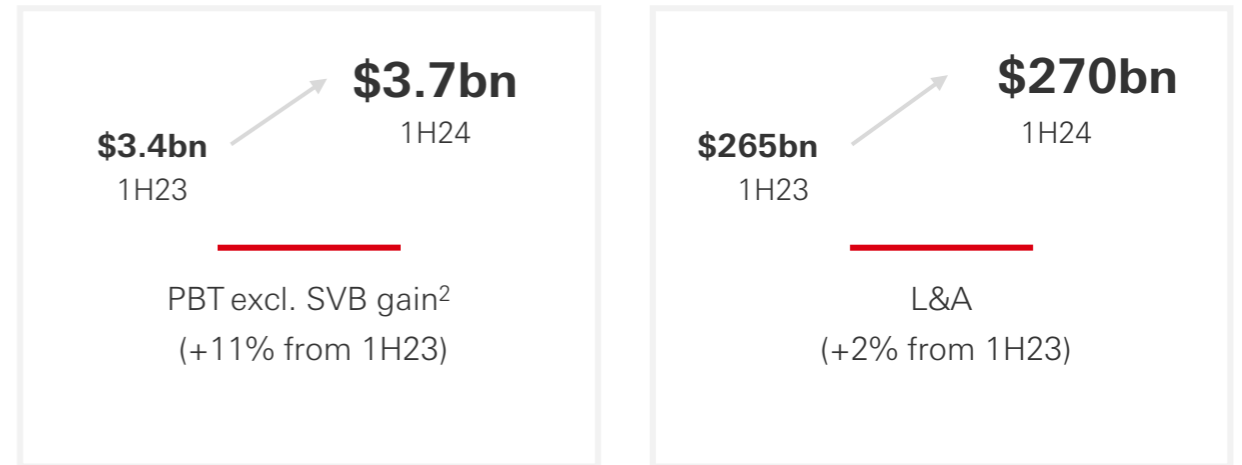
* Global Trade and Receivables Finance was renamed Global Trade Solutions in 2024

Hong Kong and the UK: Continue driving strong profit generation in our home markets

Hong Kong: Capturing inflows from customers seeking investment opportunities

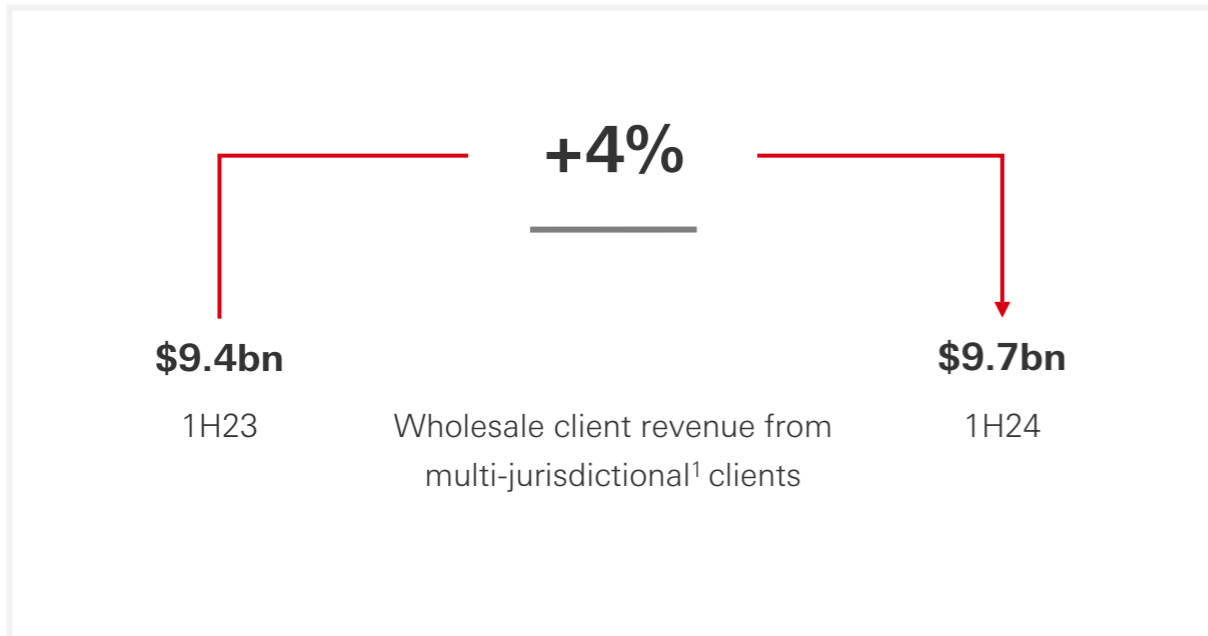


UK RFB: Driving growth domestically and internationally as the UK economy demonstrates resilience



International connectivity: Our competitive advantage is driving growth

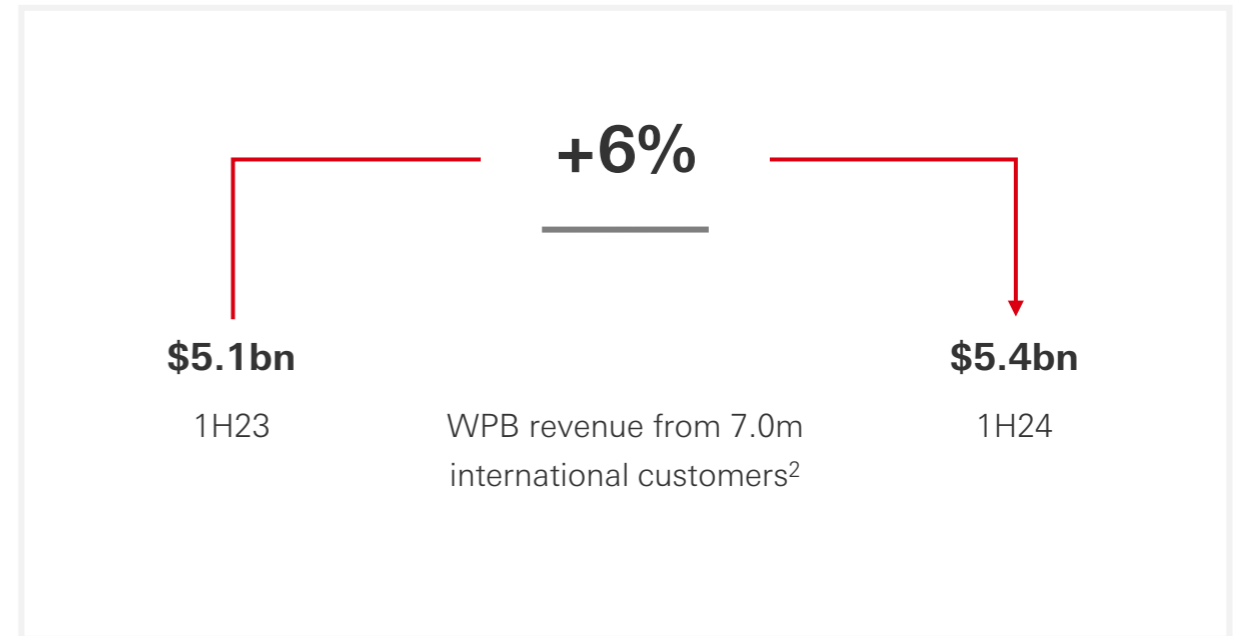
Our wholesale international business is positioned for when trade volumes and capital flows rebound



5x

CMB corporate client revenue multiplier multi-jurisdictional¹ vs domestic customers

Growing our WPB international franchise as global mobility expands



3x

Average international customer revenue² vs. domestic customer revenue

2024 Results

Georges Elhedery
Group Chief Financial Officer



2024 summary

- 1** | **\$8.9bn PBT**, up \$0.4bn / 4% vs. 2Q23
Up 7% vs. 2Q23 excluding notable items and the impact of strategic transactions¹
- 2** | **Banking NII** run rate stable vs. 1Q24
Strong performance in **Wealth**
Wholesale Transaction Banking stable
- 3** | **ECL charge (15)bps** of average gross customer loans; excluding recoveries and other items, charge broadly in line with (30) to (40)bps medium term planning range
- 4** | **Target basis costs² up (7)% in 1H24**, primarily due to the phasing of performance-related pay and higher technology spending
On track for ~(5)% cost growth (target basis)² in FY24
- 5** | **+\$8bn loans / +1%** vs. 1Q24
+\$28bn deposits / +2% vs. 1Q24

Financial performance

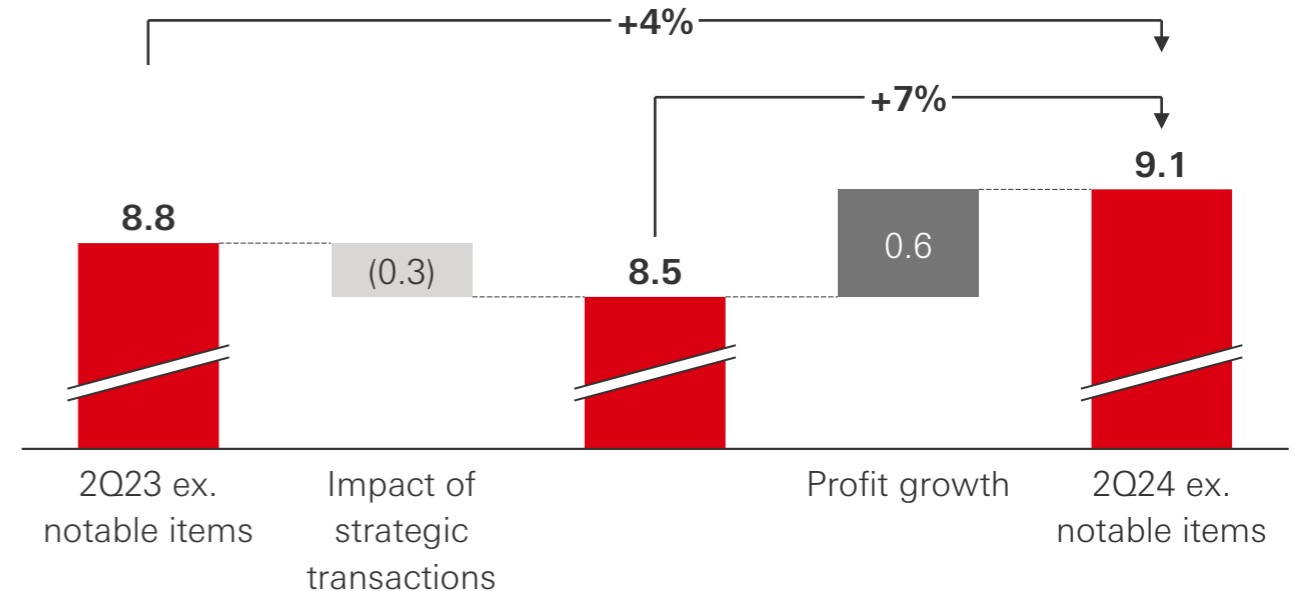
Constant currency, \$bn	2023	2024	Δ, \$	Δ, %
Revenue	16.3	16.5	0.3	2%
ECL	(0.9)	(0.3)	0.5	61%
Costs	(7.7)	(8.1)	(0.5)	(6)%
Associates	0.8	0.9	0.0	3%
PBT	8.5	8.9	0.4	4%
Reported PBT ▶	8.8	8.9	0.1	2%
Tax ▶	(1.7)	(2.1)	(0.4)	(20)%
PAOS ▶	6.6	6.4	(0.2)	(4)%
Revenue ex. notable items	16.5	16.7	0.2	1%
Target basis costs	(7.6)	(8.1)	(0.5)	(7)%
PBT ex. notable items	8.8	9.1	0.3	4%
EPS, \$ ▶	0.34	0.35	\$0.01	
EPS ex. material notable items*, \$ ▶	0.34	0.34	—	
DPS, \$ ▶	0.10	0.10	—	
RoTE, % [‡] ▶	22.4	21.4	(1.0)ppts	
RoTE ex. notable items, % [‡] ▶	18.5	17.0	(1.5)ppts	
Constant currency, \$bn	1Q24	2Q24	Δ, \$	Δ, %
Customer loans	930	938	8	1%
Customer deposits	1,566	1,594	27	2%
CET1 ratio, % ▶	15.2	15.0	(0.2)ppts	

* Excluding material notable items and related impacts

‡ RoTE is YTD annualised

◆ **\$8.9bn PBT**, up 4% vs 2023; **up 7% excluding notable items and the impact of strategic transactions**

PBT, \$bn



Impact of strategic transactions:

Prior period results included contributions from businesses that have now been sold (principally Canada, which contributed c.\$0.5bn revenue / c.\$0.2bn PBT in each of 2023 and 1Q24). To facilitate like-for-like comparisons, these contributions, and other impacts from strategic transactions, are excluded from some period on period commentary. See pages 14 and 42 of the Interim Report, and slide 50, for further details

Revenue

\$16.5bn, up \$0.3bn / 2% vs. 2023

Up \$0.8bn / 5% excluding notable items and strategic transactions

Constant currency, \$bn	2023	1Q24	2024	2024 vs. 2023
Banking NII	11.1	11.1	10.9	(0.1)
Fee and other income	5.2	9.5	5.6	0.4
<i>o/w: Wholesale Transaction Banking</i>	2.6	2.6	2.6	(0.0)
<i>o/w: Wealth</i>	1.5	1.8	1.7	0.2
<i>o/w: Other (including notable items)</i>	1.0	5.1*	1.2	0.2
Revenue	16.3	20.6	16.5	0.3
Less: Notable items	0.2	(3.7)*	0.2	0.1
Revenue excluding notable items	16.5	16.9	16.7	0.2

Primarily:

- ◆ +\$0.3bn other Markets and Investment Banking
- ◆ \$0.1bn favourable move in notable items
- ◆ \$(0.1)bn Argentina

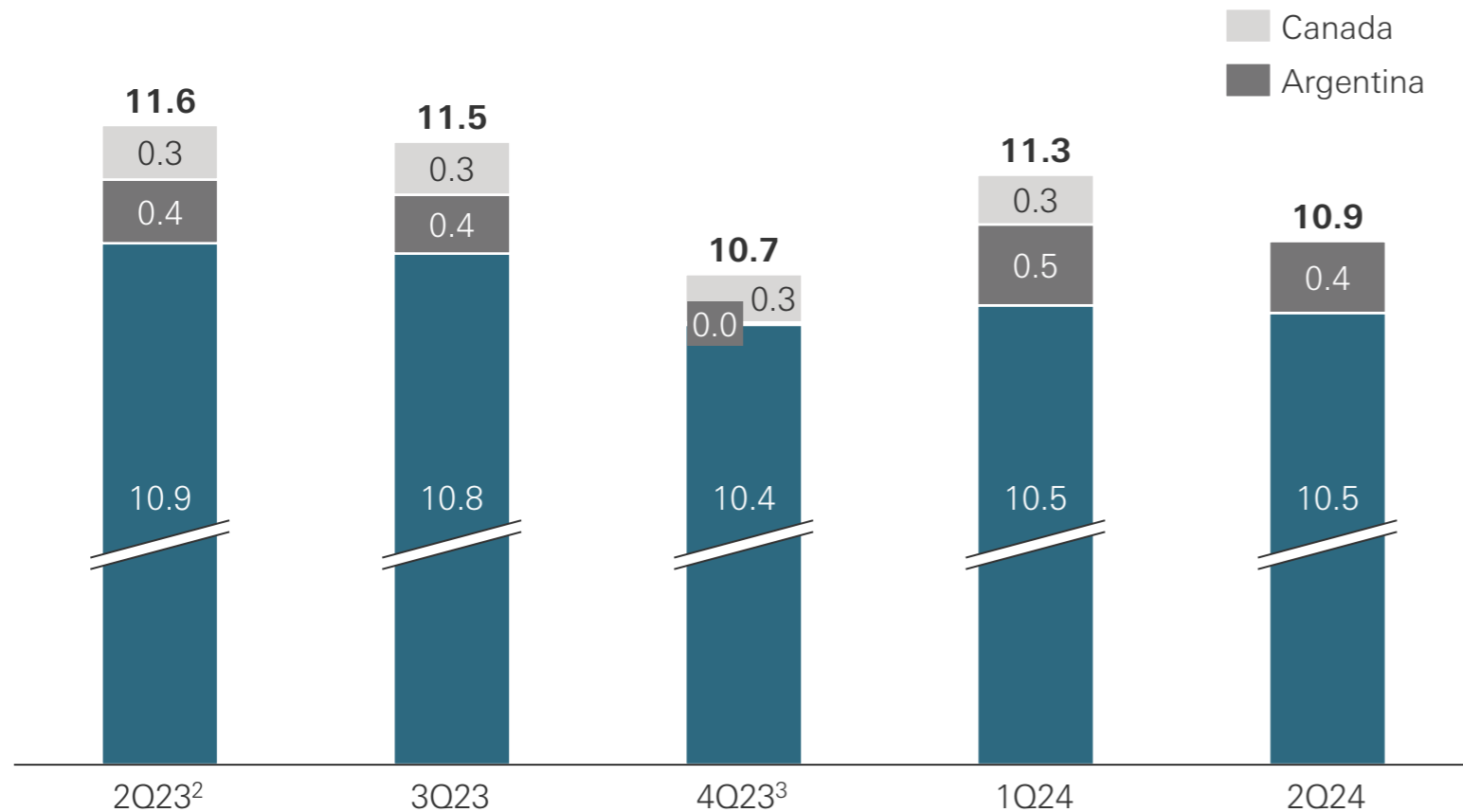
Table does not cast due to rounding

* 1Q24 notable items primarily relate to the \$4.8bn gain on sale of Canada and the \$(1.1)bn impairment on classifying Argentina to held-for-sale

Banking NII

Stable run rate QoQ; upgrading FY24 guidance to ~\$43bn¹

Banking NII (reported FX), \$bn



Banking NII of \$10.9bn, down \$(0.4)bn vs. 1Q24, primarily:

- ◆ Canada sale: \$(0.3)bn
- ◆ Asia: \$(0.1)bn due to lower HKD rates and time deposit migration
- ◆ UK RFB stable

Expect FY24 Banking NII of **~\$43bn¹**

- ◆ Assumes c.\$1bn contribution from Argentina — sale now expected to complete in 2H24

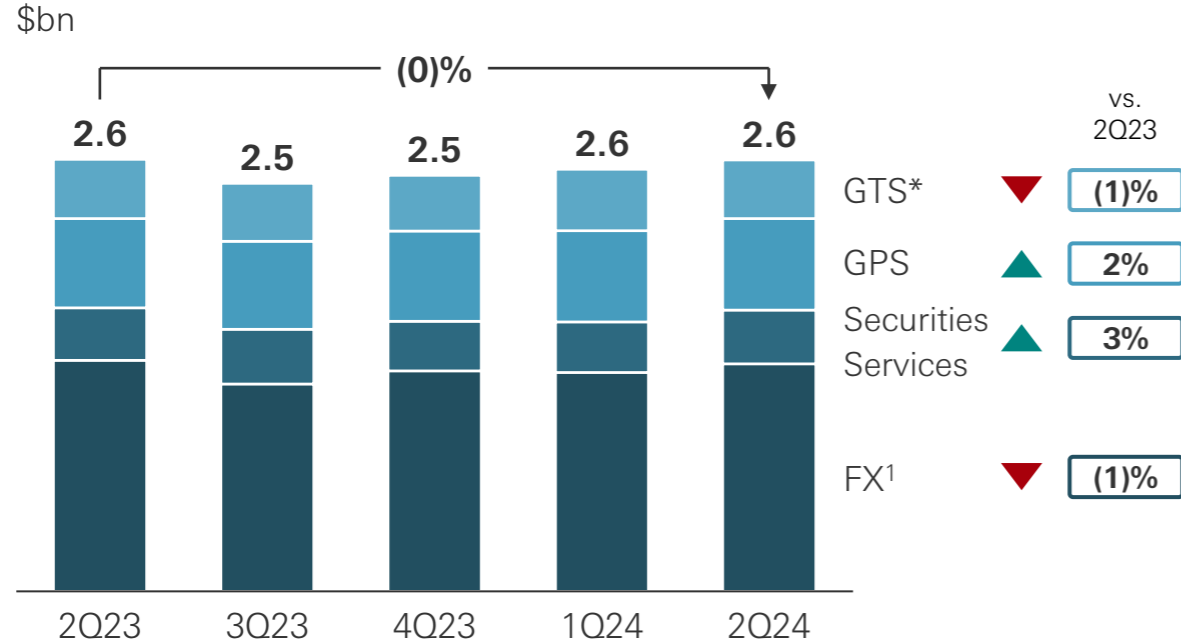
Benefit expected from the **reinvestment of existing structural hedge**:

- ◆ c.\$55bn maturing in 2H24 with an average yield of 2.8%
- ◆ c.\$105bn maturing in FY25 with an average yield of 2.8%

Fee and other income: Wholesale Transaction Banking and Wealth

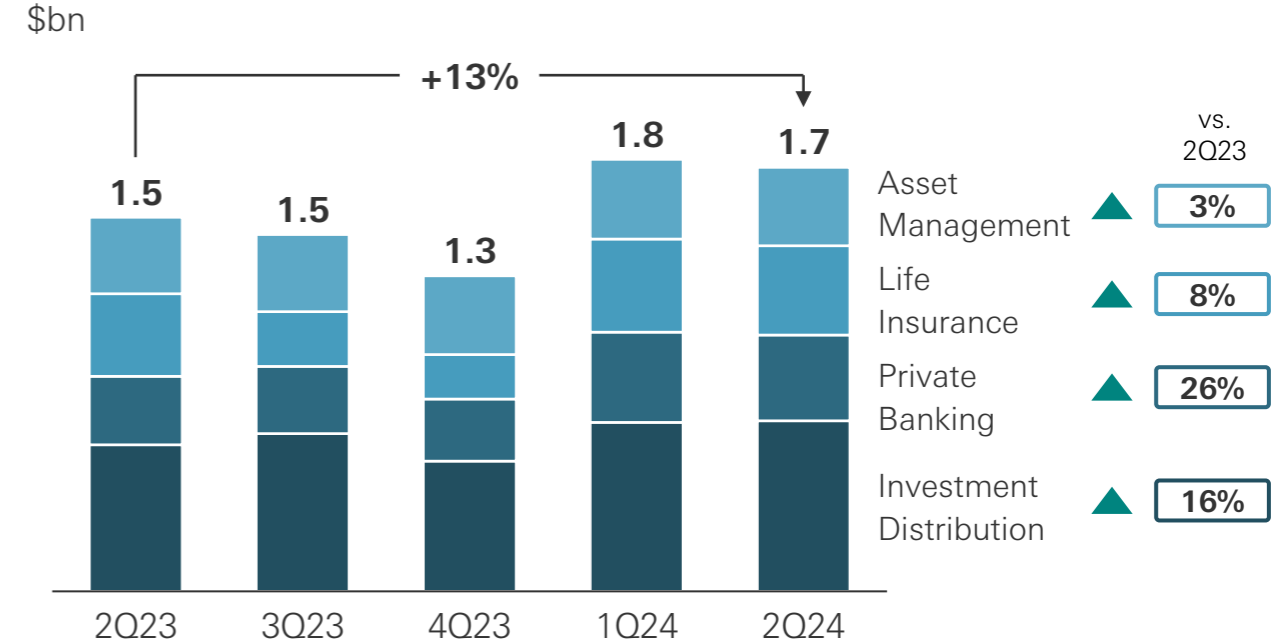
Wholesale Transaction Banking stable; strong quarter for Wealth

Wholesale Transaction Banking stable vs. 2023



- ◆ Wholesale Transaction Banking up 2% vs. 2023 excluding the impact of strategic transactions
- ◆ GPS up due to higher payments volumes and new client mandates
- ◆ FX broadly stable vs. a strong comparative period

Wealth +13% vs. 2023



- ◆ Performance driven by continued growth in our Wealth customer base; Asia Wealth +26% vs. 2023
- ◆ \$1.3tn invested assets, up 2% vs. 1Q24[‡]; 2024 NNIA \$6bn
- ◆ \$0.6bn insurance new business CSM, up \$0.2bn vs. 2023[‡]
- ◆ Global CSM balance of \$12.2bn, up \$0.3bn in the quarter[‡]

See slide 26 for further detail

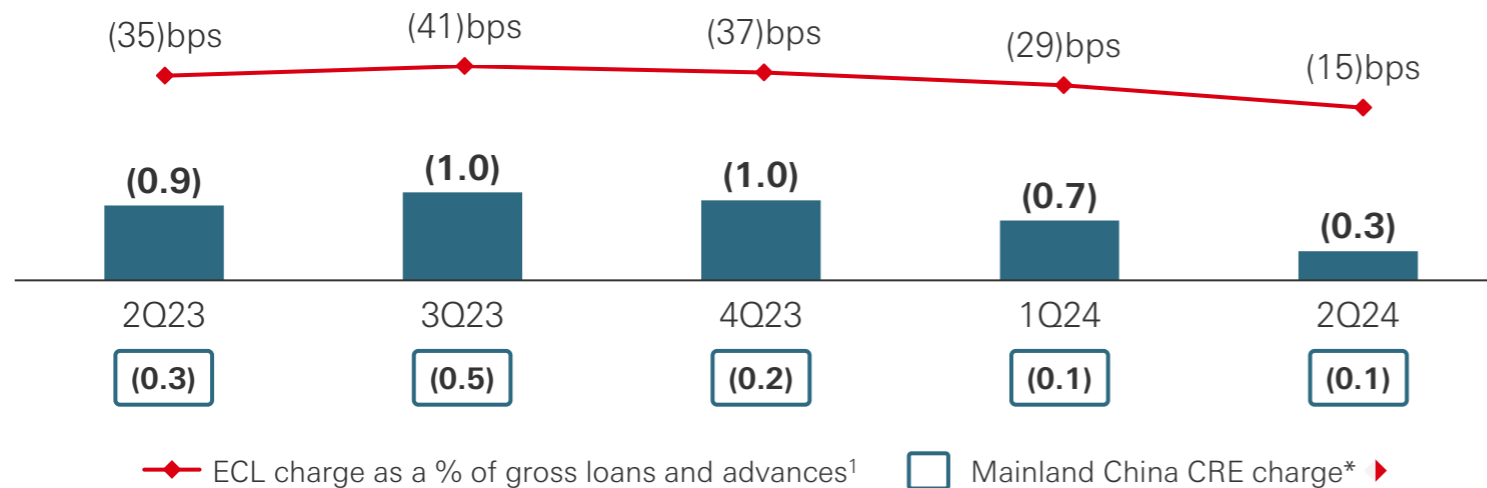
* Global Trade and Receivables Finance was renamed Global Trade Solutions in 2024

‡ Reported basis

Credit performance

2Q24 charge benefitted from recoveries and other items; excluding these, ECLs were broadly in line with our (30) to (40)bps planning range

ECL charge trend, \$bn



2024 ECL charge, \$bn

	Stage 1-2	Stage 3	Total
Wholesale	(0.2)	(0.0)	(0.2)
Personal	0.1	(0.2)	(0.1)
Total	(0.1)	(0.3)[‡]	(0.3)[‡]

- ◆ **\$(0.3)bn** 2Q24 ECL charge benefitted from \$0.4bn of recoveries and other items, principally:
 - Releases of management overlays, largely in the UK
 - Recoveries from a single client in GBM in Europe
 - EM sovereign credit upgrade
- ◆ **\$22.7bn** stage 3 balances (2.4% of customer loans), up \$1.4bn / 0.1ppts vs. 1Q24 on a reported basis, driven by Hong Kong CRE (limited impact on ECL charge due to high levels of collateralisation)
- ◆ **Revised guidance:** expect FY24 ECL charge to be within our medium term planning range of **(30) to (40)bps²**

* Mainland China 2024 ECL charge \$(72)m

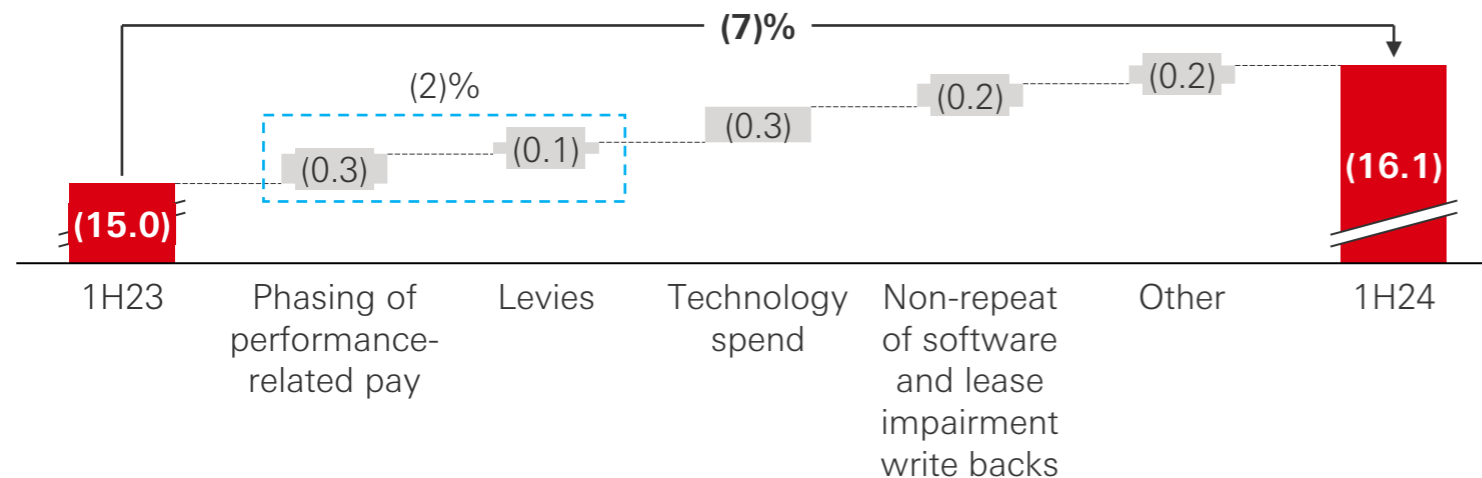
‡ Table does not cast due to rounding

Costs

On track to meet cost growth of $\sim(5)\%$ vs. FY23¹

\$bn*	1H23	1H24
Constant currency costs	(15.2)	(16.3)
Less: notable items	0.1	0.1
Add: impact of retranslating results of hyperinflationary economies at constant currency	(0.3)	—
Less: Canada direct costs	0.3	0.2
Less: France direct costs	0.1	—
Target basis costs	(15.0)	(16.1)

1H24 vs. 1H23 (target basis), \$bn



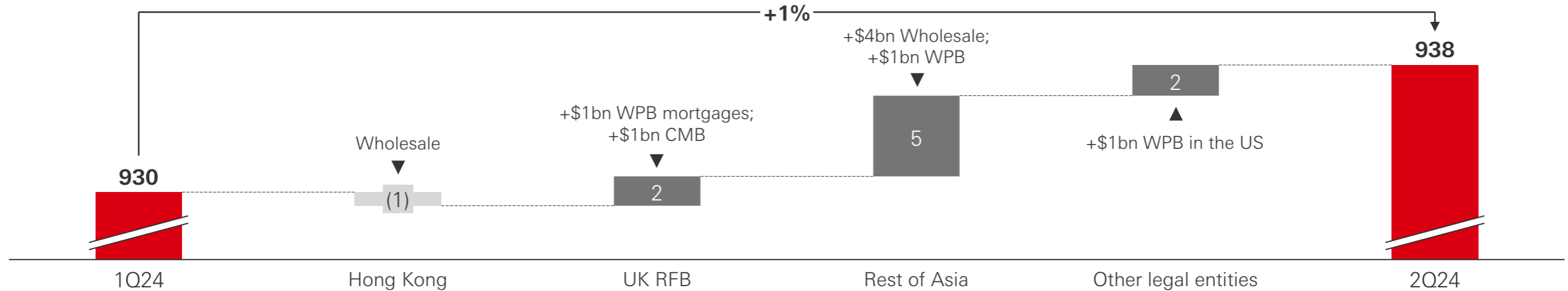
- ◆ **Target basis costs up (7)% vs. 1H23**, primarily due to the phasing of performance-related pay, incremental levies in 1Q24 and higher technology spending
- ◆ **Reconfirming cost growth guidance of approximately (5)% vs. FY23** on a target basis¹ (FY23 baseline: \$(31.0)bn)
- ◆ **Performance-related pay:** 1H24 accrual \$(0.3)bn higher than 1H23. Our cost guidance assumes FY24 will be broadly in line with FY23
- ◆ **Levies:** 2H23 included \$(0.3)bn levies which we do not expect to repeat in 2H24

* Totals do not cast due to rounding, see slide 34 for \$m numbers

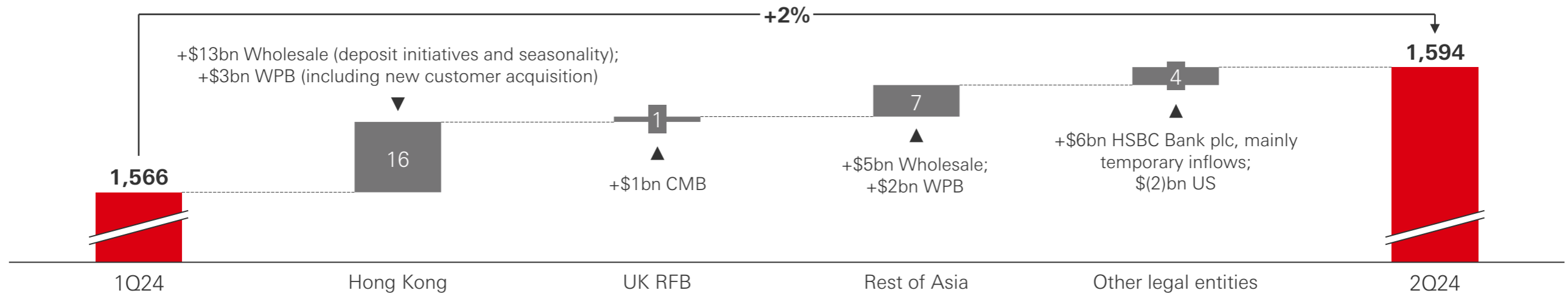
Customer loans and deposits

Second consecutive quarter of loan growth

Customer loans, \$bn



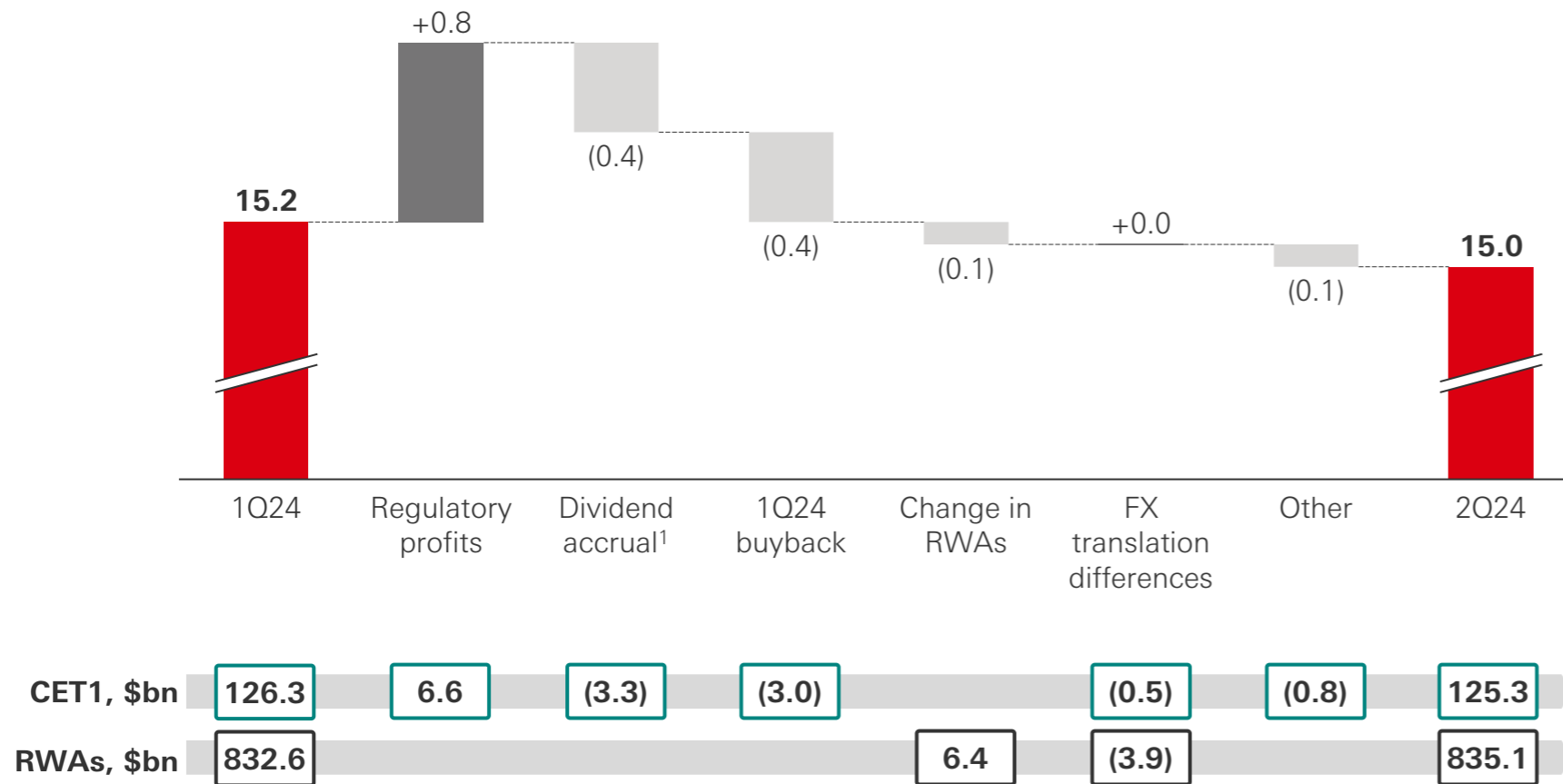
Customer deposits, \$bn



Capital and distributions

Capital generation supporting further buyback

CET1 ratio, %



- ◆ **\$4.8bn further capital distributions:**
 - **Up to \$3bn** share buyback announced— expected 3Q24 CET1 ratio impact c.(0.4)ppts
 - **\$0.10** DPS

- ◆ **\$6.4bn change in RWAs**, reflecting increases driven by modelling enhancements related to financial institutions and asset growth, partly offset by certain other movements

- ◆ **Argentina sale expected to complete in 2H24.** At closing, cumulative FX and other reserve losses (total of \$(5.0)bn as at 30 June 2024) will recycle to the income statement — these have already been recognised in capital and are expected to have no incremental impact on CET1 or TNAV

Outlook

New RoTE guidance for FY25; upgrading FY24 Banking NII guidance

- 1** | **RoTE in the mid-teens for FY24 and FY25**, excluding notable items
- 2** | **FY24 Banking NII of ~\$43bn¹**
- 3** | **FY24 ECL charge to be within our medium term planning range of (30) to (40)bps²**
- 4** | **Cost growth in FY24 of approximately (5)% vs. FY23, on a target basis³**
- 5** | Expect **mid-single digit annual percentage loan growth** over the medium to long term⁴

Appendix

Group guidance summary

Banking NII	Around \$43bn in FY24, based on our current forecasts using market implied interest rates as of mid-July 2024. This guidance remains dependent on the path of interest rates globally
ECL	FY24 ECL charge to be within our medium term planning range of (30) to (40)bps , including balances in held-for-sale ¹
Costs	Growth in FY24 of approximately (5)% vs. FY23 on a target basis ² , reflecting our current business plan for 2024. See slides 16 and 34 for further detail
Lending growth	Expect mid-single digit annual percentage growth over the medium to long term ¹
RoTE	Targeting a mid-teens RoTE in 2024 and 2025 , excluding notable items. Our guidance reflects our current outlook for the global macroeconomic environment, including customer and financial markets activity
CET1 ratio	Manage in 14-14.5% target range in the medium term ¹
Dividends	Dividend payout ratio target basis of 50% for 2024 , excluding material notable items and related impacts

Financial performance summary

\$m	2023	3Q23	4Q23	1Q24	2024	Δ 2023
NII	8,888	8,764	7,703	8,523	8,258	(7)%
Non-NII	7,389	6,979	4,901	12,068	8,282	12 %
Revenue	16,277	15,743	12,604	20,591	16,540	2 %
ECL	(890)	(1,046)	(951)	(711)	(346)	61 %
Costs	(7,676)	(7,755)	(8,462)	(8,085)	(8,145)	(6)%
Associates	829	593	(2,364)	765	857	3 %
Constant currency PBT	8,540	7,535	827	12,560	8,906	4 %
<i>Memo: notable items</i>	<i>(250)</i>	<i>(316)</i>	<i>(5,794)</i>	<i>3,682</i>	<i>(193)</i>	<i>23 %</i>
FX translation	231	179	150	90	—	—
Reported PBT ▶	8,771	7,714	977	12,650	8,906	2 %
Tax ▶	(1,726)	(1,448)	(755)	(1,813)	(2,078)	(20)%
Profit attributable to ordinary shareholders ▶	6,639	5,619	(153)	10,183	6,403	(4)%
EPS, \$ ▶	0.34	0.29	(0.01)	0.54	0.35	\$0.01
EPS excluding material notable items, \$ ▶	0.34	0.27	0.25	0.34	0.34	—
Dividend per share, \$ ▶	0.10	0.10	0.31	0.10	0.10	—
RoTE (annualised), % ▶	17.1	14.6	(0.4)	26.1	16.3	(0.8)ppts
\$bn	2023	3Q23	4Q23	1Q24	2024	Δ 1Q24
Customer loans	951	946	926	930	938	1 %
Customer deposits	1,580	1,578	1,591	1,566	1,594	2 %
Reported RWAs ▶	860	840	854	833	835	0 %
CET1 ratio, % ▶	14.7	14.9	14.8	15.2	15.0	(0.2)ppts
TNAV per share, \$ ▶	\$7.84	\$7.96	\$8.19	\$8.67	\$8.35	\$(0.32)

Banking NII

NII to Banking NII, \$bn

Reported FX, \$bn ¹	2023	3Q23	4Q23	1Q24	2024	Δ 1Q24
NII	9.3	9.2	8.3	8.7	8.2	(0.5)
Less: insurance NII	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)
Central costs of funding trading income ²	2.4	2.4	2.5	2.7	2.8	0.1
Banking NII	11.6³	11.5	10.7⁴	11.3	10.9	(0.4)
<i>Of which: Asia</i>	<i>5.5</i>	<i>5.8</i>	<i>5.6</i>	<i>5.4</i>	<i>5.3</i>	<i>(0.1)</i>
<i>Of which: UK RFB</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>2.5</i>	<i>0.0</i>
<i>Of which: HSBC Bank plc</i>	<i>1.3</i>	<i>1.2</i>	<i>1.2</i>	<i>1.1</i>	<i>1.2</i>	<i>0.1</i>

AIEAs and Group NIM, \$bn

Reported FX, \$bn	2023	3Q23	4Q23	1Q24	2024	Δ 1Q24
Average interest earning assets	2,172	2,157	2,164	2,140	2,055	(85)
NIM, bps	172	170	152	163	162	(1)
Centrally-funded net trading assets (period end)	128	130	164	187	207	20

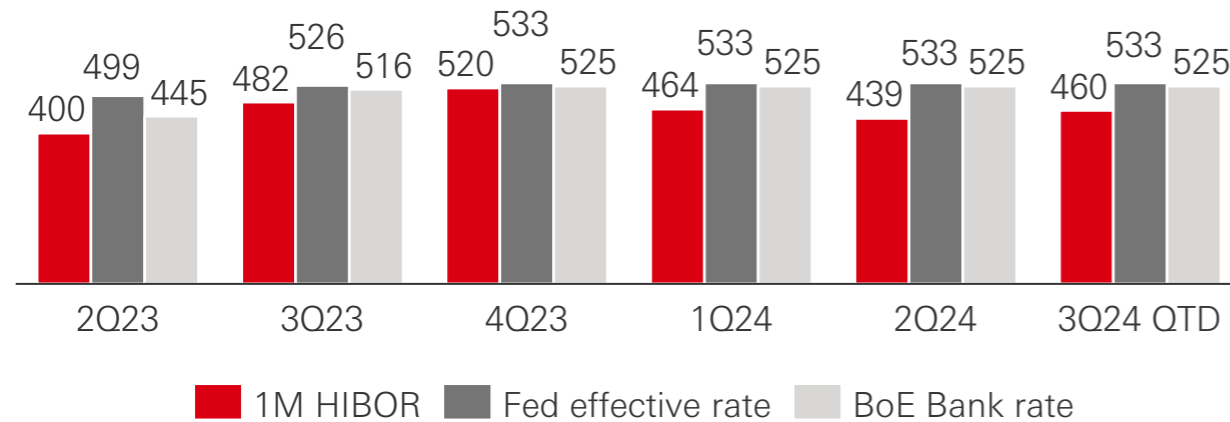
Reported net interest margin

Quarterly NIM by key legal entity (reported FX basis)

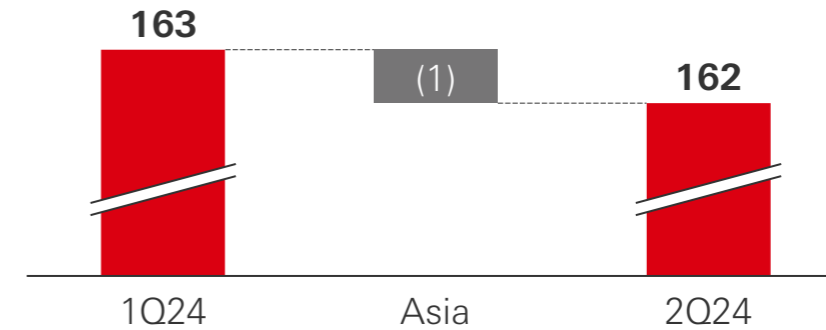
	2023	3Q23	4Q23	1Q24	2Q24	% 2024 NII	% 2024 AIEA
Asia	1.83%	1.85%	1.73%	1.66%	1.63%	44%	44%
HSBC Bank plc	0.60%	0.53%	0.50%	0.35%	0.35%	5%	23%
UK RFB	2.49%	2.41%	2.50%	2.56%	2.57%	31%	19%
US	1.01%	0.87%	0.90%	0.83%	0.76%	4%	9%
Group	1.72%	1.70%	1.52%	1.63%	1.62%	n.m	n.m

Key rates (quarter averages), bps

Source: Bloomberg
At 29 July 2024

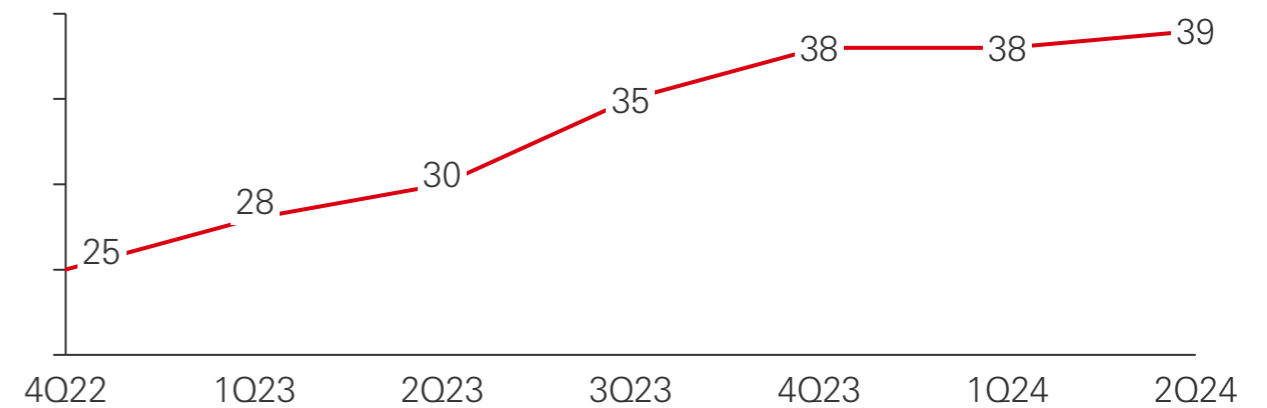


Group NIM, bps (reported FX basis)



Movement across other legal entities nets to zero

Time deposits (TMD) as a % of Hong Kong customer deposits



A 3ppts shift from CASA to TMD would result in an incremental annual interest expense of c.\$(0.5)bn¹

Banking NII sensitivity and structural hedge

Year 1 Banking NII sensitivity to a (100)bps down-shock,* \$bn



Banking NII – year 1 sensitivity to a (100)bps down-shock

\$bn

USD	(0.8)
HKD	(0.4)
GBP	(0.4)
EUR	(0.2)
Other	(0.9)
Total	(2.7)

Banking NII sensitivity

- ◆ Banking NII sensitivity to a (100)bps downshock **\$(2.7)bn**, a reduction of c.\$4.3bn since June 2022. We estimate that over one-third of the reduction was driven by increases in the notional and duration of the structural hedge, with the remainder driven by changes in the balance sheet, higher interest rates and methodology enhancements
- ◆ Around **three quarters** of our Banking NII sensitivity is from exposure to **short term interest rates**

Structural hedge

- ◆ At 30 June 2024, the notional amount of the structural hedge was **\$504bn**, weighted average life **2.8 years**
- ◆ The structural hedge **increased by c.\$25bn** in 1H24. Subject to market conditions, we expect to increase both the notional and the duration of the structural hedge in 2H24
- ◆ We expect **c.\$55bn** of existing structural hedges to mature in 2H24 and a further **c.\$105bn** in FY25, both with an **average yield of c.2.8%**

* Assumptions include a static balance sheet, no management actions from Global Treasury and a 50% pass-through – see page 105 of the Interim Report for further detail

Wholesale Transaction Banking and Wealth – additional information

Total revenue, \$m

Constant currency basis	2023	1Q24	2Q24	vs. 2023	
Wholesale Transaction Banking	6,522	6,600	6,484	(38)	(1)%
Wealth	1,932	2,179	2,144	212	11%

Of which: fee and other income, \$m

Constant currency basis	2023	1Q24	2Q24	vs. 2023	
Wholesale Transaction Banking	2,630	2,569	2,625	(5)	(0)%
– Foreign Exchange ¹	1,406	1,332	1,385	(21)	(1)%
– Securities Services	319	308	327	8	3%
– Global Payments Solutions	545	555	558	13	2%
– Global Trade Solutions*	360	374	355	(5)	(1)%
Wealth	1,543	1,782	1,749	206	13%
– Investment Distribution	605	697	703	98	16%
– Private Banking	282	372	354	72	26%
– Life Insurance	341	384	368	27	8%
– Asset Management	315	329	324	9	3%

Wholesale Transaction Banking – selected metrics

	2023	3Q23	4Q23	1Q24	2Q24
GTS loans ² , \$bn	80	82	82	82	87
<i>o/w: Asia</i>	56	58	57	57	59
Assets under custody, \$tn ³ ▶	9.5	9.1	9.7	9.9	10.1

Wealth – selected metrics ▶

	2023	3Q23	4Q23	1Q24	2Q24
Invested assets, \$bn	1,097	1,122	1,191	1,242	1,271
<i>o/w: Asia</i>	503	518	549	570	606
Net new invested assets, \$bn	12	34	17	27	6 [‡]
<i>o/w: Asia</i>	12	16	4	19	19
New Business CSM, \$bn	0.3	0.6	0.4	0.8	0.6
CSM balance, \$bn	10.6	10.8	10.8	11.9	12.2

* Global Trade and Receivables Finance was renamed Global Trade Solutions in 2024

‡ Growth in Asia and other legal entities was offset by reductions in the US and HSBC Bank plc, mainly in liquidity products

Wholesale multi-jurisdictional revenue (1/2)

61% of wholesale client revenue is from multi-jurisdictional clients...

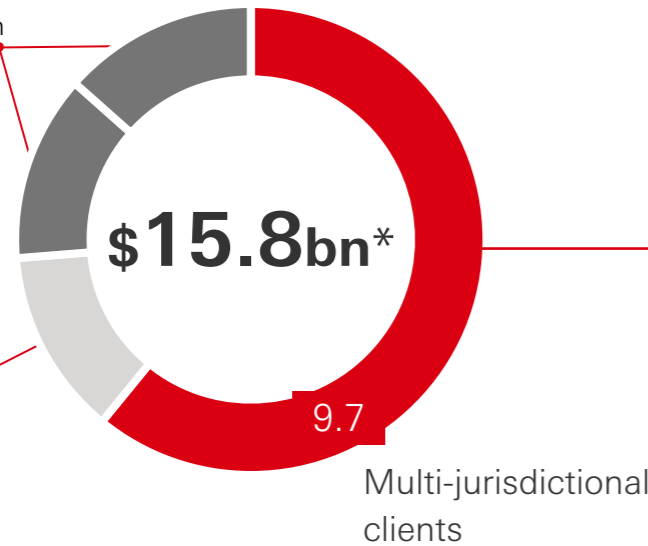
1H24 Wholesale client revenue¹, \$bn

Domestic-only clients in HSBC's home markets

Hong Kong - \$2.1bn
UK RFB - \$2.1bn

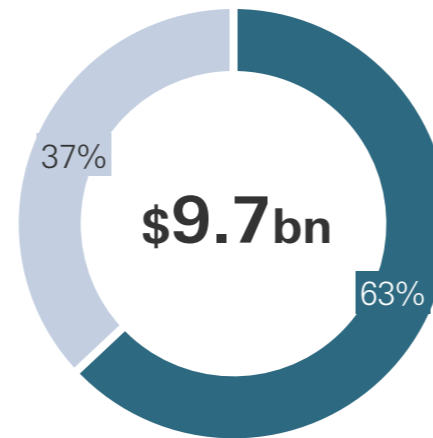
Other domestic only clients

CMB - \$1.5bn
GBM - \$0.4bn

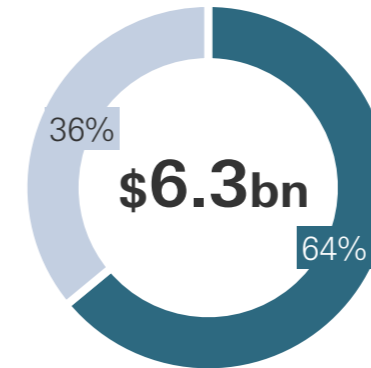


...a majority of which is earned from activity outside the clients' home market

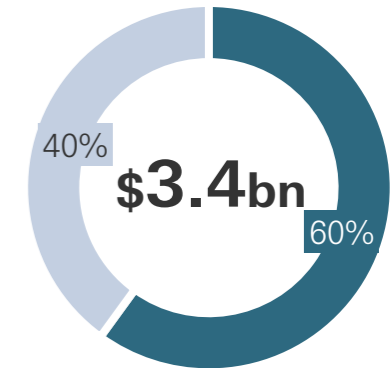
All multi-jurisdictional clients



Clients whose home market is in the West²



Clients whose home market is in the East³



■ Revenue earned outside clients' home market
■ Revenue earned in clients' home market

* Excludes HSBC Bank Canada
CMB/GBM reported revenue to Wholesale client revenue and further detail on slide 28, detailed basis of preparation in footnote 1, definitions of multi-jurisdictional client and multi-jurisdictional revenue are included in the glossary
Numbers may not cast due to rounding

Wholesale multi-jurisdictional revenue (2/2)

1H24 Wholesale client revenue

\$bn	1H24
CMB and GBM revenue	19.6
Allocated revenue and other ¹	(1.0)
Client facilitation in Fixed Income and Equities ²	(2.8)
Wholesale client revenue	15.8
Domestic-only clients	6.1
Hong Kong	2.1
UK RFB	2.1
Other	1.9
<i>Of which: CMB</i>	<i>1.5</i>
<i>Of which: GBM</i>	<i>0.4</i>
Clients banked in multiple jurisdictions	9.7

- ◆ **\$9.7bn (61%)** of wholesale client revenue is from clients we bank in multiple jurisdictions, of which **\$6.1bn is cross-border**, i.e. earned outside the clients' home market*
- ◆ **GBM:** 90% of client revenue is from clients banked in multiple jurisdictions
- ◆ **CMB:** 45% of client revenue is from clients banked in multiple jurisdictions, with a further 40% from domestic-only clients in Hong Kong and the UK. For clients managed outside the UK and Hong Kong, circa two thirds of client revenue is multi-jurisdictional
 - ◆ \$1.5bn CMB client revenue from domestic-only clients outside Hong Kong and the UK includes \$0.2bn US, \$0.2bn Mexico, \$0.1bn mainland China, \$1.0bn Other

1H24 Wholesale client revenue: clients banked in multiple jurisdictions by managed location³

\$bn	1H24	
East	Asia	2.8
	MENAT	0.6
West	United States	2.3
	Rest of Europe	1.9
	UK RFB	1.0
	UK NRFB	0.9
	Rest of Americas	0.2

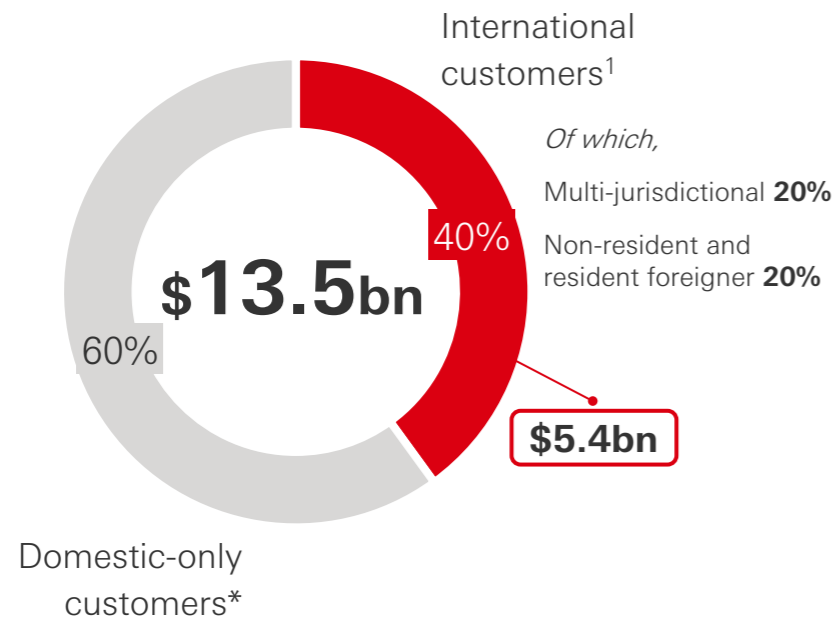
Refer to footnote 1 relating to slide 27 for basis of preparation

* Home market refers to the market of the client's Global Relationship Manager

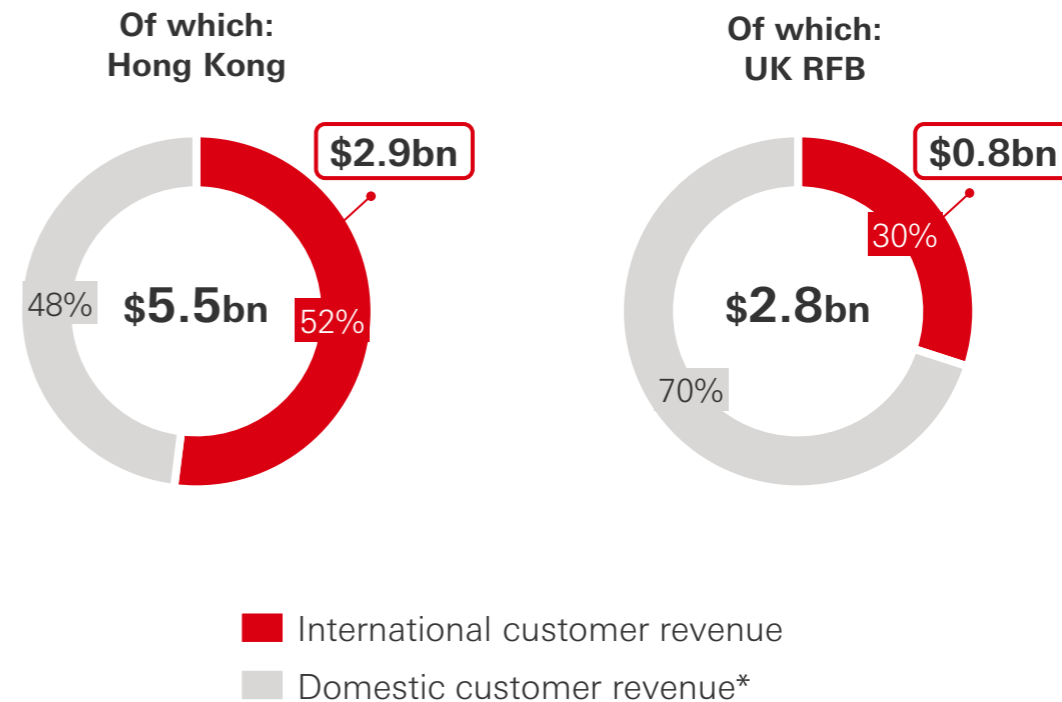
WPB international revenue (1/2)

40% of WPB customer revenue is from international customers...

1H24 WPB customer revenue, \$bn



...delivering \$5.4bn international customer revenues in 1H24



Reconciliation from WPB revenue to client revenue and further detail on slide 30

* We track international customers in Hong Kong, UK RFB, mainland China, India, Singapore, Malaysia, Australia, UAE, US, Mexico and CIOM. This measure is not tracked in some of our smaller markets

WPB international revenue (2/2)

1H24 WPB customer revenue by type of customer

\$bn	
WPB revenue	14.3
Allocated revenue and other ¹	(0.8)
WPB customer revenue	13.5
International customers	5.4
Resident foreigner and non-resident	2.7
Multi-jurisdictional	2.7
Domestic-only customers	8.1

- ◆ **\$5.4bn (40%)** of WPB customer revenue is from international customers
 - ◆ \$2.7bn (20%) is from multi-jurisdictional customers, i.e. customers who bank with us in more than one market
 - ◆ \$2.7bn (20%) is from customers who are resident foreigners and non-resident foreigners
- ◆ International customer revenue has increased by **6%** compared with 1H23

1H24 international customer revenue by booking location

\$bn	International	<i>o/w: multi-jurisdictional</i>	<i>o/w: non-resident and resident foreigner</i>	International as a % of customer revenue
Hong Kong	2.9	1.5	1.4	52%
UK RFB	0.8	0.3	0.5	30%
Other markets	1.7	0.9	0.8	33%
Total WPB*	5.4	2.7	2.7	40%

* We track international customers in Hong Kong, UK RFB, mainland China, India, Singapore, Malaysia, Australia, UAE, US, Mexico and CIOM. This measure is not tracked in some of our smaller markets

ECL charge by legal entity

Constant currency, \$m	2023	3Q23	4Q23	1Q24	2024
Asia (HBAP)	(390)	(746)	(436)	(271)	(184)
<i>o/w Hong Kong</i>	<i>(451)</i>	<i>(660)</i>	<i>(375)</i>	<i>(234)</i>	<i>(152)</i>
<i>o/w mainland China CRE ▶</i>	<i>(259)</i>	<i>(503)</i>	<i>(195)</i>	<i>(54)</i>	<i>(72)</i>
UK RFB (HBUK)	(259)	(58)	(47)	(52)	(10)
HSBC Bank plc (HBEU)	(55)	(79)	(59)	(66)	132
US (HNAH)	(33)	15	(47)	7	(40)
Canada (HBCA)	(10)	(20)	(14)	(39)	—
Mexico (HBMX)	(139)	(157)	(279)	(173)	(210)
HSBC Bank Middle East (HBME)	(7)	(6)	(84)	(55)	(47)
Other	3	5	15	(62)	13
Total	(890)	(1,046)	(951)	(711)	(346)

Global CRE exposures

Commercial real estate gross loans and advances, \$m¹

Reported FX basis	FY23	1H24	Δ	1H24 stage 3 %
Asia (HBAP)	58,121	55,123	(5)%	11%
<i>o/w: Hong Kong</i>	42,462	40,130	(5)%	14%
<i>o/w: HK, excl. exposure to mainland China borrowers</i>	36,817	35,609	(3)%	9%
UK RFB (HBUK)	14,010	13,759	(2)%	4%
HSBC Bank plc (HBEU)	4,834	4,821	(0)%	5%
US (HNAH)	3,925	3,182	(19)%	8%
Mexico (HBMX)	780	574	(26)%	4%
HSBC Bank Middle East (HBME)	1,460	1,289	(12)%	9%
Other	459	42	(91)%	50%
Total	83,589	78,790	(6)%	9%
<i>o/w: UK[‡]</i>	14,586	14,221	(3)%	4%

[‡] Includes lending outside the UK RFB

Hong Kong, excluding exposure to mainland China borrowers

Exposure of **\$35.6bn**, down \$(1.2)bn vs. FY23

- ◆ c.60% secured; c.40% unsecured
- ◆ All exposures rated sub-standard or credit impaired are secured with good collateral cover:
 - ◆ \$2.0bn sub-standard — average LTV 50%
 - ◆ \$3.2bn credit impaired — average LTV 55%
- ◆ All unsecured are performing, with c.90% rated Strong or Good

US

Exposure of **\$3.2bn**, down 19% vs. FY23. In the 2024 Dodd-Frank Act stress tests, modelled CRE losses were 11%, down from 16% in 2022

Other entities and HSBC Bank plc

Other entities down c. \$(0.4)bn vs. FY23 due to a transfer of exposures to HSBC Bank plc

Mainland China commercial real estate

Mainland China CRE exposures by booking location and credit quality

At 30 June 2024

Reported FX, \$bn	Memo: Hong Kong at 4Q23	Hong Kong	Mainland China	Rest of Group	Total
Total	6.3	4.8	4.3	0.3	9.4
Strong	0.8	0.3	1.7	0.1	2.1
Good	0.6	0.4	0.9	—	1.4
Satisfactory	0.7	0.3	1.3	0.0	1.6
Sub-standard	1.3	1.1	0.2	0.2	1.5
Credit impaired	2.9	2.6	0.3	0.0	2.9
Allowance for ECL	(1.8)	(1.8)	(0.2)	(0.0)	(2.0)

Hong Kong booked sub-standard and credit impaired exposures

\$bn	Total exposure	Of which not secured [‡]	ECL allowance [◆]
Sub-standard	1.1	0.8	(0.1)
Credit impaired	2.6	2.0	(1.6)
Total	3.7	2.9	(1.7)

79% coverage ratio against not secured, credit impaired exposures

Total exposure of \$9.4bn, down \$(2.7)bn vs. 4Q23

ECL charge of \$(72)m in 2Q24 / \$(126)m in 1H24

Hong Kong booked exposure of \$4.8bn, down **\$(1.5)bn*** vs. 4Q23

- ◆ Of the \$1.0bn classified as strong, good or satisfactory:
 - ◆ c.\$0.7bn are to state-owned enterprises
 - ◆ c.\$0.3bn are primarily to privately-owned enterprises that are not typically engaged in residential property development

* Of which \$1.3bn repayments, \$0.2bn write-offs

‡ Does not cast due to rounding

◆ ECL allowance shown only exposures that are not secured

FY24 cost target basis reconciliation

\$m	FY23	1H23	1H24	1Q24	2Q24
Costs*	(31,450)	(15,244)	(16,296)	(8,151)	(8,145)
Less: Notable items	185	71	82	50	32
Add: Impact of retranslating prior period results in hyperinflationary economies at constant currency	(714)	(302)	—	—	—
Less: Canada direct costs	695	345	162	162	—
Less: France direct costs	283	147	—	—	—
Target basis¹	(31,001)	(14,983)	(16,052)	(7,939)	(8,113)

* FY23 and 1H23 are on a constant currency basis

Notable items

Reported FX basis, \$m	2023	3Q23	4Q23	1Q24	2024
Revenue	(241)	(268)	(2,733)	3,732	(161)
<i>o/w: Disposals, acquisitions and related costs</i>	<i>(241)</i>	<i>310</i>	<i>(2,333)</i>	<i>3,732</i>	<i>(161)</i>
<i>o/w: Fair value movements on financial instruments</i>	<i>—</i>	<i>—</i>	<i>(1)</i>	<i>—</i>	<i>—</i>
<i>o/w: Restructuring and other related costs</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
<i>o/w: Disposal losses on Markets Treasury repositioning</i>	<i>—</i>	<i>(578)</i>	<i>(399)</i>	<i>—</i>	<i>—</i>
Costs	(10)	(49)	(65)	(50)	(32)
<i>o/w: Disposals, acquisitions and related costs</i>	<i>(57)</i>	<i>(79)</i>	<i>(124)</i>	<i>(63)</i>	<i>(38)</i>
<i>o/w: Impairment of non-financial items</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
<i>o/w: Restructuring and other related costs</i>	<i>47</i>	<i>30</i>	<i>59</i>	<i>13</i>	<i>6</i>
Associates	—	—	(3,000)	—	—
Total	(251)	(317)	(5,798)	3,682	(193)
<i>Memo: Notable items on a constant currency basis</i>	<i>(250)</i>	<i>(316)</i>	<i>(5,794)</i>	<i>3,682</i>	<i>(193)</i>

Argentina

Reported FX basis, \$m	2023	3Q23	4Q23	1Q24	2Q24
NII	384	355	13	488	434
Non-NII	(76)	(108)	(42)	(291)	(125)
Revenue	308	247	(29)	197	309
ECL	(38)	(9)	(37)	(61)	26
Costs	(168)	(151)	31	(160)	(163)
PBT	101	87	(35)	(23)	173

Constant currency, \$m	2023	3Q23	4Q23	1Q24	2Q24
NII	36	(22)	(532)	459	434
Non-NII	(15)	(16)	95	(273)	(125)
Revenue	21	(39)	(437)	186	309
ECL	(4)	9	36	(57)	26
Costs	(11)	18	250	(150)	(163)
PBT	6	(11)	(150)	(22)	173

Financials do not include the impairment loss on classification of the business to held-for-sale, which is booked at a Group level (see EPS excluding material notable items and related impacts slide)

- ◆ **Announced agreement to sell the business** on 9 April 2024
- ◆ In 1H24, **recognised a pre-tax \$(1.2)bn impairment loss** following the classification of the business to held-for-sale
- ◆ **Expect to close the deal during 2H24**
- ◆ **At closing, cumulative FX and other reserve losses will recycle to the income statement** (total of **\$(5.0)bn** as at 30 June 2024). These have **already been recognised in capital** and are expected to have **no incremental impact on CET1 or TNAV**
- ◆ The **transaction will be treated as a material notable item** and **excluded from the dividend payout calculation**
- ◆ Expect a reduction in Group RWAs of **c. \$(8)bn** on closing¹
- ◆ Between signing and closing, the **loss on sale will vary** by changes in the NAV of the disposed business and associated hyperinflation and foreign currency translation, and the fair value of consideration including price adjustments and migration costs

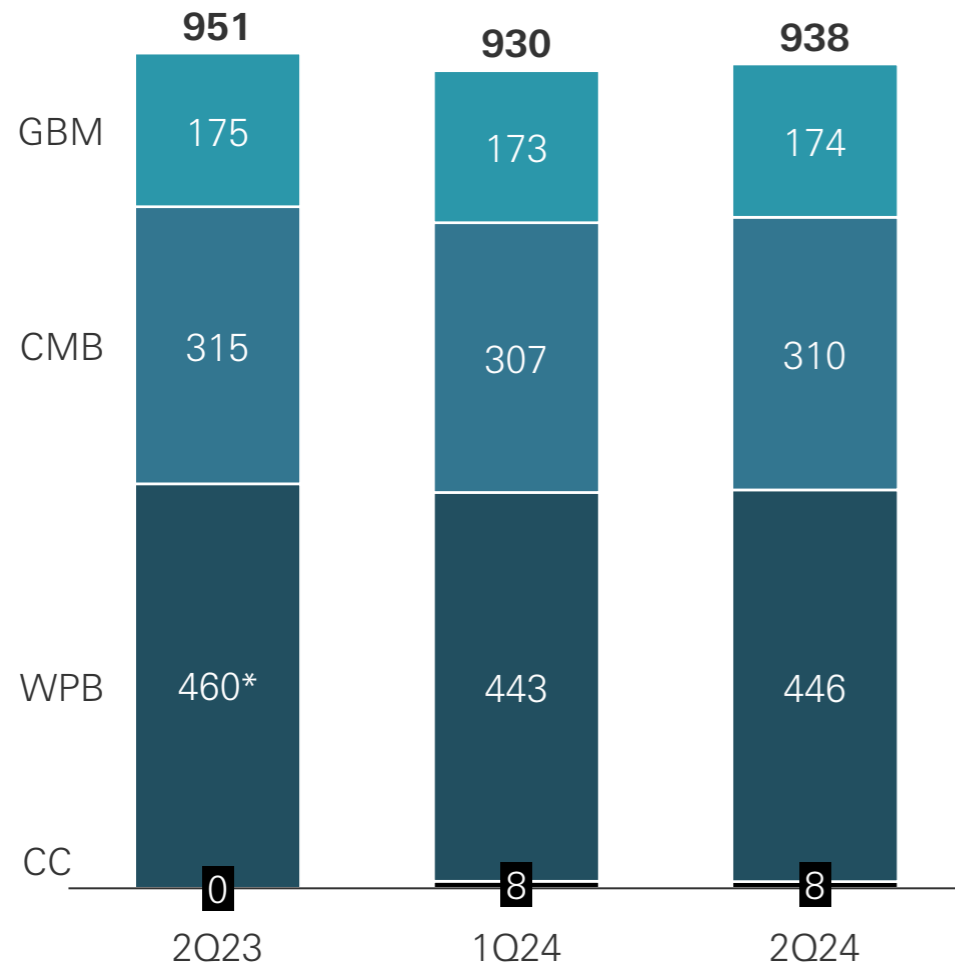
EPS excluding material notable items and related impacts

Reported FX basis, \$m	2023	3Q23	4Q23	1Q24	2Q24	1H23	1H24
PAOS	6,639	5,619	(153)	10,183	6,403	16,966	16,586
Impact of acquisition of SVB UK	4	(86)	44	—	(2)	(1,507)	(2)
Impact of the sale of our retail banking operations in France (net of tax)	7	—	1,737	(52)	(1)	(1,629)	(53)
Impact of the sale of our banking business in Canada	55	(376)	119	(4,942)*	(7)	(54)	(4,949)
Impairment of interest in associate (BoCom)	—	—	3,000	—	—	—	—
Impairment loss relating to the planned sale of our operations in Argentina	—	—	—	1,137	55	—	1,192
PAOS excluding material notable items and related impacts	6,705	5,157	4,747	6,326	6,448	13,776	12,774
Average basic number of ordinary shares (m)	19,662	19,404	19,130	18,823	18,509	19,693	18,666
Basic EPS, \$	0.34	0.29	(0.01)	0.54	0.35	0.86	0.89
Basic EPS excluding material notable items and related impacts, \$	0.34	0.27	0.25	0.34	0.34	0.70	0.68

* Represents gain on sale of business in Canada recognised on completion, inclusive of the recycling of losses in foreign currency translation reserves and other reserves, and gain on the foreign exchange hedging of the sale proceeds. It also includes the disposal costs and the related impacts of the disposal (including 1Q24 profits of HSBC Canada)

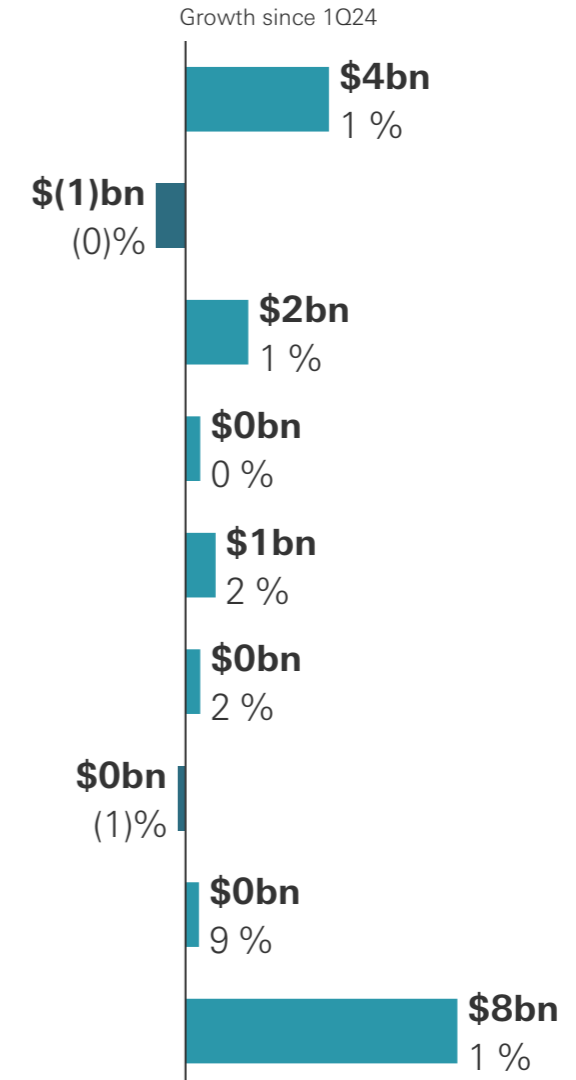
Balance sheet – customer lending

Balances by global business, \$bn



Balances by entity

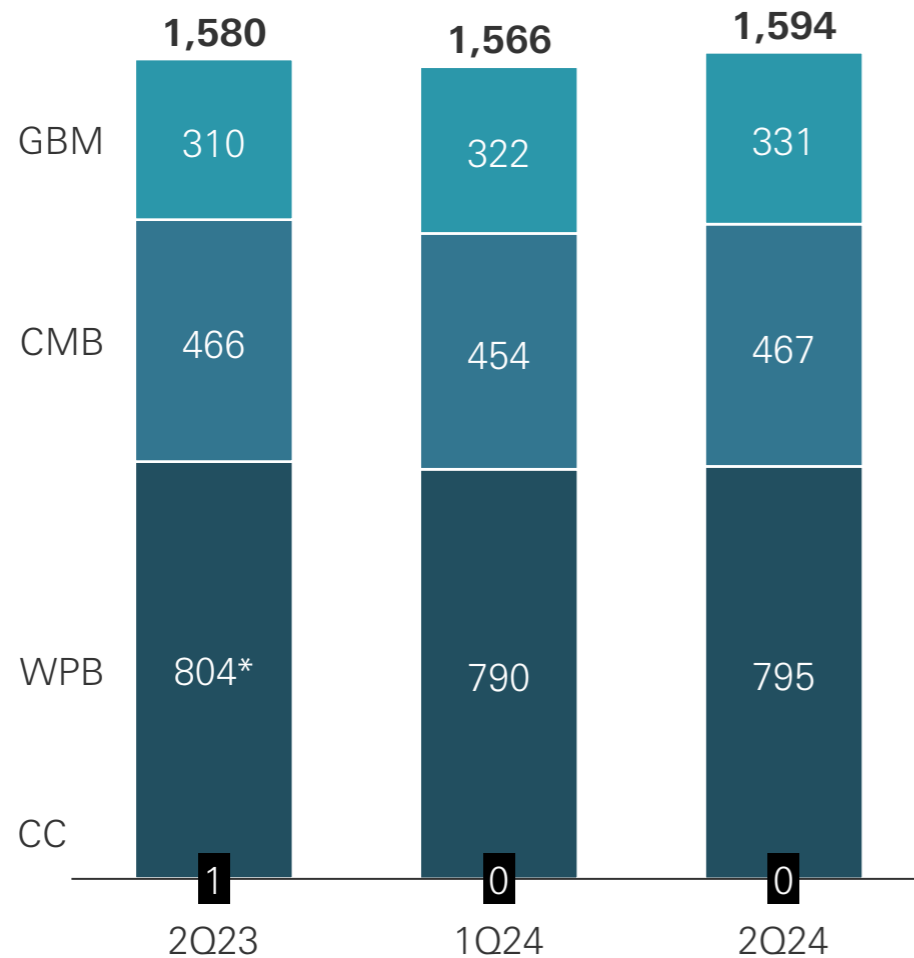
Asia (HBAP)	\$454bn
<i>o/w: Hong Kong</i>	\$275bn
UK RFB (HBUK)	\$270bn
HSBC Bank plc (HBEU)	\$108bn
US (HNAH)	\$56bn
Mexico (HBMX)	\$25bn
HSBC Middle East (HBME)	\$21bn
Other	\$5bn
Total	\$938bn



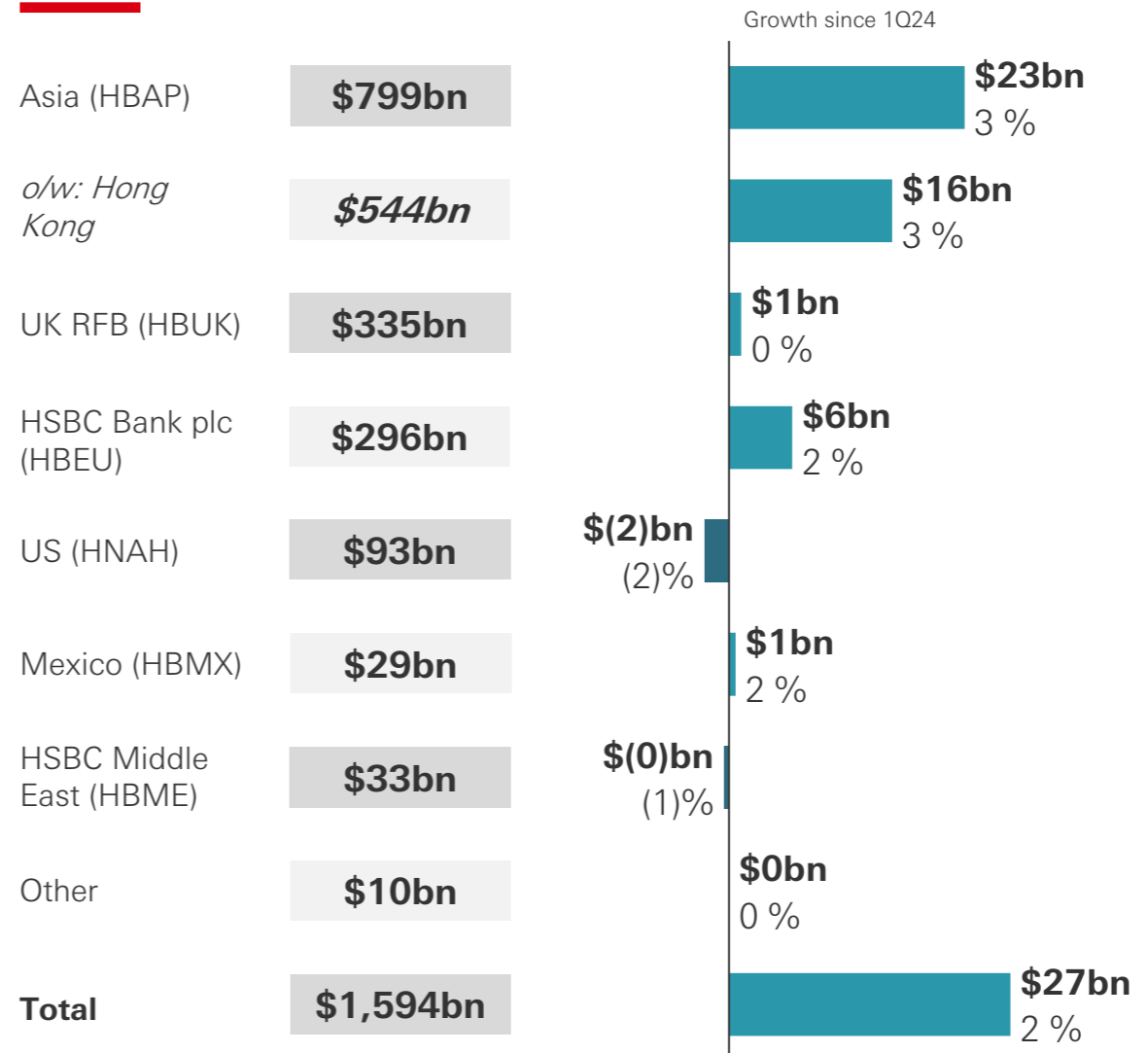
* Includes \$25bn from France retail customers which has now been sold or transferred to Corporate Centre

Balance sheet – customer accounts

Balances by global business, \$bn



Balances by entity



* Includes \$23bn from France retail customers (business now sold)

2Q24 vs. 1Q24 equity drivers

Reported FX basis	Shareholders' equity, \$bn	Tangible equity, \$bn	TNAV per share, \$	Basic number of ordinary shares, millions
At 31 March 2024	191.2	162.0	8.67	18,687
Profit attributable to:	6.5	6.9	0.37	—
<i>Ordinary shareholders¹</i>	6.4	6.9	0.37	—
<i>Other equity holders</i>	0.1	—	—	—
Dividends	(11.8)	(11.7)	(0.63)	—
<i>On ordinary shares</i>	(11.7)	(11.7)	(0.63)	—
<i>On other equity instruments</i>	(0.1)	—	—	—
FX ¹	(0.9)	(0.8)	(0.04)	—
Impacts of hyperinflation	0.3	0.3	0.02	—
Issuance/Redemption of securities	1.1	—	—	—
Cancellation of shares/buybacks	(3.0)	(3.0)	—	(341)
Actuarial gains/(losses) on defined benefit plans	0.1	0.1	—	—
Cash flow hedge reserves	(0.3)	(0.3)	(0.02)	—
Fair value movements through 'Other Comprehensive Income'	(0.0)	(0.0)	—	—
<i>Of which: changes in fair value arising from changes in own credit risk</i>	0.2	0.2	0.01	—
<i>Of which: Debt and Equity instruments at fair value through OCI</i>	(0.2)	(0.2)	(0.01)	—
Other ¹	0.1	(0.4)	(0.02)	(16)
At 30 June 2024	183.3	153.1	8.35	18,330

◆ Average basic number of shares outstanding during 2Q24: 18,509m

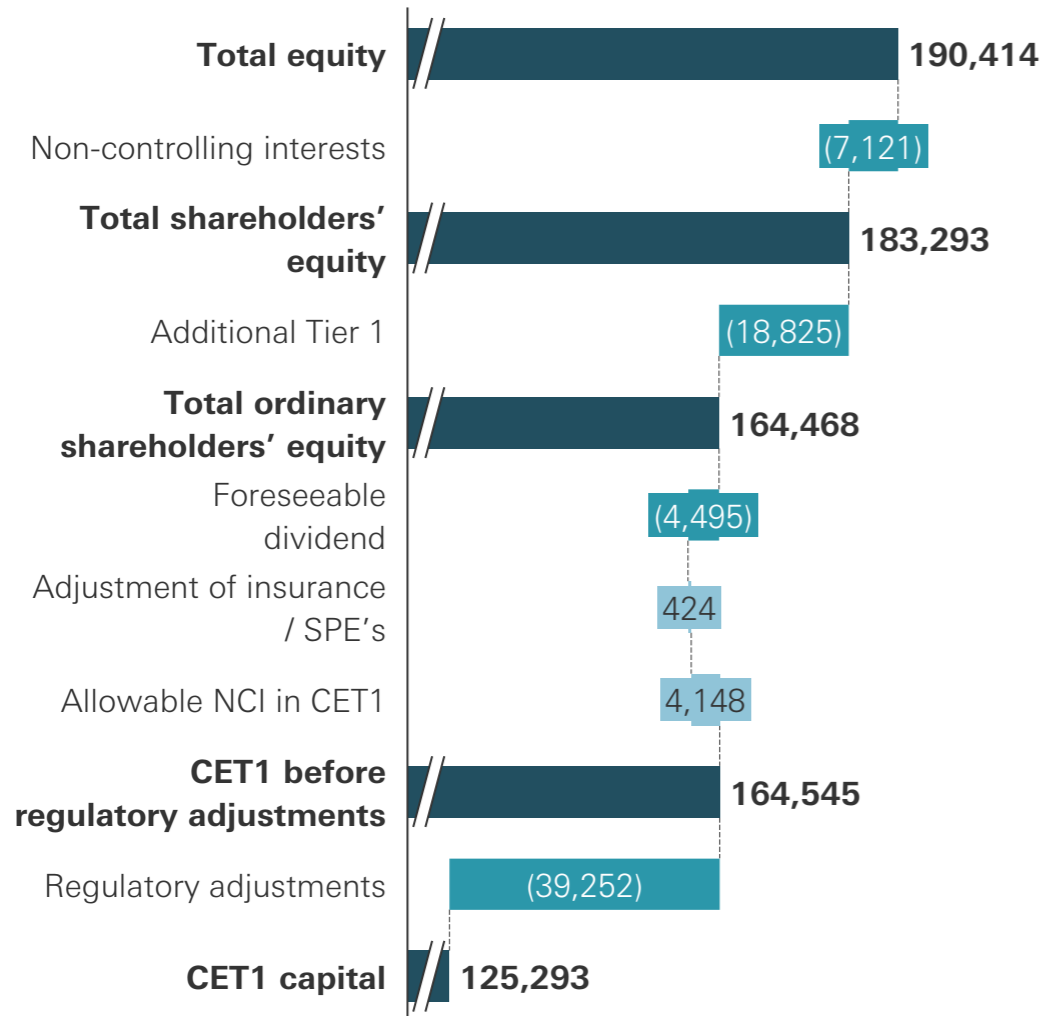
◆ Cancellation of shares/buybacks: reflects the impact of the \$3bn buyback announced at 1Q24 results. (341)m shares reflects shares **repurchased and cancelled** during 2Q24 but does not include shares which were repurchased before 30 June but not cancelled or the 89m shares repurchased after 30 June

\$8.30 on a fully diluted basis

18,456m on a fully diluted basis

Total shareholders' equity to CET1 capital

2024 total equity to CET1 capital (reported FX), \$m



Total equity to CET1 capital walk (reported FX), \$m

	4Q23	1Q24	2024
Total equity (per balance sheet)	192,610	198,377	190,414
Non-controlling interests	(7,281)	(7,191)	(7,121)
Total shareholders' equity	185,329	191,186	183,293
Additional Tier 1	(17,719)	(17,719)	(18,825)
Total ordinary shareholders' equity ('NAV')	167,610	173,467	164,468
Foreseeable dividend	(5,961)	(13,129)	(4,495)
Adjustment for insurance / SPE's	302	400	424
Allowable NCI in CET1	3,917	3,972	4,148
CET1 before regulatory adjustments	165,868	164,710	164,545
Prudential valuation adjustment	(1,238)	(1,108)	(1,147)
Intangible assets	(13,378)	(12,869)	(12,748)
Deferred tax asset deduction	(4,308)	(4,060)	(3,902)
Cash flow hedge adjustment	992	1,577	1,659
Excess of expected loss	(2,304)	(2,646)	(3,050)
Own credit spread	932	1,410	1,130
Defined benefit pension fund assets	(5,773)	(5,797)	(5,905)
Direct and indirect holdings of CET1 instruments	(40)	(40)	(40)
Other regulatory adjustments to CET1 capital	59	(21)	(14)
Threshold deductions	(14,309)	(14,884)	(15,235)
Regulatory adjustments	(39,367)	(38,438)	(39,252)
CET1 capital	126,501	126,272	125,293

Wealth and Personal Banking

\$m	2023	1Q24	2024	vs. 2023		
				\$	%	<i>o/w: strategic transactions</i>
Wealth	1,932	2,179	2,144	212	11%	(70)
Personal Banking	5,174	4,829	4,821	(353)	(7%)	(213)
Other	(25)	103	183	208	>100%	(32)
<i>of which: notable items</i>	13	53	2	(11)	(85%)	(11)
Revenue	7,081	7,111	7,148	67	1%	(315)
ECL	(241)	(296)	(175)	66	27%	5
Costs	(3,556)	(3,662)	(3,711)	(155)	(4%)	219
PBT	3,302	3,166	3,277	(25)	(1%)	(91)
Customer lending*, \$bn	460	443	446	(15)	(3%)	(25)
Customer accounts, \$bn	804	790	795	(9)	(1%)	(23)
RWAs, \$bn ▶	187	182	183	(4)	(2)%	n/d
Wealth balances, \$bn ▶	1,630	1,767	1,801	171	10%	n/d
– <i>o/w: invested assets, \$bn ▶</i>	<i>1,097</i>	<i>1,242</i>	<i>1,271</i>	<i>174</i>	<i>16%</i>	<i>n/d</i>
				1H23	1H24	vs. 1H23
RoTE (annualised), %† ▶				43.1	30.6	(12.5)ppts

Revenue 2024 vs. 2023

Total revenue +\$0.1bn, including \$(0.3)bn impacts from strategic transactions (sale of Canada and France retail). Excluding these, revenue up \$0.4bn / 6%

Wealth +\$0.2bn, including \$(0.1)bn impacts from strategic transactions. Excluding these, up \$0.3bn / 15%, notably double digit growth in Private Banking Non-NII (particularly Asia) and Investment Distribution, and strong growth in Asset Management and Insurance

Personal Banking down \$(0.4)bn, including \$(0.2)bn impacts from strategic transactions. Excluding these, down \$(0.1)bn / 3% due to margin compression, partly offset by balance sheet growth

Balances 2024 vs. 2023

Loans down \$(15)bn, including \$(25)bn from strategic transactions. Excluding these, up \$10bn / 2% including:

- ◆ Mortgages up 3%: UK +\$6bn / 4%, HK +\$2bn / 2%, US +\$2bn / 12%, Mexico +\$1bn / 10%, Australia +\$1bn / 5%
- ◆ Unsecured up 6%: UK +\$1bn / 5%, Asia +\$1bn / 6%, Mexico +\$1bn / 13%

Deposits down \$(9)bn, including \$(23)bn from strategic transactions. Excluding these, up \$14bn / 2%, most notably in Asia \$19bn / 4%: Hong Kong +\$8bn / 2%, mainland China +30%, Singapore +8%, Taiwan +28%, Australia +10% and India +21%. This was partly offset by \$(5)bn outflows in the UK

Invested assets +\$174bn / 16%, including NNIA of \$83bn

Balances 2024 vs. 1Q24

Loans +\$3bn, mainly mortgages (UK +\$1bn, US +\$1bn) and GPB (Asia)

Deposits +\$5bn driven by Asia: HK +\$3bn / 1%, mainland China +9%, Taiwan +7%

Invested assets +\$30bn / 2%, including NNIA of \$6bn

* \$(25)bn customer lending impact from strategic transactions relates to France and \$(8)bn of retained mortgages transferred to Corporate Centre

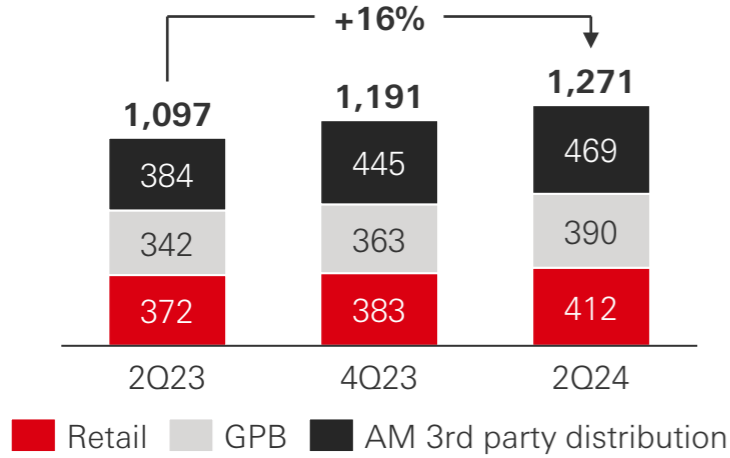
† RoTE in 1H23 included a 10.5 percentage point favourable impact of the reversal of the impairment losses relating to the sale of our retail banking operations in France

Wealth and Personal Banking: Global invested assets

Reported FX basis

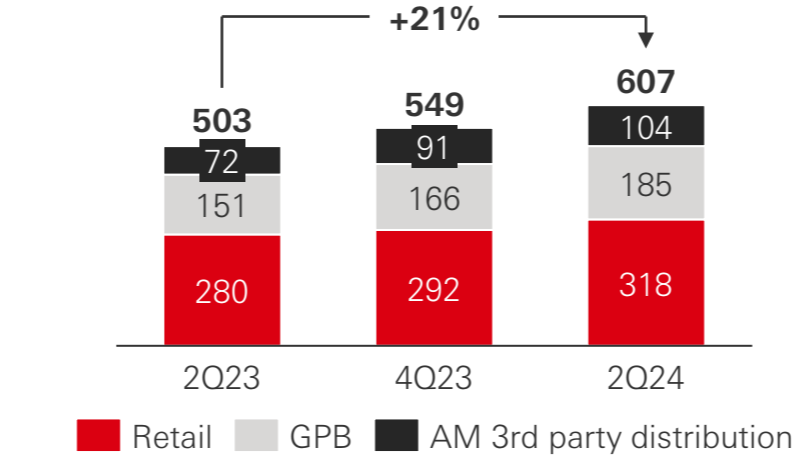
Global reported invested assets

\$bn



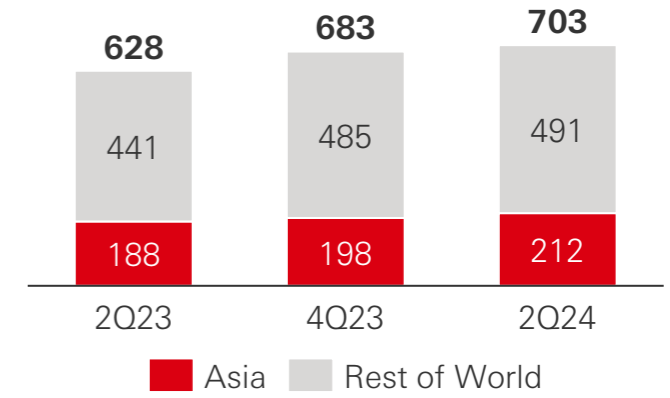
Asia reported invested assets

\$bn



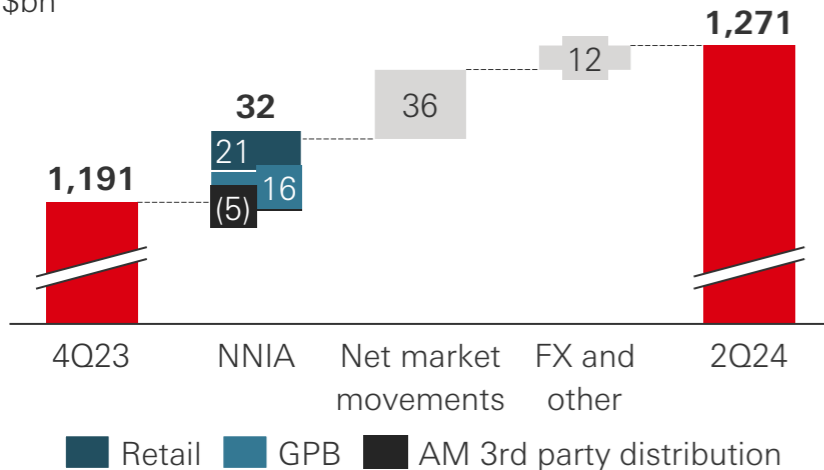
Reported invested assets managed by AM

\$bn



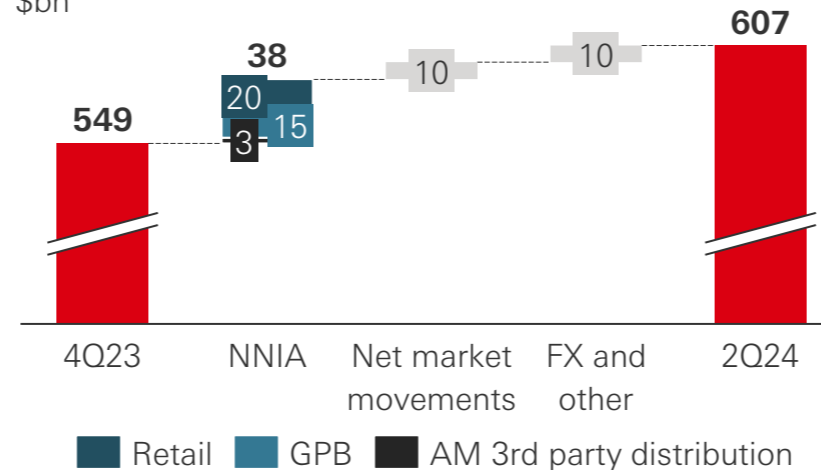
Global reported invested assets evolution

\$bn



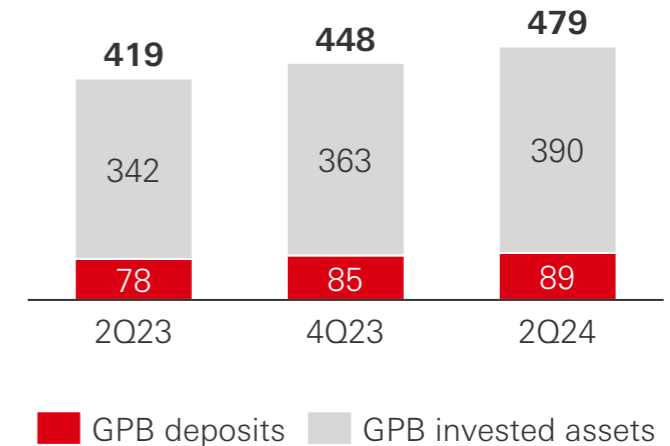
Asia reported invested assets evolution

\$bn



GPB reported client balances

\$bn



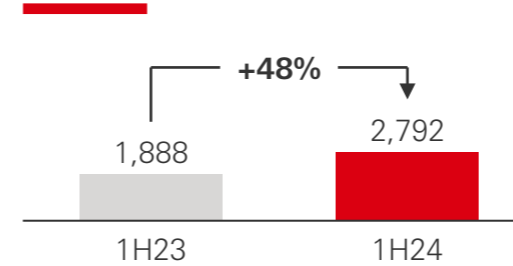
Insurance manufacturing

\$m	1H23	1H24	vs. 1H23	
Revenue	776	822	46	6%
o/w NII	155	177	22	14%
o/w CSM unwind	522	629	107	20%
o/w Onerous contracts	11	7	(4)	(36)%
o/w Net investment returns	(23)	(55)	(32)	>(100)%
Insurance net dividends ¹	327	524	197	60%
	FY23	1H24	vs. FY23	
CSM balance	10,786	12,218	1,432	13%

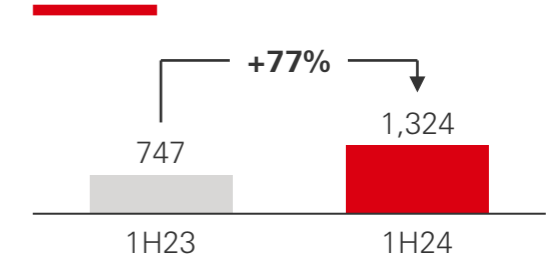
1H24 highlights

- ◆ **Retained #1 market share in Hong Kong** (24% ANP market share during 1Q24)²
- ◆ **Strong new business growth**; ANP up 48% and NB CSM up 77%, driven by new product launches in Hong Kong, demand from mainland Chinese customers and growth in Asia Private Banking and broker channels
- ◆ 1H24 revenue of \$0.8bn, **up 6%** vs. 1H23, with higher CSM unwind
- ◆ **CSM balance up 13% to \$12.2bn** vs. FY23, driven by new business and improved investment performance
- ◆ Insurance manufacturing equity and CSM (net of tax) was up 8% to \$17.6bn vs. 1H23 with higher CSM partly offset by dividends

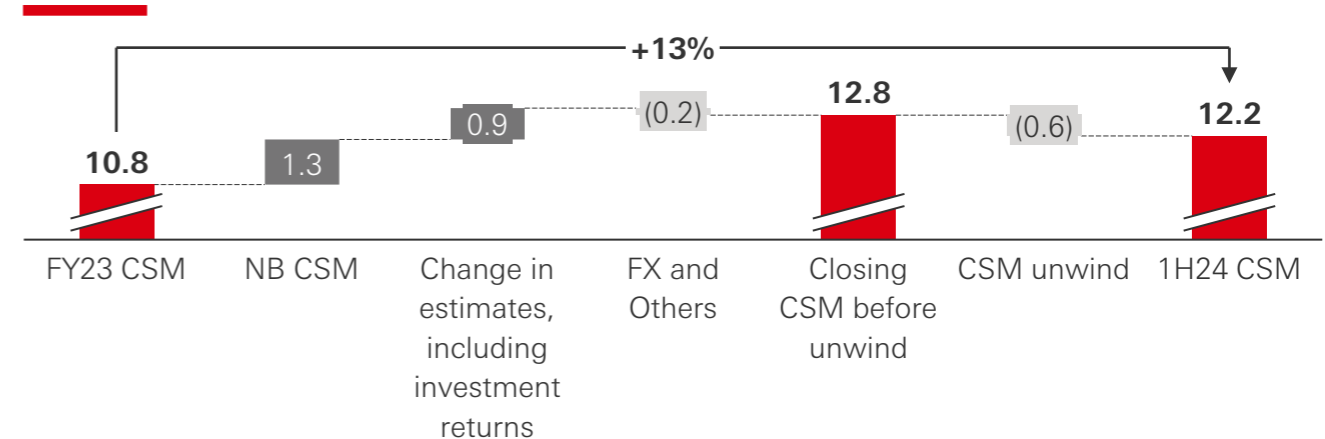
ANP, \$m



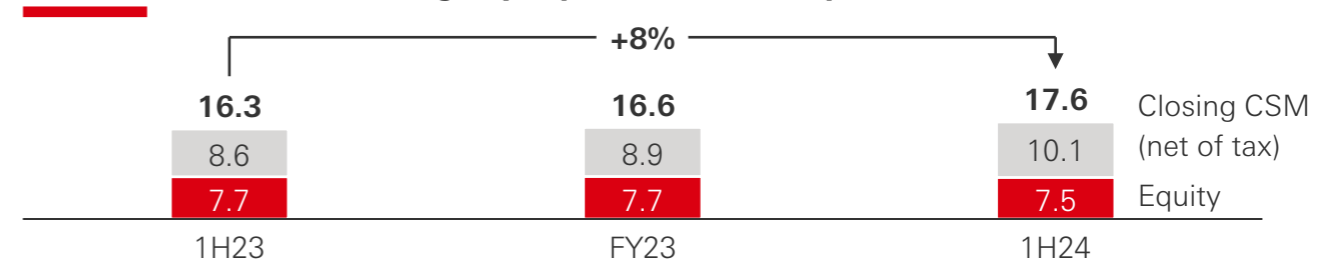
NB CSM, \$m



1H24 opening CSM to closing CSM walk, \$bn



Insurance manufacturing equity + CSM liability net of tax, \$bn



Commercial Banking

\$m	2023	1Q24	2024	vs. 2023		
				\$	%	<i>o/w: strategic transactions</i>
Global Payments Solutions	2,972	3,051	2,939	(33)	(1)%	(80)
Credit & Lending	1,342	1,372	1,269	(73)	(5)%	(119)
Global Trade Solutions	496	491	473	(23)	(5)%	(12)
Markets products, Insurance and Investments and Other	567	568	683	116	20%	(13)
<i>of which: notable items</i>	(4)	(0)	0	4	100%	4
Revenue	5,377	5,482	5,364	(13)	(0)%	(224)
ECL	(545)	(378)	(193)	352	65%	6
Costs	(1,781)	(1,854)	(1,989)	(208)	(12)%	89
PBT	3,050	3,250	3,183	133	4%	(129)
Customer lending, \$bn	315	307	310	(5)	(2)%	(0)
Customer accounts, \$bn	466	454	467	1	0%	(1)
RWAs, \$bn ▶	354	338	336	(18)	(5)%	n/d
				1H23	1H24	vs. 1H23
RoTE (annualised), % ▶				28.8*	21.8	(7.0)ppts

Revenue 2024 vs. 2023

Revenue stable despite the impact of strategic transactions (Canada sale). Excluding this, revenue was up \$0.2bn / 4%, driven by currency volatility in Argentina and a strong performance in transaction banking fees. At a product level:

- ◆ **GPS** up, reflecting higher payment volumes increasing fee income along with higher margins in the UK and South and South East Asia and Argentina currency volatility
- ◆ **C&L** broadly stable, reflecting higher IVB revenues partly offset by lower volumes in Hong Kong
- ◆ **GTS** down, driven by Asia due to the higher rate environment dampening demand and the softer trade cycle
- ◆ **Other** income up due to higher Markets Treasury allocations, lower interest on debt held by the Group holding company, currency volatility in Argentina and higher GBM collaboration revenues

Balance sheet commentary

- ◆ **Customer lending** up \$3bn / 1% vs. 1Q24, reflecting growth across most regions driven by Trade. Customer lending down \$(5)bn / (2)% vs. 2Q23 driven by competitive pricing pressure in Hong Kong, partly offset by increases in markets including Europe, South and South East Asia, Mexico, the Middle East and mainland China
- ◆ **Customer accounts** up \$13bn (3%) vs. 1Q24, reflecting growth in the UK and HK driven by deposit initiatives and recovery of seasonal outflows in 1Q24. Customer accounts up \$1bn vs. 2Q23, reflecting deposit initiatives partly offset by market wide tightening of liquidity

* RoTE in 1H23 included the gain on the acquisition of SVB UK

Global Banking and Markets

\$m	2023	1Q24	2024	vs. 2023		
				\$	%	<i>o/w: strategic transactions</i>
Securities Services	585	555	572	(13)	(2)%	—
Global Debt Markets	237	322	230	(7)	(3)%	(2)
Global FX	966	957	997	31	3%	(12)
Equities	91	256	189	98	>100%	—
Securities Financing	251	366	364	113	45%	(1)
XVAs	(19)	(28)	18	37	>100%	(1)
Markets and Securities Services	2,111	2,428	2,370	259	12%	(16)
Global Trade Solutions	157	174	171	14	9%	(4)
Global Payments Solutions	1,100	1,140	1,084	(16)	(1)%	(23)
Credit & Lending	482	451	435	(47)	(10)%	(6)
Investment Banking	252	278	265	13	5%	(3)
Other	112	114	154	42	38%	(3)
Banking	2,103	2,157	2,109	6	0%	(39)
GBM Other	(295)	(192)	(192)	103	35%	4
Revenue	3,919	4,393	4,287	368	9%	(51)
<i>of which: notable items</i>	—	—	(14)	(14)	(100)%	—
ECL	(104)	(32)	22	126*	>100%	(5)
Costs	(2,395)	(2,381)	(2,521)	(126)	(5)%	24
PBT	1,420	1,980	1,788	368	26%	(32)
Customer lending, \$bn	175	173	174	(1)	(0)%	(0)
Customer accounts, \$bn	310	322	331	22	7%	(0)
RWAs, \$bn ▶	227	223	225	(2)	(1)%	n/d
Assets under custody, \$tn ¹ ▶	9.5	9.9	10.1	0.7	7%	n/d
Gross Investment Banking revenue, \$bn	374	449	442	68	18	n/d
				1H23	1H24	vs. 1H23
RoTE (annualised), % ▶				14.2	14.0	(0.2)ppts

* ECL down due to recoveries from a single client

Commentary 2024 vs. 2023

MSS revenue \$2.4bn, up \$0.3bn / 12%:

- ◆ Underlying growth in Securities Services was offset by a deposit outflow related to the sale of Argentina
- ◆ Global FX up vs. a strong 2Q23 due to increased client hedging as the market outlook turned more volatile
- ◆ Strong performance in Equities, largely due to increased Asian wealth flows
- ◆ Securities Financing grew as we continued to onboard clients to our US Prime platform
- ◆ Global Debt Markets stable as strong client demand for Structured Financing was offset by lower activity in G10 Rates

Banking revenue \$2.1bn, stable vs. prior year

- ◆ GPS broadly stable as higher fee income was largely offset by modest margin compression
- ◆ Investment Banking up as we continue to benefit from higher primary market activity
- ◆ Credit and Lending down as clients accessed attractive capital markets financing

GBM Other up, mainly due to higher Markets Treasury allocated revenue and lower HSBC Holdings interest expense

Commentary 2024 vs. 1Q24

MSS revenue down (2)%:

- ◆ Global Debt Markets down due to lower client volumes related to the uncertain rate outlook
- ◆ Equities down in line with historical seasonality

Banking revenue down (2)%:

- ◆ GPS down due to margin compression
- ◆ Investment Banking impacted by weaker capital market volumes

Corporate Centre

\$m	2023	1Q24	2024	vs. 2023		
				\$	%	<i>o/w strategic transactions</i>
Central Treasury	(21)	9	(35)	(14)	(67)%	—
Legacy Credit	(9)	10	4	13	> 100%	—
Other	(70)	3,586	(228)	(158)	> (100%)	238
<i>of which: gain on disposal of our banking business in Canada and associated hedges</i>	(230)	4,789	6	236	>100%	236
<i>of which: impairment on planned sale of operations in Argentina</i>	—	(1,138)	(54)	(54)	—	(54)
Revenue	(100)	3,605	(259)	(159)	> (100)%	238
ECL	—	(5)	—	—	—	—
Costs	56	(188)	76	20	36%	(3)
Associates	812	752	841	29	4%	—
<i>of which: BoCom</i>	647	596	657	9	1%	—
<i>of which: Saudi Awwal Bank</i>	162	145	171	9	5%	—
PBT	768	4,164	658	(110)	(14%)	235
<i>Memo: revenue notable items</i>	(249)	3,679	(149)	100	40%	—
RWAs, \$bn ▶	92	90	92	(0)	(0)%	n/d
Markets treasury revenue allocated to Global Businesses, \$m*	147	471	402	255	> 100%	n/d
				1H23	1H24	vs. 1H23
RoTE (annualised), % ▶				8.0	20.7	12.7ppts

2024 vs. 2023 commentary

Revenue down \$(0.2)bn, primarily in 'Other' reflecting:

- ◆ A loss related to the recycling of reserves following the completion of the sale of our business in Russia, and an additional impairment related to the planned sale of our business in Argentina following the reclassification as held for sale in 1Q24
- ◆ Adverse fair value movements on structural hedges
- ◆ Higher funding costs relating to the retained France retail portfolio transferred to Corporate Centre
- ◆ These adverse impacts were partly offset by the non-recurrence of 2023 fair value losses on the hedging of the proceeds from the sale of our banking business in Canada which completed in 1Q24

RWAs were broadly unchanged, including:

- ◆ Reductions related to hedges on the proceeds on the sale of our banking business in Canada following completion in 1Q24, and lower operational risk RWAs
- ◆ Partly offset by increases from modelling enhancements related to financial institutions, the transfer of the retained France retail portfolio to Corporate Centre from 2024, and higher associate RWAs, mainly from SAB

Hong Kong

1H24 performance

\$m	1H23	1H24	Δ
NII	4,967	4,178	▼ (16)%
Non-NII	5,312	6,344	▲ 19%
Revenue	10,279	10,522	▲ 2%
ECL	(495)	(386)	▼ 22%
Costs	(3,759)	(4,025)	▲ (7)%
Associates	16	9	▼ (44)%
PBT	6,041	6,120	▲ 1%
Customer loans, \$bn	289.9	274.8	▼ (5)%
Customer deposits, \$bn	531.4	543.8	▲ 2%

WPB

- Strong Wealth revenue and customer acquisition: **345k NTB customers** and **\$19bn NNIA** in 1H24

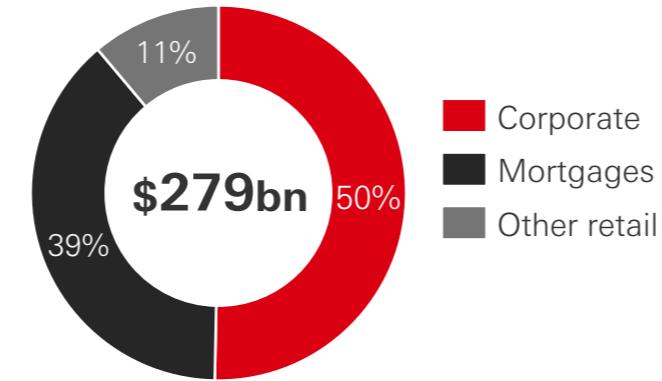
CMB

- Trade market share **up 0.4ppt** vs. 4Q23 to **26.1%**¹
- Acquired >10k Business Banking customers** in 1H24

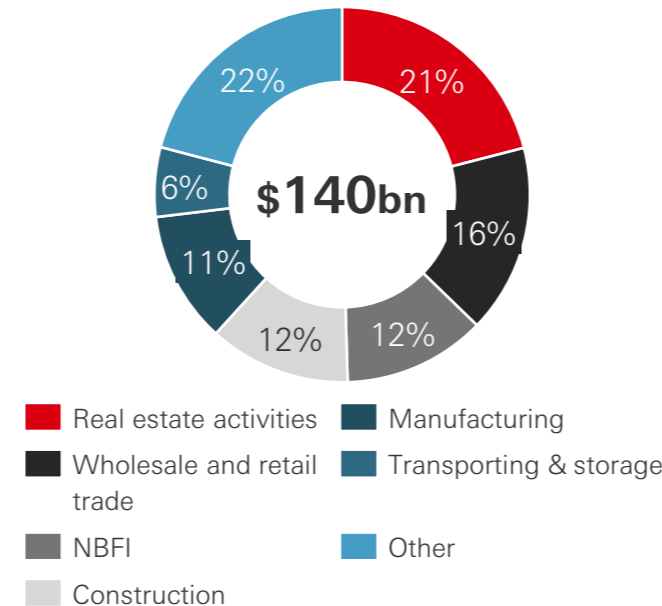
GBM

- Good Markets performance, driven by Debt Markets and Securities Financing

Gross loans and advances to customers

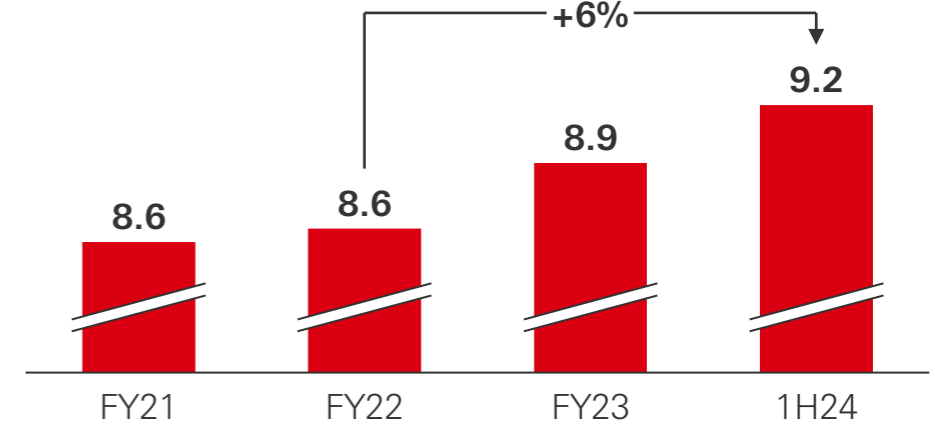


Corporate lending by sector, \$bn



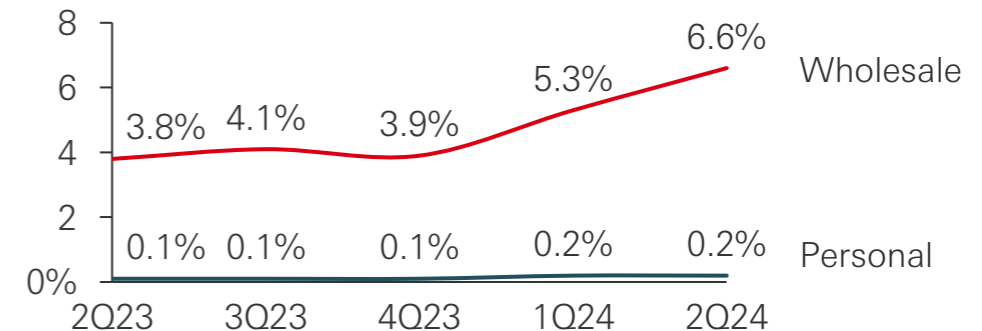
WPB active customers, millions²

Customer acquisition accelerated following the border reopening in early 2023



Stage 3 loans as a % of total L&As to customers

Wholesale increase primarily driven by CRE (limited impact on ECL charge due to high levels of collateralisation)



UK ring-fenced bank

1H24 performance

£m	1H23	1H24	Δ
NII	3,871	4,003	▲ 3%
Non-NII	2,133	923	▼ (57)%
Revenue	6,004	4,926	▼ (18)%
ECL	(337)	(49)	▼ 85%
Costs	(1,765)	(1,925)	▲ (9)%
PBT	3,902	2,952	▼ (24)%
Customer loans, £bn	209.6	213.9	▲ 2%
Customer deposits, £bn	273.8	266.8	▼ (3)%
RoTE, %*	36.4	21.5	▼ (14.9)ppt

1H23 included a £1,240m gain on acquisition of SVB UK. Excluding this, 1H24 revenue / PBT were up 3% / 11% vs. 1H23

WPB

- ◆ **Increased mortgage stock market share to 8.1%** (up 0.1ppt vs. FY23)¹
- ◆ **Maintained credit card stock market share of 9.3%** vs. FY23²
- ◆ Now have **>1m Global Money customers**

CMB

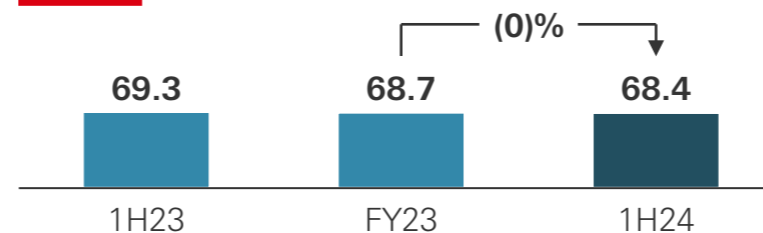
- ◆ **c.400 new-to-bank customers in HSBC Innovation Bank** in 1H24
- ◆ **UK's #1 Trade Finance Bank**³

Personal gross lending balances

£bn	1H23	FY23	1H24
Mortgages	126.4	129.3	131.2
Credit cards	5.8	6.3	6.3
Other personal lending	7.9	7.8	7.8
Mortgages data:			
YTD gross lending	11.1	22.8	9.4
Stock market share ¹ , %	7.8	8.0	8.1
Flow market share ¹ , %	10.1	10.2	8.8

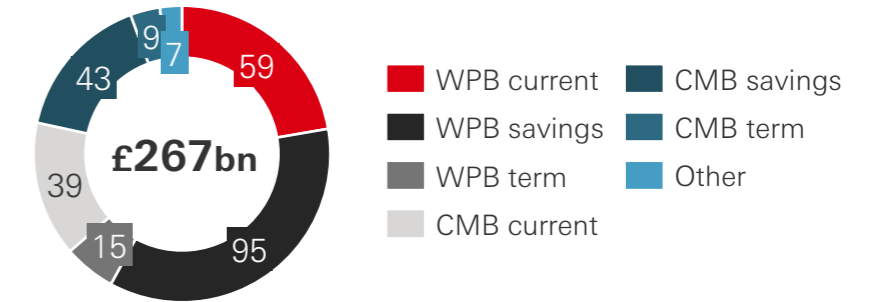
1H24 LTVs: portfolio avg. 53%; avg. new lending 67%

CMB lending, £bn



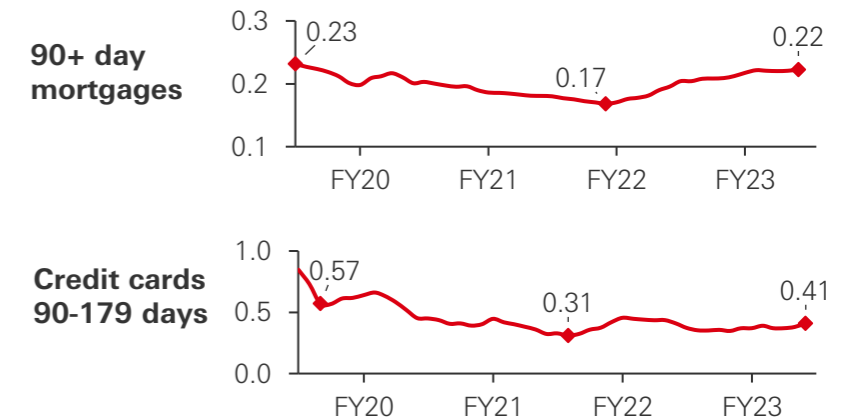
- ◆ **Lending stable:** continued repayment of government scheme lending was partly offset by growth
- ◆ **Credit:** resilient performance, despite higher interest rates and inflation. Various measures of portfolio risk, including accounts in special credit management or in the early stages of credit challenge are at a 12-month low

Deposits by type, £bn



Balances broadly stable vs. Dec-23. Time deposits 9% of total deposits, stable vs. Dec-23

WPB credit: delinquency trends⁴, %



Stable in 1H24. Delinquency % remains below pre-Covid levels for cards; marginally higher than pre-Covid levels for mortgages

* RoTE is YTD annualised. 1H23 RoTE included 13.9ppts for the gain on acquisition of SVB UK, excluding which RoTE was 22.5%

Reconciliations: Impact of notable items and strategic transactions

\$m	2023	2024
Reported revenue	16,705	16,540
Currency translation	(428)	—
Constant currency revenue	16,277	16,540
Notable items — related to strategic transactions	234	4
Notable items — other	6	157
Constant currency revenue, ex. notable items	16,517	16,701
Income statement results relating to strategic transactions	(584)	(1)
Constant currency revenue, ex. notable items and the impact of strategic transactions	15,933	16,700
— of which: Wholesale Transaction Banking fee and other income	2,576	2,625

\$m	2023	2024
Reported PBT	8,771	8,906
Currency translation	(231)	—
Constant currency PBT	8,540	8,906
Notable items — related to strategic transactions	291	42
Notable items — other	(41)	151
Constant currency PBT, ex. notable items	8,790	9,099
Income statement results relating to strategic transactions	(265)	1
Constant currency PBT, ex. notable items and the impact of strategic transactions	8,525	9,100

Revenue and PBT reconciliations include the impact of:

- ◆ Strategic transactions (Canada, France, Argentina and the acquisition of SVB UK). These impacts comprise of:
 1. Gains/losses on classification to held for sale
 2. All other related notable items
 3. The operating income statement results of each business for transactions which have completed (Canada, France) where the results are included in one period and not another (not classified as notable items)¹
- ◆ All other notable items

The balance sheet impact of strategic transactions relates to customer loans or customer deposits which appear in one period and not another (having been either acquired, sold or moved to held for sale)

2023 impacts: \$(17)bn of customer loans and \$(24)bn of customer deposits, relating to France retail and Argentina

Glossary

AIEA	Average interest earning assets
ANP	Annualised new business premium
Banking NII	Banking net interest income is an alternative performance measure, and is defined as Group net interest income after deducting: (1) the internal cost to fund trading and fair value net assets for which associated revenue is reported in 'Net income from financial instruments held for trading or managed on a fair value basis', also referred to as 'trading and fair value income'. These funding costs reflect proxy overnight or term interest rates as applied by internal funds transfer pricing; (2) the funding cost of foreign exchange swaps in Markets Treasury, where an offsetting income or loss is recorded in trading and fair value income. These instruments are used to manage foreign currency deployment and funding in our entities; (3) third-party net interest income in our insurance business
BoCom	Bank of Communications Co. Limited, an associate of HSBC
Bps	Basis points. One basis point is equal to one-hundredth of a percentage point
CASA	Current accounts and savings accounts
Central costs of funding trading income	Associated with funding net income from financial instruments held for trading or managed on a fair value basis which results in an interest expense to Group NII which is fully offset by non-NII reported in Corporate Centre
CET1	Common Equity Tier 1
CMB	Commercial Banking, a global business
Corporate Centre (CC)	Corporate Centre comprises Central Treasury, our legacy businesses, interests in our associates and joint ventures and central stewardship costs
CRE	Commercial Real Estate
CSM	Contractual Service Margin, a component of the carrying amount of a group of insurance contract assets or liabilities which represents the unearned profit which the Group will recognise as it provides insurance contract services under the insurance contracts in the Group
DPS	Dividend per share
ECL	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
EPS	Earnings per share
GBM	Global Banking and Markets, a global business
GFX	Global Foreign Exchange
GPS	Global Payments Solutions
Group	HSBC Holdings plc and its subsidiary undertakings
GTS	Global Trade Solutions (renamed from Global Trade and Receivables Finance in 2024)
IFRS	International Financial Reporting Standard
Innovation Banking / IVB	HSBC Innovation Banking, which includes HSBC Innovation Bank Limited in the UK and related international operations
International customer (WPB)	Customers who are either multi-country, non-resident or resident foreigners within markets we track this information, i.e. in Hong Kong, UK RFB, mainland China, India, Singapore, Malaysia, Australia, UAE, US, Mexico and CIOM
L&A	Loans and advances

LTV	Loan to value
Markets Treasury	Execution arm of HSBC's Treasury function, responsible for cash and liquidity management, funding, and management of structural interest rate risk of the Group
MSS	Markets and Securities Services
Multi-jurisdictional client (wholesale)	We identify a client as multi-jurisdictional if they hold a relationship with us that generates revenue in any market outside of the location where the primary relationship is managed. A client is defined as a mastergroup which includes both the parent and, where relevant, any subsidiaries. These client mastergroups reflect HSBC's own client groupings
Multi-jurisdictional client revenue	Total income from clients with cross border income i.e. generate revenue outside of clients designated home location (managed location)
Multi-jurisdictional customer (WPB)	Customers who bank with HSBC in more than one market
NB CSM / New Business CSM	Insurance manufacturing new business contractual service margin
NBFI	Non-bank financial institution
NII	Net interest income
NIM	Net interest margin
NNIA	Net new invested assets
Non-resident foreigner (WPB international customer)	Customers whose address is not in the market in which HSBC banks them
NPS	Net promoter score
PAOS	Profit attributable to ordinary shareholders
PBT	Profit before tax
Ppt	Percentage points
RoTE	Return on average tangible equity
RWA	Risk-weighted asset
SSv	Securities Services
SVB UK	Silicon Valley Bank UK Limited, now HSBC Innovation Bank Limited
TMD	Time deposit
TNAV	Tangible net asset value
UK RFB / RFB	HSBC UK, the UK ring-fenced bank, established July 2018 as part of ring fenced bank legislation
Wholesale client revenue	Derived by excluding from CMB and GBM reported revenue the revenue we generate from client facilitation in Fixed income and Equities, the 2023 provisional gain on the acquisition of SVB UK, as well as other non-client revenue including allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the global businesses
Wholesale Transaction Banking	Comprises the following products in our CMB and GBM businesses: Global Trade and Receivables Finance, Global Payments Solutions, Global Foreign Exchange and Securities Services
WPB	Wealth and Personal Banking, a global business
XVAs	Credit and Funding Valuation Adjustments

Footnotes

Strategy

Slide 1: Summary of 1H24 performance and guidance

1. Cost growth is on a target basis which excludes the direct cost impact of our disposals in France and Canada from the 2023 baseline. It is measured on a constant currency basis and excludes notable items and the impact of retranslating the prior year results of hyperinflationary economies at constant currency, which we consider to be outside of our control. Our ~(-5)% cost growth guidance reflects our current business plan for 2024
2. RoTE is YTD annualised
3. Based on our current forecasts, using market implied interest rates as of mid-July 2024. This guidance remains dependent on the path of interest rates globally
4. Including held-for-sale balances. The medium term is defined as 3-4 years from 1 January 2024

Slide 3: Our transformation journey since 2019

1. Refers to our Cost to Achieve (CTA) transformation programme which operated between FY20 and FY22
2. Reported RoTE. 1H24 RoTE is YTD annualised
3. Comprising dividends and buybacks from 5AUG19, inclusive of approximate distribution of \$1.8bn for the second interim dividend in respect of the financial year ending 31DEC24 and buyback of up to \$3bn announced with our 2024 Interim results

Slide 4: Our strategy is delivering sustainable profitable growth

1. YoY refers to 1H24 vs 1H23
2. Euromoney Trade Finance Survey 2024
3. Source: Coalition Greenwich Competitor Analytics – FY23. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BARC, BNPP, CITI, DBS, DB, JPM, SCB. Analysis includes all Institutional Clients and Corporates with annual sales turnover of more than US\$5-10m
4. Source: Coalition Greenwich Competitor Analytics – FY23. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BARC, BNPP, CITI, DB, GS, JPM, MS, SG, SCB & UBS
5. QoQ refers to 2Q24 vs 1Q24
6. Reported basis; India PBT includes services centres
7. Multi-jurisdictional client revenue: Financial metric we use to assess our ability to drive value from our international network. Presented on a constant currency basis and excluding HSBC Bank Canada. We identify a client as multi-jurisdictional if they hold a relationship with us that generates revenue in any market outside of the location where the primary relationship is managed (i.e. the clients' home market). Multi-jurisdictional client revenue is a component of wholesale client revenue and represents the total client revenue we generate from multi-jurisdictional clients. Wholesale client revenue is derived by excluding from CMB and GBM reported revenue the revenue we generate from client facilitation in fixed income and equities, as well as other non-client revenue including allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the Global Businesses
8. WPB international customers include multi-jurisdictional, non-resident, and resident foreigner clients. Excludes Canada
9. Excluding notable items

Slide 6: Wholesale Transaction Banking: Maintaining leadership and driving growth through payments

1. Source: Coalition Greenwich Competitor Analytics – FY23. Based on HSBC's internal business structure and internal revenue

2. numbers, and the following peer group: BofA, BARC, BNPP, CA-CIB, CITI, DBS, JPM, SCB. Analysis includes all Institutional Clients and Corporates with annual sales turnover of more than US\$5-10m
2. Euromoney Trade Finance Survey 2024
3. Source: Coalition Greenwich Competitor Analytics – FY23. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BARC, BNPP, CITI, DB, GS, JPM, MS, SG, SCB & UBS

Slide 7: Hong Kong and the UK: Continue driving strong profit generation in our home markets

1. New to bank (NTB) customer count is the sum of HSBC Hong Kong and Hang Seng Bank (HSB) NTB customers. There may be double counting of customers who have banking relationships with both HSBC Hong Kong and HSB
2. 1Q23 gain on acquisition of SVB UK was \$1.6bn in 1H23 (constant currency basis)
3. Source: Bank of England data. Comparison is May 2024 vs May 2023

Slide 8: International connectivity: Our competitive advantage is driving growth

1. Multi-jurisdictional client revenue: Financial metric we use to assess our ability to drive value from our international network. Presented on a constant currency basis and excluding HSBC Bank Canada. We identify a client as multi-jurisdictional if they hold a relationship with us that generates revenue in any market outside of the location where the primary relationship is managed (i.e. the clients' home market). Multi-jurisdictional client revenue is a component of wholesale client revenue and represents the total client revenue we generate from multi-jurisdictional clients. Wholesale client revenue is derived by excluding from CMB and GBM reported revenue the revenue we generate from client facilitation in fixed income and equities, as well as other non-client revenue including allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the Global Businesses
2. WPB international customers include multi-jurisdictional, non-resident, and resident foreigner clients. Excludes Canada

2024 results

Slide 10: 2024 summary

1. Prior period results included contributions from businesses that have now been sold (principally Canada, which contributed c.\$0.5bn revenue / c.\$0.2bn PBT in each of 2Q23 and 1Q24). To facilitate like-for-like comparisons, these contributions, and other impacts from strategic transactions, are excluded from some period on period commentary. See pages 14 and 42 of the Interim Report, and slide 50, for further details
2. Cost growth is on a target basis which excludes the direct cost impact of our disposals in France and Canada from the 2023 baseline. It is measured on a constant currency basis and excludes notable items and the impact of retranslating the prior year results of hyperinflationary economies at constant currency, which we consider to be outside of our control. Our ~(-5)% cost growth guidance reflects our current business plan for 2024

Slide 13: Banking NII

1. Based on our current forecasts using market implied interest rates as of mid-July 2024. This guidance remains dependent on the path of interest rates globally
2. Banking NII of \$11.6bn included \$0.4bn due to methodology changes which related broadly equally to 1Q23 and 2Q23
3. 4Q23 included impacts of \$(0.5)bn from Argentina hyperinflation accounting and \$(0.3)bn from the reclassification of cash flow hedge revenue between NII and non-NII

Footnotes

Slide 14: Fee and other income: Wholesale Transaction Banking and Wealth

1. Includes (i) GFX in GBM management view of income; (ii) GFX from cross sale of FX products to CMB clients, included within 'CMB Markets products, Insurance and Investments and Other'. GFX includes our emerging markets business

Slide 15: Credit performance

1. Including held-for-sale balances
2. Including held-for-sale balances; the medium term is defined as 3-4 years from 1 January 2024

Slide 16: Costs

1. Cost growth is on a target basis which excludes the direct cost impact of our disposals in France and Canada from the 2023 baseline. It is measured on a constant currency basis and excludes notable items and the impact of retranslating the prior year results of hyperinflationary economies at constant currency, which we consider to be outside of our control. Our ~(-5)% cost growth guidance reflects our current business plan for 2024

Slide 18: Capital and distributions

1. Includes AT1 coupons paid

Slide 19: Outlook

1. Based on our current forecasts using market implied interest rates as of mid-July 2024. This guidance remains dependent on the path of interest rates globally
2. Including held-for-sale balances. The medium term is defined as 3-4 years from 1 January 2024
3. Cost growth is on a target basis which excludes the direct cost impact of our disposals in France and Canada from the 2023 baseline. It is measured on a constant currency basis and excludes notable items and the impact of retranslating the prior year results of hyperinflationary economies at constant currency, which we consider to be outside of our control. Our ~(-5)% cost growth guidance reflects our current business plan for 2024
4. The medium term is defined as 3-4 years from 1 January 2024 and the long term is defined as 5-6 years from 1 January 2024

Appendix

Slide 21: Guidance summary

1. The medium term is defined as 3-4 years from 1 January 2024 and the long term is defined as 5-6 years from 1 January 2024
2. Refer to slide 19, footnote 3

Slide 23: Banking NII

1. On a constant currency basis: 2Q23 \$11.1bn, 3Q23 \$11.1bn, 4Q23 \$10.1bn, 1Q24 \$11.1bn
2. Funding is used to fund assets that generate trading and fair value income, primarily relating to GBM
3. 2Q23 included c.\$0.4bn due to methodology changes, of which c.\$0.2bn related to 1Q23 and c.\$0.2bn to 2Q23
4. 4Q23 included: (i) \$(0.5)bn of Argentina hyperinflation accounting; (ii) the reclassification of \$(0.3)bn of cash flow hedge revenue between NII and non-NII, of which \$(0.2)bn related to 9M23. (Argentina NII was \$0.0bn in 4Q23 / \$1.0bn in FY23, including the impact of hyperinflation adjustments of \$(0.5)bn in 4Q23 / \$(0.5)bn in FY23)

Slide 24: Net interest margin

1. Based on HK deposit balance of \$544bn and the c.3.5ppts difference between the average rates paid on time deposits and CASA as at 18 July 2024. Actual NII impact of migration will depend on rates paid and market conditions

Slide 26: Wholesale Transaction Banking and Wealth

1. Includes (i) GFX in GBM management view of income; (ii) GFX from cross sale of FX products to CMB clients, included within 'CMB Markets products, Insurance and Investments and Other'. GFX includes our emerging markets business
2. Loans to customers and banks, not including balances in held-for-sale
3. Relates to: (i) Securities Services; (ii) Issuer Services (included in Investment Banking)

Slide 27: Wholesale multi-jurisdictional revenue

1. Multi-jurisdictional client revenue: Financial metric we use to assess our ability to drive value from our international network. Presented on a constant currency basis and excluding HSBC Bank Canada. We identify a client as multi-jurisdictional if they hold a relationship with us that generates revenue in any market outside of the location where the primary relationship is managed (i.e. the clients' home market). Multi-jurisdictional client revenue is a component of wholesale client revenue and represents the total client revenue we generate from multi-jurisdictional clients. Wholesale client revenue is derived by excluding from CMB and GBM reported revenue the revenue we generate from client facilitation in fixed income and equities, as well as other non-client revenue including allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the Global Businesses
2. Refers to clients whose Global Relationship Manager is based in the US, Rest of Americas, UK RFB and UK NRFB and the Rest of Europe
3. Refers to clients whose Global Relationship Manager is based in Asia or MENAT

Slide 28: Wholesale multi-jurisdictional revenue

1. Allocated revenue and other includes allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the global businesses, as well as HSBC Bank Canada
2. Revenue from portfolio management and XVAs across all Markets products and client revenue from Global Debt, Global Equities and Securities Financing
3. The break-up of multi-jurisdictional revenue of \$15.8bn is a managed view, i.e. a portion of this revenue is booked in the region shown and a portion is booked elsewhere

Slide 29: WPB international revenue

1. Includes multi-jurisdictional, non-resident, and resident foreigner clients. Excludes Canada

Slide 30: WPB international revenue

1. Includes allocation of Markets Treasury revenue, Asset Management third party and other revenues not attributable to customers

Slide 32: Global CRE exposures

1. Commercial real estate lending includes the financing of corporate, institutional and high net worth customers who are investing primarily in income producing real estate assets and to a lesser extent their construction and development

Footnotes

Slide 34: FY24 cost target basis reconciliation

1. Refer to slide 19, footnote 3

Slide 36: Argentina

1. RWAs (excluding Operational Risk RWAs) as at 30JUN24

Slide 40: 2Q24 vs. 1Q24 equity drivers

1. Differences between shareholders' equity and tangible equity drivers primarily reflect goodwill and other intangible impairment and amortisation expense within 'Profit Attributable to Ordinary shareholders', FX on goodwill and intangibles within 'FX', and intangible additions and other movements within 'Other'

Slide 44: Insurance manufacturing

1. Insurance net dividends of \$524m (1H23: \$327m) consists of gross dividend remittances of \$569m (1H23: \$453m) by insurance manufacturing entities to their immediate holding companies, less CET1 qualifying capital injections of \$45m (1H23: \$126m)
2. Source: Hong Kong Insurance Authority 1Q24. ANP is a measure of new business written in the period, comprising annualised new business regular premiums plus 10% of new business single premiums. Includes Hang Seng

Slide 46 Global Banking and Markets

1. Relates to: (i) Securities Services; (ii) Issuer Services (included in Investment Banking)

Slide 48: Hong Kong

1. Source: HKMA, May 2024 vs. December 2023
2. WPB active customer count is the sum of HSBC Hong Kong and Hang Seng Bank (HSB) active customers. There may be double counting of customers who have banking relationships with both HSBC Hong Kong and HSB. HSBC Hong Kong WPB active customers includes c.0.5m PayMe customers who have no other relationship with HSBC. Hang Seng excludes Private Banking customers. Includes c.870k customers who are non-resident Chinese

Slide 49: UK ring-fenced bank

1. Source: Bank of England data, May 2024
2. UK Finance data to May 2024, excluding HSBC Legacy Partnership Limited balances (formerly John Lewis Financial Services Limited)
3. 2024 Euromoney Trade Survey, 'Market Leader' award
4. Excludes Private Bank

Slide 50: Reconciliations: Impact of notable items and strategic transactions

1. We consider the monthly impacts of distorting income statement results when calculating the impact of strategic transactions

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Forward-looking statements

This Presentation may contain projections, estimates, forecasts, targets, commitments, ambitions, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, ESG related matters, strategy and business of the Group which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “plan”, “estimate”, “seek”, “intend”, “target”, “believe”, “potential” and “reasonably possible” or the negatives thereof or other variations thereon or comparable terminology (together, “forward-looking statements”), including the strategic priorities and any financial, investment and capital targets and any ESG targets, commitments and ambitions described herein. Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market or economic conditions, regulatory and government policy changes, increased volatility in interest rates and inflation levels and other macroeconomic risks, geopolitical tensions such as the Russia-Ukraine war and the Israel-Hamas war and potential further escalations, specific economic developments, such as the uncertain performance of the commercial real estate sector in mainland China, or as a result of data limitations and changes in applicable methodologies in relation to ESG related matters). Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, targets, commitments, ambitions, prospects or returns contained herein.

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 2023 filed with the Securities and Exchange Commission (the “SEC”) on Form 20-F on 22 February 2024 (the “2023 Form 20-F”), our 1Q 2024 Earnings Release furnished with the SEC on Form 6-K on 30 April 2024 (the “1Q 2024 Earnings Release”) and our Interim Financial Report for the six months ended 30 June 2024, which we expect to furnish with the SEC on Form 6-K on 31 July 2024 (the “Interim Report 2024”).

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 our 2023 Form 20-F, 1Q 2024 Earnings Release and the 2024 Interim Report, when furnished with the SEC, each of which is available at www.hsbc.com.

Information in this Presentation was prepared as at 31 July 2024.

