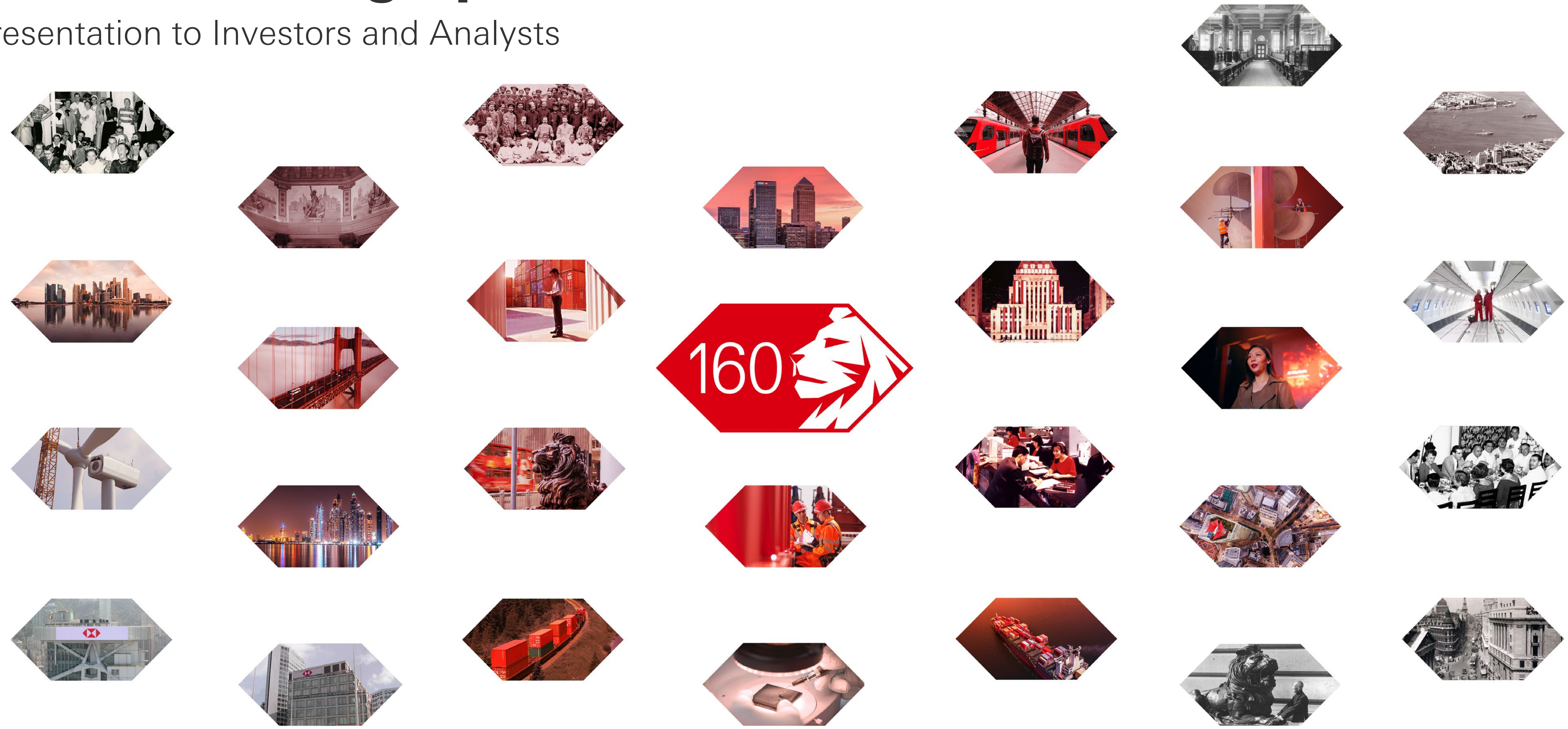
HSBC Holdings plc 4Q24 Results

Presentation to Investors and Analysts



Business update

Georges Elhedery
Group CEO

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Our FY24 performance

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FY24 performance

$26.9bn of distributions to shareholders[1], on the back of our strong performance

Earnings

- **Record PBT**
  - $32.3bn, +6% YoY on a reported basis (o/w: WPB $12.2bn, CMB $11.9bn, GBM $7.1bn)
  - $34.1bn excluding notable items, +4% YoY on a constant currency basis
- **$1.25 EPS / $1.31 excl. material notable items** and related impacts (FY23: $1.15 / $1.22)

Return on tangible equity

- 14.6% (FY23: 14.6%)
- **16.0% excluding notable items** (FY23: 16.2%)

Distributions

- **$26.9bn in respect of 2024**[1] (FY23: $20.8bn)
  - $0.87 DPS — $0.66 ordinary dividend, $0.21 special dividend (FY23 DPS: $0.61)
  - $11bn share buybacks[2] (FY23: $9bn)

Unless otherwise stated, this presentation is presented on a constant currency basis. ▶ denotes a measure shown on a reported FX basis. In this presentation, % changes relating to ECL and costs in ( ) represent adverse movements. Figures throughout this presentation may be subject to rounding adjustments and may not sum precisely to totals given in charts, tables or commentary. The medium term refers to 3-5 years from 1 January 2025

Benefits from our organisational simplification

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Benefits from our organisational simplification

We are moving at pace to simplify the Group and unlock our growth potential

1

Simplified the Group

- Elevated and empowered our two home markets
- Combined our two wholesale businesses
- ~60% of revenue moved from matrix management to one single line of accountability[1]

2

Committed to deliver ~$1.5bn of savings from our re-organisation by YE26*

- Primarily de-duplication of roles from organisational simplification, **reduction in staff expenses of c.8%**; immaterial impact on revenue
- **To be taken to the bottom line**

3

Generate incremental investment capacity for our priority growth areas

- Over the medium term, we aim to re-allocate an additional ~$(1.5)bn of costs from non-strategic activities to areas where we have clear competitive advantages and generate accretive returns

2025 – 2027 returns

Mid-teens return on tangible equity each year

excluding notable items[2]

* Annualised. Severance and other up-front costs of c.$(1.8)bn will be treated as notable items — see slide 29

We've aligned our business structure to our strategic priorities (1)

Leading, scale businesses in our home markets

	Hong Kong business	UK business
Activities	Retail Banking Wealth distribution Commercial Banking	Retail Banking Wealth distribution Commercial Banking
Market position	**Leading bank** **#1** by loans[1] **#1** by deposits[2]	**#3 by UK profits**[3] **#4** by loans[4] **#4** by deposits[5]
FY24 re-presented[6]	$9.1bn PBT, 28% of Group ~38% RoTE	$6.6bn PBT, 20% of Group ~25% RoTE

Effective from 1 January 2025, the Group's reporting segments under IFRS 8 'Operating Segments' will comprise four new businesses – Hong Kong, UK, Corporate and Institutional Banking, and International Wealth and Premier Banking – along with Corporate Centre. These will replace our previously reported operating segments up to 31 December 2024. Further detail on our new businesses can be found on page 103 of our Annual Report and Accounts 2024

We've aligned our business structure to our strategic priorities (2)

Global scale in our international network businesses

	Corporate and Institutional Banking (CIB)	International Wealth and Premier Banking (IWPB)
Activities	Serving clients across our network, focus on: ◆ Cross-border transaction banking ◆ Lending, capital markets financing ◆ Deposits	◆ Premier Banking in our priority international markets ◆ Asset Management ◆ Private Banking ◆ Insurance manufacturing
Market position	◆ **#1** in Trade[1] ◆ **#2** in Payments[2] ◆ **Joint #2** in FX[3] ◆ **#2** Securities Services in APAC[4]	◆ **#2** Asia Private Bank[5] ◆ A leading life insurer in Asia; **#1** in Hong Kong with 24% market share[6]
FY24 re-presented[7]	◆ $11.4bn PBT, 35% of Group ◆ ~14% RoTE	◆ $4.0bn PBT, 12% of Group ◆ ~16% RoTE

Market position for Trade, Payments, FX and Securities Services represents our rank based on internal business structure and revenue. See footnotes 1 to 4 for further detail

Building on our strengths

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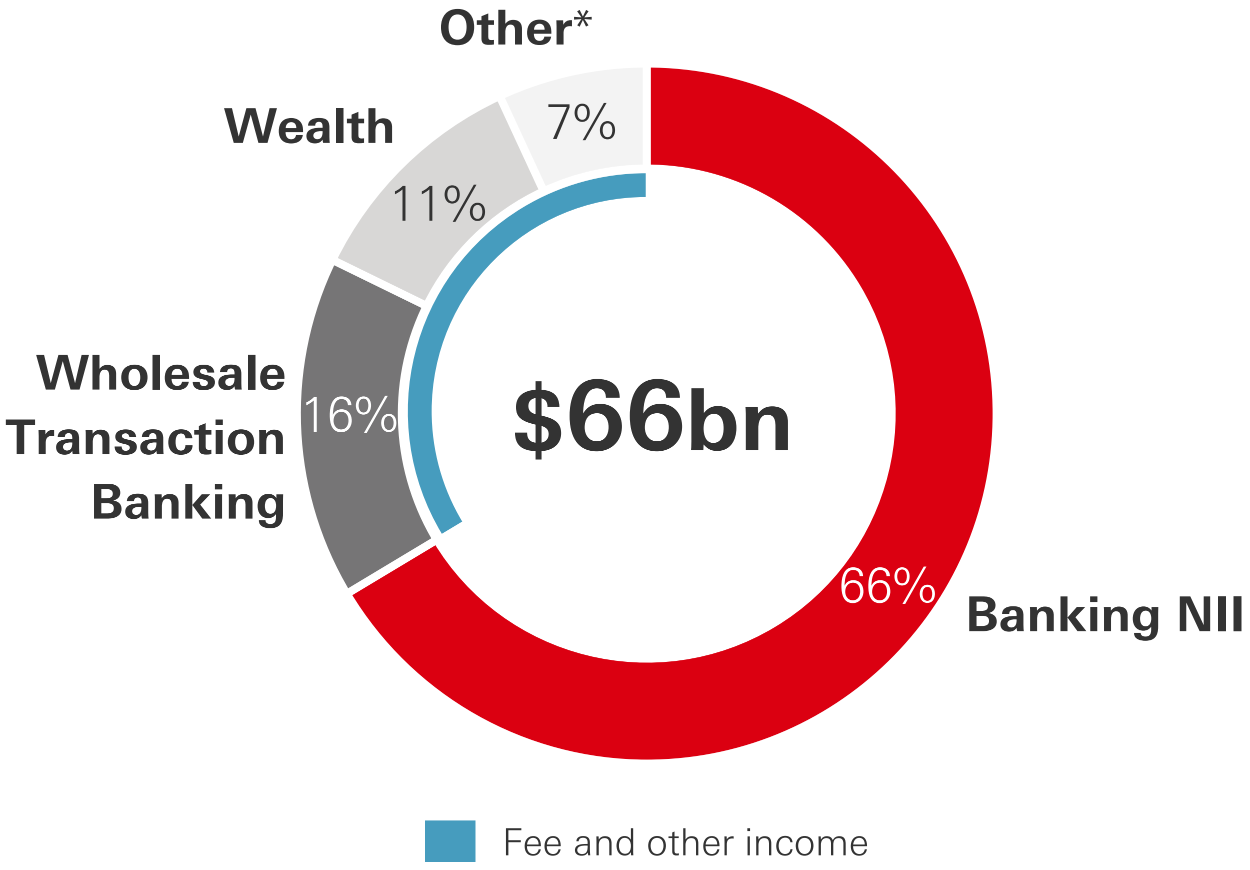
We generate recurring, predictable revenue streams

>90% of revenue is from Banking NII, Wholesale Transaction Banking and Wealth

FY24 revenue



Banking NII | Strong balance sheet positions in all our businesses

Wholesale Transaction Banking | Leading market position, powered by the strength of our global network

Wealth | Leading market position in Asia, supported by the strength of our franchise in Hong Kong

* Primarily: Investment Banking, Debt and Equity Markets; Retail Banking; Wholesale Credit and Lending

We have a strong deposit base

Our deposit strength drives Banking NII and gives us the funding capacity to support our customers

Strong deposit franchise in each of our businesses

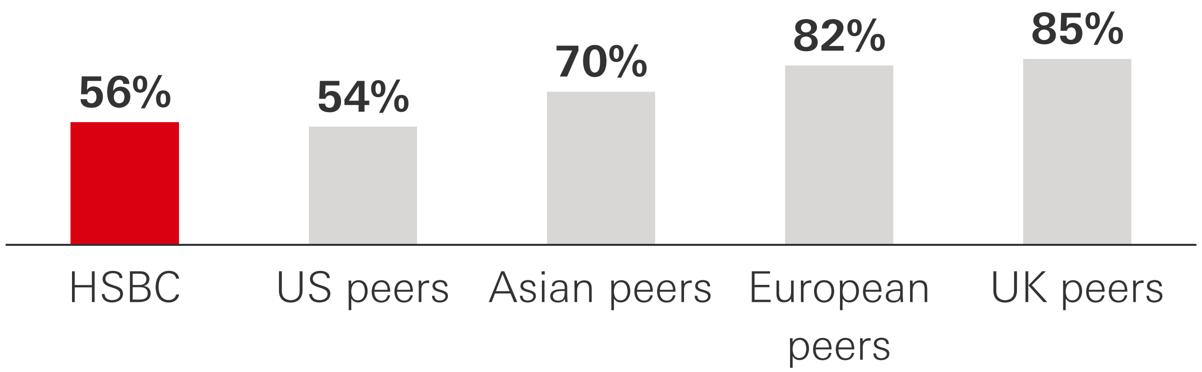
Group

$1.7tn | 56% loan to deposit ratio

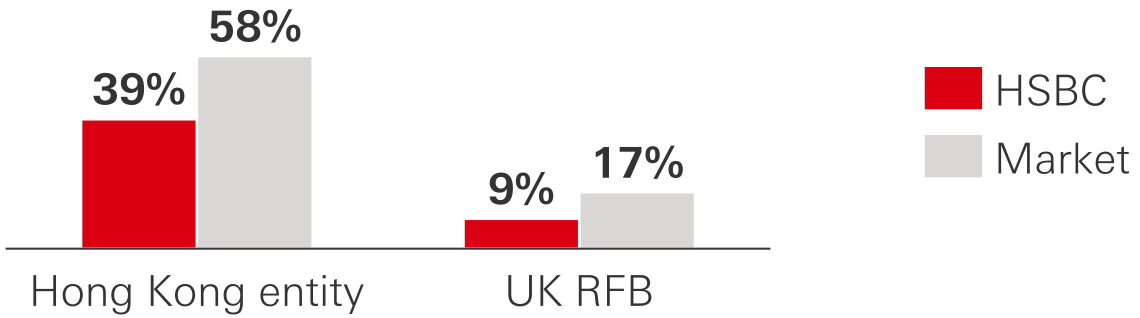
	HK	UK	CIB	IWPB
Deposits[1]	$507bn	$330bn	$558bn	$259bn
Loan to deposit ratio[1]	46%	81%	51%	53%

High quality deposit base

Loan to deposit ratio[2]

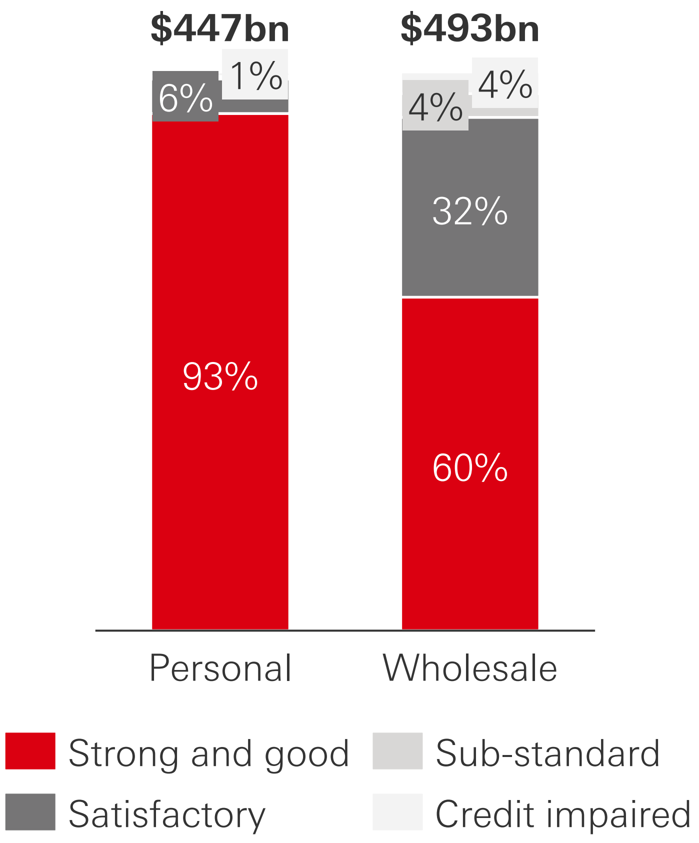


Time deposits as a % of customer accounts[3]



We maintain a high-quality loan portfolio

Gross loans by credit quality



89% of loans to personal customers are secured with good levels of collateral

60% of loans to wholesale customers have a rating equivalent to investment grade[1]

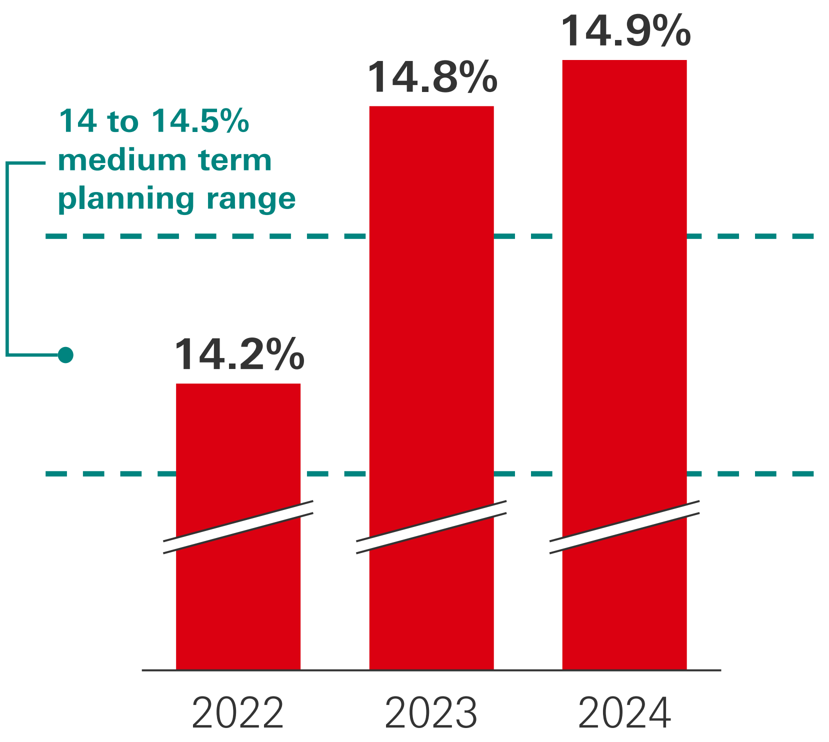
- Medium term ECL planning range of (30) to (40)bps*
- 2018 to 2024 average ECL charge (32)bps†

* As a percentage of average gross loans, including held-for-sale loan balances
† As reported in each respective year

We manage our capital with discipline

$47.7bn of distributions to shareholders in respect of 2023 and 2024

CET1 ratio



$47.7bn

of distributions to shareholders 2023-2024

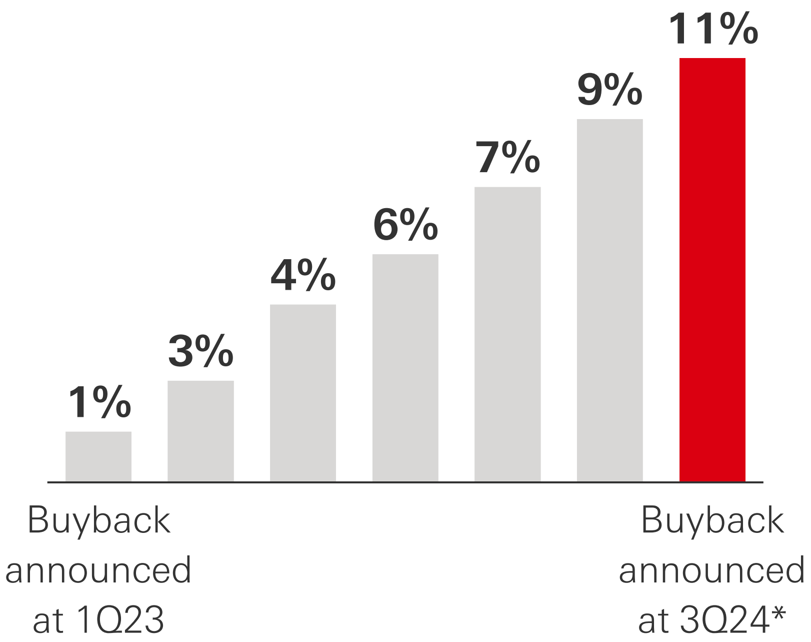
Comprising:

$27.7bn
dividends

$20bn
buybacks

Repurchased 11% of the YE22 issued share count[1]

Cumulative shares repurchased as a % of YE22 issued share count[1]



Distribution amounts shown are in respect of FY23 and FY24, including: (1) $23.7bn ordinary dividends, using an approximate distribution amount for the fourth interim dividend in respect of 2024, payable on 25 April 2025; (2) $3.9bn relating to the $0.21 special dividend paid in 2024; (3) $20bn share buybacks, including the up to $2bn buyback announced at 4Q24 results

* Buyback was completed on 11 February 2025. Includes shares repurchased after 31 December 2024

Investing for growth

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We aim to generate consistent mid-teens returns over the next three years

External environment

Benign rate outlook*, though policy uncertainty remains

Changing trade patterns provide us with opportunities to support our clients, but there are risks of potential disruption

Growing opportunity in Asia Wealth, though highly competitive

Actions

1 Drive operating leverage as an ongoing process
- Cost efficiency and optimisation
- Continuous improvements in productivity

2 Dynamic balance sheet management and capital allocation

3 **Invest for strategic, long-term growth**

2025 – 2027 returns

Mid-teens return on tangible equity each year

excluding notable items[1]

* As of 18 February, futures markets imply 2-3 further 25bps rate cuts in USD and GBP by the end of 2026, and 3-4 in EUR

We will focus our investment for long term strategic growth (1)

Key areas of growth and prioritised investments

	Growth opportunities	Investment priorities
Home markets (HK and UK)	Grow customer base in HK through acquisition of **new-to-bank international customers** and drive **wealth sales and digital** penetration	Invest in **wealth centres, increase number of RMs** and enhance **digital capabilities** to improve customer experience and operating capacity
	Grow our market share in the **SME segment** in the UK	Enhance SME **coverage** and improve our **product proposition** and **customer service** capabilities
Corporate and Institutional Banking (CIB)	Leverage our **network** and **wholesale transaction banking** capabilities to capture opportunities arising from changing trade and capital flows	Further enhance our **wholesale transaction banking capabilities** to drive growth
	Drive returns through a **distribution-led financing model** leveraging our strong underwriting capabilities	Enhance our **risk distribution** capabilities

We will focus our investment for long term strategic growth (2)

Key areas of growth and prioritised investments

	Growth opportunities	Investment priorities
International Wealth and Premier Banking (IWPB)	Drive **customer acquisition** in Singapore and other growth markets, leveraging our strong deposit gathering capabilities and internal referrals	Hire additional **Relationship Managers** and develop new acquisition partnership channels
	Deepen **wealth penetration** and grow invested assets	Establish **new wealth centres** and invest in **digital end to end journeys**
	Grow our **share of mandates** within our invested assets	Expand **wealth product offering**
	Capture greater share of **corridor flows**	Enhance **cross-border referral** mechanisms between markets

AI / Gen AI

- Improve **customer service** through AI-supported mobile apps and strengthened contact centre capabilities
- Improve **technology productivity** with coding assistants
- Improve **process efficiency** in onboarding, KYC and credit applications
- **Help protect our customers** better against fraud and cyber crime

A mid-teens RoTE provides us with a range of options for capital deployment

Capital deployment — priorities

1. Dividend
2. Balance sheet growth
3. Buybacks / acquisitions

Criteria for acquisitions

- Fully aligned to strategy
- Add scale to our franchise or capabilities
- Confident that integration will not create a distraction from driving organic growth
- More value-generative than a share buyback

Returns drive EPS growth over time

A mid-teens RoTE creates the capacity to grow the balance sheet, reduce the share count or both, while maintaining a 50% payout ratio[1]

Mid-teens RoTE → **Dividend** (50% dividend payout ratio in 2025*) **and** **CET1 equivalent to:** 8-9% RWA growth / 6-7% of TNAV

6% boost to FY24 DPS from share count reduction

Profit attributable to ordinary shareholders	+2%
Average share count†	(6)%
Earnings per share	+9%
Ordinary dividend per share	+8%

* 50% of profit attributable to ordinary shareholders excluding material notable items and related impacts
† After deducting own shares held

Your HSBC

1 Simplified the Group, creating a simple, more agile HSBC fit for future opportunities and challenges

- Committed to deliver ~$1.5bn of simplification savings from our re-organisation by YE26*, to be taken to the bottom line

2 Focused on growth opportunities where we have a clear competitive advantage and accretive returns

- Aiming to re-allocate an additional ~$(1.5)bn of costs from non-strategic activities to priority growth areas in the medium term

3 **Targeting a mid-teens RoTE excluding notable items each year from 2025 to 2027**[1]

* Annualised. Severance and other up-front costs of c.$(1.8)bn will be treated as notable items — see slide 29

4Q24 results

Pam Kaur
Group CFO

HSBC

4Q24 summary

Income statement

- **$2.3bn PBT** included $(5.0)bn notable items, principally $(5.2)bn on Argentina disposal*
- **$7.3bn PBT ex. notable items** / +10% YoY, primarily higher revenue
- FY24 costs (5)% YoY on a target basis, in line with guidance

Balance sheet

- $1.7tn deposits, +3% QoQ
- $931bn loans, stable QoQ

Capital & distributions

- **14.9% CET1 ratio**
- Completed $3bn share buyback announced at 3Q24
- **$8.4bn further distributions announced**[1]
  - $0.36 DPS
  - Up to $2bn share buyback, which we intend to complete before our 1Q25 results in April

* $(5.2)bn relates to the recycling of foreign currency translation reserve losses and other reserves – no incremental impact on CET1 or the dividend, see slide 52

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Financial performance

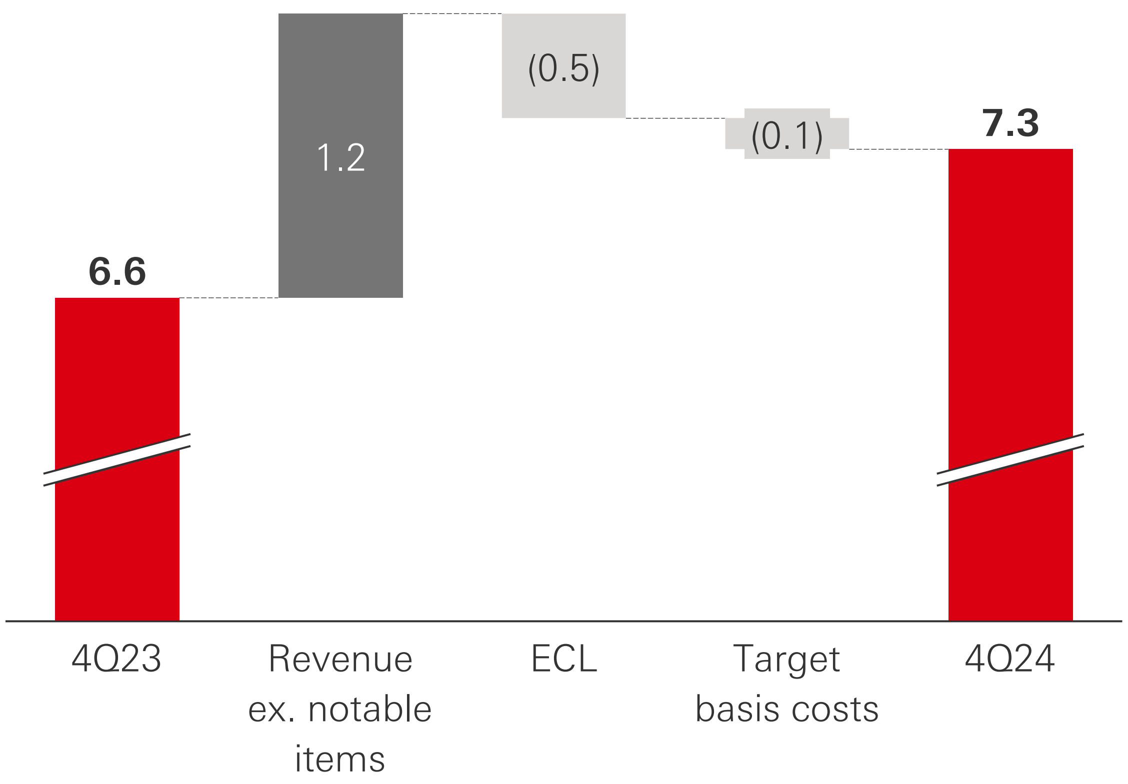
Income statement, $bn	4Q23	4Q24	Δ, $	Δ, %
Revenue	**12.5**	**11.6**	**(1.0)**	**(8)%**
ECL	(0.9)	(1.4)	(0.5)	(50)%
Costs	(8.4)	(8.6)	(0.2)	(2)%
Associates	(2.4)	0.7	3.1	>100%
PBT	**0.8**	**2.3**	**1.5**	**>100%**
Reported PBT	1.0	2.3	1.3	>100%
Tax	(0.8)	(1.7)	(0.9)	>(100)%
PAOS	**(0.2)**	**0.2**	**0.4**	**>100%**
Revenue ex. notable items	**15.3**	**16.5**	**1.2**	**8%**
Target basis costs	(8.4)	(8.5)	(0.1)	(2)%
PBT ex. notable items	**6.6**	**7.3**	**0.7**	**10%**

Key financial metrics	4Q23	4Q24	Δ
EPS, $	(0.01)	0.01	$0.02
EPS excl. material notable items†, $	0.25	0.29	$0.04
DPS, $	0.31	0.36	$0.05
TNAV per share, $	$8.19	$8.61	$0.42
RoTE excl. notable items (YTD), %	16.2	16.0	(0.2)ppts

Balance sheet, $bn	3Q24	4Q24	Δ, $	Δ, %
Customer loans	931	931	(1)	(0)%
Customer deposits	1,603	1,655	52	3%
CET1 ratio, %	15.2	14.9		(0.3)ppts

$2.3bn PBT included $(5.0)bn notable items, principally $(5.2)bn on Argentina disposal*

PBT excluding notable items, $bn



* $(5.2)bn relates to the recycling of foreign currency translation reserve losses and other reserves – no incremental impact on CET1 or the dividend, see slide 52

† Excluding material notable items and related impacts

Revenue

+$1.2bn YoY excluding notable items, driven by Banking NII and Wealth

Constant currency, $bn	4Q23	4Q24	Δ
Banking NII	**10.0**	**11.0**	**0.9**
Fee and other income	**2.5**	**0.6**	**(1.9)**
— Wholesale Transaction Banking	2.5	2.5	0.0
— Wealth	1.3	1.6	0.4
— Other	(1.3)	(3.6)	(2.2)
— of which: notable items	*(2.7)*	*(5.0)*	*(2.3)*
Revenue	**12.5**	**11.6**	**(1.0)**
Memo: revenue excluding notable items	15.3	16.5	1.2

4Q24 principally Argentina disposal

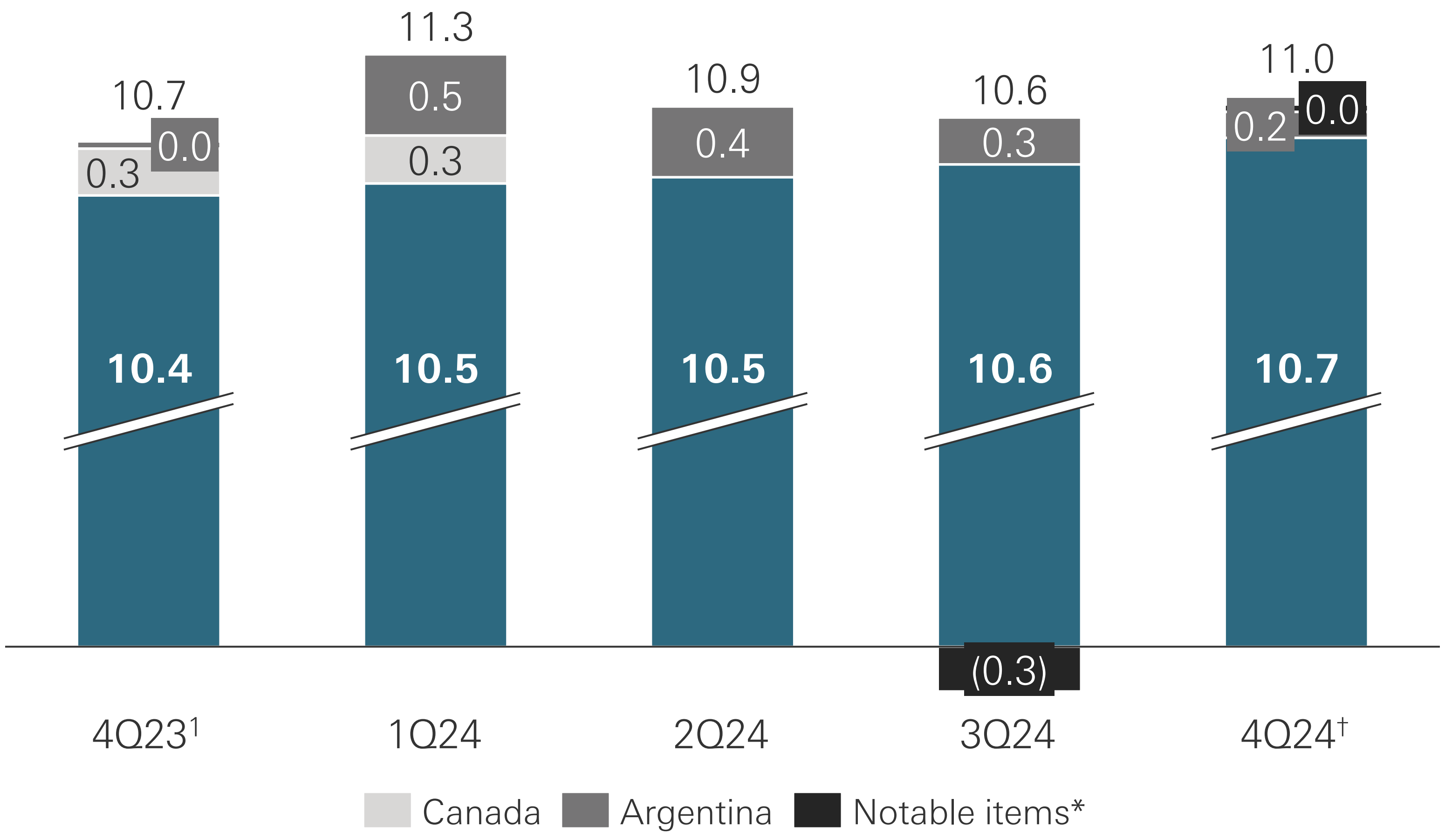
4Q23 principally France retail loss on sale

Table does not cast due to rounding. Notable items for Banking NII and fee and other income are shown on slide 45

Banking NII (1)

Run-rate broadly stable QoQ

Reported FX, $bn



Run-rate broadly stable QoQ: Deposit growth and structural hedge unwind‡ partly offset by lower interest rates

Expect FY25 Banking NII of around $42bn, based on our modelling of several market dependent factors§

Banking NII in $m on slide 39

* 3Q24: $(283)m loss on early redemption of legacy securities. 4Q24: $46m adjustment to reflect redemption settlement and related hedge movements

† 4Q24 Banking NII: $10,950m, of which notable items $46m and Argentina $165m

‡ Reinvestment of maturing structural hedge assets at higher yields — see slide 40

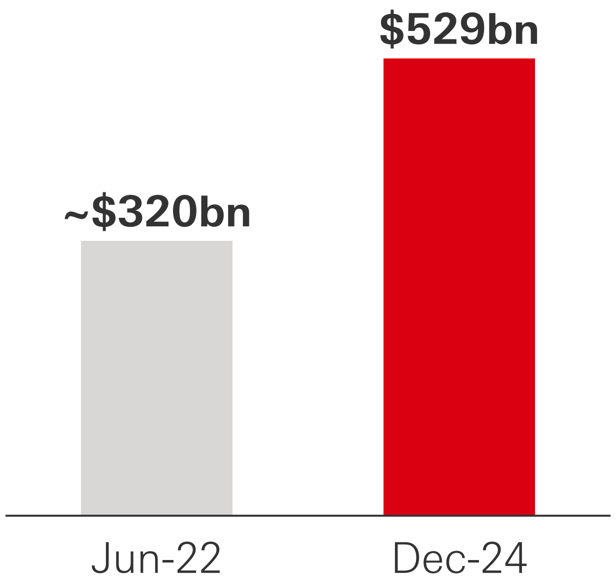
§ If changes in these factors impact the output of our modelling, we would update our expectation for 2025 Banking NII at future quarterly results announcements

Banking NII (2)

Investment in the structural hedge has reduced our interest rate sensitivity and will support Banking NII

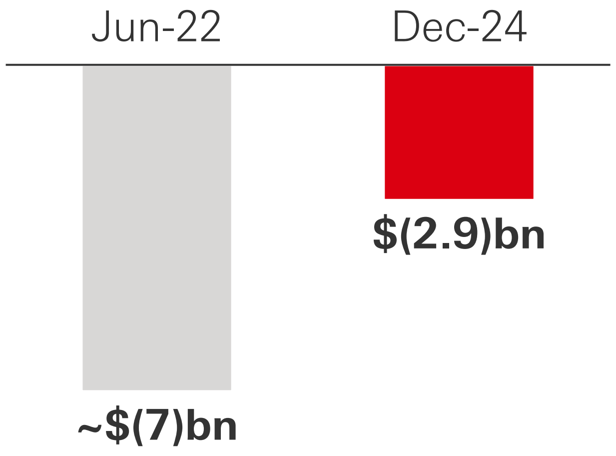
Investment in the structural hedge

Structural hedge notional balance



Reduction in rate sensitivity

Year 1 Banking NII sensitivity to a (100)bps down-shock*



We estimate that ~50% of the reduction in Banking NII sensitivity since Jun-22 was driven by increases in the notional and duration of the structural hedge

Support to Banking NII

Structural hedge re-investments by year

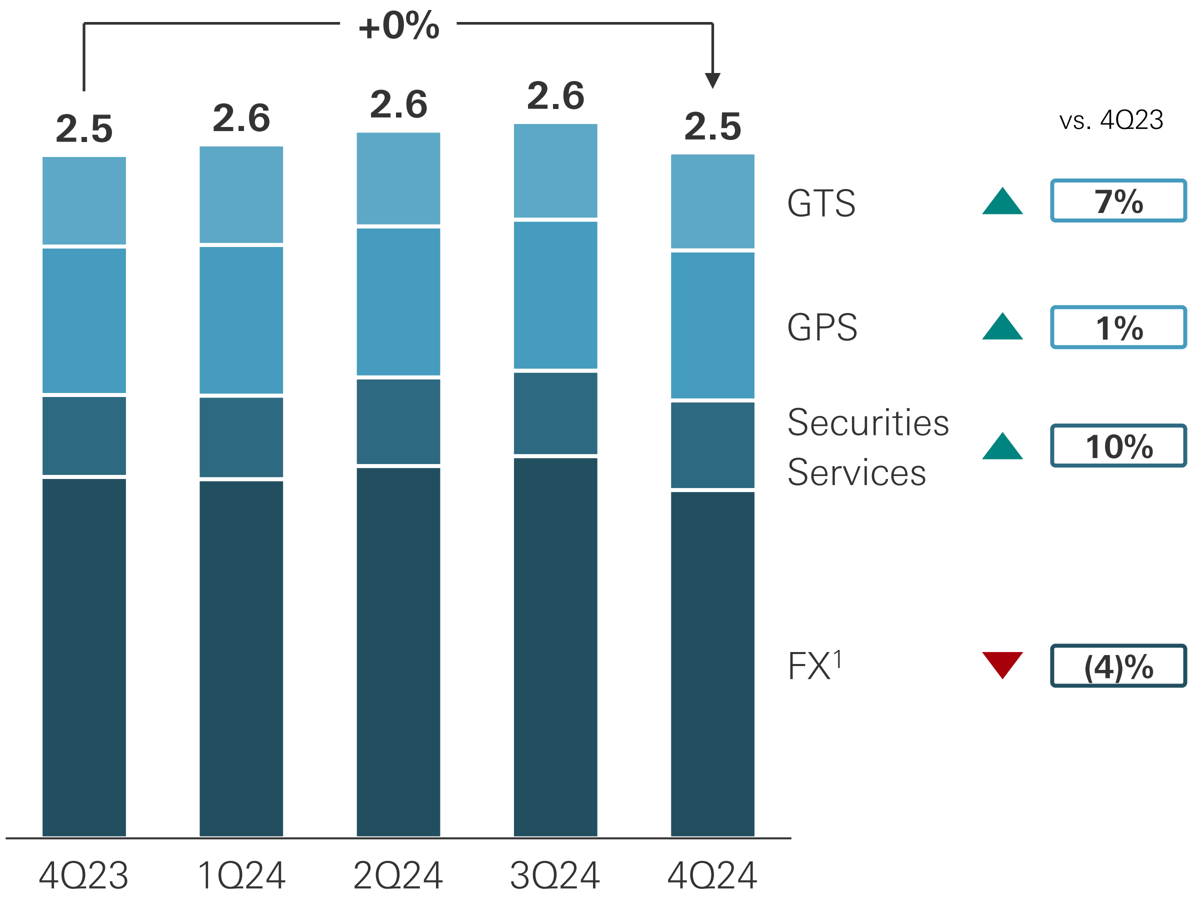
$bn	Balance	Average yield
Total	529	
— o/w: FY25	~95	~2.8%
— o/w: FY26	~95	~2.8%
— o/w: FY27	~90	~3.4%

* Assumptions include a static balance sheet, no management actions and a 50% pass-through – see page 212 of our Annual Report and Accounts 2024 for further detail

Fee and other income: Wholesale Transaction Banking

Stable YoY

Fee and other income, $bn



Stable fee and other income vs. 4Q23 (up 3% excluding the impact of strategic transactions, principally the sale of Canada)

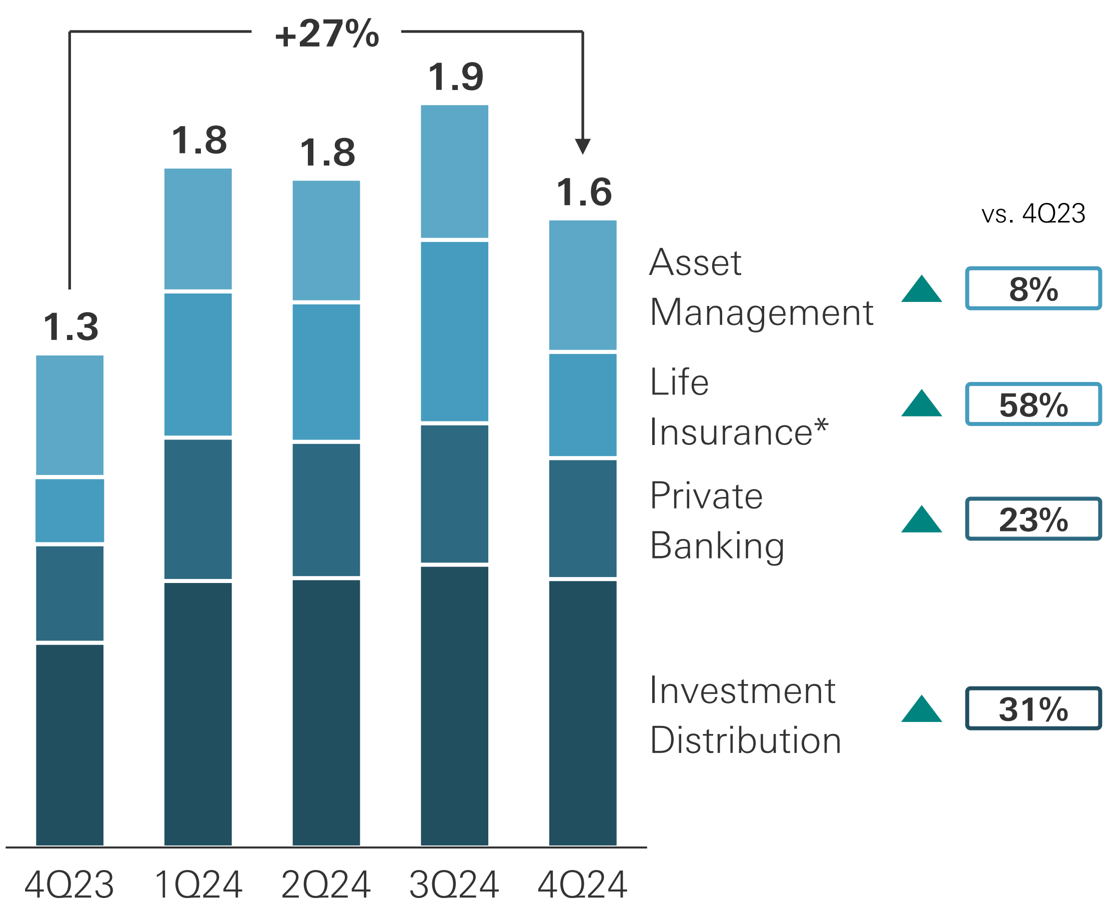
- **Global Trade Solutions** — higher volumes, primarily in Asia, the Middle East and Europe
- **Global Payments Solutions** — +1%, or +5% excluding the impact of strategic transactions, driven by higher volumes and new client mandates
- **Securities Services** — primarily driven by a gain on sale within our fund administration business
- **FX** — down due to a strong comparative period

See slide 42 for further detail

Fee and other income: Wealth

Fourth consecutive quarter of double-digit % YoY growth

Fee and other income, $bn



- Growth in all products vs. 4Q23
- Life insurance: good business performance in the quarter (new business CSM $0.4bn, +15% YoY)
- Net new invested assets of $5bn (seasonally lower in Q4 due to fluctuations between wealth products and deposits), bringing FY24 NNIA to $64bn

4Q24 metrics

234k
New-to-bank WPB customers in Hong Kong
(9M24: 565k)

$12.1bn
CSM balance†
(4Q23: $10.8bn)

$5bn
Net new invested assets
o/w Asia $(2)bn
(4Q23: $17bn / Asia $4bn)

$1.3tn
Invested assets
(4Q23: $1.2tn)

See slide 42 for further detail

* 4Q23 included c.$(0.2)bn corrections to historical valuation estimates. 4Q24 impacted by $(0.1)bn mark-to-market losses from fluctuations in mainland China discount rates

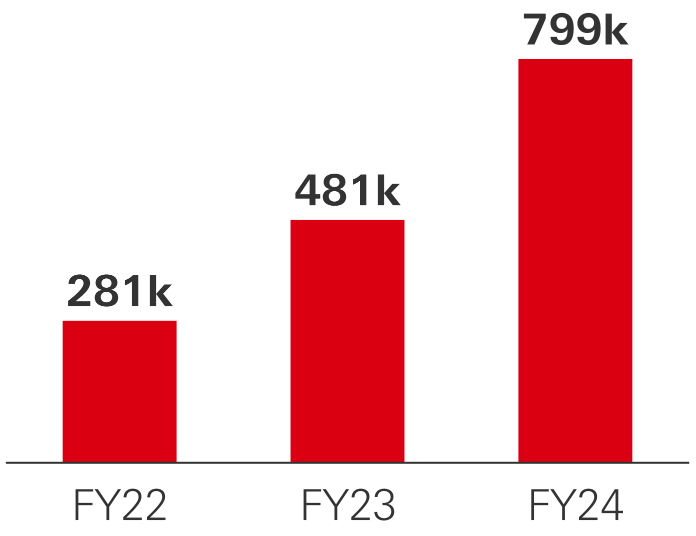
† In 4Q24, $0.9bn moved to held-for-sale due to the planned sale of our French life insurance business

Wealth outlook

Expect to grow fee and other income at a double-digit % CAGR over the medium term

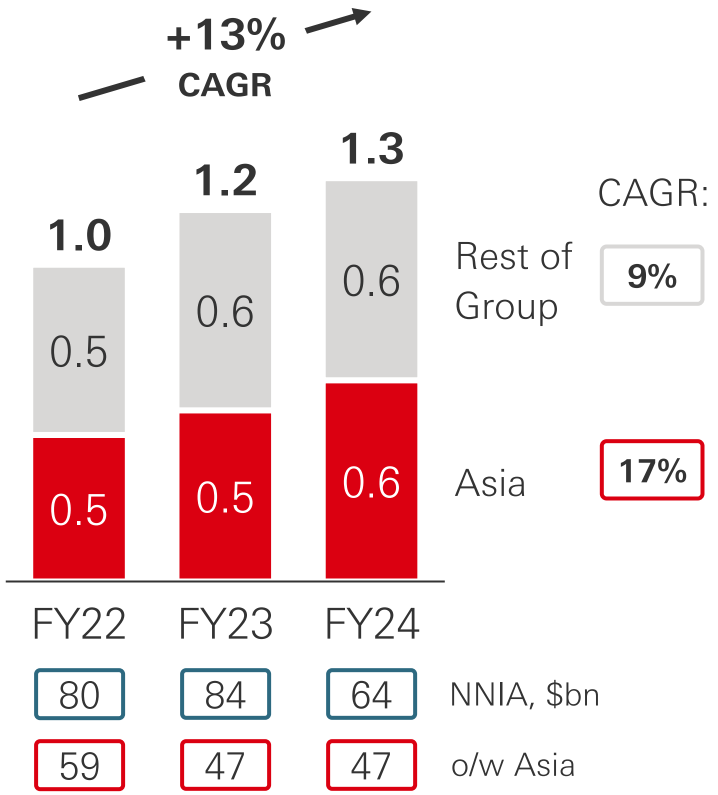
New-to-bank customers in Hong Kong

For new customers, total balances and wealth penetration tend to increase over time



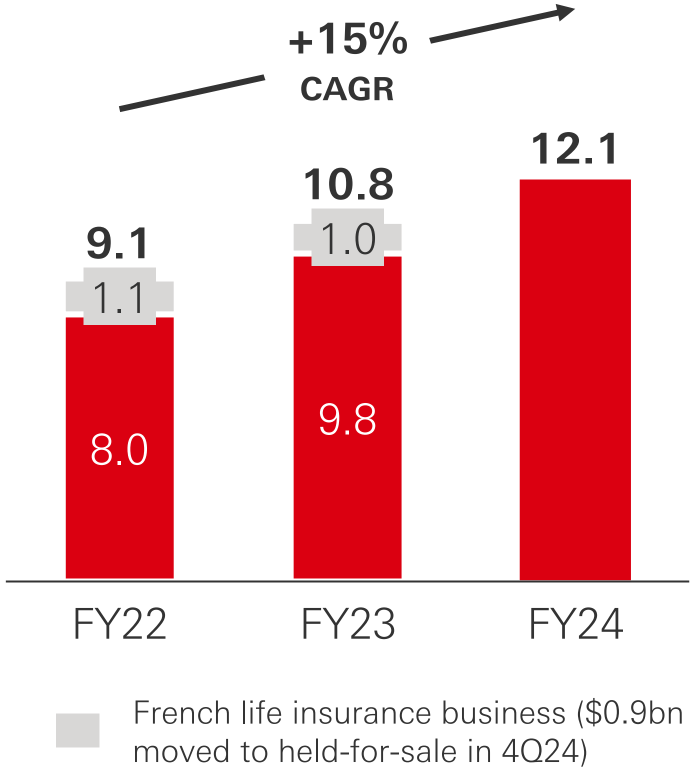
Invested assets, $tn

Double digit CAGR since 2022, strength in Asia



CSM balance, $bn

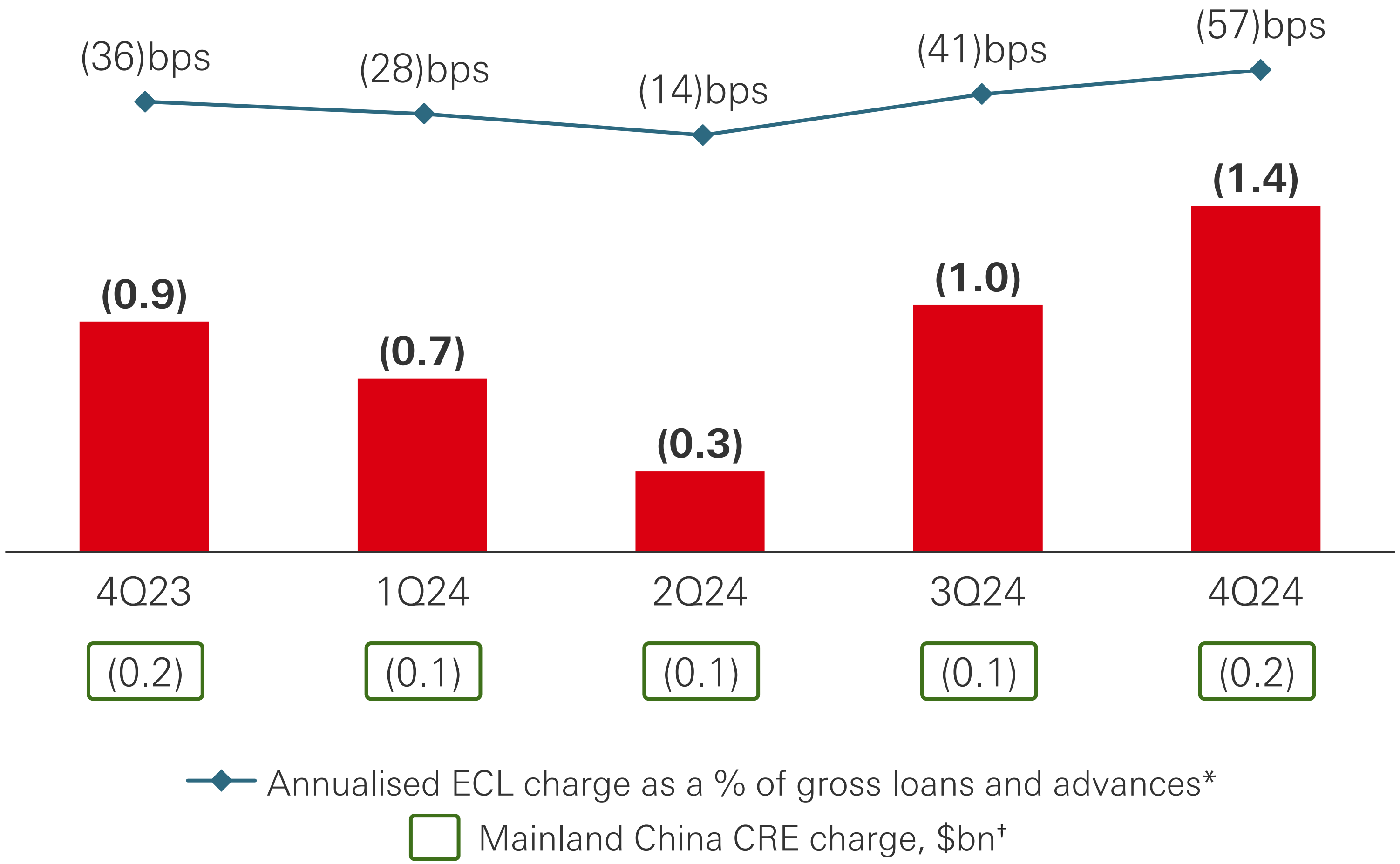
Store of future insurance earnings, amortised at 9-10% per year in FY23/FY24



Credit performance

(36)bps ECL charge in 2024*

ECL charge trend, $bn



- **$(1.4)bn** 4Q24 ECL charge, including:
  - **$(1.0)bn Wholesale**, including $(0.3)bn from two clients — one in the UK, one in the mainland China CRE sector
  - **$(0.4)bn Personal**
- $22.6bn stage 3 balances / 2.4% of gross customer loans, down (0.1)ppts QoQ (reported FX basis)
- **Expect FY25 ECL charge to be within our medium-term planning range** of (30) to (40)bps*

* As a percentage of average gross loans, including held-for-sale loan balances
† Mainland China 4Q24 ECL charge $(206)m

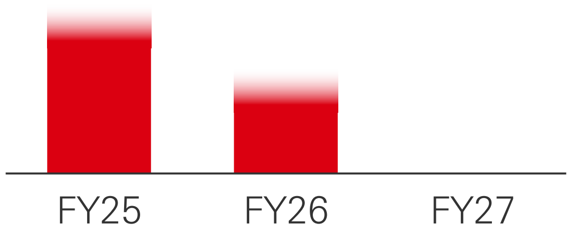
Costs: driving efficiencies and creating incremental investment capacity

Committed to deliver ~$1.5bn of simplification savings from our re-organisation by YE26*

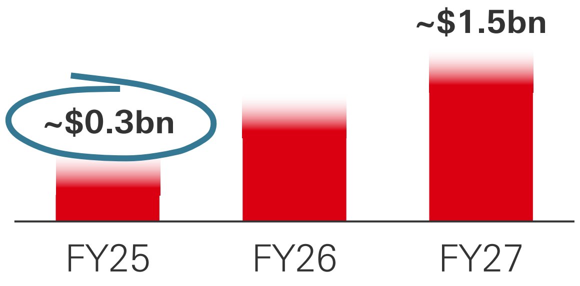
- **Immaterial impact on revenue** — primarily de-duplication of roles:
  - Reduction in management layers through consolidation of overlapping roles in CMB and GBM
  - Simplifying management across business / region matrix
- **~$(1.8)bn total severance and other up-front costs by YE26** — will be treated as notable items

Phasing

~$(1.8)bn severance and other up-front costs



P&L benefit in-year



Aiming to re-allocate an additional ~$(1.5)bn of costs from non-strategic activities to priority growth areas in the medium term

- Costs taken from non-strategic activities will be invested in priority growth areas, with no material net cost reduction
- **Progress underway**:
  - Announced that we will begin to wind down our M&A and ECM activities in the UK, Europe, and the US, subject to local legal requirements. These activities have annual costs of ~$(0.3)bn and are not materially profitable
  - German Private Banking
  - French life insurance

* Annualised

Cost guidance

2025 guidance: ~(3)% growth on a target basis*

FY25 costs

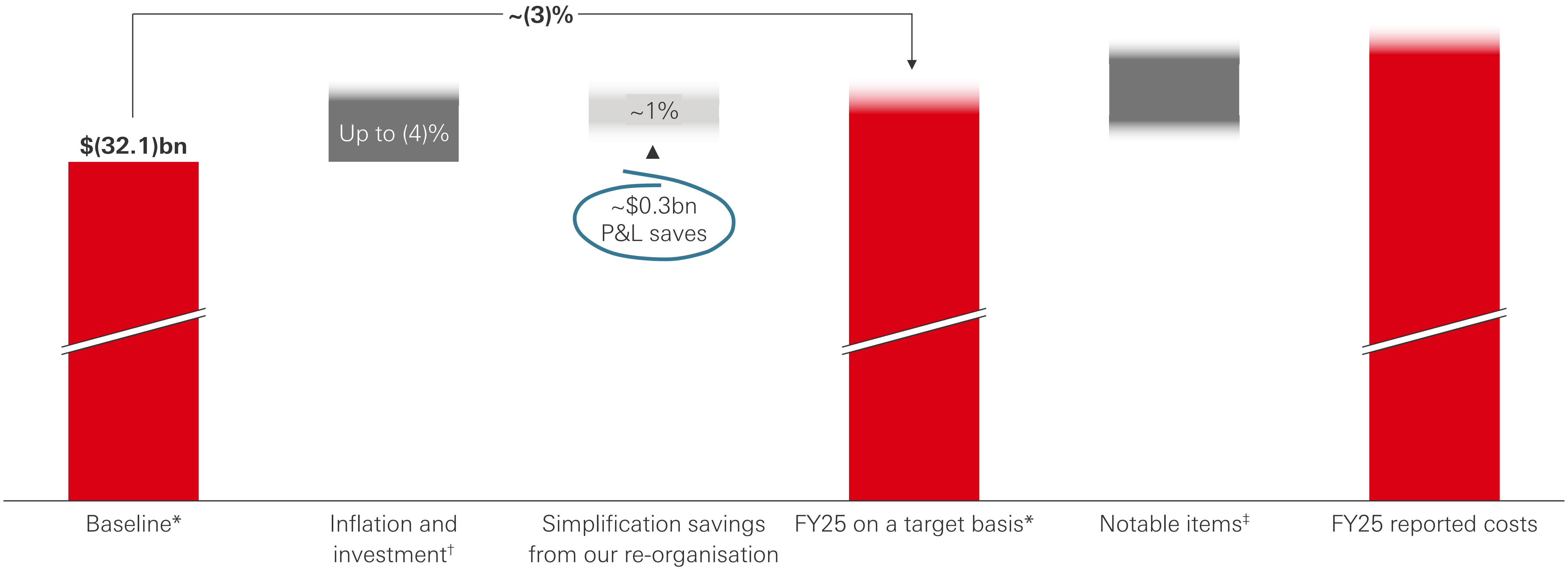


Chart not to scale

* Excludes notable items and the direct costs of Canada and Argentina from our FY24 costs – see reconciliation on slide 49

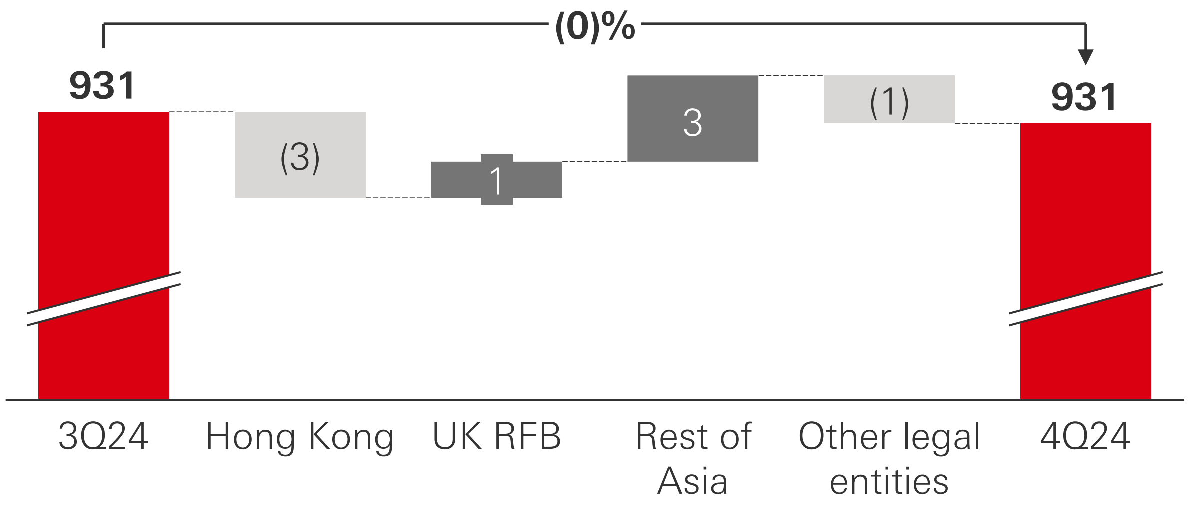
† Does not include incremental investment in our priority growth areas funded by costs re-allocated from non-strategic activities

‡ Will include severance and other up-front costs relating to: (1) simplification savings from our re-organisation, and (2) the re-allocation of costs from non-strategic to priority growth areas

Customer loans and deposits

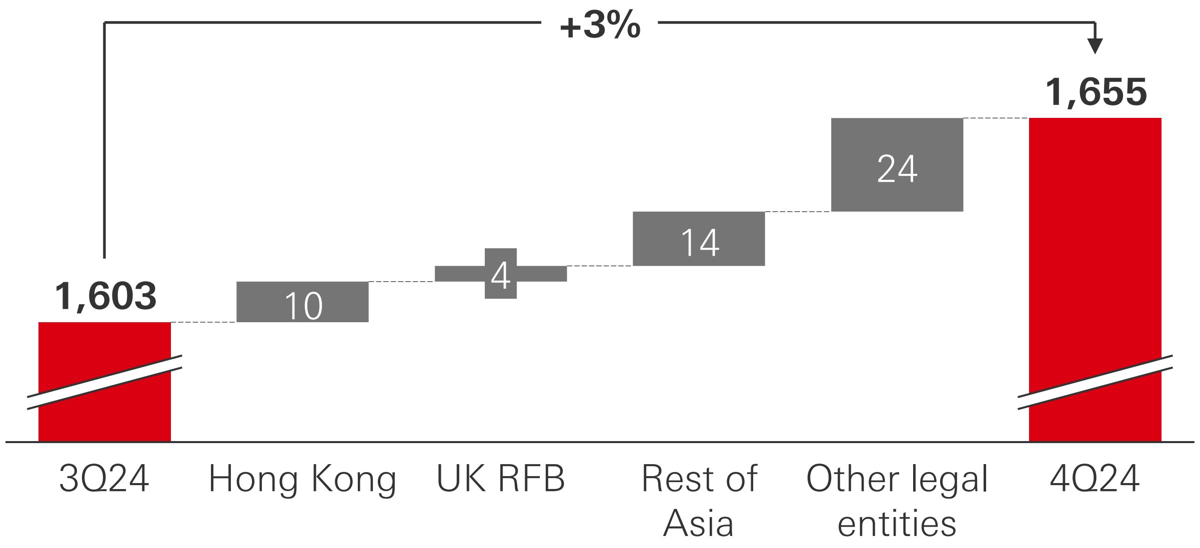
Lending stable, deposits +3% QoQ

Lending, $bn



- **$(3)bn HK** due to repayments and subdued credit demand in CMB and GBM
- **+$1bn UK RFB**, primarily mortgages
- **+$3bn Rest of Asia**, mainly large corporate clients in GBM

Deposits, $bn

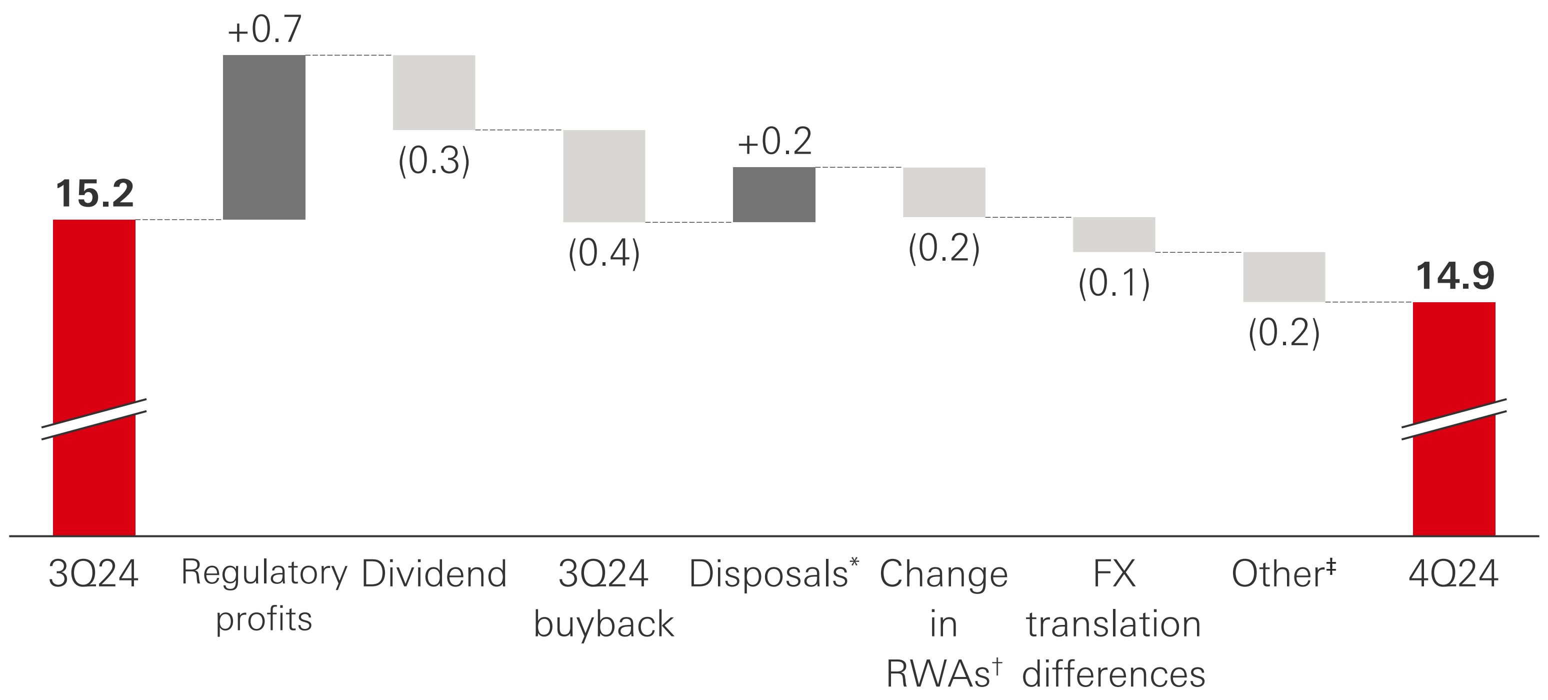


- **+$10bn HK**, primarily WPB (fluctuations between wealth products and deposits; supported by customer growth)
- **+$4bn UK RFB**, primarily market-wide growth in retail deposits
- **+$14bn Rest of Asia**, primarily CMB and GBM, benefitting from seasonal inflows
- **+$24bn other legal entities**, mainly +$18bn HSBC Bank plc (GBM and CMB, benefitting from seasonal inflows)

Capital

Strong capital base

CET1 ratio, %[1]



	3Q24	Regulatory profits	Dividend	3Q24 buyback	Disposals*	Change in RWAs†	FX translation differences	Other‡	4Q24
CET1, $bn	131.4	5.3	(2.6)	(3.0)	0.2		(4.2)	(2.2)	124.9
RWAs, $bn	863.9				(11.4)	10.1	(24.3)		838.3

Upcoming impacts

1Q25

- **Up to $2bn share buyback** — around (0.2)ppts impact on the CET1 ratio
- $(1)bn CET1 impact from a reclassification of c.$7bn **French home loans§**

* Primarily $(8)bn RWA reduction from the sale of Argentina
† Largely operational risk RWAs, driven by an increase in trailing 3-year average revenues
‡ Primarily movements in FVOCI reserves

§ On active marketing for potential sale. Estimated $(1)bn loss will be recognised in FVOCI. In the event of a sale, the loss would reflect deal-specific factors and would recycle to the income statement at closing and be treated as a material notable item for the purposes of the dividend payout ratio

Outlook

Target	**Mid-teens RoTE in each of 2025 to 2027**, excluding notable items	
FY25 guidance	**Banking NII**	Around \$42bn (market-dependent)
	ECL charge	(30) to (40)bps[1]
	Costs	Growth of ~(3)%, on a target basis[2]
	Dividends	50% of PAOS excluding material notable items and related impacts
Medium term guidance	**Wealth**	Grow fee and other income at a double-digit % CAGR
	CET1 ratio	Manage in 14-14.5% target range
	Loan growth	Mid-single digit annual percentage growth over the medium to long term

Our targets and expectations reflect our current outlook for the global macroeconomic environment and market-dependent factors, such as market-implied interest rates (as of mid-January 2025) and rates of foreign exchange, as well as customer behaviour and activity levels. Our current expectation of 2025 Banking NII reflects modelling of a number of market-dependent factors. If changes in these factors impact the output of our modelling, we would update our expectation in future quarterly results announcements. The medium term is defined as 3-5 years from 1 January 2025

Appendix

HSBC

Re-presented 2024 financials by business

$m	Hong Kong	UK	Corporate and Institutional Banking	International Wealth and Premier Banking	Corporate Centre	Group
Revenue	**15,034**	**11,954**	**26,819**	**13,976**	**(1,929)**	**65,854**
ECL	(1,076)	(402)	(869)	(1,038)	(29)	(3,414)
Costs	(4,837)	(4,947)	(14,544)	(9,013)	298	(33,043)
Associates	—	—	1	47	2,864	2,912
PBT	**9,121**	**6,605**	**11,407**	**3,972**	**1,204**	**32,309**
Loans, $bn	235	267	285	136	7	931
Deposits, $bn	507	330	558	259	0	1,655
RWAs, $bn	144	133	388	86	87	838
RoTE, %	~38%	~25%	~14%	~16%	~1%	14.6%

Effective from 1 January 2025, the Group's reporting segments under IFRS 8 'Operating Segments' will comprise four new businesses – Hong Kong, UK, Corporate and Institutional Banking, and International Wealth and Premier Banking – along with Corporate Centre. These will replace our previously reported operating segments up to 31 December 2024. Selected 2024 financial information has been re-presented in the table above, for illustrative purposes only, to align with the Group's operating segments effective from 1 January 2025. This data is presented unaudited. Further detail on our new operating segments can be found on page 103 of our Annual Report and Accounts 2024

Quarterly financial performance summary

$m	4Q23	1Q24	2Q24	3Q24	4Q24	Δ 4Q23
Banking NII	10,040	11,042	10,856	10,461	10,950	910
Fee and other income	2,483	9,516	5,627	6,357	614	(1,869)
Revenue	**12,523**	**20,558**	**16,483**	**16,818**	**11,564**	**(959)**
ECL	(906)	(682)	(318)	(972)	(1,362)	(456)
Costs	(8,426)	(8,050)	(8,119)	(8,044)	(8,604)	(178)
Associates	(2,383)	769	861	605	679	3,062
Constant currency PBT	**808**	**12,595**	**8,907**	**8,407**	**2,277**	**1,469**
Memo: notable items	*(5,820)*	*3,683*	*(194)*	*(254)*	*(5,046)*	*774*
FX translation	169	55	(1)	69	—	n.m
Reported PBT ▸	**977**	**12,650**	**8,906**	**8,476**	**2,277**	**1,300**
Tax ▸	(755)	(1,813)	(2,078)	(1,727)	(1,692)	(937)
PAOS ▸	**(153)**	**10,183**	**6,403**	**6,134**	**197**	**350**
EPS, $ ▸	(0.01)	0.54	0.35	0.34	0.01	$0.02
EPS excluding material notable items, $ ▸	0.25	0.34	0.35	0.35	0.29	$0.04
Dividend per share, $ ▸	0.31	0.31*	0.10	0.10	0.36	$0.05
RoTE (annualised), % ▸	(0.4)	26.1	16.3	15.5	0.5	0.9ppts

$bn	4Q23	1Q24	2Q24	3Q24	4Q24	Δ 3Q24
Customer loans	917	921	929	931	931	(1)
Customer deposits	1,580	1,556	1,583	1,603	1,655	52
Reported RWAs ▸	854	833	835	864	838	(26)
CET1 ratio, % ▸	14.8	15.2	15.0	15.2	14.9	(0.3)ppts
TNAV per share, $ ▸	$8.19	$8.67	$8.35	$9.00	$8.61	$(0.39)

▸ denotes a measure shown on a reported FX basis

* Includes $0.21 special dividend

Annual financial performance summary

Income statement, $bn (constant currency)	FY23	FY24	Δ, $	Δ, %
Banking NII	42.4	43.7	1.4	3%
Fee and other income	22.5	22.1	(0.4)	(2)%
— *o/w: Wholesale Transaction Banking*	*10.5*	*10.4*	*(0.1)*	*(1)%*
— *o/w: Wealth*	*5.9*	*7.2*	*1.3*	*21%*
Revenue	**64.9**	**65.9**	**0.9**	**1%**
ECL	(3.3)	(3.4)	(0.2)	(5)%
Costs	(31.5)	(33.0)	(1.5)	(5)%
Associates	(0.3)	2.9	3.2	>100%
Profit before tax	**29.9**	**32.3**	**2.4**	**8%**
Currency translation	0.4	—	n.m	n.m
Reported PBT	30.3	32.3	2.0	6%
Tax	(5.8)	(7.3)	(1.5)	(26)%
Profit after tax	24.6	25.0	0.4	2%
— NCI	1.0	1.0	(0.0)	(1)%
— Other equity holders	1.1	1.1	(0.0)	(4)%
— PAOS	**22.4**	**22.9**	**0.5**	**2%**
Revenue excl. notable items	**64.5**	**67.4**	**2.9**	**5%**
PBT excl. notable items	**32.7**	**34.1**	**1.4**	**4%**

Key financial metrics (reported FX)	FY23	FY24	Δ
EPS, $	1.15	1.25	$0.10
EPS excl. material notable items*, $	1.22	1.31	$0.09
DPS, $	0.61	0.87†	$0.26
RoTE, %	14.6	14.6	—
RoTE excl. notable items, %	16.2	16.0	(0.2)ppts

* Excluding material notable items and related impacts
† Includes $0.21 special dividend

Banking NII

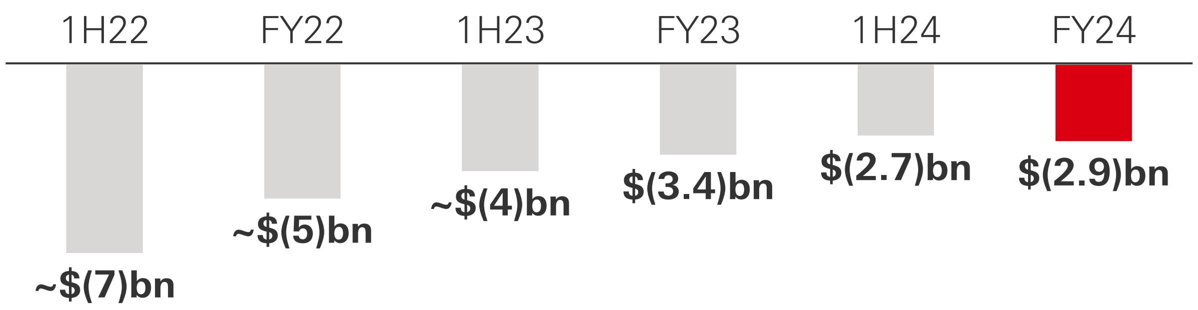
Reported FX, $m	4Q23	1Q24	2Q24	3Q24	4Q24	Δ 3Q24	FY23	FY24
Banking NII	**10,717**[1]	**11,266**	**10,938**	**10,584**	**10,950**	**366**	**44,095**	**43,738**
Of which: Asia	*5,566*	*5,435*	*5,317*	*5,475*	*5,464*	*(11)*	*22,024*	*21,691*
Of which: UK RFB	*2,455*	*2,531*	*2,532*	*2,643*	*2,663*	*20*	*9,684*	*10,368*
Of which: HSBC Bank plc	*1,205*	*1,109*	*1,187*	*1,152*	*1,182*	*30*	*4,596*	*4,630*
Memo: notable items	—	—	—	(283)	46	329	—	(237)
Average interest earning assets, $bn	2,164	2,140	2,055	2,088	2,113	25		
NIM, bps	152	163	162	146	154	8bps		
Centrally-funded net trading assets, $bn*	164	187	207	210	200	(10)		

Constant currency, $m	4Q23	1Q24	2Q24	3Q24	4Q24	Δ 3Q24	FY23	FY24
Banking NII	**10,040**	**11,042**	**10,856**	**10,461**	**10,950**	**490**	**42,387**	**43,738**

Refer to page 91 of our Annual Report and Accounts 2024 for a reconciliation from reported NII to Banking NII
* Period end balance

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

$m

USD	(862)
HKD	(403)
GBP	(353)
EUR	(314)
Other	(954)
Total	**(2,886)**

- Banking NII sensitivity to a (100)bps downshock **$(2.9)bn**, a reduction of ~$(4)bn since June 2022. We estimate that ~50% of the reduction is due to an increase in the notional and duration of the structural hedge
- Structural hedge notional **$529bn**, with a weighted average life of **3.1 years**, up from 2.8 years at 1H24
- We expect **~$95bn of positions to be reinvested** at prevailing rates during 2025; we have also stabilised 2025 Banking NII by locking in rates in advance on certain additional balances
- Subject to market conditions, we expect to increase the notional of the structural hedge in FY25

Structural hedge, $bn	Balance	Average yield
Total	529	
— o/w: FY25 reinvestment	~95	~2.8%
— o/w: FY26 reinvestment	~95	~2.8%
— o/w: FY27 reinvestment	~90	~3.4%

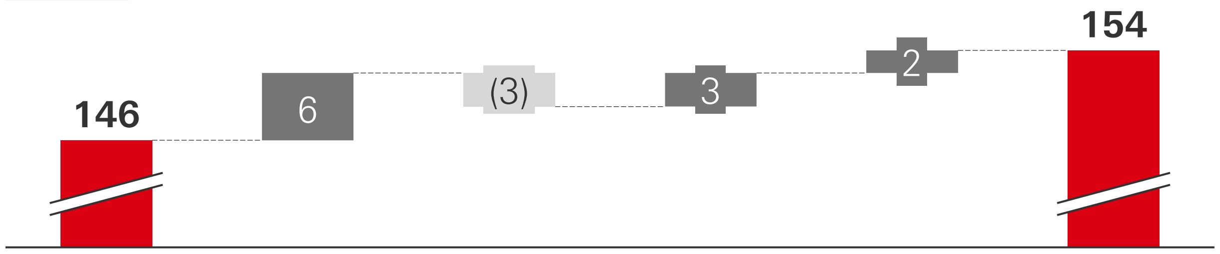
* Assumptions include a static balance sheet, no management actions and a 50% pass-through – see page 212 of our Annual Report and Accounts 2024 for further detail

Reported net interest margin

Quarterly NIM by key legal entity (reported FX)

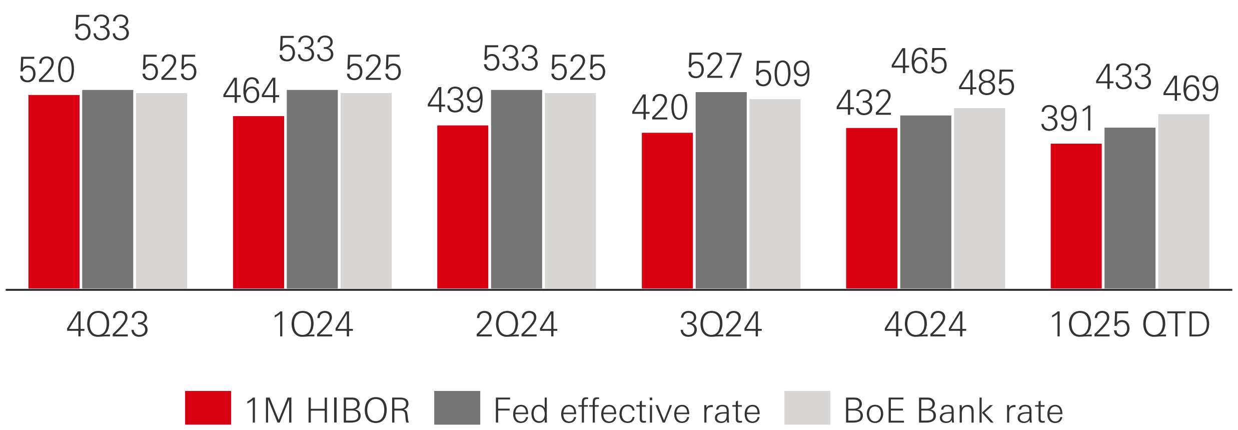
	4Q23	1Q24	2Q24	3Q24	4Q24	% 4Q24 NII	% 4Q24 AIEA
Asia	1.73%	1.66%	1.63%	1.58%	**1.63%**	48%	45%
HSBC Bank plc	0.50%	0.35%	0.35%	0.19%	**0.17%**	2%	23%
UK RFB	2.50%	2.56%	2.57%	2.57%	**2.53%**	32%	20%
US	0.90%	0.83%	0.76%	0.87%	**0.96%**	6%	9%
Group	1.52%	1.63%	1.62%	1.46%	**1.54%**	n.m	n.m

Group NIM, bps (reported FX)

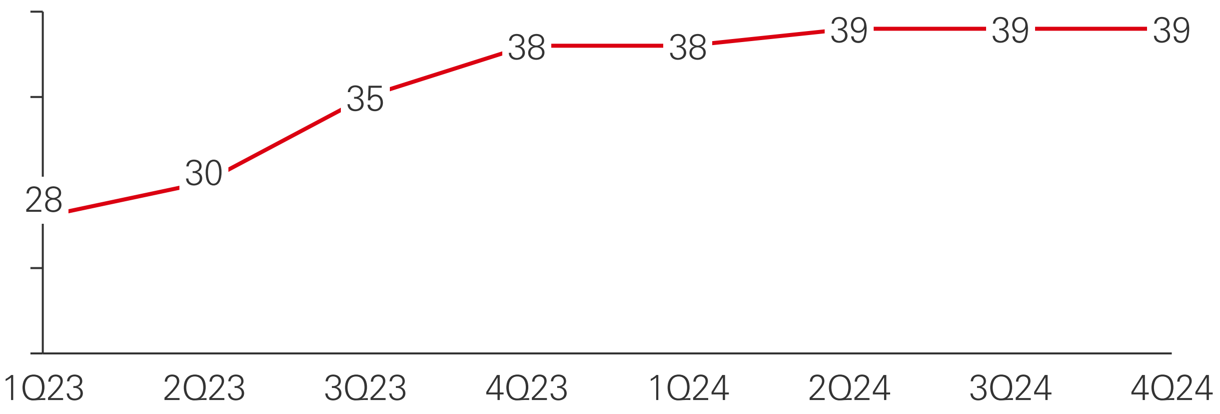


Key rates (quarter averages), bps

Source: Bloomberg
At 17 February 2025



Time deposits as a % of Hong Kong customer deposits



A 3ppt shift from CASA to time deposits would result in an incremental annual interest expense of around $(0.6)bn[1]

Wholesale Transaction Banking and Wealth – additional information

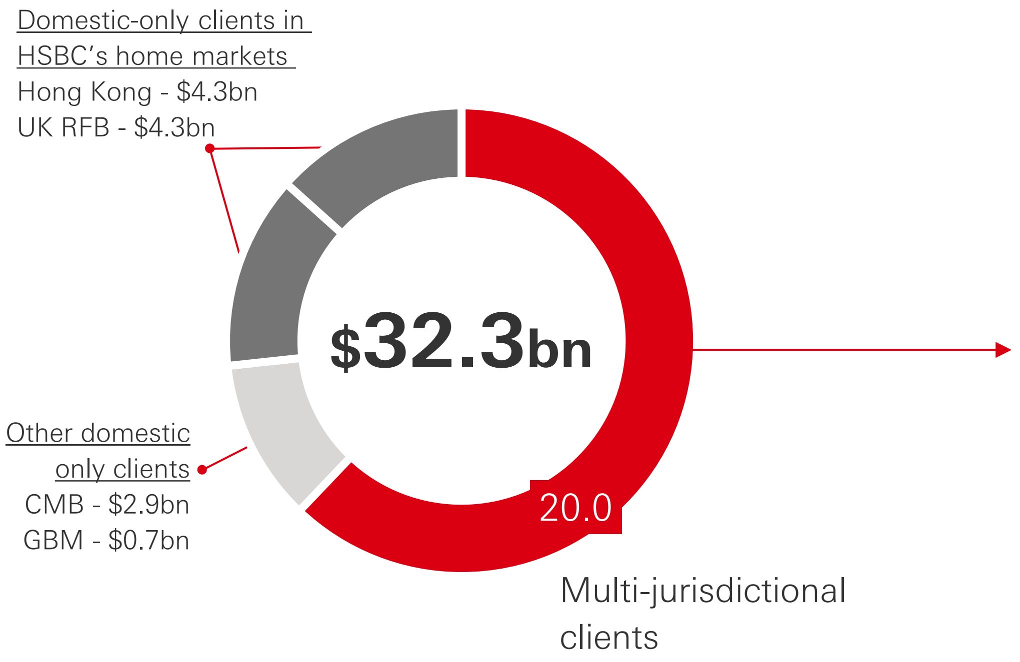
Constant currency, $m	4Q23	1Q24	2Q24	3Q24	4Q24	vs. 4Q23	
Wholesale Transaction Banking revenue	**6,664**	**6,590**	**6,472**	**6,568**	**6,515**	**(149)**	**(2)%**
Of which: Fee and other income	**2,527**	**2,566**	**2,617**	**2,649**	**2,536**	**9**	**0%**
— *Foreign Exchange*[1]	*1,337*	*1,328*	*1,377*	*1,413*	*1,288*	(49)	(4)%
— *Securities Services*	*302*	*309*	*328*	*316*	*331*	29	10%
— *Global Payments Solutions*	*550*	*557*	*558*	*559*	*555*	5	1%
— *Global Trade Solutions*	*338*	*372*	*354*	*361*	*362*	24	7%
Wealth revenue	**1,674**	**2,181**	**2,147**	**2,346**	**2,062**	**388**	**23%**
Of which: Fee and other income	**1,294**	**1,783**	**1,751**	**1,949**	**1,647**	**353**	**27%**
— *Investment Distribution*	*536*	*698*	*705*	*741*	*703*	167	31%
— *Private Banking*	*258*	*375*	*357*	*370*	*317*	59	23%
— *Life Insurance*	*176*	*383*	*366*	*480*	*278*	102	58%
— *Asset Management*	*324*	*327*	*323*	*358*	*349*	25	8%
Wholesale Transaction Banking metrics							
GTS loans[2], $bn	82	81	86	86	90	8	10%
o/w Asia	57	57	59	60	63	6	10%
Assets under custody, $tn[3]	9.7	9.9	10.1	11.0	10.6	0.9	9%
Wealth metrics							
Invested assets, $bn	1,191	1,242	1,271	1,348	1,293	102	9%
o/w: Asia	*549*	*570*	*606*	*662*	*645*	96	18%
Net new invested assets, $bn	17	27	6	26	5	(12)	(71)%
o/w: Asia	*4*	*19*	*19*	*11*	(2)	(6)	>(100)%
New Business CSM, $bn	0.4	0.8	0.6	0.8	0.4	0.1	15%
CSM release, $bn	0.3	0.3	0.3	0.4	0.3	0.0	7%
CSM balance, $bn	10.8	11.9	12.2	13.2	12.1*	1.3	12%

CSM metrics relate to insurance manufacturing
* $0.9bn moved to held-for-sale in 4Q24 which relates to the planned sale of our French insurance business

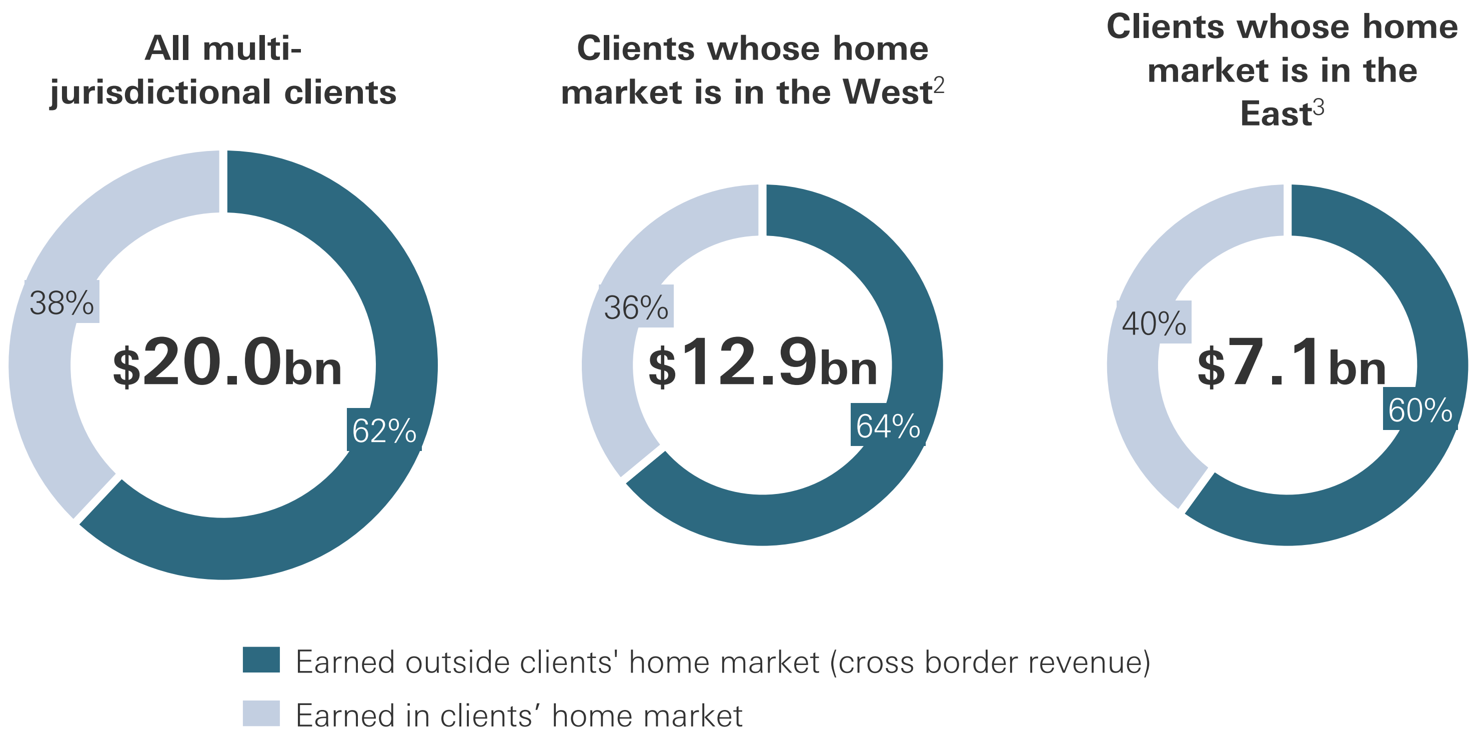
Wholesale multi-jurisdictional revenue

62% of wholesale client revenue is from clients we bank in multiple jurisdictions…

FY24 Wholesale client revenue[1], $bn



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

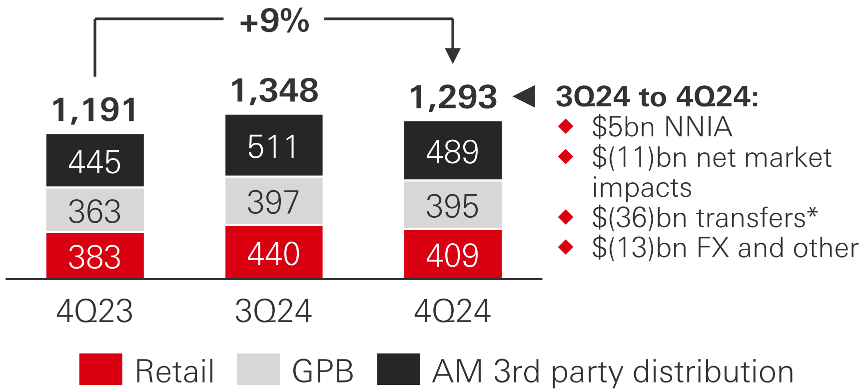


Basis of preparation summarised in footnote 1, full detail on page 125 of our Annual Report and Accounts 2024, including a reconciliation between CMB/GBM reported revenue and Wholesale client revenue

Wealth — Global invested assets

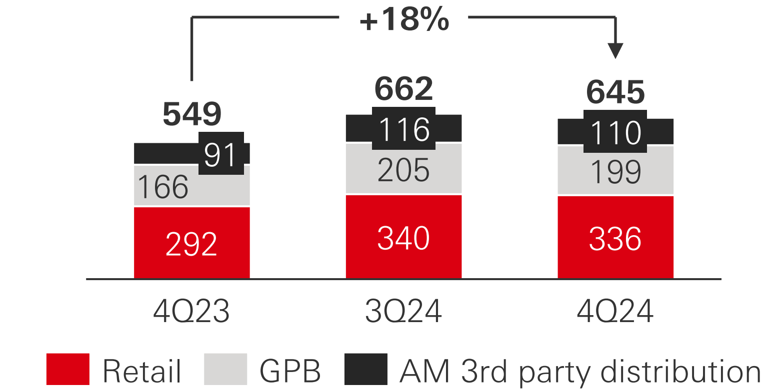
Global reported invested assets

$bn



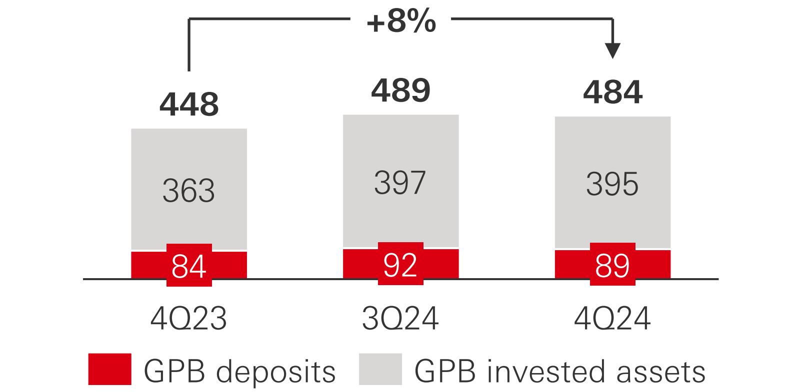
Asia reported invested assets

$bn



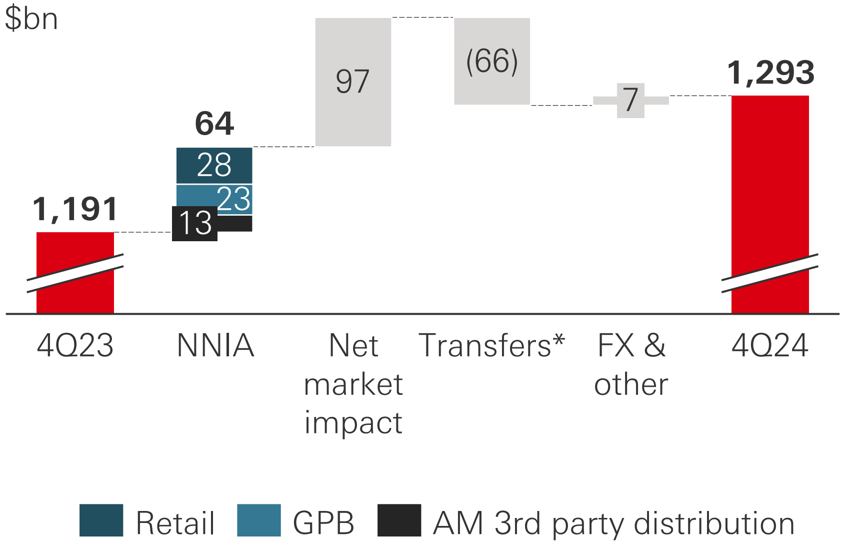
GPB reported client assets

$bn



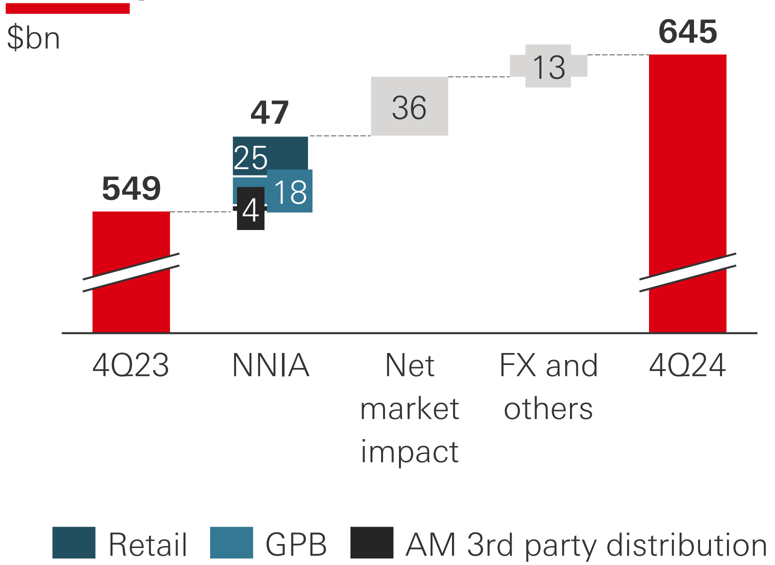
Global reported invested assets evolution

$bn



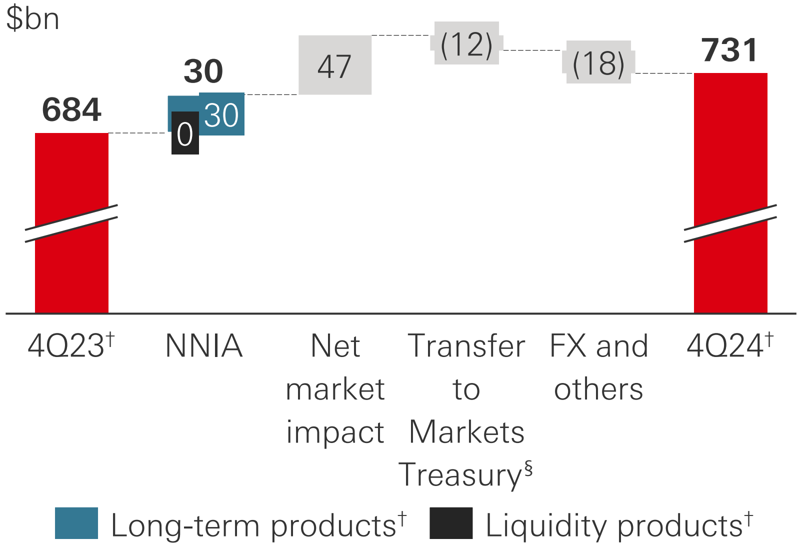
Asia reported invested assets evolution

$bn



Reported invested assets managed by AM

$bn



* Transfers reflect: (i) the movement of certain balances to held-for-sale (Argentina, French life insurance and German Private Banking); (ii) the internal transfer of a portfolio associated with the Group's Holdings Capital Buffer from Asset Management to our Markets Treasury function

† 4Q23 includes $513bn long-term products / $170bn liquidity products. 4Q24 includes $572bn long-term products / $159bn liquidity products. Liquidity products are designed to provide clients with an alternative to bank deposits and are largely short term in nature, e.g. Money Market funds

§ Reflects the internal transfer of a portfolio associated with the Group's Holdings Capital Buffer from Asset Management to our Markets Treasury function

Notable items

Reported FX, $m	4Q23	1Q24	2Q24	3Q24	4Q24
Revenue	(2,733)	3,732	(161)	(211)	(4,940)
— *o/w: Banking NII*	*—*	*—*	*—*	*(283)*	*46*
— *o/w: Fee and other income*	*(2,733)*	*3,732*	*(161)*	*72*	*(4,986)*
Costs	(65)	(50)	(32)	(45)	(106)
Associates	(3,000)	—	—	—	—
Total	**(5,798)**	**3,682**	**(193)**	**(256)**	**(5,046)**
Memo: Total notable items on a constant currency basis	(5,820)	3,683	(194)	(254)	(5,046)

Global CRE exposure

Commercial real estate gross loans and advances, $m[1]

Reported FX	4Q23	2Q24	4Q24	Δ 2Q24	Stage 3 %
Asia (HBAP)	58,121	55,123	49,909	(9)%	13%
o/w: Hong Kong	*42,462*	*40,130*	*36,247*	*(10)%*	*16%*
o/w: HK, excl. exposure to mainland China borrowers	*36,817*	*35,609*	*33,201*	*(7)%*	*14%*
UK RFB (HBUK)	14,010	13,759	13,938	1%	4%
HSBC Bank plc (HBEU)	4,834	4,821	3,854	(20)%	6%
US (HNAH)	3,925	3,182	2,844	(11)%	8%
Mexico (HBMX)	780	574	469	(18)%	5%
HSBC Bank Middle East (HBME)	1,460	1,289	1,253	(3)%	9%
Other	459	42	66	57%	35%
Total	**83,589**	**78,790**	**72,333**	**(8)%**	10%
*o/w: UK**	14,586	14,221	14,405	*1%*	3%

Hong Kong, excluding exposure to mainland China borrowers

Exposure of **$33.2bn**, down $(2.4)bn vs. 1H24 on a reported FX basis

- Secured exposures account for 54% of the total portfolio (31 December 2023: 54%)
- As at 31 December 2024, the weighted average LTV of:
  - Exposures rated 'sub-standard' 46% (31 December 2023: 54%)
  - 'Credit impaired' exposures 58% (31 December 2023: 71%). The reduction in LTV reflects the significantly smaller 'credit impaired' portfolio at 31 December 2023
- The unsecured portfolio remained stable in size and quality, with limited levels of default and close to 90% rated Strong or Good. Unsecured exposures are typically granted to strong, listed Hong Kong CRE developers, which commonly are members of conglomerate groups with diverse cashflows

* Includes lending outside the UK RFB

Mainland China commercial real estate

Mainland China CRE exposures by booking location and credit quality

At 31 December 2024

Reported FX, $bn	*Memo: Hong Kong at 2Q24*	Hong Kong	Mainland China	Rest of Group	Total
Total	*4.8*	**3.2**	**3.7**	**0.3**	**7.3**
Strong	*0.3*	0.1	1.8	0.1	2.0
Good	*0.4*	0.6	0.6	0.0	1.2
Satisfactory	*0.3*	0.2	0.9	0.0	1.1
Sub-standard	*1.1*	0.8	0.1	0.1	1.1
Credit impaired	*2.6*	1.6	0.3	—	1.8
Allowance for ECL	*(1.8)*	**(1.0)**	**(0.1)**	**(0.0)**	**(1.2)**

Hong Kong booked sub-standard and credit impaired exposures

$bn	Total exposure	Of which not secured‡	ECL allowance◆
Sub-standard	0.8	0.6	(0.2)
Credit impaired	1.6	1.0	(0.6)
Total	**2.3**	**1.7**	**(0.9)**

c.60% coverage ratio against not secured, credit impaired exposures

Total exposure of $7.3bn, down $(2.1)bn vs. 2Q24

ECL charge of $(206)m in 4Q24 / $(433)m in FY24

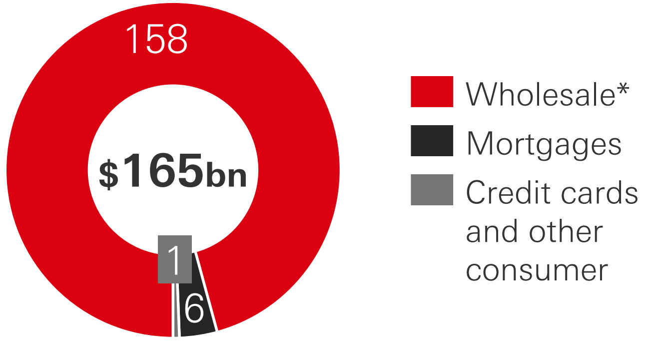
Hong Kong booked exposure of $3.2bn, down $(1.5)bn* vs. 2Q24

- The majority of the $0.9bn classified as strong, good or satisfactory is to state-owned enterprises and privately-owned enterprises that are not typically engaged in residential property development

* Of which $(1.1)bn write-offs and $(0.4)bn net repayments
‡ Does not cast due to rounding
◆ ECL allowance shown only exposures that are not secured

Mainland China exposure

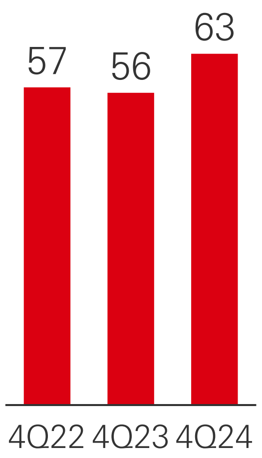
Mainland China risk exposure, $bn



Balances booked in mainland China

Gross customer loans, $bn

Customer deposits, $bn



- Mainland China drawn risk exposure is defined as lending booked in mainland China and wholesale lending booked offshore where the ultimate parent and beneficial owner is in mainland China

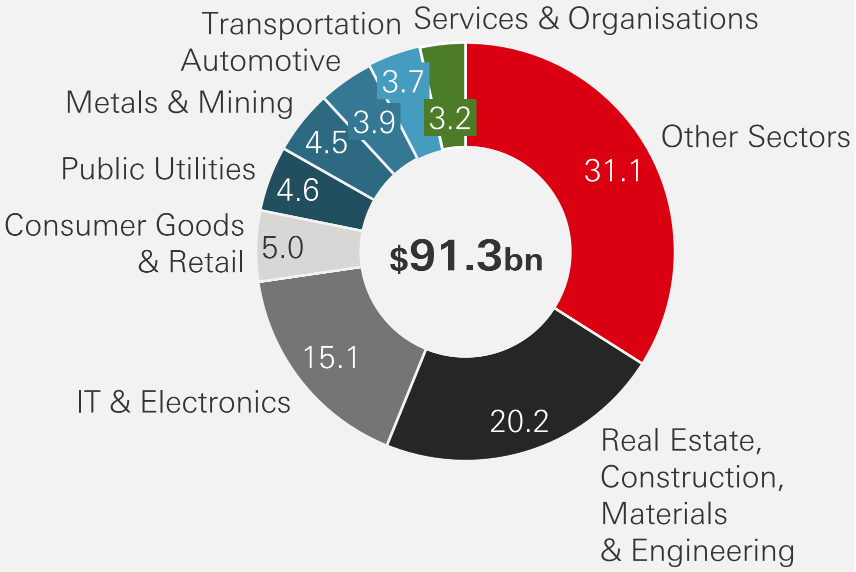
Wholesale lending analysis, $bn

	4Q23	2Q24	4Q24
NBFI	1.2	1.0	0.9
Banks	31.0	29.8	30.7
Sovereign & public sector	37.1	33.3	34.8
Corporates	91.7	94.3	91.3
Total	**161.0**	**158.4**	**157.7**

Wholesale lending by counterparty type and credit quality, $bn

	NBFI	Banks	Sovereign & public sector	Corporates	Total
Strong	0.2	29.2	34.8	36.9	**101.1**
Good	0.6	1.3	—	27.0	**28.9**
Satisfactory	0.1	0.2	—	23.2	**23.5**
Sub-standard	—	—	—	1.6	**1.6**
Credit impaired	—	—	—	2.6	**2.6**
Total	**0.9**	**30.7**	**34.8**	**91.3**	**157.7**

Corporate lending by sector, $bn



- **c.13%** of lending is to foreign-owned enterprises
- **c.44%** of lending is to state-owned enterprises
- **c.43%** of lending is to private sector owned enterprises

* Wholesale drawn risk exposure of $158bn includes on balance sheet lending as well as issued off balance sheet exposures, excludes unutilised commitments and MSS financing. 60% is booked onshore

Cost target basis reconciliations

2024 target basis

$m	FY23	FY24	1Q24	2Q24	3Q24	4Q24
Costs*	**(31,493)**	**(33,043)**	**(8,151)**	**(8,145)**	**(8,143)**	**(8,604)**
Less: Notable items	185	233	50	32	45	106
Add: Impact of retranslating prior period results in hyperinflationary economies at constant currency	(742)	—	—	—	—	—
Less: Canada direct costs	693	162	162	—	—	—
Less: France retail direct costs	283	—	—	—	—	—
Target basis	**(31,074)**	**(32,648)**	**(7,939)**	**(8,113)**	**(8,098)**	**(8,498)**

2025 target basis

$m	FY24
FY24 reported costs	**(33,043)**
Less: Notable items	233
Less: Canada direct costs	162
Less: Argentina direct costs	509
Baseline	**(32,139)**

- We are targeting growth in target basis costs of approximately (3)% in 2025, on a constant currency basis, compared with 2024
- Our target cost baseline excludes the direct cost impact of the business disposals in Canada and Argentina, notable items and the impact of retranslating the prior year results of hyperinflationary economies at constant currency

* FY23 is on a constant currency basis; all 2024 periods are on a reported FX basis

EPS excluding material notable items and related impacts

Reported FX, $m	4Q23	1Q24	2Q24	3Q24	4Q24	FY23	FY24
PAOS	**(153)**	**10,183**	**6,403**	**6,134**	**197**	**22,432**	**22,917**
Impact of acquisition of SVB UK	44	—	(2)	—	(3)	(1,549)	(5)
Impact of the sale of our retail banking operations in France (net of tax)	1,737	(52)	(1)	(2)	(1)	108	(56)
Impact of the sale of our banking business in Canada*	119	(4,942)*	(7)	(4)	(10)	(311)	(4,963)
Impairment of interest in associate (BoCom)	3,000	—	—	—	—	3,000	—
Impact of the sale of our business in Argentina	—	1,137	55	(30)	4,999	—	6,161
PAOS excluding material notable items and related impacts	**4,747**	**6,326**	**6,448**	**6,098**	**5,182**	**23,680**	**24,054**
Average basic number of ordinary shares after deducting own shares held (m)	19,130	18,823	18,509	18,151	18,042	19,478	18,357
Basic EPS, $	(0.01)	0.54	0.35	0.34	0.01	1.15	1.25
Basic EPS excluding material notable items and related impacts, $	**0.25**	**0.34**	**0.35**	**0.34**	**0.29**	**1.22**	**1.31**

* 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)

Reconciliations — revenue and PBT

$m	4Q23	4Q24
Constant currency revenue	**12,523**	**11,564**
Less: notable items	2,742	4,940
Constant currency revenue, ex. notable items	**15,265**	**16,504**

$m	4Q23	4Q24
Constant currency PBT	**808**	**2,277**
Less: notable items	5,820	5,046
Constant currency PBT, ex. notable items	**6,628**	**7,323**

Argentina

Reported FX, $m	4Q23	1Q24	2Q24	3Q24	4Q24	FY23	FY24
NII	13	488	434	264	142	994	1,328
Non-NII	(42)	(290)	(125)	(52)	(18)	(220)	(486)
Revenue	**(29)**	**197**	**309**	**211**	**125**	**774**	**842**
ECL	(37)	(61)	26	(5)	(9)	(107)	(48)
Costs	31	(160)	(163)	(169)	(112)	(428)	(604)
PBT	**(35)**	**(23)**	**173**	**37**	**4**	**239**	**190**

Constant currency, $m	4Q23	1Q24	2Q24	3Q24	4Q24	FY23	FY24
NII	(591)	405	380	244	142	(549)	1,328
Non-NII	110	(241)	(109)	(48)	(18)	83	(486)
Revenue	**(481)**	**164**	**272**	**197**	**125**	**(466)**	**842**
ECL	44	(50)	24	(5)	(9)	47	(48)
Costs	274	(133)	(143)	(186)	(112)	263	(604)
PBT	**(163)**	**(19)**	**153**	**20**	**4**	**(157)**	**190**

The impairment loss on classification of the business to held-for-sale is booked at a Group level, and impacts related to this are not reflected in these numbers (see slide 50)

- Sale of the business completed on 6 December 2024
- Received $1.1bn in consideration at closing, including $0.7bn in ADRs of the buyer
- Recognised a $(1.0)bn loss on disposal in FY24
- On completion, cumulative historical FX and other reserve losses recycled to the income statement of $(5.2)bn. These had already been recognised in capital — no incremental impact on CET1 or TNAV
- Sale had an insignificant impact on Group CET1 ratio
- The transaction has been treated as a material notable item and excluded from the dividend payout calculation

Balance sheet

Customer lending

By business, $bn	4Q23	3Q24	4Q24	Δ 3Q24	
WPB	445	445	447	2	1%
CMB	301	309	307	(3)	(1)%
GBM	171	170	170	(0)	(0)%
Corporate Centre	0	7	7	(0)	(0)%
Group	**917**	**931**	**931**	**(1)**	**(0)%**

By legal entity, $bn	4Q23	3Q24	4Q24	Δ 3Q24	
Asia	449	450	450	(0)	(0)%
o/w: Hong Kong	*281*	*276*	*272*	*(3)*	*(1)%*
UK RFB	266	272	273	1	1%
HSBC Bank plc	92	105	103	(2)	(1)%
US	55	56	56	(0)	(1)%
Mexico	22	23	23	0	1%
HSBC Middle East	20	21	20	(1)	(1)%
Other	14	5	5	(0)	(3)%

Customer deposits

By business, $bn	4Q23	3Q24	4Q24	Δ 3Q24	
WPB	793	806	823	17	2%
CMB	465	470	490	21	4%
GBM	321	327	341	14	4%
Corporate Centre	1	0	0	(0)	(0)%
Group	**1,580**	**1,603**	**1,655**	**52**	**3%**

By legal entity, $bn	4Q23	3Q24	4Q24	Δ 3Q24	
Asia	794	821	845	24	3%
o/w: Hong Kong	*547*	*565*	*575*	*10*	*2%*
UK RFB	334	336	340	4	1%
HSBC Bank plc	265	280	298	18	6%
US	100	98	99	1	1%
Mexico	24	25	28	3	9%
HSBC Middle East	31	34	35	1	4%
Other	31	9	10	1	8%

Some tables do not cast due to rounding

4Q24 vs. 3Q24 equity drivers

Reported FX	Shareholders' equity, $bn	Tangible equity, $bn	TNAV per share, $	Basic number of ordinary shares outstanding after deducting own shares held, millions
At 30 September 2024	**192.8**	**161.9**	**9.00**	**17,982**
Profit attributable to:	0.4	0.7	0.04	—
Ordinary shareholders[1]	0.2	0.7	0.04	—
Other equity holders	0.2	—	—	—
Dividends	(2.0)	(1.8)	(0.10)	—
On ordinary shares	(1.8)	(1.8)	(0.10)	—
On other equity instruments	(0.2)	—	—	—
FX[1]	(6.0)	(5.6)	(0.31)	—
Impacts of hyperinflation	0.1	0.1	0.01	—
Issuance/Redemption of securities	—	—	—	—
Cancellation of shares/buybacks	(3.0)	(3.0)	—	(332)
Actuarial gains/(losses) on defined benefit plans	(0.4)	(0.4)	(0.02)	—
Cash flow hedge reserves	(0.9)	(0.9)	(0.05)	—
Fair value movements through 'Other Comprehensive Income'	(1.4)	(1.4)	(0.07)	—
Of which: changes in fair value arising from changes in own credit risk	(0.1)	(0.1)	—	—
Of which: debt and equity instruments at fair value through OCI	(1.3)	(1.3)	(0.07)	—
Other[1, 2]	5.4	4.7	0.11	268*
At 31 December 2024	**185.0**	**154.3**	**8.61**	**17,918**

- Average basic number of shares outstanding during 4Q24: 18,042m
- Cancellation of shares/buybacks: the movement in tangible equity reflects the $3bn buyback announced at 3Q24 results. (332)m shares reflects shares **cancelled** during 4Q24 — (137)m / (194)m from the $3bn buybacks announced at 2Q24 / 3Q24 respectively. The reduction in shares does not include 122m shares repurchased in connection with the 3Q24 buyback which were not cancelled by 31 December 2024. These will be reflected in 1Q25

* Other includes an increase of 264m to reflect a correction made in 4Q24 in respect of own shares held by the company. Own shares held are deducted from the issued share count for the purposes of calculating EPS, DPS and TNAV per share. The issued share count was unaffected and stood at 18,279m on 30 September 2024 and 17,947m at 31 December 2024

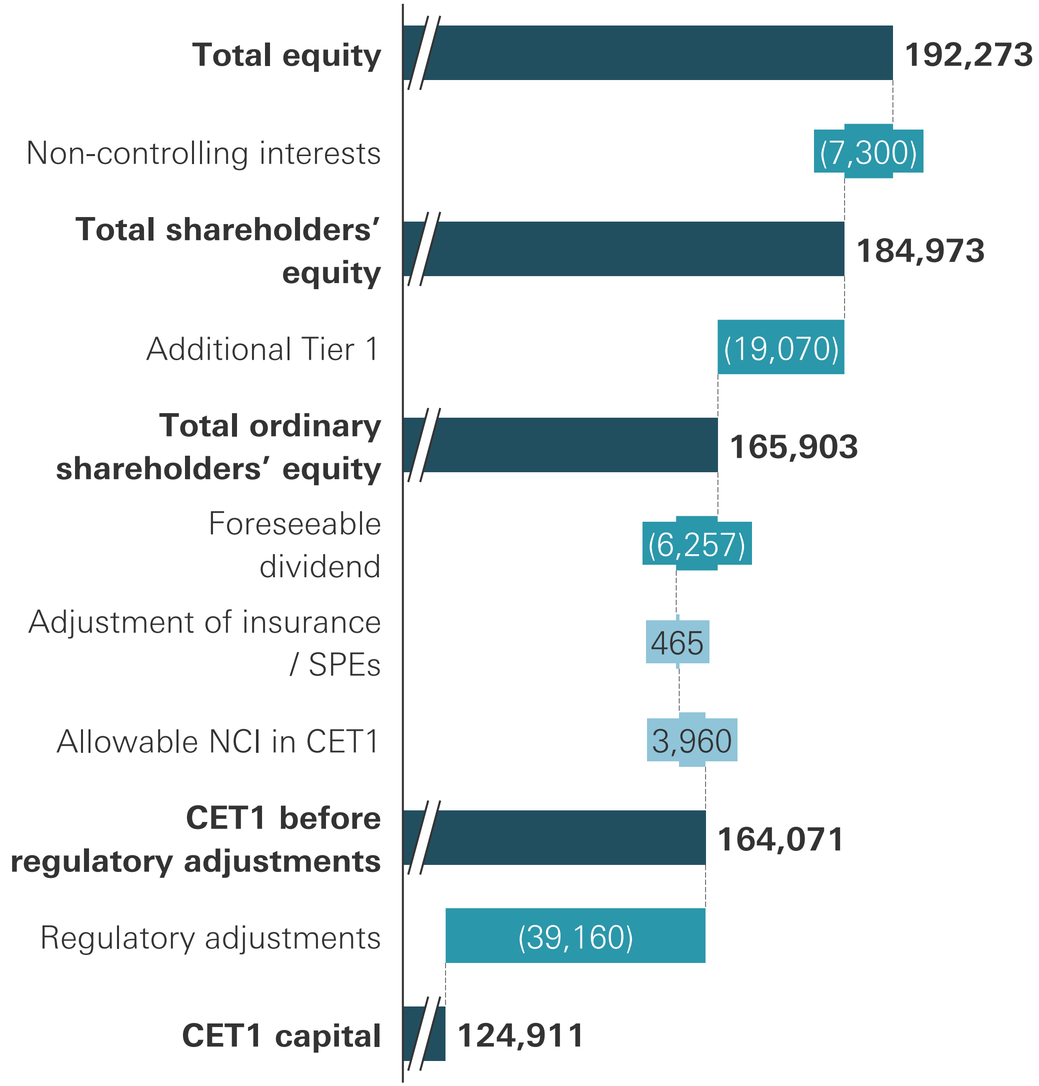
FY24 vs. FY23 equity drivers

Reported FX	Shareholders' equity, $bn	Tangible equity, $bn	TNAV per share, $	Basic number of ordinary shares outstanding after deducting own shares held, millions
At 31 December 2023	**185.3**	**155.7**	**8.19**	**19,006**
Profit attributable to:	24.0	24.8	1.30	—
Ordinary shareholders[1]	22.9	24.8	1.30	—
Other equity holders	1.1	—	—	—
Dividends	(16.4)	(15.3)	(0.81)	—
On ordinary shares	(15.3)	(15.3)	(0.81)	—
On other equity instruments	(1.1)	—	—	—
FX[1]	(5.0)	(4.5)	(0.24)	—
Impacts of hyperinflation	1.2	1.2	0.07	—
Issuance/Redemption of securities	1.4	—	—	—
Cancellation of shares/buybacks	(11.0)	(11.0)	(0.01)	(1,326)
Actuarial gains/(losses) on defined benefit plans	(0.2)	(0.2)	(0.01)	—
Cash flow hedge reserves	(0.3)	(0.3)	(0.02)	—
Fair value movements through 'Other Comprehensive Income'	(0.3)	(0.3)	(0.01)	—
Of which: changes in fair value arising from changes in own credit risk	(0.4)	(0.4)	(0.02)	—
Of which: debt and equity instruments at fair value through OCI	0.1	0.1	0.01	—
Other[1, 2]	6.3	4.2	0.15	238*
At 31 December 2024	**185.0**	**154.3**	**8.61**	**17,918**

* Other includes an increase of 264m to reflect a correction made in 4Q24 in respect of own shares held by the company. Own shares held are deducted from the issued share count for the purposes of calculating EPS, DPS and TNAV per share. The issued share count was unaffected and stood at 19,263m on 31 December 2023 and 17,947m on 31 December 2024

Total shareholders' equity to CET1 capital

4Q24 total equity to CET1 capital (reported FX), $m



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

	2Q24	3Q24	4Q24
Total equity (per balance sheet)	**190,414**	**200,025**	**192,273**
Non-controlling interests	(7,121)	(7,271)	(7,300)
Total shareholders' equity	**183,293**	**192,754**	**184,973**
Additional Tier 1	(18,825)	(19,070)	(19,070)
Total ordinary shareholders' equity ('NAV')	**164,468**	**173,684**	**165,903**
Foreseeable dividend	(4,495)	(5,587)	(6,257)
Adjustment for insurance / SPEs	424	423	465
Allowable NCI in CET1	4,148	4,210	3,960
CET1 before regulatory adjustments	**164,545**	**172,730**	**164,071**
Prudential valuation adjustment	(1,147)	(1,196)	(1,141)
Intangible assets	(12,748)	(13,160)	(12,890)
Deferred tax asset deduction	(3,902)	(3,638)	(3,513)
Cash flow hedge adjustment	1,659	204	1,057
Excess of expected loss	(3,050)	(3,029)	(3,125)
Own credit spread	1,130	1,177	1,243
Defined benefit pension fund assets	(5,905)	(6,366)	(5,651)
Direct and indirect holdings of CET1 instruments	(40)	(40)	(40)
Other regulatory adjustments to CET1 capital	(14)	(13)	(24)
Threshold deductions	(15,235)	(15,241)	(15,076)
Regulatory adjustments	**(39,252)**	**(41,302)**	**(39,160)**
CET1 capital	**125,293**	**131,428**	**124,911**

Wealth and Personal Banking

$m	4Q23	3Q24	4Q24	vs. 4Q23 $	vs. 4Q23 %
Wealth	1,674	2,346	2,062	388	23%
Personal Banking	4,878	4,816	4,793	(85)	(2)%
Other	(2,382)	175	96	2,478	>100%
of which: notable items	*(2,153)*	*—*	*(27)*	*2,126*	*99%*
Revenue	**4,170**	**7,337**	**6,951**	**2,781**	**67%**
ECL	(245)	(436)	(409)	(164)	(67)%
Costs	(3,722)	(3,706)	(4,048)	(326)	(9)%
PBT	**221**	**3,209**	**2,498**	**2,277**	**>100%**

	4Q23	3Q24	4Q24	vs. 3Q24	vs. 3Q24 %
Customer lending, $bn	445	445	447	2	1%
Customer accounts, $bn	793	806	823	17	2%
RWAs, $bn	193	192	181	(11)	(6)%
Wealth balances, $bn‡	1,727	1,902	1,848	(54)	(3)%
— o/w: Invested assets, $bn‡	1,191	1,348	1,293	(55)	(4)%

	FY23	FY24	vs. FY23
RoTE, %	28.5%	29.0%	0.5ppts

Revenue 4Q24 vs 4Q23

Revenue +$2.8bn / 67%, including +$2bn impacts from strategic transactions*. Excluding these, revenue up $0.8bn / 12%

Wealth +$0.4bn / 23% with strong growth across all products

Personal Banking $(0.1)bn / (2)%, including a $(0.2)bn impact from strategic transactions. Excluding this, up $0.1bn / 2% due to balance sheet growth and growth in fee and other income

Other +$2.5bn / >100%, primarily due to the non-recurrence of a $2bn impairment relating to the sale of our retail banking operations in France from 4Q23 and +$0.2bn higher Markets Treasury allocations

Balances 4Q24 vs. 3Q24

Loans +$2bn / 1%, including +$1bn unsecured (Hong Kong +$1bn mainly cards), +$1bn Private Banking, notably in CIIOM

Deposits +$17bn / 2%, including +$8bn Hong Kong, +$4bn UK, +$2bn CIIOM, +$2bn Singapore, +$1bn mainland China

Invested assets $(55)bn / (4)%, including $(24)bn from moving our French life insurance business to held-for-sale and $(12)bn from an internal transfer to Markets Treasury. The remaining reduction was driven by $(11)bn market and $(13)bn FX and other impacts, partly offset by $5bn NNIA

* Related to the sale of Canada, Argentina and our retail banking operations in France

‡ Compared with 4Q23, Wealth balances down $(57)bn / Invested assets $(54)bn due to the held-for-sale classification of: (i) Argentina; (ii) our Private Bank in Germany; (iii) our life insurance business in France. Additionally, during 4Q24 we transferred a $12bn portfolio associated with the Group's Holdings Capital Buffer from Asset Management to our Markets Treasury function

Commercial Banking

$m	4Q23	3Q24	4Q24	vs. 4Q23 $	vs. 4Q23 %
Global Payments Solutions	3,137	2,919	2,918	(219)	(7)%
Credit & Lending	1,234	1,287	1,226	(8)	(1)%
Global Trade Solutions	468	503	513	45	10%
Markets products, Insurance and Investments and Other	179	617	639	460	>100%
of which: notable items	(129)	—	—	129	>100%
Revenue	**5,018**	**5,326**	**5,296**	**278**	**6%**
ECL	(651)	(467)	(774)	(123)	(19)%
Costs	(1,942)	(1,896)	(2,126)	(184)	(9)%
PBT	**2,425**	**2,963**	**2,396**	**(29)**	**(1)%**

				vs. 3Q24	
Customer lending, $bn	301	309	307	(3)	(1)%
Customer accounts, $bn	465	470	490	21	4%
RWAs, $bn	355	349	338	(11)	(3)%

	FY23	FY24	vs. FY23
RoTE, %*	23.4%	20.0%	(3.4)ppts

Revenue 4Q24 vs. 4Q23

Revenue +$0.3bn / 6% due to balance sheet growth, higher transaction banking fee and other income, higher collaboration income and higher revenue from currency volatility in Argentina. This was offset by the impact of the sale of Canada and lower GPS margins in Hong Kong and Europe

GPS $(0.2)bn / (7)% due to the sale of Canada and lower margins, including from product mix in Hong Kong and Europe, offset by deposit growth and higher fees driven by higher payment volumes

C&L stable – higher Innovation Banking revenue in the UK was offset by the sale of Canada

GTS +10% due to higher margins and volumes across the Middle East and Asia along with higher Guarantees and Receivables Finance fees

Other income +$0.5bn / >100% due to currency volatility in Argentina, higher Markets Treasury allocations, lower HSBC Holdings interest expense, non-recurrence of Treasury disposal losses from 4Q23 and higher GBM collaboration revenues

Balances 4Q24 vs. 3Q24

Loans $(3)bn / (1)%, notably in Europe and the US as corporates pay down bank debt and increasingly use capital markets for funding. This was partly offset by growth in Trade, notably in Asia and the UK

Deposits +$21bn / 4% reflecting the success of global deposit initiatives and seasonal inflows, notably in Asia and HSBC Bank plc, alongside growth in our Innovation Banking business

* RoTE in FY23 included the gain on the acquisition of SVB UK

Global Banking and Markets

$m	4Q23	3Q24	4Q24	vs. 4Q23 $	vs. 4Q23 %
Securities Services	557	559	580	23	4%
Global Debt Markets	76	257	155	79	>100%
Global FX	953	1,051	944	(9)	(1)%
Equities	149	270	173	24	16%
Securities Financing	305	313	476	171	56%
XVAs	4	(23)	52	48	>100%
Markets and Securities Services	**2,044**	**2,427**	**2,380**	**336**	16%
Global Trade Solutions	161	174	168	7	4%
Global Payments Solutions	1,140	1,110	1,133	(7)	(1)%
Credit & Lending	478	464	466	(12)	(3)%
Investment Banking	223	273	265	42	19%
Other	84	134	153	69	82%
Banking	**2,086**	**2,155**	**2,185**	**99**	5%
GBM Other	(512)	(208)	(190)	322	63%
Revenue	**3,618**	**4,374**	**4,375**	**757**	21%
of which: notable items	(135)	—	—	135	100%
ECL	(14)	(48)	(177)	(163)	>100%
Costs	(2,692)	(2,493)	(2,797)	(105)	(4)%
PBT	**912**	**1,833**	**1,401**	**489**	54%
				vs. 3Q24	
Customer lending, $bn	171	170	170	(0)	(0)%
Customer accounts, $bn	321	327	341	14	4%
RWAs, $bn	218	232	232	(0)	(0)%
Assets under custody, $tn[1]	9.7	11.0	10.6	(0)	(4)%
Gross Investment Banking revenue, $m	307	425	424	(1)	(0)%

	FY23	FY24	vs. FY23
RoTE, %	11.4	13.0	1.6ppts

Revenue 4Q24 vs. 4Q23

Revenue $4.4bn, +$0.8bn / 21%

Securities Financing +$0.2bn / 56%, due to ongoing investment in Prime Finance and wider spreads across asset classes

Global Debt Markets +$0.1bn / >100%, driven by a strong demand in financing products vs. 4Q23 when client activity was lower due to economic conditions

Equities +16%, primarily due to better results in equities derivates and equity capital markets

Securities Services +4% due to fee growth in MENA and Asia markets as well as rates environment, partially offset by divestments within our fund administration business

Investment Banking +19%, due to increased client financing activity, reflected primarily in leveraged finance and equity capital markets

GBM Other +$0.3bn / 63% due to higher allocations of Markets Treasury revenue, and lower HSBC Holdings interest expense

Balances 4Q24 vs. 3Q24

Deposits +$14bn / 4% due to business growth in the UK (HSBC Bank plc), Singapore and Australia, as well as seasonality across markets

Corporate Centre

$m	4Q23	3Q24	4Q24	vs. 4Q23 $	vs. 4Q23 %
Central Treasury	1	68	(91)	(92)	>(100)%
Legacy Credit	6	9	(73)	(79)	>(100)%
Other	(290)	(296)	(4,894)	(4,604)	>(100)%
Revenue	**(283)**	**(219)**	**(5,058)**	**(4,775)**	**>(100)%**
ECL	4	(21)	(2)	(6)	>(100)%
Costs	(70)	51	367	437	>100%
Associates	**(2,401)**	**591**	**675**	**3,076**	**>100%**
of which: BoCom	*(2,552)*	*444*	*539*	*3,091*	*>100%*
of which: Saudi Awwal Bank	*147*	*147*	*133*	*(14)*	*(10)%*
PBT	**(2,750)**	**402**	**(4,018)**	**(1,268)**	**(46)%**
Memo: revenue notable items	*(325)*	*(211)*	*(4,913)*	*(4,588)*	*> (100)%*
RWAs, $bn	88	91	87	(1)	(1)%
Markets Treasury revenue allocated to Global Businesses, $m*	(155)	307	370	525	>100%

	FY23	FY24	vs. FY23
RoTE, %	(1.0)	0.7	1.7ppts

Revenue 4Q24 vs. 4Q23

Revenue down $(4.8)bn, principally reflecting the impact of strategic transactions, notably:

- $(5.2)bn recycling of historical foreign currency reserve losses on completing the sale of our business in Argentina
- $0.1bn from a reduction in the loss on disposal on the sale of Argentina
- $0.3bn non-recurrence of 4Q23 fair value losses on the hedging of the proceeds from the sale of our banking business in Canada

It also included $0.1bn fair value gains on hedges related to our retained French retail lending portfolio

* 4Q23 included $(0.4)bn of Treasury disposal losses. Markets Treasury revenue is not included in Corporate Centre revenue and is allocated to the Global Businesses

Glossary

ADRs	American Depositary Receipts
AI	Artificial intelligence
AIEA	Average interest earning assets
AM	Asset Management
AT1	Additional Tier 1
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
CIB	Corporate and Institutional Banking
CIIOM	Channel Islands and Isle of Man
CMB	Commercial Banking, one of our global business which operated until 31 December 2024
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
CSM release	The systematic recognition of the unearned profit of insurance contracts in revenue over the period that services are provided
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
ECM	Equity capital markets

EPS	Earnings per share
FVOCI	Fair value through other comprehensive income
GBM	Global Banking and Markets, one of our global business which operated until 31 December 2024
Gen AI	Generative artificial intelligence
GFX	Global Foreign Exchange
GPS	Global Payments Solutions
Group	HSBC Holdings plc and its subsidiary undertakings
GTS	Global Trade Solutions
IFRS	International Financial Reporting Standard
Issued share count	Number f ordinary shares issued by the Company
IWPB	International Wealth and Premier Banking
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
NAV	Net asset value
New business CSM	Insurance manufacturing new business contractual service margin
NBFI	Non-bank financial institution
NCI	Non-controlling interests
NII	Net interest income
NIM	Net interest margin
NNIA	Net new invested assets
PAOS	Profit attributable to ordinary shareholders
PBT	Profit before tax
Ppt	Percentage points
Return on tangible equity / RoTE	Return on average tangible equity
RM	Relationship manager
RWA	Risk-weighted asset
SPE	Special purpose entity
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 Bank plc (HSBC UK), the UK ring-fenced bank, established July 2018 as part of ring fenced bank legislation
WPB	Wealth and Personal Banking, one of our global business which operated until 31 December 2024
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

Footnotes (1)

Business update

Slide 3: FY24 performance

1. $26.9bn includes: $11.9bn ordinary dividends, including an estimated amount for the fourth interim dividend in respect of 2024, payable on 25APR25; $3.9bn special dividend; $11bn share buybacks, comprising the buybacks announced at 1Q24 / 2Q24 / 3Q24 results which have been completed, and the up to $2bn buyback announced at 4Q24 results
2. Up to $11bn -- includes the buybacks announced at 1Q24 / 2Q24 / 3Q24 results which have been completed, and the up to $2bn buyback announced at 4Q24 results

Slide 5: Benefits from our organisational simplification

1. Revenue for which a single member of the Group OpCo is accountable
2. Excluding the impact of notable items. Our targets and expectations reflect our current outlook for the global macroeconomic environment and market-dependent factors, such as market-implied interest rates (as of mid-January 2025) and rates of foreign exchange, as well as customer behaviour and activity levels

Slide 6: We've aligned our business structure to our strategic priorities (1)

1. HSBC internal analysis based on loans and advances to customers in our Hong Kong legal entity as of 30 June 2024, and the financial data presented in the Q2 2024 results announcements of 13 selected peer banks, including Bank of China Hong Kong, Standard Chartered, Bank of East Asia and ICBC
2. HSBC internal analysis based on customer accounts in our Hong Kong legal entity as of 30 June 2024, and the financial data presented in the Q2 2024 results announcements of the same 13 selected peer banks
3. HSBC internal analysis based on the 9M24 PBT of HSBC UK and the financial data presented in the Q3 2024 results announcements of Barclays (Barclays UK and UK Corporate Bank divisions), Lloyds Banking Group, Natwest Group and Santander UK
4. HSBC internal analysis based on loans and advances to customers in HSBC UK as at 30 September 2024, and financial data presented in the Q3 2024 results announcements of the same four selected peer banks
5. HSBC internal analysis based on third party customer deposits in HSBC UK as at 30 September 2024, and financial data presented in the Q3 results announcements of the same four selected peer banks
6. Selected 2024 financial information re-presented, for illustrative purposes only, to align with the Group's operating segments effective from 1 January 2025. No additional adjustments have been made to this information other than to reflect the presentation of the Group's new operating segments, and there are no changes to the Group's total figures as disclosed in the Annual Report and Accounts 2024. Data presented is unaudited. Further detail on our operating segments can be found on page 103 of our 2024 Annual Report and Accounts

Slide 7: We've aligned our business structure to our strategic priorities (2)

1. Source: Coalition Greenwich Competitor Analytics – 3Q24YTD. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BARC, BNPP, CA-CIB, CITI, DBS, JPM and SCB. Analysis includes all Institutional Clients and Corporates with annual sales turnover of more than US$5-10mn
2. Source: Coalition Greenwich Competitor Analytics – 3Q24YTD. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BARC, BNPP, CITI, DBS, DB, JPM and SCB. Analysis includes all Institutional Clients and Corporates with annual sales turnover of more than US$5-10mn.
3. Source: Coalition Greenwich Competitor Analytics – 3Q24YTD. 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 and UBS. Equal ranking represents within 5% revenue margin.
4. Source: Coalition Greenwich Competitor Analytics – 3Q24YTD. Based on HSBC's internal business structure and internal revenue numbers, and the following peer group: BofA, BNPP, BNY, CITI, DB, JPM, NT, SG and STT
5. Source: Asian Private Banker 2023
6. Source: Hong Kong Insurance Authority June 2024. 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
7. Selected 2024 financial information re-presented, for illustrative purposes only, to align with the Group's operating segments effective from 1 January 2025. No additional adjustments have been made to this information other than to reflect the presentation of the Group's new operating segments, and there are no changes to the Group's total figures as disclosed in the Annual Report and Accounts 2024. Data presented is unaudited. Further detail on our operating segments can be found on page 103 of our 2024 Annual Report and Accounts

Slide 10: We have a strong deposit base

1. Selected 2024 financial information re-presented, for illustrative purposes only, to align with the Group's operating segments effective from 1 January 2025. No additional adjustments have been made to this information other than to reflect the presentation of the Group's new operating segments, and there are no changes to the Group's total figures as disclosed in the Annual Report and Accounts 2024. Data presented is unaudited. Further detail on our operating segments can be found on page 103 of our 2024 Annual Report and Accounts
2. Based on the Group's loan to deposit ratio, compared with 14 peer banks used for the remuneration of the Group's Executive Directors as part of their long-term incentive plan. These include Bank of China Hong Kong (Asia), Barclays (UK), BNP Paribas (Europe), China Merchants Bank (Asia), Citigroup (US), DBS Group Holdings (Asia), J.P. Morgan Chase & Co. (US), Lloyds Banking Group (UK), OCBC Bank (Asia), Standard Chartered (Asia) and UBS Group (Europe). Uses the latest available financial reports from peers as of 10 February 2025
3. Market data sourced from the HKMA and Bank of England as at December 2024. Time deposits for our Hong Kong entity and HSBC UK are based on internal definitions

Slide 11: We maintain a high-quality loan portfolio

1. Wholesale loans classified as Strong or Good credit quality are equivalent to an investment grade rating from an external credit rating agency

Slide 12: We manage our capital with discipline

1. The issued share count as at 31 December 2022 was 20,294m

Slide 14: We aim to generate consistent mid-teens returns over the next three years

1. Excluding the impact of notable items. Our targets and expectations reflect our current outlook for the global macroeconomic environment and market-dependent factors, such as market-implied interest rates (as of mid-January 2025) and rates of foreign exchange, as well as customer behaviour and activity levels

Slide 17: A mid-teens RoTE provides us with a range of options for capital deployment

1. For illustrative purposes only, based on internal analysis of maximum capital allocation using a basic set of assumptions with all else remaining equal. Assumptions include: (i) a 14-16% return on tangible equity excluding notable items; (ii) RWAs and TNAV balances as at 31DEC24 of $838bn and $154bn respectively are unchanged; (iii) a dividend payout ratio of 50%; and (iv) dividends received from BoCom are unchanged from 2024

Footnotes (2)

Slide 18: Your HSBC

1. Excluding the impact of notable items. Our targets and expectations reflect our current outlook for the global macroeconomic environment and market-dependent factors, such as market-implied interest rates (as of mid-January 2025) and rates of foreign exchange, as well as customer behaviour and activity levels

4Q24 results

Slide 20: 4Q24 summary

1. Includes: (1) an approximate distribution amount of the $0.36 dividend per share, payable on 25 April 2025; (2) the up to $2bn buyback

Slide 23: Banking NII (1)

1. 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

Slide 25: Fee and other income: Wholesale Transaction Banking

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'

Slide 32: Capital

1. Ratio movements include the impact of threshold deductions

Slide 33: Outlook

1. In line with our medium-term planning range. Calculated as a percentage of average gross loans, including held-for-sale loan balances
2. See slide 49 for a reconciliation of our 2025 target basis

Slide 39: Banking NII

1. 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 41: Reported net interest margin

1. Based on HK deposit balance of c.$575bn and the c.3.4ppts difference between the average rates paid on time deposits and CASA as at 31 December 2024. Actual NII impact of migration will depend on rates paid and market conditions

Slide 42: Wholesale Transaction Banking and Wealth — additional information

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 43: Wholesale multi-jurisdictional revenue

1. Multi-jurisdictional client revenue: Financial metric we use to assess our ability to drive value from our international network. 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 46: Global CRE exposure

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

Slide 54: 4Q24 vs. 3Q24 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'
2. Primarily from the recycling of FX and other reserve losses on the sale of our business in Argentina

Slide 55: FY24 vs. FY23 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'
2. Primarily from the recycling of FX and other reserve losses on the sale of our business in Argentina

Disclaimer

Important notice

The information, statements and opinions set out in this presentation and accompanying discussion (this “Presentation”) are for informational and reference purposes only and do not constitute a public offer for the purposes of any applicable law or an offer to sell or solicitation of any offer to purchase any securities or other financial instruments or any advice or recommendation in respect of such securities or other financial instruments.

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Forward-looking statements

This Presentation may contain projections, estimates, forecasts, ambitions, targets, commitments, 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 ambitions, targets and commitments 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, including in relation to trade and tariff policies, increased volatility in interest rates and inflation levels and other macroeconomic risks, geopolitical tensions such as the Russia-Ukraine war and the conflict in the Middle East and potential resurgence, continuation or escalation thereof, 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, ambitions, targets, commitments, 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 2024, which we expect to file with the Securities and Exchange Commission (the “SEC”) on Form 20-F on 20 February 2025 (the “2024 Form 20-F”).

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 2024 Form 20-F, when filed with the SEC, which is available at www.hsbc.com.

Information in this Presentation was prepared as at 19 February 2025.