

# Financial review

The financial review gives detailed reporting of our financial performance at Group level as well as across the global businesses we reported on in 2024 and legal entities.

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# Financial summary

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## Key financial measures: basis of preparation

### Return on average tangible equity excluding notable items

From 1 January 2024, we revised the adjustments made to our adjusted RoTE measure. Prior to this, we adjusted RoTE for the impact of strategic transactions and the impairment of our investment in Bank of Communications Co., Limited ('BoCom'), whereas from 1 January 2024 we have excluded all notable items. This was intended to improve alignment with the treatment of notable items in our other income statement disclosures. The calculation for RoTE excluding notable items, adjusts the 'profit attributable to the ordinary shareholders, excluding goodwill and other intangible assets impairment' for the post-tax impact of notable items. It also adjusts the 'average tangible equity' for the post-tax impact of notable items in each period, which remain as adjusting items for all relevant periods within that calendar year. For a reconciliation from return on equity ('RoE') to RoTE excluding notable items, see page 122.

We do not reconcile our forward RoTE guidance to the equivalent reported measure.

### Banking net interest income

Banking net interest income ('banking NII') adjusts our NII, primarily for the impact of funding trading and fair value activities reported in interest expense. It represents the Group's banking revenue that is directly impacted by changes in interest rates.

We use this measure to determine the deployment of our surplus funding, and to help optimise our structural hedging and risk management actions. For more information on banking NII, see page 91.

### Target basis operating expenses

Target basis operating expenses is computed by excluding the direct cost impact of our France retail banking operations and Canada banking business disposals 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. We consider target basis operating expenses to provide useful information to investors by quantifying and excluding the notable items that management considered when setting and assessing cost-related targets. For a reconciliation from reported operating expenses to target basis operating expenses, see page 124.

In 2024, we targeted operating expenses growth on a target basis of approximately 5% compared with 2023. This target reflected our business plan for 2024, which included an increase in staff compensation, higher spend and investment in technology for growth and efficiency, in part mitigated by cost savings from actions taken during 2023.

We are targeting growth in target basis operating expenses of approximately 3% in 2025 compared with 2024. Our target basis operating expenses for 2025 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.

Our cost target includes the impact of simplification-related saves associated with our announced reorganisation, see page 98, which aims to generate approximately \$0.3bn of cost reductions in 2025. To deliver these reductions, we plan to incur severance and other up-front costs of \$1.8bn over 2025 and 2026, which will be classified as notable items.

We do not reconcile our forward target basis operating expenses guidance to the reported operating expenses.

### Dividend payout ratio target basis

We established a dividend payout ratio target basis of 50% for 2023 and 2024, and we continue to target a payout ratio target basis of 50% for 2025. For the purposes of computing our dividend payout ratio target basis, we exclude from earnings per share material notable items and related impacts. Material notable items are components of our income statement that management would consider as outside the normal course of business and generally non-recurring in nature, which are excluded from our dividend payout ratio calculation and our earnings per share measure, along with related impacts.

Material notable items are a subset of notable items for which categorisation is dependent on the nature of each item in conjunction with the financial impact on the Group's income statement. They comprise the impacts of the sales of our banking business in Canada and our retail banking operations in France, the gain following the acquisition of SVB UK, the impacts of the sale of our business in Argentina and the impairment of BoCom. We also exclude HSBC Bank Canada's financial results from the 30 June 2022 net asset reference date until completion, as the gain on sale was recognised through a combination of the consolidation of HSBC Bank Canada's results in the Group's results since this date, and the remaining gain on sale recognised at completion, inclusive of the recycling of related reserves and fair value gains on related hedges. Following the completion of the sale of our banking business in Canada, the Board approved a special dividend of \$0.21 per share, which was paid in June 2024, alongside the first interim dividend.

For a reconciliation of basic earnings per share to basic earnings per share excluding material notable items and related impacts, see page 125. We do not reconcile our forward dividend payout ratio target basis guidance to the reported dividend payout ratio.

## Use of alternative performance measures

Our reported results are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards'), as detailed in the financial statements starting on page 341.

To measure our performance, we supplement our IFRS Accounting Standards figures with non-IFRS Accounting Standards measures, which constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with US Securities and Exchange Commission rules and regulations. These measures include those derived from our reported results that eliminate factors distorting year-on-year comparisons. The 'constant currency performance' measure used throughout this report is described below. Definitions and calculations of other alternative performance measures

are included in our 'Reconciliation of alternative performance measures' on page 120. Also, the insurance-specific non-GAAP measure 'Insurance equity plus CSM net of tax', is provided on page 106, along with its definition and reconciliation to the GAAP measure. All alternative performance measures are reconciled to the closest reported performance measure.

The global business segmental results are presented on a constant currency basis in accordance with IFRS 8 'Operating Segments' as detailed in Note 10 'Segmental analysis' on page 383.

## Constant currency performance

Constant currency performance is computed by adjusting reported results for the effects of foreign currency translation differences, which distort year-on-year comparisons.

We consider constant currency performance to provide useful information for investors by aligning internal and external reporting, and reflecting how management assesses year-on-year performance.

## Notable items and material notable items

We separately disclose 'notable items', which are components of our income statement that management would consider as outside the normal course of business and generally non-recurring in nature.

Certain notable items are classified as 'material notable items', which are a subset of notable items. Categorisation as a material notable item is dependent on the nature of each item in conjunction with the financial impact on the Group's income statement. We exclude material notable items when computing our dividend payout ratio target basis. Material notable items currently comprise the sale of our retail operations in France and our banking business in Canada, the sale of our business in Argentina, the acquisition of SVB UK and the impairment of our investment in BoCom.

■ The tables on pages 99 to 101 and pages 113 to 118 detail the effects of notable items on each of our global business segments, legal entities and selected countries/territories in 2024, 2023 and 2022.

## Impact of strategic transactions

To aid the understanding of our results, we separately disclose the impact of strategic transactions classified as material notable items on the results of the Group and our global businesses. At 31 December 2024, strategic transactions classified as material notable items in current and comparative periods comprise the disposal of our retail banking operations in France, the disposal of our banking business in Canada, the sale of our business in Argentina and the acquisition of SVB UK.

The impacts of strategic transactions include the gains or losses on classification to held for sale or on acquisition and all other related notable items. They also include the distorting impact between the periods of the operating income statement results related to acquisitions and disposals that affect period-on-period comparisons. This is computed by including the operating income statement results of each business in any period for which there are no results in the comparative period. We consider the monthly impacts of distorting income statement results when calculating the impact of strategic transactions.

■ See page 102 for supplementary analysis of the impact of strategic transactions.

## Constant currency revenue and profit before tax excluding notable items

We separately report 'constant currency revenue excluding notable items' and 'constant currency profit before tax excluding notable items', which exclude the impact of notable items and the impact of foreign exchange translation. We consider this measure to provide useful information to investors as it removes items which distort period-on-period comparisons.

■ For a reconciliation of 'constant currency revenue excluding notable items' and 'constant currency profit before tax excluding notable items' to reported revenue and reported profit respectively, see page 122.

## Constant currency revenue and profit before tax excluding notable items and the impact of strategic transactions

To aid the understanding of our results, we separately disclose 'constant currency revenue excluding notable items and the impact of strategic transactions' and 'constant currency profit before tax excluding notable items and the impact of strategic transactions'. This measure excludes the impact of strategic transactions classified as material notable items from constant currency revenue and profit before tax excluding notable items. At 31 December 2024, strategic transactions classified as material notable items comprise the disposal of our retail banking operations in France, our banking business in Canada, the sale of our business in Argentina and the acquisition of SVB UK.

The impacts quoted include the gains or losses on classification to held for sale or acquisition and all other related notable items. They also include the distorting impact between the periods of the operating income statement results related to acquisitions and disposals that affect period-on-period comparisons. It is computed by including the operating income statement results of each business in any period for which there are no results in the comparative period. We consider the monthly impacts of distorting income statement results when calculating the impact of strategic transactions.

■ For a reconciliation of 'constant currency revenue excluding notable items and the impact of strategic transactions' and 'constant currency profit before tax excluding notable items and the impact of strategic transactions' to reported revenue and reported profit respectively, see page 122.

## Foreign currency translation differences

Foreign currency translation differences reflect the movements of the US dollar against most major currencies during 2024.

We exclude them to derive constant currency data, allowing us to assess balance sheet and income statement performance on a like-for-like basis and to better understand the underlying trends in the business.

Foreign currency translation differences for 2024 are computed by retranslating into US dollars for non-US dollar branches, subsidiaries, joint ventures and associates:

- the income statements for 2023 and 2022 at the average rates of exchange for 2024; and
- the balance sheets at 31 December 2023 and 31 December 2022 at the prevailing rates of exchange on 31 December 2024.

No adjustment has been made to the exchange rates used to translate foreign currency-denominated assets and liabilities into the functional currencies of any HSBC branches, subsidiaries, joint ventures or associates. The constant currency data of our operations in Argentina and Türkiye has not been adjusted further for the impacts of hyperinflation.

When reference is made to foreign currency translation differences in tables or commentaries, comparative data reported in the functional currencies of HSBC's operations have been translated at the appropriate exchange rates applied in the current period on the basis described above.

## Insurance metrics no longer reported

Insurance manufacturing value of new business and Insurance manufacturing proxy embedded value were previously presented as non-GAAP performance measures. The Group continues to review its use of non-GAAP performance measures following implementation of IFRS 17 and has now discontinued the reporting of these measures. Instead 'New business CSM' is now management's key new-business performance measure, and 'Equity plus CSM net of tax' is considered a measure of entity value more closely aligned with IFRS 17.

### Impact of hyperinflationary accounting

During 2024, we continued to treat Argentina and Türkiye as hyperinflationary economies for accounting purposes. The impact of applying IAS 29 'Financial Reporting in Hyperinflationary Economies' and the hyperinflation provisions of IAS 21 'The Effects of Changes in Foreign Exchange Rates' for our operations in both Argentina and Türkiye was a decrease in the Group's profit before tax of \$917m (2023: \$1,297m), comprising a decrease in revenue, including loss on net monetary position, of \$840m (2023: \$1,586m) and an increase in ECL and operating expenses of \$77m (2023: decrease of \$289m). These numbers reflect an increase in the consumer price index ('CPI') of 3,915.03 (2023: 2,429.13 increase) for Argentina and 825.55 (2023: 730.89 increase) for Türkiye. We have now completed the sale of our business in Argentina, so there will be no impact in 2025 of hyperinflation in this market, although comparative data will include the impact of hyperinflation.

### Critical estimates and judgements

The results of HSBC reflect the choice of accounting policies, assumptions and estimates that underlie the preparation of HSBC's consolidated financial statements. The material accounting policies, including the policies which include critical estimates and judgements, are described in Note 1.2 on the financial statements. The accounting policies listed below are highlighted as they involve a high degree of uncertainty and have a material impact on the financial statements:

- Impairment of amortised cost financial assets and financial assets measured at fair value through other comprehensive income ('FVOCI'): The most significant judgements relate to defining what is considered to be a significant increase in credit risk, determining the lifetime and point of initial recognition of revolving facilities, selecting and calibrating the probability of default ('PD'), the loss given default ('LGD') and the exposure at default ('EAD') models, as well as selecting model inputs and economic forecasts, making assumptions and estimates to incorporate relevant information about late-breaking and past events, current conditions and forecasts of economic conditions, and selecting applicable recovery strategies for certain wholesale credit-impaired loans. A high degree of uncertainty is involved in making estimations using assumptions that are highly subjective and very sensitive to the risk factors. See Note 1.2(i) on page 359.
- Deferred tax assets: The most significant judgements relate to those made in respect of recoverability, which are based on expected future profitability. See Note 1.2(l) on page 364.
- Valuation of financial instruments: In determining the fair value of financial instruments a variety of valuation techniques are used, some of which feature significant unobservable inputs and are subject to substantial uncertainty. See Note 1.2(c) on page 357.
- Impairment of investment in subsidiaries: Impairment testing, including testing for reversal of impairment, involves significant judgement in determining the value in use, and in particular estimating the present values of cash flows expected to arise from continuing to hold the investment, based on a number of management assumptions. See Note 1.2(a) on page 354.
- Impairment of interests in associates: Impairment testing, including testing for reversal of impairment, involves significant judgement in determining the value in use, and in particular estimating the present values of cash flows expected to arise from continuing to hold the investment, based on a number of management assumptions. The most significant judgements relate to the impairment testing of our investment in Bank of Communications Co., Limited ('BoCom'). See Note 1.2(a) on page 354.
- Impairment of goodwill and non-financial assets: A high degree of uncertainty is involved in estimating the future cash flows of the cash-generating units ('CGUs') and the rates used to discount these cash flows. See Note 1.2(a) on page 354 and Note 1.2(n) on page 365.
- Provisions: Significant judgement may be required due to the high degree of uncertainty associated with determining whether a present obligation exists, and estimating the probability and amount of any outflows that may arise. See Note 1.2(m) on page 364.
- Post-employment benefit plans: The calculation of the defined benefit pension obligation involves the determination of key assumptions including discount rate, inflation rate, pension payments and deferred pensions, pay and mortality. See Note 1.2(k) on page 363.

Given the inherent uncertainties and the high level of subjectivity involved in the recognition or measurement of the items above, it is possible that the outcomes in the next financial year could differ from the expectations on which management's estimates are based, resulting in the recognition and measurement of materially different amounts from those estimated by management in these financial statements.

## Consolidated income statement

### Summary consolidated income statement

|                                                                                                                                                        | 2024          | 2023          | 2022 <sup>1</sup> | 2021          | 2020          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|-------------------|---------------|---------------|
|                                                                                                                                                        | \$m           | \$m           | \$m               | \$m           | \$m           |
| Net interest income                                                                                                                                    | 32,733        | 35,796        | 30,377            | 26,489        | 27,578        |
| Net fee income                                                                                                                                         | 12,301        | 11,845        | 11,770            | 13,097        | 11,874        |
| Net income from financial instruments held for trading or managed on a fair value basis <sup>2</sup>                                                   | 21,116        | 16,661        | 10,278            | 7,744         | 9,582         |
| Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss | 5,901         | 7,887         | (13,831)          | 4,053         | 2,081         |
| Net insurance premium income                                                                                                                           | —             | —             | —                 | 10,870        | 10,093        |
| Insurance finance (expense)/income                                                                                                                     | (5,978)       | (7,809)       | 13,799            | —             | —             |
| Insurance service result                                                                                                                               | 1,310         | 1,078         | 809               | —             | —             |
| Gain on acquisition <sup>3</sup>                                                                                                                       | —             | 1,591         | —                 | —             | —             |
| Gains/(losses) recognised on sale of business operations <sup>4</sup>                                                                                  | (1,752)       | (61)          | (2,678)           | —             | —             |
| Other operating income/(expense) <sup>5</sup>                                                                                                          | 223           | (930)         | 96                | 1,687         | 1,866         |
| <b>Total operating income</b>                                                                                                                          | <b>65,854</b> | <b>66,058</b> | <b>50,620</b>     | <b>63,940</b> | <b>63,074</b> |
| Net insurance claims and benefits paid and movement in liabilities to policyholders                                                                    | —             | —             | —                 | (14,388)      | (12,645)      |
| <b>Net operating income before change in expected credit losses and other credit impairment charges<sup>6</sup></b>                                    | <b>65,854</b> | <b>66,058</b> | <b>50,620</b>     | <b>49,552</b> | <b>50,429</b> |
| Change in expected credit losses and other credit impairment charges                                                                                   | (3,414)       | (3,447)       | (3,584)           | 928           | (8,817)       |
| <b>Net operating income</b>                                                                                                                            | <b>62,440</b> | <b>62,611</b> | <b>47,036</b>     | <b>50,480</b> | <b>41,612</b> |
| Total operating expenses excluding impairment of goodwill and other intangible assets                                                                  | (32,966)      | (32,355)      | (32,554)          | (33,887)      | (33,044)      |
| (Impairment)/reversal of impairment of goodwill and other intangible assets                                                                            | (77)          | 285           | (147)             | (733)         | (1,388)       |
| <b>Operating profit</b>                                                                                                                                | <b>29,397</b> | <b>30,541</b> | <b>14,335</b>     | <b>15,860</b> | <b>7,180</b>  |
| Share of profit in associates and joint ventures                                                                                                       | 2,912         | 2,807         | 2,723             | 3,046         | 1,597         |
| Impairment of interest in associate                                                                                                                    | —             | (3,000)       | —                 | —             | —             |
| <b>Profit before tax</b>                                                                                                                               | <b>32,309</b> | <b>30,348</b> | <b>17,058</b>     | <b>18,906</b> | <b>8,777</b>  |
| Tax expense                                                                                                                                            | (7,310)       | (5,789)       | (809)             | (4,213)       | (2,678)       |
| <b>Profit for the year</b>                                                                                                                             | <b>24,999</b> | <b>24,559</b> | <b>16,249</b>     | <b>14,693</b> | <b>6,099</b>  |
| Attributable to:                                                                                                                                       |               |               |                   |               |               |
| – ordinary shareholders of the parent company                                                                                                          | 22,917        | 22,432        | 14,346            | 12,607        | 3,898         |
| – preference shareholders of the parent company                                                                                                        | —             | —             | —                 | 7             | 90            |
| – other equity holders                                                                                                                                 | 1,062         | 1,101         | 1,213             | 1,303         | 1,241         |
| – non-controlling interests                                                                                                                            | 1,020         | 1,026         | 690               | 776           | 870           |
| <b>Profit for the year</b>                                                                                                                             | <b>24,999</b> | <b>24,559</b> | <b>16,249</b>     | <b>14,693</b> | <b>6,099</b>  |

### Five-year financial information

|                                                                | 2024 | 2023 | 2022 <sup>1</sup> | 2021 | 2020 |
|----------------------------------------------------------------|------|------|-------------------|------|------|
|                                                                | \$   | \$   | \$                | \$   | \$   |
| Basic earnings per share                                       | 1.25 | 1.15 | 0.72              | 0.62 | 0.19 |
| Diluted earnings per share                                     | 1.24 | 1.14 | 0.72              | 0.62 | 0.19 |
| Dividends per ordinary share (paid in the period) <sup>7</sup> | 0.82 | 0.53 | 0.27              | 0.22 | —    |
|                                                                | %    | %    | %                 | %    | %    |
| Dividend payout ratio <sup>8</sup>                             | 50   | 50   | 44                | 40   | 79   |
| Post-tax return on average total assets                        | 0.8  | 0.8  | 0.5               | 0.5  | 0.2  |
| Return on average ordinary shareholders' equity                | 13.6 | 13.6 | 9.0               | 7.1  | 2.3  |
| Return on average tangible equity                              | 14.6 | 14.6 | 10.0              | 8.3  | 3.1  |
| Effective tax rate                                             | 22.6 | 19.1 | 4.7               | 22.3 | 30.5 |

- From 1 January 2023, we adopted IFRS 17 'Insurance Contracts', which replaced IFRS 4 'Insurance Contracts'. Comparative data for the financial year ended 31 December 2022 have been restated accordingly. Comparative data for the years ended 31 December 2021 and 2020 are prepared on an IFRS 4 basis.
- Includes a \$255m gain (2023: \$315m loss) on the foreign exchange hedging of the proceeds from the sale of our banking business in Canada and a \$114m mark-to-market gain (2023:nil) on interest rate hedging of the portfolio of retained loans post sale of our retail banking business in France.
- Gain recognised in respect of the acquisition of SVB UK.
- This line item has been updated to include amounts from Other operating income relating to all sales of business operations; in the 2023 Annual Report and Accounts, this line item only reflected the disposal of our France retail banking business. The amount in 2024 includes a \$1.0bn loss on disposal and a \$5.2bn loss on the recycling in foreign currency translation reserve losses and other reserves arising on sale of our business in Argentina. This was partly offset by a gain of \$4.6bn, inclusive of the recycling of \$0.6bn in foreign currency translation reserve losses and \$0.4bn of other reserves losses but excluding the \$255m gain on the foreign exchange hedging (see footnote 2 above) on the sale of our banking business in Canada. The amount in 2023 primarily reflected losses due to restrictions impacting the recoverability of assets in Russia, partly offset by a gain on sale of our retail banking operations in France. The amount in 2022 included losses from classifying businesses as held for sale as part of a broader restructuring of our European business.
- Other operating (expense)/income includes a loss on net monetary positions of \$1,187m (2023: \$1,667m; 2022: \$678m) as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.
- Net operating income before change in expected credit losses and other credit impairment charges also referred to as revenue.
- Includes dividend paid during the period, which consisted of a fourth interim dividend of \$0.31 per ordinary share in respect of the financial year ended 31 December 2023 paid in April 2024 and the first, second and third interim dividends of \$0.30 per ordinary share in respect of the financial year ending 31 December 2024. In addition, a special dividend of \$0.21 per ordinary share from the Canada sale proceeds was paid in June 2024 along with the first interim dividend.
- In 2024 and 2023, our dividend payout ratio was adjusted for material notable items and related impacts. In 2022, our dividend payout ratio was adjusted for the loss on classification to held for sale of our retail banking business in France, items relating to the sale of our banking business in Canada, and the recognition of certain deferred tax assets. No items were adjusted for in 2021 and 2020.

Unless stated otherwise, all tables are presented on a reported basis.

For a summary of our financial performance in 2024, see page 27.

For further financial performance data for each global business and legal entity, see pages 98 to 102 and 110 to 120 respectively. The global business segmental results are presented on a constant currency basis in accordance with IFRS 8 'Operating Segments' as set out in Note 10: Segmental analysis on page 383.

## Income statement commentary

The following commentary compares Group financial performance for the year ended 2024 with 2023, unless otherwise stated.

### Net interest income

|                                           | Year ended    |               |               | Quarter ended |              |              |
|-------------------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|
|                                           | 31 Dec 2024   | 31 Dec 2023   | 31 Dec 2022   | 31 Dec 2024   | 30 Sep 2024  | 31 Dec 2023  |
|                                           | \$m           | \$m           | \$m           | \$m           | \$m          | \$m          |
| Interest income                           | 108,631       | 100,868       | 52,826        | 26,004        | 27,255       | 26,714       |
| Interest expense                          | (75,898)      | (65,072)      | (22,449)      | (17,819)      | (19,618)     | (18,430)     |
| <b>Net interest income</b>                | <b>32,733</b> | <b>35,796</b> | <b>30,377</b> | <b>8,185</b>  | <b>7,637</b> | <b>8,284</b> |
| Average interest-earning assets           | 2,099,285     | 2,161,746     | 2,143,758     | 2,113,276     | 2,088,100    | 2,164,324    |
|                                           | %             | %             | %             | %             | %            | %            |
| Gross interest yield <sup>1</sup>         | 5.17          | 4.67          | 2.46          | 4.90          | 5.19         | 4.90         |
| Less: gross interest payable <sup>1</sup> | (3.95)        | (3.47)        | (1.24)        | (3.60)        | (4.07)       | (3.83)       |
| Net interest spread <sup>2</sup>          | 1.22          | 1.20          | 1.22          | 1.30          | 1.12         | 1.07         |
| Net interest margin <sup>3</sup>          | 1.56          | 1.66          | 1.42          | 1.54          | 1.46         | 1.52         |

- Gross interest yield is the average annualised interest rate earned on average interest-earning assets ('AIEA'). Gross interest payable is the average annualised interest cost as a percentage of average interest-bearing liabilities.
- Net interest spread is the difference between the average annualised interest rate earned on AIEA, net of amortised premiums and loan fees, and the average annualised interest rate payable on average interest-bearing funds.
- Net interest margin is net interest income expressed as an annualised percentage of AIEA.

#### Summary of interest income by type of asset

|                                                          | 2024             |                 |             | 2023             |                 |             | 2022             |                 |             |
|----------------------------------------------------------|------------------|-----------------|-------------|------------------|-----------------|-------------|------------------|-----------------|-------------|
|                                                          | Average balance  | Interest income | Yield       | Average balance  | Interest income | Yield       | Average balance  | Interest income | Yield       |
|                                                          | \$m              | \$m             | %           | \$m              | \$m             | %           | \$m              | \$m             | %           |
| Short-term funds and loans and advances to banks         | 349,517          | 14,727          | 4.21        | 403,674          | 14,770          | 3.66        | 445,659          | 5,577           | 1.25        |
| Loans and advances to customers                          | 949,825          | 49,879          | 5.25        | 957,717          | 47,673          | 4.98        | 1,022,320        | 32,543          | 3.18        |
| Reverse repurchase agreements – non-trading <sup>1</sup> | 238,694          | 17,721          | 7.42        | 240,263          | 14,391          | 5.99        | 231,058          | 4,886           | 2.11        |
| Financial investments                                    | 470,182          | 20,587          | 4.38        | 407,363          | 16,858          | 4.14        | 372,702          | 7,704           | 2.07        |
| Other interest-earning assets                            | 91,067           | 5,717           | 6.28        | 152,729          | 7,176           | 4.70        | 72,019           | 2,116           | 2.94        |
| <b>Total interest-earning assets</b>                     | <b>2,099,285</b> | <b>108,631</b>  | <b>5.17</b> | <b>2,161,746</b> | <b>100,868</b>  | <b>4.67</b> | <b>2,143,758</b> | <b>52,826</b>   | <b>2.46</b> |

#### Summary of interest expense by type of liability

|                                                  | 2024             |                  |             | 2023             |                  |             | 2022             |                  |             |
|--------------------------------------------------|------------------|------------------|-------------|------------------|------------------|-------------|------------------|------------------|-------------|
|                                                  | Average balance  | Interest expense | Cost        | Average balance  | Interest expense | Cost        | Average balance  | Interest expense | Cost        |
|                                                  | \$m              | \$m              | %           | \$m              | \$m              | %           | \$m              | \$m              | %           |
| Deposits by banks <sup>2</sup>                   | 66,405           | 2,930            | 4.41        | 60,392           | 2,401            | 3.98        | 75,739           | 770              | 1.02        |
| Customer accounts <sup>3</sup>                   | 1,385,840        | 40,173           | 2.90        | 1,334,803        | 34,162           | 2.56        | 1,342,342        | 10,903           | 0.81        |
| Repurchase agreements – non-trading <sup>1</sup> | 187,337          | 15,617           | 8.34        | 146,605          | 10,858           | 7.41        | 118,308          | 3,085            | 2.61        |
| Debt securities in issue – non-trading           | 196,440          | 12,806           | 6.52        | 184,867          | 11,223           | 6.07        | 179,775          | 5,607            | 3.12        |
| Other interest-bearing liabilities               | 84,773           | 4,372            | 5.16        | 146,216          | 6,428            | 4.40        | 87,965           | 2,084            | 2.37        |
| <b>Total interest-bearing liabilities</b>        | <b>1,920,795</b> | <b>75,898</b>    | <b>3.95</b> | <b>1,872,883</b> | <b>65,072</b>    | <b>3.47</b> | <b>1,804,129</b> | <b>22,449</b>    | <b>1.24</b> |

- The average balances for repurchase and reverse repurchase agreements include net amounts where the criteria for offsetting are met, resulting in a lower net balance reported for repurchase agreements and thus higher cost.
- Including interest-bearing bank deposits only.
- Including interest-bearing customer accounts only.

**Net interest income ('NII')** for 2024 was \$32.7bn, a decrease of \$3.1bn or 9% compared with 2023. The decrease included a \$2.7bn reduction mainly due to the redeployment of our commercial surplus to net trading and fair value assets, for which the associated revenue is reported in 'net income on financial instruments held for trading or managed on a fair value basis'. The fall also reflected a \$1.0bn loss due to the disposal of our business in Canada and a \$0.2bn loss in 2024 related to the early redemption of legacy securities. NII in HSBC UK grew by \$0.6bn, including the benefit of our structural hedge and balance sheet growth, partly offset by mortgage pricing pressures. There was also higher NII in Markets Treasury due to reinvestments in our portfolio at higher yields. Excluding the unfavourable impact of foreign currency translation differences, net interest income decreased by \$1.4bn or 4%. NII for the fourth quarter of 2024 was \$8.2bn, up 7% compared with the previous quarter, and down 1% compared with the fourth quarter of 2023. The increase compared with 3Q24 was predominantly driven by the non-recurrence of the adverse impact in 3Q24 from the early redemption of legacy securities. The decline in NII compared with 4Q23 was predominantly driven by the impact of lower AIEA.

**Net interest margin ('NIM')** for 2024 of 1.56% was 10bps lower compared with 2023, reflecting redeployment of our commercial surplus to net trading and fair value assets, and higher interest expense due to higher market rates and an adverse impact of \$0.2bn from the early redemption of legacy securities. The decrease in NIM in 2024 included the unfavourable impact of foreign currency translation differences. Excluding this, NIM decreased by 6bps. NIM for the fourth quarter of 2024 was 1.54%, up 8bps compared with the previous quarter, and up 2bps compared with the fourth quarter of 2023. The increase against the previous quarter was primarily due to the non-recurrence of the adverse impact from the early redemption of legacy securities. The year-on-year increase was predominantly driven by HSBC UK.

**Interest income** for 2024 of \$108.6bn increased by \$7.8bn compared with 2023, primarily due to an increase in market interest rates.

Interest income of \$26bn in the fourth quarter of 2024 was down \$1.3bn compared with the previous quarter, and down \$0.7bn compared with the fourth quarter of 2023. Both the declines were primarily due to lower market interest rates.

The change in interest income in 2024 compared with 2023 included an adverse impact of foreign currency translation differences of \$2.7bn. After excluding foreign currency translation differences, interest income increased by \$10.5bn.

**Interest expense** for 2024 of \$75.9bn increased by \$10.8bn compared with 2023, primarily due to an increase in market interest rates, growth in customer accounts with higher proportion for term deposits and the impact of the early redemption of legacy securities.

#### Banking net interest income

|                                                                                                                                       | Year ended    |             | Quarter ended |             |             |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------|---------------|-------------|-------------|
|                                                                                                                                       | 31 Dec 2024   | 31 Dec 2023 | 31 Dec 2024   | 30 Sep 2024 | 31 Dec 2023 |
|                                                                                                                                       | \$m           | \$m         | \$m           | \$m         | \$m         |
| <b>Net interest income</b>                                                                                                            | <b>32,733</b> | 35,796      | <b>8,185</b>  | 7,637       | 8,284       |
| Banking book funding costs used to generate 'net income from financial instruments held for trading or managed on a fair value basis' | <b>11,434</b> | 8,744       | <b>2,874</b>  | 3,051       | 2,542       |
| Third-party net interest income from insurance                                                                                        | <b>(429)</b>  | (445)       | <b>(109)</b>  | (104)       | (109)       |
| <b>Banking net interest income</b>                                                                                                    | <b>43,738</b> | 44,095      | <b>10,950</b> | 10,584      | 10,717      |
| – of which:                                                                                                                           |               |             |               |             |             |
| The Hongkong and Shanghai Banking Corporation Limited                                                                                 | <b>21,691</b> | 22,024      | <b>5,464</b>  | 5,475       | 5,566       |
| HSBC UK Bank plc                                                                                                                      | <b>10,368</b> | 9,684       | <b>2,663</b>  | 2,643       | 2,455       |
| HSBC Bank plc                                                                                                                         | <b>4,630</b>  | 4,596       | <b>1,182</b>  | 1,152       | 1,205       |

**Banking net interest income** is an alternative performance measure, and is defined as Group reported net interest income after deducting:

- 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;
- the funding costs 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; and
- third-party net interest income in our insurance business.

In our segmental disclosures, the funding costs of trading and fair value net assets are predominantly recorded in GBM in 'net income from financial instruments held for trading or managed on a fair value basis'. On consolidation, this funding is eliminated in Corporate Centre, resulting in an increase in the funding costs reported in NII with an equivalent offsetting increase in 'net income from financial instruments held for trading or managed on a fair value basis' in this segment. In the consolidated Group results, the cost to fund these trading and fair value net assets is reported in NII.

Banking NII was \$43.7bn in 2024. The funding costs associated with generating trading and fair value income were \$11.4bn, an increase of \$2.7bn compared with 2023, primarily reflecting redeployment of our commercial surplus to net trading and fair value assets. Banking NII also deducts third-party NII related to our insurance business, which was \$0.4bn, stable compared with 2023. The movement in banking NII also included a reduction from the disposal of our business in Canada of \$1.0bn, a \$0.2bn loss in 2024 related to the early redemption of legacy securities and from higher interest expense on deposits in part due to balance growth. Banking NII in HSBC UK grew by \$0.7bn, including the benefit of our structural hedge and balance sheet growth, partly offset by mortgage pricing pressures. There was higher NII in Markets Treasury due to reinvestments in our portfolio at higher yields.

The internally allocated funding to generate trading and fair value income was approximately \$200bn at 31 December 2024, a rise of approximately \$37bn since 31 December 2023, although it decreased by approximately \$9bn during 4Q24. This relates to trading, fair value and associated net asset balances predominantly in GBM. The increase reflected management decisions on the deployment of our commercial surplus.

The rise in interest expense included the favourable effects of foreign currency translation differences of \$1.1bn. Excluding this, interest expense increased by \$11.9bn.

Interest expense of \$17.8bn in the fourth quarter of 2024 was \$1.8bn and \$0.6bn lower compared with the third quarter of 2024 and the fourth quarter of 2023 respectively. The decrease against the previous quarter was due to the non-recurrence of an adverse impact from the early redemption of legacy securities. The year-on-year decline was primarily due to lower market interest rates.

**Net fee income** of \$12.3bn was \$0.5bn or 4% higher than in 2023, and included an adverse impact from foreign currency translation differences of \$0.2bn, as well as a reduction of \$0.4bn due to the impact of the disposal of our banking business in Canada. On a constant currency basis, net fee income was \$0.6bn higher, driven by an increase in WPB, while a smaller rise in GBM was offset by a reduction in CMB.

In WPB, net fee income increased by \$0.6bn. The rise was mainly due to higher income from unit trusts, broking income and funds under management, including in Hong Kong. This reflected stronger equity markets and improved customer sentiment. Cards income grew, including in our main entity in Mexico, as customer spending increased, as well as in our legal entities in Asia, which mitigated the reduction from the disposal of our banking business in Canada. The growth in cards activity resulted in a corresponding rise in fee expense.

In GBM, net fee income was stable, including an adverse impact of foreign currency translation of \$42m. There was higher broking and underwriting income in our main entity in Europe, although this was partly offset by a rise in associated fee expense. In addition, there was higher fee expense relating to broking and custody, as well as intercompany fee expenses incurred on behalf of other global businesses.

In CMB, net fee income decreased by \$0.1bn driven by lower fees from credit facilities, notably due to the disposal of our banking operations in Canada. This reduction was partly offset by an increase in fee income from GBM products sold to CMB customers.

**Net income from financial instruments held for trading or managed on a fair value basis** of \$21.1bn was \$4.5bn higher compared with 2023. This included favourable fair value movements of \$0.6bn on the foreign exchange hedging of the proceeds of the sale of our banking business in Canada until completion of the sale. The increase also reflected higher client activity and elevated volatility in Markets and Securities Services in GBM. A component of funding costs incurred to generate this income are reported in NII, and these increased by \$2.7bn, compared with 2023.

In WPB, income rose by \$0.2bn due to a favourable movement related to derivatives in our insurance business and from higher customer trading activity in Wealth, including in our main legal entity in Asia.

## Financial summary

**Net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss** of \$5.9bn fell by \$2.0bn compared with 2023. This decrease reflected adverse fair value movements on debt securities, due to movements in interest rates, including in our portfolios in Hong Kong and France, partly offset by improved equity returns.

This unfavourable movement resulted in a corresponding reduction in insurance finance expense, which has an offsetting impact for the related liabilities to policyholders.

**Insurance finance expense** of \$6.0bn was \$1.8bn lower than in 2023, reflecting the impact of investment returns on underlying assets on the value of liabilities to policyholders, which moves inversely with 'net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss'.

**Insurance service result** of \$1.3bn increased by \$0.2bn compared with 2023, primarily due to an increase in the release of the contractual service margin ('CSM').

**Gain on acquisition** fell by \$1.6bn, reflecting the non-recurrence of a gain recognised in respect of the acquisition of SVB UK in 1Q23.

**Losses recognised on sale of business operations** were \$1.8bn in 2024. This compared with a gain of \$61m in 2023. In 2024, there were losses from completion of the disposal of our business in Argentina, comprising the recycling of \$5.2bn of foreign currency translation reserve losses and other reserves to the income statement and a \$1.0bn loss on disposal. This was partly offset by a gain of \$4.6bn on the sale of our banking business in Canada, inclusive of recycling of foreign currency translation reserve and other reserve losses to the income statement.

**Other operating income** of \$0.2bn was \$1.3bn higher than in 2023. The increase primarily related to the non-recurrence of losses in 2023 of \$1.0bn relating to Treasury repositioning and risk management.

The increase also included the non-recurrence of a loss of \$0.3bn in 2023 relating to corrections to historical valuation estimates in our life insurance business, and losses related to the disposal of our New Zealand retail mortgage loan portfolio and the merger of HSBC Bank Oman in 2023 with Sohar International.

**Change in expected credit losses and other credit impairment charges ('ECL')** were a charge of \$3.4bn, stable compared with 2023.

ECL charges in CMB were \$1.8bn in 2024 and in GBM charges were \$0.2bn. This included charges of \$0.4bn in respect of commercial real estate in mainland China and of \$0.1bn in the Hong Kong real estate sector. This compared with charges of \$1.0bn and \$0.1bn respectively in these sectors in 2023. In addition, ECL in CMB in 2024 included a charge related to a single exposure in the UK, while charges in HSBC UK reduced compared with 2023. In GBM, charges in 2024 also benefited from a release of stage 3 allowances in HSBC Bank plc related to a single exposure.

In WPB, ECL charges were \$1.3bn. These primarily related to our legal entity in Mexico, reflecting growth in our unsecured lending portfolio and unemployment trends, and also in Hong Kong.

For further details on the calculation of ECL, including the measurement uncertainties and significant judgements applied to such calculations, the impact of the economic scenarios and management judgemental adjustments, see pages 147 to 160.

### Operating expenses

|                                             | Year ended    |               |               |
|---------------------------------------------|---------------|---------------|---------------|
|                                             | 2024          | 2023          | 2022          |
|                                             | \$m           | \$m           | \$m           |
| Gross employee compensation and benefits    | 20,153        | 19,623        | 19,288        |
| Capitalised wages and salaries              | (1,688)       | (1,403)       | (1,285)       |
| Property and equipment                      | 4,786         | 4,285         | 4,949         |
| Amortisation and impairment of intangibles  | 2,235         | 1,827         | 1,701         |
| UK bank levy                                | 249           | 339           | 13            |
| Legal proceedings and regulatory matters    | 145           | 188           | 246           |
| Other operating expenses <sup>1</sup>       | 7,163         | 7,211         | 7,789         |
| <b>Reported operating expenses</b>          | <b>33,043</b> | <b>32,070</b> | <b>32,701</b> |
| Currency translation                        |               | (576)         | (472)         |
| <b>Constant currency operating expenses</b> | <b>33,043</b> | <b>31,494</b> | <b>32,229</b> |

<sup>1</sup> Other operating expenses includes professional fees, contractor costs, transaction taxes, marketing and travel.

### Staff numbers (full-time equivalents)<sup>1</sup>

|                             | 2024           | 2023           | 2022           |
|-----------------------------|----------------|----------------|----------------|
| <b>Global businesses</b>    |                |                |                |
| Wealth and Personal Banking | 119,791        | 128,399        | 128,764        |
| Commercial Banking          | 45,190         | 45,884         | 43,640         |
| Global Banking and Markets  | 45,983         | 46,241         | 46,435         |
| Corporate Centre            | 340            | 337            | 360            |
| <b>At 31 Dec</b>            | <b>211,304</b> | <b>220,861</b> | <b>219,199</b> |

<sup>1</sup> Represents the number of full-time equivalent people with contracts of service with the Group who are being paid at the reporting date.

**Operating expenses** of \$33.0bn were \$1.0bn or 3% higher than in 2023, including a favourable impact of \$0.6bn from foreign currency translation differences. The increase reflected higher spend and investment in technology and inflationary impacts, while performance-related pay remained stable. Operating expenses were adversely impacted by the non-recurrence of a \$0.2bn reversal of historical asset impairments in 2023.

These increases were partly offset by the favourable impacts from the completion of business disposals in Canada and France, and a lower UK bank levy of \$0.1bn, as 2023 included adjustments relating to prior years. Operating expenses in 2024 benefited from the non-recurrence of a \$0.2bn charge in 2023 incurred in the US relating to the FDIC special assessment.

Target basis operating expense growth was 5% compared with 2023, in line with our cost growth target. This primarily reflected higher investment spend, including in technology and from inflationary pressures, while our performance-related pay accrual was broadly in line with 2023. Our target basis operating expenses are measured on a constant currency basis, excluding notable items, the impact of retranslating the prior year results of hyperinflationary economies at constant currency, and the direct costs from the sales of our French retail banking operations and our banking business in Canada.

■ For a reconciliation of target basis operating expense to reported operating expenses see page 124.

The number of employees expressed in full-time equivalent staff ('FTE') at 31 December 2024 was 211,304, a decrease of 9,557 compared with 31 December 2023, primarily reflecting the completion of the sales of our banking business in Canada, our retail banking operations in France and our business in Argentina. The number of contractors at 31 December 2024 was 4,226, a decrease of 450.

**Share of profit in associates and joint ventures** of \$2.9bn was \$3.1bn higher than in 2023, including an increase in the share of profit from SAB.

**Impairment of interest in associate.** In relation to our investment in BoCom, at 31 December 2024 we concluded that there was no indication of further significant impairment (or indication that an impairment may no longer exist or may have decreased significantly) since 31 December 2023.

At 31 December 2023, the Group performed an impairment test on the carrying value of our investment in BoCom which resulted in an impairment of \$3.0bn.

■ For further details of our impairment review process, see Note 18: Interests in associates and joint ventures on page 401.

## Tax expense

|                                              | 2024<br>\$m    | 2023<br>\$m    |
|----------------------------------------------|----------------|----------------|
| <b>Tax (charge)/credit</b>                   |                |                |
| Reported                                     | (7,310)        | (5,789)        |
| Currency translation                         | —              | 222            |
| <b>Constant currency tax (charge)/credit</b> | <b>(7,310)</b> | <b>(5,567)</b> |

## Notable items

|                                      | 2024<br>\$m | 2023<br>\$m |
|--------------------------------------|-------------|-------------|
| <b>Tax</b>                           |             |             |
| Tax (charge)/credit on notable items | 108         | 207         |
| Uncertain tax positions              | —           | 427         |

## Tax expense

The effective tax rate for 2024 of 22.6% was higher than the 19.1% in 2023. The effective tax rate for 2024 was increased by 4.8 percentage points by the non-deductible loss on disposal of our business in Argentina and by 0.7 percentage points by the tax charge arising under the Global Minimum Tax rules, and reduced by 3.6 percentage points by the non-taxable gain on disposal of our banking business in Canada. The effective tax rate for 2023 was increased by 2.3 percentage points by the non-deductible impairment of investments in associates, and reduced by 1.6 percentage points by the release of provisions for uncertain tax positions and by 1.5 percentage points by the non-taxable accounting gain arising on the acquisition of SVB UK.

## Return on average tangible equity

In 2024, RoTE was 14.6%, compared with 14.6% in 2023. RoTE excluding notables was 16.0% in 2024, compared with 16.2% in 2023.

## Consolidated balance sheet

### Five-year summary consolidated balance sheet

|                                                                                                     | 2024<br>\$m      | 2023<br>\$m      | 2022 <sup>1</sup><br>\$m | 2021<br>\$m      | 2020<br>\$m      |
|-----------------------------------------------------------------------------------------------------|------------------|------------------|--------------------------|------------------|------------------|
| <b>Assets</b>                                                                                       |                  |                  |                          |                  |                  |
| Cash and balances at central banks                                                                  | 267,674          | 285,868          | 327,002                  | 403,018          | 304,481          |
| Trading assets                                                                                      | 314,842          | 289,159          | 218,093                  | 248,842          | 231,990          |
| Financial assets designated and otherwise mandatorily measured at fair value through profit or loss | 115,769          | 110,643          | 100,101                  | 49,804           | 45,553           |
| Derivatives                                                                                         | 268,637          | 229,714          | 284,159                  | 196,882          | 307,726          |
| Loans and advances to banks                                                                         | 102,039          | 112,902          | 104,475                  | 83,136           | 81,616           |
| Loans and advances to customers                                                                     | 930,658          | 938,535          | 923,561                  | 1,045,814        | 1,037,987        |
| Reverse repurchase agreements – non-trading                                                         | 252,549          | 252,217          | 253,754                  | 241,648          | 230,628          |
| Financial investments                                                                               | 493,166          | 442,763          | 364,726                  | 446,274          | 490,693          |
| Assets held for sale                                                                                | 27,234           | 114,134          | 115,919                  | 3,411            | 299              |
| Other assets                                                                                        | 244,480          | 262,742          | 257,496                  | 239,110          | 253,191          |
| <b>Total assets at 31 Dec</b>                                                                       | <b>3,017,048</b> | <b>3,038,677</b> | <b>2,949,286</b>         | <b>2,957,939</b> | <b>2,984,164</b> |
| <b>Liabilities</b>                                                                                  |                  |                  |                          |                  |                  |
| Deposits by banks                                                                                   | 73,997           | 73,163           | 66,722                   | 101,152          | 82,080           |
| Customer accounts                                                                                   | 1,654,955        | 1,611,647        | 1,570,303                | 1,710,574        | 1,642,780        |
| Repurchase agreements – non-trading                                                                 | 180,880          | 172,100          | 127,747                  | 126,670          | 111,901          |
| Trading liabilities                                                                                 | 65,982           | 73,150           | 72,353                   | 84,904           | 75,266           |
| Financial liabilities designated at fair value                                                      | 138,727          | 141,426          | 127,321                  | 145,502          | 157,439          |
| Derivatives                                                                                         | 264,448          | 234,772          | 285,762                  | 191,064          | 303,001          |
| Debt securities in issue                                                                            | 105,785          | 93,917           | 78,149                   | 78,557           | 95,492           |
| Insurance contract liabilities                                                                      | 107,629          | 120,851          | 108,816                  | 112,745          | 107,191          |
| Liabilities of disposal groups held for sale                                                        | 29,011           | 108,406          | 114,597                  | 9,005            | —                |
| Other liabilities                                                                                   | 203,361          | 216,635          | 212,319                  | 190,989          | 204,019          |
| <b>Total liabilities at 31 Dec</b>                                                                  | <b>2,824,775</b> | <b>2,846,067</b> | <b>2,764,089</b>         | <b>2,751,162</b> | <b>2,779,169</b> |
| <b>Equity</b>                                                                                       |                  |                  |                          |                  |                  |
| Total shareholders' equity                                                                          | 184,973          | 185,329          | 177,833                  | 198,250          | 196,443          |
| Non-controlling interests                                                                           | 7,300            | 7,281            | 7,364                    | 8,527            | 8,552            |
| <b>Total equity at 31 Dec</b>                                                                       | <b>192,273</b>   | <b>192,610</b>   | <b>185,197</b>           | <b>206,777</b>   | <b>204,995</b>   |
| <b>Total liabilities and equity at 31 Dec</b>                                                       | <b>3,017,048</b> | <b>3,038,677</b> | <b>2,949,286</b>         | <b>2,957,939</b> | <b>2,984,164</b> |

1 From 1 January 2023, we adopted IFRS 17 'Insurance Contracts', which replaced IFRS 4 'Insurance Contracts'. Comparative data for the financial year ended 31 December 2022 have been restated accordingly. Comparative data for the years ended 31 December 2021 and 2020 are prepared on an IFRS 4 basis.

▶ A more detailed consolidated balance sheet is contained in the financial statements on page 343.

### Five-year selected financial information

|                                                                                                                                       | 2024<br>\$m    | 2023<br>\$m    | 2022 <sup>1</sup><br>\$m | 2021<br>\$m    | 2020<br>\$m    |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|--------------------------|----------------|----------------|
| Called up share capital                                                                                                               | 8,973          | 9,631          | 10,147                   | 10,316         | 10,347         |
| Capital resources <sup>2</sup>                                                                                                        | 172,386        | 171,204        | 162,423                  | 177,786        | 184,423        |
| Undated subordinated loan capital                                                                                                     | 17             | 18             | 1,967                    | 1,968          | 1,970          |
| Preferred securities and dated subordinated loan capital <sup>3</sup>                                                                 | 35,258         | 36,413         | 29,921                   | 28,568         | 30,721         |
| Risk-weighted assets                                                                                                                  | 838,254        | 854,114        | 839,720                  | 838,263        | 857,520        |
| Total shareholders' equity                                                                                                            | 184,973        | 185,329        | 177,833                  | 198,250        | 196,443        |
| Less: preference shares and other equity instruments                                                                                  | (19,070)       | (17,719)       | (19,746)                 | (22,414)       | (22,414)       |
| <b>Total ordinary shareholders' equity</b>                                                                                            | <b>165,903</b> | <b>167,610</b> | <b>158,087</b>           | <b>175,836</b> | <b>174,029</b> |
| Less: goodwill and intangible assets (net of tax)                                                                                     | (11,608)       | (11,900)       | (11,160)                 | (17,643)       | (17,606)       |
| <b>Tangible ordinary shareholders' equity</b>                                                                                         | <b>154,295</b> | <b>155,710</b> | <b>146,927</b>           | <b>158,193</b> | <b>156,423</b> |
| <b>Financial statistics</b>                                                                                                           |                |                |                          |                |                |
| Loans and advances to customers as a percentage of customer accounts                                                                  | 56.2%          | 58.2%          | 58.8%                    | 61.1%          | 63.2%          |
| Average total shareholders' equity to average total assets                                                                            | 6.12%          | 6.01%          | 5.97%                    | 6.62%          | 6.46%          |
| Net asset value per ordinary share at year-end (\$) <sup>4</sup>                                                                      | 9.26           | 8.82           | 8.01                     | 8.76           | 8.62           |
| Tangible net asset value per ordinary share at year-end (\$) <sup>4</sup>                                                             | 8.61           | 8.19           | 7.44                     | 7.88           | 7.75           |
| Tangible net asset value per fully diluted share at year-end (\$)                                                                     | 8.54           | 8.14           | 7.39                     | 7.84           | 7.72           |
| Number of \$0.50 ordinary shares in issue (millions)                                                                                  | 17,947         | 19,263         | 20,294                   | 20,632         | 20,694         |
| Basic number of \$0.50 ordinary shares outstanding, after deducting own shares held (millions)                                        | 17,918         | 19,006         | 19,739                   | 20,073         | 20,184         |
| Basic number of \$0.50 ordinary shares outstanding and dilutive potential ordinary shares, after deducting own shares held (millions) | 18,062         | 19,135         | 19,876                   | 20,189         | 20,272         |
| <b>Closing foreign exchange translation rates to \$:</b>                                                                              |                |                |                          |                |                |
| \$1: £                                                                                                                                | 0.797          | 0.784          | 0.830                    | 0.739          | 0.732          |
| \$1: €                                                                                                                                | 0.964          | 0.903          | 0.937                    | 0.880          | 0.816          |

1 From 1 January 2023, we adopted IFRS 17 'Insurance Contracts', which replaced IFRS 4 'Insurance Contracts'. Comparative data for the financial year ended 31 December 2022 have been restated accordingly. Comparative data for the years ended 31 December 2021 and 2020 are prepared on an IFRS 4 basis.

2 Capital resources are regulatory total capital, the calculation of which is set out on page 204.

3 Including perpetual preferred securities, details of which can be found in Note 29: Subordinated liabilities on page 416.

4 For the definition, see page 121.

Combined view of customer lending and customer deposits<sup>1</sup>

|                                                                                       | 2024<br>\$m      | 2023<br>\$m      |
|---------------------------------------------------------------------------------------|------------------|------------------|
| Loans and advances to customers                                                       | 930,658          | 938,535          |
| Loans and advances to customers of disposal groups reported in 'Assets held for sale' | 965              | 73,285           |
| – banking business in Canada                                                          | —                | 56,129           |
| – retail banking operations in France                                                 | —                | 16,902           |
| – private banking business in Germany                                                 | 309              | —                |
| – business in South Africa                                                            | 656              | —                |
| – other                                                                               | —                | 254              |
| Non-current assets held for sale                                                      | 12               | 92               |
| <b>Combined customer lending</b>                                                      | <b>931,635</b>   | <b>1,011,912</b> |
| Currency translation                                                                  | —                | (27,137)         |
| <b>Combined customer lending at constant currency</b>                                 | <b>931,635</b>   | <b>984,775</b>   |
| Customer accounts                                                                     | 1,654,955        | 1,611,647        |
| Customer accounts reported in 'Liabilities of disposal groups held for sale'          | 5,399            | 85,950           |
| – banking business in Canada                                                          | —                | 63,001           |
| – retail banking operations in France                                                 | —                | 22,307           |
| – private banking business in Germany                                                 | 2,085            | —                |
| – business in South Africa                                                            | 3,294            | —                |
| – other                                                                               | 20               | 642              |
| <b>Combined customer deposits</b>                                                     | <b>1,660,354</b> | <b>1,697,597</b> |
| Currency translation                                                                  | —                | (38,656)         |
| <b>Combined customer deposits at constant currency</b>                                | <b>1,660,354</b> | <b>1,658,941</b> |

1 On 9 April 2024, HSBC Latin America B.V. entered into a binding agreement to sell its business in Argentina to Grupo Financiero Galicia ('Galicia'). The sale was completed on 6 December 2024, so is not included in the table above.

## Balance sheet commentary compared with 31 December 2023

At 31 December 2024, total assets of \$3.0tn were \$22bn or 1% lower on a reported basis and increased by \$45bn or 1% on a constant currency basis.

Reported loans and advances to customers as a percentage of customer accounts was 56.2% compared with 58.2% at 31 December 2023. The movement in this ratio reflected a higher growth in customer accounts than in lending.

### Assets

**Cash and balances at central banks** decreased by \$18bn or 6%, which included an \$11bn adverse impact of foreign currency translation differences. The decrease was mainly in HSBC UK, reflecting a reduction in repurchase agreements, as well as an increase in the deployment of our cash surplus into financial investments. Cash also decreased in our legal entities in the US to a partial redeployment of surplus liquidity to reverse repurchase agreements, and in Hong Kong due to lower balances maintained for faster payment system flow. This was partly offset by increases in HSBC Bank plc from an increase in deposit bank balances and issuances of new commercial paper and certificates of deposit.

**Trading assets** increased by \$26bn or 9%, mainly as we captured increased client activity in equity and debt securities, particularly in our legal entity in Hong Kong and in HSBC Bank plc. The increase in trading assets also reflected the use of surplus liquidity to fund trading activities given the subdued demand for customer lending.

**Derivative assets** increased by \$39bn or 17%, reflecting an increase in foreign exchange contracts, mainly in HSBC Bank plc and our legal entities in Asia, as a result of foreign exchange rate movements. The increase in derivative assets was consistent with the increase in derivative liabilities, as the underlying risk is broadly matched.

**Loans and advances to customers** of \$931bn decreased by \$8bn or 1% on a reported basis. This included an adverse impact of foreign currency translation differences of \$21bn. Loans and advances to customers are net of allowances for ECL.

On a constant currency basis, loans and advances to customers increased by \$14bn, reflecting the following movements.

In WPB, customer lending increased by \$2bn, reflecting growth in mortgage balances, including in our main legal entities in the UK (up \$5bn) and the US (up \$3bn). There was also growth in lending in Private Banking (up \$3bn) and in unsecured lending (up \$1bn).

These increases were partly offset by a \$7.4bn (€7.1bn) transfer to Corporate Centre of a portfolio of home and certain other loans retained following the sale of our retail banking operations in France.

In CMB, customer lending was \$6bn higher, reflecting increases in our legal entities in mainland China (up \$2bn), India (up \$2bn), and Mexico (up \$1bn). There were also increases in HSBC UK (up \$2bn) and HSBC Bank plc (up \$1bn) from higher revolving credit facility balances and term lending. These increases were partly offset by a reduction in lending balances in our main legal entity in Hong Kong (down \$3bn) due to lower market wide loan demand and competitive pricing.

In GBM, customer lending balances were broadly stable. There was a decrease in lending balances in our main legal entity in Hong Kong (down \$6bn) due to muted client demand. The reduction was broadly offset by growth in our legal entity in Singapore (up \$3bn) reflecting higher overdraft balances, and in our main legal entity in Australia (up \$2bn) from higher term lending balances.

In Corporate Centre, the increase in customer balances of \$7bn reflected the transfer of balances from WPB, mentioned above.

**Financial investments** increased by \$50bn or 11%, mainly in our main legal entities in Hong Kong and Singapore as well as in HSBC UK and HSBC Bank plc from the purchase of debt securities, treasury and other eligible bills, as we redeployed our commercial surplus to benefit from higher yield curves and enhance our hedging activities on net interest income. The increase was across both debt instruments held at fair value through other comprehensive income and instruments held at amortised cost.

**Assets held for sale** decreased by \$87bn or 76% following the completion of the sales of our retail banking operations in France and our banking operations in Canada in 2024.

**Other assets** decreased by \$18bn or 7% primarily reflecting a reduction in settlement accounts balances, including in HSBC Bank plc as well as in our legal entities in the US and Hong Kong.

## Financial summary

### Liabilities

**Customer accounts** of \$1.7tn increased by \$43bn or 3% on a reported basis. This included an adverse impact of foreign currency translation differences of \$32bn.

On a constant currency basis, customer accounts increased by \$75bn, reflecting the following movements.

In WPB, customer accounts grew by \$31bn, reflecting higher interest-bearing savings and time deposit balances due to strong deposit inflow as interest rates remained high. The increase in customer accounts included growth in our main legal entities in Asia (up \$30bn) and in HSBC UK (up \$6bn).

In CMB, customer accounts increased by \$25bn, primarily in our legal entities in Asia (up \$12bn), including in Hong Kong (up \$8bn) due to an increase in term deposits and in mainland China (up \$3bn) due to an increase in current and savings accounts. Balances also increased in HSBC Bank plc (up \$9bn) driven by organic growth from existing customers as well as new to bank customers, and in our main legal entity in Mexico (up \$3bn).

In GBM, customer accounts increased by \$20bn, due to higher balances in our legal entities in Asia (up \$9bn) supported by term deposit campaigns, and in HSBC Bank plc (up \$8bn) driven by an increase in short-term money market account balances. Balances also rose in our main legal entity in the Middle East (up \$3bn), including in term deposits and current accounts.

**Debt securities in issue** increased by \$12bn or 13%, primarily in HSBC Bank plc mainly driven by new commercial paper and certificates of deposit issued to meet liquidity and funding requirements.

**Derivative liabilities** increased by \$30bn or 13%, which is consistent with the increase in derivative assets, since the underlying risk is broadly matched.

**Liabilities of disposal groups held for sale** decreased by \$79bn or 73% following the completion of the sales of our retail banking operations in France and our banking operations in Canada during 2024.

**Other liabilities** decreased by \$13bn or 6%, including from a \$9bn reduction in settlement account balances in our main legal entity in the US.

#### Customer accounts by country/territory

|                      | 2024<br>\$m      | 2023<br>\$m      |
|----------------------|------------------|------------------|
| Hong Kong            | 575,141          | 543,504          |
| UK                   | 524,251          | 508,181          |
| US                   | 99,278           | 99,607           |
| Singapore            | 76,737           | 73,547           |
| Mainland China       | 63,169           | 56,006           |
| France               | 40,384           | 42,666           |
| Australia            | 31,951           | 32,071           |
| Germany <sup>1</sup> | 23,564           | 30,641           |
| Mexico               | 27,525           | 29,423           |
| UAE                  | 28,008           | 24,882           |
| India                | 27,199           | 24,377           |
| Taiwan               | 17,067           | 16,949           |
| Malaysia             | 17,038           | 15,983           |
| Egypt                | 4,137            | 5,858            |
| Indonesia            | 5,558            | 5,599            |
| Türkiye              | 3,489            | 3,510            |
| Other <sup>1</sup>   | 90,459           | 98,843           |
| <b>At 31 Dec</b>     | <b>1,654,955</b> | <b>1,611,647</b> |

<sup>1</sup> At 31 December 2024, customer accounts of \$5bn met the criteria to be classified as held for sale and are reported within 'Liabilities of disposal groups held for sale' on the balance sheet, of which \$3bn and \$2bn belongs to the planned sale of our South Africa business and planned sale of our private banking business in Germany, respectively. Refer to Note 23 on page 411 for further details.

### Equity

**Total shareholders' equity**, including non-controlling interests, of \$192bn was stable compared with 31 December 2023.

Shareholders' equity was increased by profits generated of \$24bn and net gains through other comprehensive income ('OCI') of \$2bn. These increases were broadly offset by the impact of dividends paid of \$16bn, and the impact of our \$11bn share buy-back activities in 2024.

The net gains through OCI of \$2bn included a favourable movement of \$6bn due to the recycling of foreign exchange and other reserves to the income statement, primarily relating to the completion of disposals in Argentina and Canada, as well as a favourable movement of \$1bn from the effects of hyperinflation. These impacts were partly offset by \$5bn of exchange differences.

### Financial investments

As part of our interest rate hedging strategy, we hold a portfolio of debt instruments, reported within financial investments, which are classified as hold-to-collect-and-sell. As a result, the change in value of these instruments is recognised through 'debt instruments at fair value through other comprehensive income' in equity.

At 31 December 2024, we had recognised a pre-tax cumulative unrealised loss reserve through other comprehensive income of \$3.8bn related to these hold-to-collect-and-sell positions, excluding investments held in our insurance business. This reflected a \$0.1bn pre-tax gain in 2024, inclusive of movements on related fair value hedges. In 2023, we recognised a loss of \$1.0bn in the income statement in relation to Treasury repositioning and risk management actions in this portfolio, compared with minimal disposal losses in 2024. Overall, the Group is positively exposed to rising interest rates through NII, although there is an adverse impact on our capital base in the early stages of a rising interest rate environment due to the fair value of hold-to-collect-and-sell instruments. Over time, these adverse movements will unwind as the instruments reach maturity, although not all will necessarily be held to maturity, or as interest rates begin to fall.

We also hold a portfolio of financial investments measured at amortised cost, which are classified as hold-to-collect. At 31 December 2024, there was a cumulative unrecognised loss of \$2.9bn. This included an unrealised loss of \$2.2bn that related to debt instruments held to manage our interest rate exposure, representing a deterioration of \$1.2bn during 2024.

## Loans and advances, deposits by currency

| \$m                             | At             |                |                |                |               |                     |                  |
|---------------------------------|----------------|----------------|----------------|----------------|---------------|---------------------|------------------|
|                                 | 31 Dec 2024    |                |                |                |               |                     |                  |
|                                 | USD            | GBP            | HKD            | EUR            | CNY           | Others <sup>1</sup> | Total            |
| Loans and advances to banks     | 33,727         | 15,267         | 5,340          | 4,137          | 8,129         | 35,439              | 102,039          |
| Loans and advances to customers | 171,530        | 286,797        | 203,586        | 68,437         | 51,966        | 148,342             | 930,658          |
| <b>Total loans and advances</b> | <b>205,257</b> | <b>302,064</b> | <b>208,926</b> | <b>72,574</b>  | <b>60,095</b> | <b>183,781</b>      | <b>1,032,697</b> |
| Deposits by banks               | 31,415         | 18,771         | 3,973          | 8,788          | 4,114         | 6,936               | 73,997           |
| Customer accounts               | 476,210        | 426,747        | 316,997        | 124,452        | 67,405        | 243,144             | 1,654,955        |
| <b>Total deposits</b>           | <b>507,625</b> | <b>445,518</b> | <b>320,970</b> | <b>133,240</b> | <b>71,519</b> | <b>250,080</b>      | <b>1,728,952</b> |

| 31 Dec 2023                     |         |         |         |         |        |         |           |
|---------------------------------|---------|---------|---------|---------|--------|---------|-----------|
| Loans and advances to banks     | 33,231  | 15,632  | 7,106   | 4,688   | 8,772  | 43,473  | 112,902   |
| Loans and advances to customers | 170,274 | 284,261 | 213,079 | 68,655  | 49,594 | 152,672 | 938,535   |
| Total loans and advances        | 203,505 | 299,893 | 220,185 | 73,343  | 58,366 | 196,145 | 1,051,437 |
| Deposits by banks               | 28,744  | 18,231  | 2,597   | 6,997   | 4,517  | 12,077  | 73,163    |
| Customer accounts               | 441,967 | 423,725 | 305,520 | 128,444 | 63,535 | 248,456 | 1,611,647 |
| Total deposits                  | 470,711 | 441,956 | 308,117 | 135,441 | 68,052 | 260,533 | 1,684,810 |

1 'Others' includes items with no currency information available of \$878m for loans to banks (2023: \$1,592m), \$941m for loans to customers (2023: \$1,904m), nil for deposits by banks (2023: \$11m) and \$6m for customer accounts (2023: \$8m).

## Risk-weighted assets

Risk-weighted assets ('RWAs') decreased by \$15.8bn during the year, primarily due to strategic disposals of \$47.8bn, a decrease of \$22.2bn from foreign currency translation differences and a \$8.9bn reduction from methodology and policy changes, mainly driven by a \$7.5bn fall due to regulatory changes related to the risk-weighting of residential mortgages in Hong Kong. These were offset by the increase of \$63.1bn RWAs, reflected in the following movements:

- a \$49.4bn increase in asset size, which was in part attributed to a \$14.6bn rise in operational risk, driven by an increase in average income. Further increases were due to corporate lending growth, largely in HSBC UK Bank plc and in SAB, higher sovereign exposures in Other trading entities and Asia, and retail mortgage growth in the US and HSBC UK Bank plc; and

- a \$7.4bn increase mainly following a revision to the definition of default in our probability of default ('PD') models for exposures to financial institutions and post-model adjustments in Hong Kong, and a \$6.3bn increase from credit risk migrations in Asia, including in the Hong Kong commercial real estate sector.

In January 2025, the PRA announced the delay of Basel 3.1 implementation to 1 January 2027 pending US developments. The near-final rules released in September 2024 are now subject to a three-year transitional provision, ensuring that the date for full implementation remains 1 January 2030. We expect that the impact on our CET1 ratio will be a modest benefit.

## RWAs by currency

| \$m               | At          |         |         |        |        |         |         |
|-------------------|-------------|---------|---------|--------|--------|---------|---------|
|                   | 31 Dec 2024 |         |         |        |        |         |         |
|                   | USD         | GBP     | HKD     | EUR    | CNY    | Others  | Total   |
| RWAs <sup>1</sup> | 205,645     | 165,684 | 136,001 | 67,440 | 56,561 | 206,923 | 838,254 |

  

| 31 Dec 2023       |         |         |         |        |        |         |         |
|-------------------|---------|---------|---------|--------|--------|---------|---------|
| RWAs <sup>1</sup> | 202,697 | 155,231 | 135,701 | 69,996 | 57,907 | 232,582 | 854,114 |

1 RWAs include credit risk, market risk and operational risk RWAs.

# Global businesses and legal entities

## Contents

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## Summary

The Group CEO, supported in 2024 by the Group Executive Committee ('GEC'), reviewed operating activity on a number of bases, including by global business and legal entities. Up to 31 December 2024, our global businesses – Wealth and Personal Banking, Commercial Banking, and Global Banking and Markets – along with Corporate Centre were our reportable segments under IFRS 8 'Operating Segments' and are presented below and in Note 10: Segmental analysis on page 383. Following our organisational announcement in October 2024, effective from 1 January 2025 the Group's 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.

■ For further details of our new operating segments effective from 1 January 2025, see page 103.

### Basis of preparation

The Group CEO, supported in 2024 by the rest of the GEC, is considered the Chief Operating Decision Maker ('CODM') for the purposes of identifying the Group's reportable segments. Global business results are assessed by the CODM on the basis of constant currency performance. We separately disclose 'notable items', which are components of our income statement that management would consider as outside the normal course of business and generally non-recurring in nature. Constant currency performance information for 2023 and 2022 are presented as described on page 87. As required by IFRS 8, reconciliations of the total constant currency global business results to the Group's reported results are presented on page 384.

Supplementary reconciliations from reported to constant currency results by global business are presented on pages 99 to 101 for information purposes.

Global business performance is also assessed using return on tangible equity ('RoTE'). A reconciliation of global business RoTE to the Group's RoTE is provided on page 123.

Our operations are closely integrated and, accordingly, the presentation of data includes internal allocations of certain items of income and expense. These allocations include the costs of certain support services and global functions to the extent that they can be meaningfully attributed to global businesses and legal entities. While such allocations have been made on a systematic and consistent basis, they necessarily involve a degree of subjectivity. Costs that are not allocated to global businesses are included in Corporate Centre.

Where relevant, income and expense amounts presented include the results of inter-segment funding along with inter-company and inter-business line transactions. All such transactions are undertaken on arm's length terms. The intra-Group elimination items for the global businesses are presented in Corporate Centre.

HSBC Holdings incurs the liability of the UK bank levy, with the cost being recharged to its UK operating subsidiaries. The current year expense will be reflected in the fourth quarter as it is assessed on our balance sheet position as at 31 December.

The results of main legal entities are presented on a reported and constant currency basis, including HSBC UK Bank plc, HSBC Bank plc, The Hongkong and Shanghai Banking Corporation Limited, HSBC Bank Middle East Limited, HSBC North America Holdings Inc., HSBC Bank Canada and Grupo Financiero HSBC, S.A. de C.V.

The results of legal entities are presented on a reported basis on page 110 and a constant currency basis on page 113.

## Supplementary analysis of constant currency results and notable items by global business

### Constant currency results<sup>1</sup>

|                                                  | 2024                                     |                    |                            |                  |               |
|--------------------------------------------------|------------------------------------------|--------------------|----------------------------|------------------|---------------|
|                                                  | Wealth and Personal Banking <sup>2</sup> | Commercial Banking | Global Banking and Markets | Corporate Centre | Total         |
|                                                  | \$m                                      | \$m                | \$m                        | \$m              | \$m           |
| Revenue <sup>3</sup>                             | 28,674                                   | 21,580             | 17,529                     | (1,929)          | 65,854        |
| ECL                                              | (1,335)                                  | (1,815)            | (235)                      | (29)             | (3,414)       |
| Operating expenses                               | (15,204)                                 | (7,906)            | (10,231)                   | 298              | (33,043)      |
| Share of profit in associates and joint ventures | 47                                       | 1                  | —                          | 2,864            | 2,912         |
| <b>Profit/(loss) before tax</b>                  | <b>12,182</b>                            | <b>11,860</b>      | <b>7,063</b>               | <b>1,204</b>     | <b>32,309</b> |
| Loans and advances to customers (net)            | 447,085                                  | 306,926            | 169,516                    | 7,131            | 930,658       |
| Customer accounts                                | 823,267                                  | 490,475            | 340,898                    | 315              | 1,654,955     |

1 In the current period constant currency results are equal to reported as there is no currency translation.

2 On 1 January 2024, HSBC Continental Europe completed the sale of its retail banking operations in France to CCF, a subsidiary of Promontoria MMB SAS ('My Money Group'). With effect from this date, we have prospectively reclassified the portfolio of retained loans, profit participation interest and licence agreement of the CCF brand from WPB to Corporate Centre.

3 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

### Notable items

|                                                        | 2024                        |                    |                            |                  |         |
|--------------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|---------|
|                                                        | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total   |
|                                                        | \$m                         | \$m                | \$m                        | \$m              | \$m     |
| <b>Notable items</b>                                   |                             |                    |                            |                  |         |
| <b>Revenue</b>                                         |                             |                    |                            |                  |         |
| Disposals, acquisitions and related costs <sup>1</sup> | 28                          | —                  | (14)                       | (1,357)          | (1,343) |
| – of which:                                            |                             |                    |                            |                  |         |
| Argentina <sup>1</sup>                                 | —                           | —                  | —                          | (6,138)          | (6,138) |
| Canada <sup>2</sup>                                    | —                           | —                  | —                          | 4,924            | 4,924   |
| France                                                 | 55                          | —                  | —                          | 5                | 60      |
| Early redemption of legacy securities                  | —                           | —                  | —                          | (237)            | (237)   |
| <b>Operating expenses</b>                              |                             |                    |                            |                  |         |
| Disposals, acquisitions and related costs              | (3)                         | (2)                | (2)                        | (192)            | (199)   |
| – of which:                                            |                             |                    |                            |                  |         |
| Argentina                                              | —                           | (9)                | —                          | (34)             | (43)    |
| Canada                                                 | (1)                         | (1)                | —                          | (151)            | (153)   |
| France                                                 | 1                           | —                  | —                          | (6)              | (5)     |
| Restructuring and other related costs <sup>3</sup>     | (10)                        | 2                  | (1)                        | (25)             | (34)    |

1 Includes \$1.0bn loss on disposal and a \$5.2bn loss on the recycling in foreign currency translation reserve losses and other reserves arising on sale of our business in Argentina.

2 Includes \$4.8bn gain on disposal of our banking business in Canada, inclusive of a \$0.3bn gain on the foreign exchange hedging of the sales proceeds, the recycling of \$0.6bn in foreign currency translation reserve losses and \$0.4bn of other reserves losses.

3 Amounts relate to restructuring provisions recognised in 2024 and reversals of restructuring provisions recognised during 2022.

## Global businesses

### Reconciliation of reported results to constant currency results – global businesses (continued)

|                                                         | 2023                                     |                              |                                         |                            |              |
|---------------------------------------------------------|------------------------------------------|------------------------------|-----------------------------------------|----------------------------|--------------|
|                                                         | Wealth and<br>Personal<br>Banking<br>\$m | Commercial<br>Banking<br>\$m | Global<br>Banking and<br>Markets<br>\$m | Corporate<br>Centre<br>\$m | Total<br>\$m |
| Revenue <sup>1</sup>                                    |                                          |                              |                                         |                            |              |
| Reported                                                | 27,275                                   | 22,867                       | 16,115                                  | (199)                      | 66,058       |
| Currency translation                                    | (427)                                    | (471)                        | (344)                                   | 96                         | (1,146)      |
| Constant currency                                       | 26,848                                   | 22,396                       | 15,771                                  | (103)                      | 64,912       |
| ECL                                                     |                                          |                              |                                         |                            |              |
| Reported                                                | (1,058)                                  | (2,062)                      | (326)                                   | (1)                        | (3,447)      |
| Currency translation                                    | 123                                      | 56                           | 9                                       | —                          | 188          |
| Constant currency                                       | (935)                                    | (2,006)                      | (317)                                   | (1)                        | (3,259)      |
| Operating expenses                                      |                                          |                              |                                         |                            |              |
| Reported                                                | (14,738)                                 | (7,524)                      | (9,865)                                 | 57                         | (32,070)     |
| Currency translation                                    | 386                                      | 290                          | (7)                                     | (93)                       | 576          |
| Constant currency                                       | (14,352)                                 | (7,234)                      | (9,872)                                 | (36)                       | (31,494)     |
| Share of profit/(loss) in associates and joint ventures |                                          |                              |                                         |                            |              |
| Reported                                                | 65                                       | (1)                          | —                                       | (257)                      | (193)        |
| Currency translation                                    | (1)                                      | —                            | —                                       | (62)                       | (63)         |
| Constant currency                                       | 64                                       | (1)                          | —                                       | (319)                      | (256)        |
| Profit/(loss) before tax                                |                                          |                              |                                         |                            |              |
| Reported                                                | 11,544                                   | 13,280                       | 5,924                                   | (400)                      | 30,348       |
| Currency translation                                    | 81                                       | (125)                        | (342)                                   | (59)                       | (445)        |
| Constant currency                                       | 11,625                                   | 13,155                       | 5,582                                   | (459)                      | 29,903       |
| Loans and advances to customers (net)                   |                                          |                              |                                         |                            |              |
| Reported                                                | 454,878                                  | 309,422                      | 173,966                                 | 269                        | 938,535      |
| Currency translation                                    | (10,022)                                 | (8,319)                      | (3,098)                                 | (7)                        | (21,446)     |
| Constant currency                                       | 444,856                                  | 301,103                      | 170,868                                 | 262                        | 917,089      |
| Customer accounts                                       |                                          |                              |                                         |                            |              |
| Reported                                                | 804,863                                  | 475,666                      | 330,522                                 | 596                        | 1,611,647    |
| Currency translation                                    | (12,153)                                 | (10,571)                     | (9,296)                                 | (14)                       | (32,034)     |
| Constant currency                                       | 792,710                                  | 465,095                      | 321,226                                 | 582                        | 1,579,613    |

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

### Notable items (continued)

|                                                            | 2023                                     |                              |                                         |                            |              |
|------------------------------------------------------------|------------------------------------------|------------------------------|-----------------------------------------|----------------------------|--------------|
|                                                            | Wealth and<br>Personal<br>Banking<br>\$m | Commercial<br>Banking<br>\$m | Global<br>Banking and<br>Markets<br>\$m | Corporate<br>Centre<br>\$m | Total<br>\$m |
| Notable items                                              |                                          |                              |                                         |                            |              |
| Revenue                                                    |                                          |                              |                                         |                            |              |
| Disposals, acquisitions and related costs <sup>1,2,3</sup> | 4                                        | 1,591                        | —                                       | (297)                      | 1,298        |
| Fair value movements on financial instruments <sup>4</sup> | —                                        | —                            | —                                       | 14                         | 14           |
| Disposal losses on Markets Treasury repositioning          | (391)                                    | (316)                        | (270)                                   | —                          | (977)        |
| Operating expenses                                         |                                          |                              |                                         |                            |              |
| Disposals, acquisitions and related costs                  | (53)                                     | (55)                         | 3                                       | (216)                      | (321)        |
| Restructuring and other related costs <sup>5</sup>         | 20                                       | 32                           | 21                                      | 63                         | 136          |
| Impairment of interest in associate <sup>6</sup>           | —                                        | —                            | —                                       | (3,000)                    | (3,000)      |

1 Includes the impact of the sale of our retail banking operations in France.

2 Includes the gain of \$1.6bn recognised in respect of the acquisition of SVB UK.

3 Includes fair value movements on the foreign exchange hedging of the proceeds from the sale of our banking business in Canada.

4 Fair value movements on non-qualifying hedges in HSBC Holdings.

5 Amounts relate to reversals of restructuring provisions recognised during 2022.

6 Relates to an impairment loss of \$3.0bn recognised in respect of the Group's investment in BoCom. See Note 18 on page 401 to 402.

## Reconciliation of reported results to constant currency results – global businesses (continued)

|                                                         | 2022                                     |                              |                                         |                            |              |
|---------------------------------------------------------|------------------------------------------|------------------------------|-----------------------------------------|----------------------------|--------------|
|                                                         | Wealth and<br>Personal<br>Banking<br>\$m | Commercial<br>Banking<br>\$m | Global<br>Banking and<br>Markets<br>\$m | Corporate<br>Centre<br>\$m | Total<br>\$m |
| Revenue <sup>1</sup>                                    |                                          |                              |                                         |                            |              |
| Reported                                                | 21,103                                   | 16,494                       | 14,899                                  | (1,876)                    | 50,620       |
| Currency translation                                    | (331)                                    | (287)                        | (357)                                   | (58)                       | (1,033)      |
| Constant currency                                       | 20,772                                   | 16,207                       | 14,542                                  | (1,934)                    | 49,587       |
| ECL                                                     |                                          |                              |                                         |                            |              |
| Reported                                                | (1,130)                                  | (1,849)                      | (595)                                   | (10)                       | (3,584)      |
| Currency translation                                    | (30)                                     | (19)                         | 17                                      | 1                          | (31)         |
| Constant currency                                       | (1,160)                                  | (1,868)                      | (578)                                   | (9)                        | (3,615)      |
| Operating expenses                                      |                                          |                              |                                         |                            |              |
| Reported                                                | (14,415)                                 | (7,052)                      | (9,383)                                 | (1,851)                    | (32,701)     |
| Currency translation                                    | 274                                      | 242                          | (20)                                    | (24)                       | 472          |
| Constant currency                                       | (14,141)                                 | (6,810)                      | (9,403)                                 | (1,875)                    | (32,229)     |
| Share of profit/(loss) in associates and joint ventures |                                          |                              |                                         |                            |              |
| Reported                                                | 30                                       | —                            | (2)                                     | 2,695                      | 2,723        |
| Currency translation                                    | (1)                                      | 1                            | —                                       | (164)                      | (164)        |
| Constant currency                                       | 29                                       | 1                            | (2)                                     | 2,531                      | 2,559        |
| Profit/(loss) before tax                                |                                          |                              |                                         |                            |              |
| Reported                                                | 5,588                                    | 7,593                        | 4,919                                   | (1,042)                    | 17,058       |
| Currency translation                                    | (88)                                     | (63)                         | (360)                                   | (245)                      | (756)        |
| Constant currency                                       | 5,500                                    | 7,530                        | 4,559                                   | (1,287)                    | 16,302       |
| Loans and advances to customers (net)                   |                                          |                              |                                         |                            |              |
| Reported                                                | 422,309                                  | 311,957                      | 188,940                                 | 355                        | 923,561      |
| Currency translation                                    | 2,763                                    | (2,733)                      | (2,287)                                 | (5)                        | (2,262)      |
| Constant currency                                       | 425,072                                  | 309,224                      | 186,653                                 | 350                        | 921,299      |
| Customer accounts                                       |                                          |                              |                                         |                            |              |
| Reported                                                | 779,310                                  | 463,928                      | 326,630                                 | 435                        | 1,570,303    |
| Currency translation                                    | 2,571                                    | (1,122)                      | (3,210)                                 | 8                          | (1,753)      |
| Constant currency                                       | 781,881                                  | 462,806                      | 323,420                                 | 443                        | 1,568,550    |

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Notable items (continued)

|                                                            | 2022                                     |                              |                                         |                            |              |
|------------------------------------------------------------|------------------------------------------|------------------------------|-----------------------------------------|----------------------------|--------------|
|                                                            | Wealth and<br>Personal<br>Banking<br>\$m | Commercial<br>Banking<br>\$m | Global<br>Banking and<br>Markets<br>\$m | Corporate<br>Centre<br>\$m | Total<br>\$m |
| Notable items                                              |                                          |                              |                                         |                            |              |
| Revenue                                                    |                                          |                              |                                         |                            |              |
| Disposals, acquisitions and related costs <sup>1</sup>     | (2,212)                                  | —                            | —                                       | (525)                      | (2,737)      |
| Fair value movements on financial instruments <sup>2</sup> | —                                        | —                            | —                                       | (618)                      | (618)        |
| Restructuring and other related costs <sup>3</sup>         | 98                                       | (16)                         | (184)                                   | (145)                      | (247)        |
| Operating expenses                                         |                                          |                              |                                         |                            |              |
| Disposals, acquisitions and related costs                  | (7)                                      | —                            | —                                       | (11)                       | (18)         |
| Restructuring and other related costs                      | (357)                                    | (266)                        | (252)                                   | (2,007)                    | (2,882)      |

1 Includes losses from classifying businesses as held for sale as part of a broader restructuring of our European business, of which \$2.3bn (inclusive of \$0.4bn in goodwill impairments) related to the sale of the retail banking operations in France. Held-for-sale classification for the sale of the retail banking operations in France was reversed in 1Q23 (\$2.1bn loss reversed) and reinstated in 4Q23 (\$2.0bn loss reinstated).

2 Fair value movements on non-qualifying hedges in HSBC Holdings.

3 Comprises gains and losses relating to the business update in February 2020, including losses associated with the RWA reduction programme.

## Strategic transactions supplementary analysis

The following table presents the selected impacts of strategic transactions to the Group and our global business segments. These comprise the strategic transactions where the financial impacts of the acquisition or disposal have qualified for material notable item treatment in our results. Material notable items are a subset of notable items and categorisation is dependent on the financial impact on the Group's income statement. At 2024, strategic transactions classified as material notable items in current and comparative periods comprise the disposal of our retail banking operations in France, our banking business in Canada, the sale of our business in Argentina and the acquisition of SVB UK.

The impacts quoted include the gains or losses on classification to held for sale or acquisition and all other related notable items. They also include the distorting impact between the periods of the operating income statement results related to acquisitions and disposals that affect period-on-period comparisons. It is computed by including the operating income statement results of each business in any period for which there are no results in the comparative period. We consider the monthly impacts of distorting income statement results when calculating the impact of strategic transactions.

### Constant currency results

|                                                                  | 2024                        |                    |                            |                  |                |
|------------------------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|----------------|
|                                                                  | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total          |
|                                                                  | \$m                         | \$m                | \$m                        | \$m              | \$m            |
| Revenue                                                          | 54                          | 179                | —                          | (1,209)          | (976)          |
| ECL                                                              | —                           | (3)                | —                          | —                | (3)            |
| Operating expenses                                               | (7)                         | (76)               | —                          | (191)            | (274)          |
| Share of profit in associates and joint ventures                 | —                           | —                  | —                          | —                | —              |
| <b>Profit before tax</b>                                         | <b>47</b>                   | <b>100</b>         | <b>—</b>                   | <b>(1,400)</b>   | <b>(1,253)</b> |
| – HSBC Innovation Banking <sup>1</sup>                           |                             | 100                |                            | —                | 100            |
| – Retail banking operations in France                            | 47                          |                    |                            | (1)              | 46             |
| – Banking business in Canada                                     |                             |                    |                            | 4,773            | 4,773          |
| – Business in Argentina                                          |                             |                    |                            | (6,172)          | (6,172)        |
| of which: notable items                                          |                             |                    |                            |                  |                |
| Revenue                                                          | 55                          | —                  | —                          | (1,209)          | (1,154)        |
| <b>Profit before tax</b>                                         | <b>55</b>                   | <b>7</b>           | <b>—</b>                   | <b>(1,400)</b>   | <b>(1,338)</b> |
| of which: distorting impact of operating results between periods |                             |                    |                            |                  |                |
| Revenue                                                          | (1)                         | 179                | —                          | —                | 178            |
| <b>Profit/(loss) before tax</b>                                  | <b>(8)</b>                  | <b>93</b>          | <b>—</b>                   | <b>—</b>         | <b>85</b>      |

  

| 2023                                                             |             |              |          |              |              |
|------------------------------------------------------------------|-------------|--------------|----------|--------------|--------------|
| Revenue                                                          | 690         | 2,407        | 49       | (231)        | 2,915        |
| ECL                                                              | 22          | (72)         | 11       | —            | (39)         |
| Operating expenses                                               | (658)       | (331)        | (59)     | (218)        | (1,266)      |
| Share of profit in associates and joint ventures                 | —           | —            | —        | —            | —            |
| <b>Profit/(loss) before tax</b>                                  | <b>54</b>   | <b>2,004</b> | <b>1</b> | <b>(449)</b> | <b>1,610</b> |
| – HSBC Innovation Banking <sup>1</sup>                           |             | 1,583        |          | —            | 1,583        |
| – Retail banking operations in France                            | (141)       |              |          | (26)         | (167)        |
| – Banking business in Canada                                     | 211         | 400          | 82       | (424)        | 269          |
| – Business in Argentina                                          | (16)        | 21           | (81)     | —            | (76)         |
| of which: notable items                                          |             |              |          |              |              |
| Revenue                                                          | 41          | 1,659        | —        | (231)        | 1,469        |
| <b>Profit before tax</b>                                         | <b>(11)</b> | <b>1,607</b> | <b>—</b> | <b>(449)</b> | <b>1,147</b> |
| of which: distorting impact of operating results between periods |             |              |          |              |              |
| Revenue                                                          | 649         | 748          | 49       | —            | 1,446        |
| <b>Profit before tax</b>                                         | <b>65</b>   | <b>397</b>   | <b>1</b> | <b>—</b>     | <b>463</b>   |

<sup>1</sup> Includes the impact of our acquisition of SVB UK, which in June 2023 changed its legal entity name to HSBC Innovation Bank Limited.

## Reconciliation of reported and constant currency risk-weighted assets

|                             | At 31 Dec 2024                      |                            |                                    |                          |               |
|-----------------------------|-------------------------------------|----------------------------|------------------------------------|--------------------------|---------------|
|                             | Wealth and Personal Banking<br>\$bn | Commercial Banking<br>\$bn | Global Banking and Markets<br>\$bn | Corporate Centre<br>\$bn | Total<br>\$bn |
| <b>Risk-weighted assets</b> |                                     |                            |                                    |                          |               |
| Reported                    | 181.1                               | 337.9                      | 231.9                              | 87.4                     | 838.3         |
| <b>Constant currency</b>    | 181.1                               | 337.9                      | 231.9                              | 87.4                     | 838.3         |
| At 31 Dec 2023              |                                     |                            |                                    |                          |               |
| Risk-weighted assets        |                                     |                            |                                    |                          |               |
| Reported                    | 192.9                               | 354.5                      | 218.5                              | 88.2                     | 854.1         |
| Currency translation        | (6.8)                               | (12.6)                     | (4.8)                              | (1.1)                    | (25.3)        |
| Constant currency           | 186.1                               | 341.9                      | 213.7                              | 87.1                     | 828.8         |
| At 31 Dec 2022              |                                     |                            |                                    |                          |               |
| Risk-weighted assets        |                                     |                            |                                    |                          |               |
| Reported                    | 182.9                               | 342.4                      | 225.9                              | 88.5                     | 839.7         |
| Currency translation        | (4.1)                               | (9.3)                      | (4.2)                              | (0.5)                    | (18.1)        |
| Constant currency           | 178.8                               | 333.1                      | 221.7                              | 88.0                     | 821.6         |

## New operating segments effective 1 January 2025 - summary results

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.

The Hong Kong business comprises Personal Banking and Commercial Banking of HSBC Hong Kong and Hang Seng Bank. The UK business comprises UK Personal Banking (including first direct and M&S Bank) and UK Commercial Banking including HSBC Innovation Bank. Corporate and Institutional Banking integrates the Commercial Banking business outside of the UK and Hong Kong together with the Global Banking and Markets business, the UK non-ringfenced bank

(HSBC Bank plc), Europe, and the Americas. International Wealth and Premier Banking comprises Premier banking outside of Hong Kong and the UK, our Global Private Bank, and our wealth manufacturing businesses of Asset Management and Insurance.

Selected 2024 financial information have been re-presented, for illustrative purposes only, to align with the Group's operating segments effective from 1 January 2025 and are presented in the following table. 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 this Annual Report and Accounts 2024. All data presented in the following table is unaudited.

|                                                                  | 2024             |           |                                     |                                          |                  |           |
|------------------------------------------------------------------|------------------|-----------|-------------------------------------|------------------------------------------|------------------|-----------|
|                                                                  |                  |           | Corporate and Institutional Banking | International Wealth and Premier Banking | Corporate Centre | Total     |
|                                                                  | Hong Kong<br>\$m | UK<br>\$m | \$m                                 | \$m                                      | \$m              | \$m       |
| Revenue                                                          | 15,034           | 11,954    | 26,819                              | 13,976                                   | (1,929)          | 65,854    |
| ECL                                                              | (1,076)          | (402)     | (869)                               | (1,038)                                  | (29)             | (3,414)   |
| Operating expenses                                               | (4,837)          | (4,947)   | (14,544)                            | (9,013)                                  | 298              | (33,043)  |
| Share of profit in associates and joint ventures less impairment | —                | —         | 1                                   | 47                                       | 2,864            | 2,912     |
| Profit before tax                                                | 9,121            | 6,605     | 11,407                              | 3,972                                    | 1,204            | 32,309    |
| RoTE (%)                                                         | c.38%            | c.25%     | c.14%                               | c.16%                                    | c.1%             | 14.6%     |
|                                                                  | At 31 Dec 2024   |           |                                     |                                          |                  |           |
| Loans and advances to customers (net)                            | 235,208          | 267,293   | 284,701                             | 136,325                                  | 7,131            | 930,658   |
| Customer accounts                                                | 507,389          | 330,012   | 557,796                             | 259,443                                  | 315              | 1,654,955 |
| RWAs                                                             | 143,668          | 133,495   | 388,047                             | 85,673                                   | 87,371           | 838,254   |

For further details of our organisational update, see page 5.

## Supplementary tables for WPB and GBM

### WPB constant currency performance by business unit

A breakdown of WPB by business unit is presented below to reflect the basis of how the revenue performance of the business units is assessed and managed.

#### WPB – summary (constant currency basis)

|                                                                                                               | Consists of <sup>1</sup> |                           |                       |                               |                         |
|---------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|-----------------------|-------------------------------|-------------------------|
|                                                                                                               | Total WPB<br>\$m         | Banking operations<br>\$m | Life insurance<br>\$m | Global Private Banking<br>\$m | Asset management<br>\$m |
| <b>2024</b>                                                                                                   |                          |                           |                       |                               |                         |
| Net operating income before change in expected credit losses and other credit impairment charges <sup>2</sup> | 28,674                   | 22,842                    | 1,840                 | 2,611                         | 1,381                   |
| – net interest income                                                                                         | 20,352                   | 18,819                    | 326                   | 1,193                         | 14                      |
| – net fee income/(expense)                                                                                    | 5,930                    | 3,452                     | 177                   | 1,015                         | 1,286                   |
| – other income                                                                                                | 2,392                    | 571                       | 1,337                 | 403                           | 81                      |
| ECL                                                                                                           | (1,335)                  | (1,334)                   | —                     | (1)                           | —                       |
| <b>Net operating income</b>                                                                                   | <b>27,339</b>            | <b>21,508</b>             | <b>1,840</b>          | <b>2,610</b>                  | <b>1,381</b>            |
| Total operating expenses                                                                                      | (15,204)                 | (11,728)                  | (716)                 | (1,752)                       | (1,008)                 |
| <b>Operating profit</b>                                                                                       | <b>12,135</b>            | <b>9,780</b>              | <b>1,124</b>          | <b>858</b>                    | <b>373</b>              |
| Share of profit in associates and joint ventures                                                              | 47                       | 14                        | 33                    | —                             | —                       |
| <b>Profit before tax</b>                                                                                      | <b>12,182</b>            | <b>9,794</b>              | <b>1,157</b>          | <b>858</b>                    | <b>373</b>              |
| <b>2023</b>                                                                                                   |                          |                           |                       |                               |                         |
| Net operating income before change in expected credit losses and other credit impairment charges <sup>2</sup> | 26,848                   | 21,920                    | 1,396                 | 2,268                         | 1,264                   |
| – net interest income                                                                                         | 19,902                   | 18,455                    | 282                   | 1,167                         | (2)                     |
| – net fee income/(expense)                                                                                    | 5,283                    | 3,148                     | 147                   | 800                           | 1,188                   |
| – other income                                                                                                | 1,663                    | 317                       | 967                   | 301                           | 78                      |
| ECL                                                                                                           | (935)                    | (933)                     | 4                     | (6)                           | —                       |
| Net operating income                                                                                          | 25,913                   | 20,987                    | 1,400                 | 2,262                         | 1,264                   |
| Total operating expenses                                                                                      | (14,352)                 | (11,075)                  | (683)                 | (1,639)                       | (955)                   |
| Operating profit                                                                                              | 11,561                   | 9,912                     | 717                   | 623                           | 309                     |
| Share of profit in associates and joint ventures                                                              | 64                       | 14                        | 50                    | —                             | —                       |
| Profit before tax                                                                                             | 11,625                   | 9,926                     | 767                   | 623                           | 309                     |
| <b>2022</b>                                                                                                   |                          |                           |                       |                               |                         |
| Net operating income before change in expected credit losses and other credit impairment charges <sup>2</sup> | 20,772                   | 16,267                    | 1,337                 | 2,039                         | 1,129                   |
| – net interest income                                                                                         | 15,887                   | 14,576                    | 342                   | 975                           | (6)                     |
| – net fee income/(expense)                                                                                    | 5,290                    | 3,241                     | 150                   | 795                           | 1,104                   |
| – other income                                                                                                | (405)                    | (1,550)                   | 845                   | 269                           | 31                      |
| ECL                                                                                                           | (1,160)                  | (1,146)                   | (8)                   | (5)                           | (1)                     |
| Net operating income                                                                                          | 19,612                   | 15,121                    | 1,329                 | 2,034                         | 1,128                   |
| Total operating expenses                                                                                      | (14,141)                 | (11,001)                  | (787)                 | (1,495)                       | (858)                   |
| Operating profit                                                                                              | 5,471                    | 4,120                     | 542                   | 539                           | 270                     |
| Share of profit in associates and joint ventures                                                              | 29                       | 12                        | 17                    | —                             | —                       |
| Profit before tax                                                                                             | 5,500                    | 4,132                     | 559                   | 539                           | 270                     |

<sup>1</sup> Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

<sup>2</sup> From 1 January 2023, we adopted IFRS 17 'Insurance Contracts', which replaced IFRS 4 'Insurance Contracts'. Comparative data for the year ended 31 December 2022 have been restated accordingly.

## Life insurance business performance

The following table provides an analysis of the performance of our life insurance business for the period. It comprises income earned by our insurance manufacturing operations within our WPB business, as well as income earned and costs incurred within our Wealth insurance distribution channels, consolidation and inter-company elimination entries.

### Results of WPB's life insurance business unit (constant currency basis)

|                                                                                                                     | 2024                               |                                         |                | 2023                               |                                         |                | 2022                               |                                         |                |
|---------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------------------|----------------|------------------------------------|-----------------------------------------|----------------|------------------------------------|-----------------------------------------|----------------|
|                                                                                                                     | Insurance manufacturing operations | Wealth insurance and other <sup>1</sup> | Life insurance | Insurance manufacturing operations | Wealth insurance and other <sup>1</sup> | Life insurance | Insurance manufacturing operations | Wealth insurance and other <sup>1</sup> | Life insurance |
|                                                                                                                     | \$m                                | \$m                                     | \$m            | \$m                                | \$m                                     | \$m            | \$m                                | \$m                                     | \$m            |
| Net interest income                                                                                                 | 326                                | —                                       | 326            | 282                                | —                                       | 282            | 345                                | (3)                                     | 342            |
| Net fee income/(expense)                                                                                            | 10                                 | 167                                     | 177            | (25)                               | 172                                     | 147            | (31)                               | 181                                     | 150            |
| Other income                                                                                                        | 1,331                              | 6                                       | 1,337          | 975                                | (8)                                     | 967            | 832                                | 13                                      | 845            |
| – insurance service result                                                                                          | 1,356                              | (15)                                    | 1,341          | 1,120                              | (31)                                    | 1,089          | 868                                | (19)                                    | 849            |
| – net investment returns (excluding net interest income)                                                            | (162)                              | (15)                                    | (177)          | (198)                              | 55                                      | (143)          | (196)                              | (24)                                    | (220)          |
| – other operating income                                                                                            | 137                                | 36                                      | 173            | 53                                 | (32)                                    | 21             | 160                                | 56                                      | 216            |
| <b>Net operating income before change in expected credit losses and other credit impairment charges<sup>2</sup></b> | <b>1,667</b>                       | <b>173</b>                              | <b>1,840</b>   | <b>1,232</b>                       | <b>164</b>                              | <b>1,396</b>   | <b>1,146</b>                       | <b>191</b>                              | <b>1,337</b>   |
| ECL                                                                                                                 | —                                  | —                                       | —              | 4                                  | —                                       | 4              | (9)                                | 1                                       | (8)            |
| <b>Net operating income</b>                                                                                         | <b>1,667</b>                       | <b>173</b>                              | <b>1,840</b>   | <b>1,236</b>                       | <b>164</b>                              | <b>1,400</b>   | <b>1,137</b>                       | <b>192</b>                              | <b>1,329</b>   |
| Total operating expenses                                                                                            | (601)                              | (115)                                   | (716)          | (570)                              | (113)                                   | (683)          | (593)                              | (194)                                   | (787)          |
| <b>Operating profit</b>                                                                                             | <b>1,066</b>                       | <b>58</b>                               | <b>1,124</b>   | <b>666</b>                         | <b>51</b>                               | <b>717</b>     | <b>544</b>                         | <b>(2)</b>                              | <b>542</b>     |
| Share of profit/(loss) in associates and joint ventures                                                             | 33                                 | —                                       | 33             | 50                                 | —                                       | 50             | 17                                 | —                                       | 17             |
| <b>Profit before tax</b>                                                                                            | <b>1,099</b>                       | <b>58</b>                               | <b>1,157</b>   | <b>716</b>                         | <b>51</b>                               | <b>767</b>     | <b>561</b>                         | <b>(2)</b>                              | <b>559</b>     |

1 'Wealth insurance and other' includes fee income earned and operating expenses incurred within our Wealth distribution channels. It also includes the IFRS 17 consolidation entries arising from transactions between our insurance manufacturing operations and Wealth distribution channels and with the wider Group, as well as allocations of central costs benefiting life insurance.

2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## WPB insurance manufacturing (constant currency basis)

The following table shows the results of our insurance manufacturing operations for our WPB business and for all global business segments in aggregate.

### Results of insurance manufacturing operations<sup>1,2</sup>

|                                                                                                                       | 2024                      |              | 2023                      |         | 2022                      |          |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------|--------------|---------------------------|---------|---------------------------|----------|
|                                                                                                                       | All global WPB businesses |              | All global WPB businesses |         | All global WPB businesses |          |
|                                                                                                                       | \$m                       | \$m          | \$m                       | \$m     | \$m                       | \$m      |
| Net interest income                                                                                                   | 326                       | 363          | 282                       | 321     | 345                       | 370      |
| Net fee expense                                                                                                       | 10                        | 21           | (25)                      | (13)    | (31)                      | (16)     |
| <b>Other income</b>                                                                                                   | <b>1,331</b>              | <b>1,326</b> | 975                       | 965     | 832                       | 842      |
| Insurance service result                                                                                              | 1,356                     | 1,356        | 1,120                     | 1,119   | 868                       | 872      |
| – release of contractual service margin                                                                               | 1,290                     | 1,290        | 1,087                     | 1,087   | 900                       | 900      |
| – risk adjustment release                                                                                             | 74                        | 74           | 44                        | 44      | 47                        | 47       |
| – experience variance and other                                                                                       | 36                        | 36           | 31                        | 30      | 50                        | 54       |
| – loss from onerous contracts                                                                                         | (44)                      | (44)         | (42)                      | (42)    | (129)                     | (129)    |
| Net investment returns (excluding net interest income) <sup>3</sup>                                                   | (162)                     | (165)        | (198)                     | (205)   | (196)                     | (208)    |
| – insurance finance income/(expense)                                                                                  | (5,985)                   | (5,985)      | (7,718)                   | (7,718) | 13,882                    | 13,885   |
| – other investment income                                                                                             | 5,823                     | 5,820        | 7,520                     | 7,513   | (14,078)                  | (14,093) |
| Other operating income                                                                                                | 137                       | 135          | 53                        | 51      | 160                       | 178      |
| <b>Net operating income before change in expected credit losses and other credit impairment charges<sup>4,5</sup></b> | <b>1,667</b>              | <b>1,710</b> | 1,232                     | 1,273   | 1,146                     | 1,196    |
| Change in expected credit losses and other credit impairment charges                                                  | —                         | —            | 4                         | 4       | (9)                       | (9)      |
| <b>Net operating income</b>                                                                                           | <b>1,667</b>              | <b>1,710</b> | 1,236                     | 1,277   | 1,137                     | 1,187    |
| Total operating expenses                                                                                              | (601)                     | (602)        | (570)                     | (580)   | (593)                     | (589)    |
| <b>Operating profit</b>                                                                                               | <b>1,066</b>              | <b>1,108</b> | 666                       | 697     | 544                       | 598      |
| Share of profit in associates and joint ventures                                                                      | 33                        | 33           | 50                        | 50      | 17                        | 17       |
| <b>Profit before tax of insurance business operations<sup>5</sup></b>                                                 | <b>1,099</b>              | <b>1,141</b> | 716                       | 747     | 561                       | 615      |
| <b>Additional information</b>                                                                                         |                           |              |                           |         |                           |          |
| Insurance manufacturing new business contractual service margin (reported basis)                                      | 2,515                     | 2,515        | 1,686                     | 1,686   | 1,111                     | 1,111    |
| Consolidated Group new business contractual service margin (reported basis)                                           | 2,729                     | 2,729        | 1,812                     | 1,812   | 1,229                     | 1,229    |
| Annualised new business premiums of insurance manufacturing operations                                                | 4,912                     | 4,912        | 3,797                     | 3,797   | 2,354                     | 2,354    |
| Net dividends of insurance manufacturing operations (reported basis) <sup>6</sup>                                     | 1,522                     | 1,522        | 813                       | 813     | (152)                     | (152)    |

- Constant currency results are derived by adjusting for period-on-period effects of foreign currency translation differences. The impact of foreign currency translation differences on 'All global businesses' profit before tax was a \$13m decrease for 2023 and a \$60m decrease for 2022.
- The results presented for insurance manufacturing are shown before elimination of inter-company transactions with HSBC non-insurance operations. The 'All global businesses' result consists primarily of WPB business, as well as a small proportion of CMB business.
- Net investment return under IFRS 17 for all global businesses for 2024 was \$198m (2023: \$116m; 2022: \$162m), which consisted of net interest income, net income/(expenses) on assets held at fair value through profit or loss, and insurance finance income/(expense).
- Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.
- The effect of applying hyperinflation accounting in Argentina on insurance manufacturing operations in all global business resulted in a decrease of \$53m in revenue in 2024 (2023: decrease of \$35m, 2022: decrease of \$7m) and a decrease of \$53m in profit before tax in 2024 (2023: decrease of \$35m, 2022: decrease of \$6m).
- Net dividends of insurance manufacturing operations include dividends paid to immediate parent companies of \$1,612m (2023: \$993m; 2022: \$606m) net of CET1 qualifying injections to fund business growth of \$90m (2023: \$180m; 2022: \$758m including a \$528m capital injection to fund the acquisition of AXA Singapore).

### Insurance manufacturing

The following commentary, unless otherwise specified, relates to the 'All global businesses' results.

Profit before tax of \$1.1bn increased by \$0.4bn compared with 2023. This primarily reflected the following:

- Insurance service result of \$1.4bn increased by \$0.2bn compared with 2023 primarily due to an increase in the release of CSM.
- Net investment return (excluding net interest income) remained broadly unchanged, with negative impacts in China from reducing interest rates partly offset by gains in other markets.
- Other operating income increased by \$0.1bn compared with 2023, with the increase driven by the non-repeat of losses of \$0.3bn in 2023 from corrections to historical valuation estimates, partly offset by current period losses on reinsurance contracts in Hong Kong.

Profit before tax of \$0.7bn in 2023 increased by \$0.1bn compared with 2022. This primarily reflected the following:

- Insurance service result of \$1.1bn increased by \$0.3bn compared with 2022. This was driven by an increase in the release of CSM of \$0.2bn as a result of a higher closing CSM balance. The improved insurance service result also reflected a reduction to losses from onerous contracts of \$0.1bn, mainly in Hong Kong and Singapore, in part due to improved market conditions in 2023.

- Other operating income decreased by \$0.1bn compared with 2022, and included a \$0.3bn loss from corrections to historical valuation estimates, partly offset by gains of \$0.2bn from reinsurance contracts in Hong Kong.

Insurance manufacturing new business contractual service margin increased by \$0.8bn or 49% primarily in Hong Kong, from new business volumes increasing and a \$0.2bn benefit from recognising a new reinsurance contract.

Annualised new business premiums ('ANP') is used to assess new insurance premiums generated by the business. It is calculated as 100% of annualised first year regular premiums and 10% of single premiums, before reinsurance ceded. ANP in 2024 increased by 29% compared with 2023, primarily from strong new business sales in Hong Kong.

### Insurance equity plus CSM net of tax

Insurance equity plus CSM net of tax is a non-GAAP alternative performance measure that provides information about our insurance manufacturing operations' net asset value plus the future earnings from in-force business. At 31 December 2024, insurance equity plus CSM net of tax was \$17,025m (31 December 2023: \$16,583m; 31 December 2022: \$14,646m).

At 31 December 2024, insurance equity plus CSM net of tax was calculated as insurance manufacturing operations equity of \$7,015m plus CSM of \$12,063m less tax of \$2,053m. At 31 December 2023, it was calculated as insurance manufacturing operations equity of

\$7,731m plus CSM of \$10,786m less tax of \$1,934m. At 31 December 2022, it was calculated as insurance manufacturing operations equity of \$7,236m plus CSM of \$9,058m less tax of \$1,648m.

The increase of \$0.4bn in 2024 insurance manufacturing equity plus CSM net of tax compared to the prior year includes an increase in CSM net of tax of \$1.2bn and a reduction in equity of \$0.7bn. CSM net of tax benefited from strong new business written in the period, partially offset by a reduction of \$0.6bn from reclassification of our French insurance business to held for sale. The reduction in insurance manufacturing equity of \$0.7bn primarily reflected the benefit of profit after tax in the year of \$0.9bn offset by net dividends paid of \$1.5bn.

Net dividends of \$1.5bn in 2024 have increased by \$0.7bn primarily due to releases of surplus regulatory capital in Hong Kong.

#### Insurance metrics no longer reported

Insurance manufacturing value of new business and Insurance manufacturing proxy embedded value were previously presented as non-GAAP performance measures. The Group continues to review its use of non-GAAP performance measures following implementation of IFRS 17 and has now discontinued the reporting of these measures. Instead 'New business CSM' is now management's key new business performance measure, and 'Equity plus CSM net of tax' is considered a measure of entity value more closely aligned with IFRS 17.

## WPB: Wealth balances

The following table shows the wealth balances, which include invested assets and wealth deposits. Invested assets comprise customer assets either managed by our Asset Management business or by external third-party investment managers, as well as self-directed investments by our customers.

#### WPB – reported wealth balances<sup>1</sup>

|                                                                   | 2024<br>\$bn | 2023<br>\$bn |
|-------------------------------------------------------------------|--------------|--------------|
| Global Private Banking invested assets                            | 395          | 363          |
| – managed by Global Asset Management                              | 68           | 61           |
| – external managers, direct securities and other                  | 327          | 302          |
| Retail invested assets                                            | 409          | 383          |
| – managed by Global Asset Management                              | 175          | 178          |
| – external managers, direct securities and other                  | 234          | 205          |
| Asset Management third-party distribution                         | 489          | 445          |
| <b>Reported invested assets<sup>1</sup></b>                       | <b>1,293</b> | <b>1,191</b> |
| Wealth deposits (Premier and Global Private Banking) <sup>2</sup> | 555          | 536          |
| <b>Total reported wealth balances</b>                             | <b>1,848</b> | <b>1,727</b> |

1 Invested assets are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager. At 31 December 2024, \$54bn of invested assets were classified as held for sale and are not included in the table above (2023: \$32bn).

2 Premier and Global Private Banking deposits, which include Prestige deposits in Hang Seng Bank, form part of the total WPB customer accounts balance of \$823bn (2023: \$805bn) on page 99. At 31 December 2024, \$3bn of wealth deposits were classified as held for sale and are not included in the table above (2023: \$42bn).

## Asset Management: funds under management

The following table shows the funds under management of our Asset Management business. Funds under management represents assets managed, either actively or passively, on behalf of our customers. Funds under management are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager.

#### Asset Management – reported funds under management<sup>1</sup>

|                              | 2024<br>\$bn | 2023<br>\$bn |
|------------------------------|--------------|--------------|
| Opening balance              | 684          | 595          |
| Net new invested assets      | 30           | 54           |
| Net market movements         | 47           | 23           |
| Foreign exchange and others  | (18)         | 12           |
| Transfer to Markets Treasury | (12)         | —            |
| <b>Closing balance</b>       | <b>731</b>   | <b>684</b>   |

#### Asset Management – reported funds under management by legal entities

|                                                       | 2024<br>\$bn | 2023<br>\$bn |
|-------------------------------------------------------|--------------|--------------|
| HSBC Bank plc                                         | 165          | 162          |
| The Hongkong and Shanghai Banking Corporation Limited | 223          | 198          |
| HSBC North America Holdings Inc.                      | 67           | 71           |
| Grupo Financiero HSBC, S.A. de C.V.                   | 15           | 15           |
| Other trading entities <sup>2</sup>                   | 261          | 238          |
| <b>Closing balance</b>                                | <b>731</b>   | <b>684</b>   |

1 Funds under management are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager.

2 Funds under management of \$194bn in 2024 and \$177bn in 2023 relating to our Asset Management entity in the UK are reported under 'other trading entities' in the table above.

## Global businesses

At 31 December 2024, Asset Management funds under management amounted to \$731bn, an increase of \$47bn or 7%. The increase reflected net new invested assets of \$30bn and a positive impact from market performance. These increases were partly offset by an adverse impact of foreign exchange translation of \$18bn and from a reduction of \$12bn due to a transfer of a portfolio forming part of the Group's Holdings Capital Buffer from Asset Management to our Markets Treasury function. Net new invested assets were mainly in long-term products, primarily passive investment, alternative investment, and multi-asset investment products. These inflows were partly offset by redemptions from money market instruments in the US.

### Global Private Banking: client balances

Global Private Banking client balances comprises invested assets and deposits, which are translated at the rates of exchange applicable for their respective year-ends, with the effects of currency translation reported separately.

#### Global Private Banking – reported client balances<sup>1</sup>

|                                 | 2024       | 2023       |
|---------------------------------|------------|------------|
|                                 | \$bn       | \$bn       |
| Opening balance                 | 447        | 383        |
| Net new invested assets         | 23         | 17         |
| Increase/(decrease) in deposits | 1          | 9          |
| Net market movements            | 37         | 19         |
| Foreign exchange and others     | (24)       | 19         |
| <b>Closing balance</b>          | <b>484</b> | <b>447</b> |

#### Global Private Banking – reported client balances by legal entities

|                                                       | 2024       | 2023       |
|-------------------------------------------------------|------------|------------|
|                                                       | \$bn       | \$bn       |
| HSBC UK Bank plc                                      | 36         | 32         |
| HSBC Bank plc                                         | 115        | 54         |
| The Hongkong and Shanghai Banking Corporation Limited | 251        | 209        |
| HSBC North America Holdings Inc.                      | 77         | 64         |
| HSBC Bank Middle East Limited                         | 3          | —          |
| Grupo Financiero HSBC, S.A. de C.V.                   | 2          | 3          |
| Other trading entities                                | —          | 85         |
| <b>Closing balance</b>                                | <b>484</b> | <b>447</b> |

1 Client balances are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager. Customer deposits included in these client balances are on balance sheet.

### Retail invested assets

The following table shows the invested assets of our retail customers. These comprise customer assets either managed by our Asset Management business or by external third-party investment managers as well as self-directed investments by our customers.

Retail invested assets are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager.

#### Retail invested assets

|                                      | 2024       | 2023       |
|--------------------------------------|------------|------------|
|                                      | \$bn       | \$bn       |
| Opening balance                      | 383        | 363        |
| Net new invested assets <sup>1</sup> | 28         | 26         |
| Net market movements                 | 23         | 7          |
| Foreign exchange and others          | (25)       | (13)       |
| <b>Closing balance</b>               | <b>409</b> | <b>383</b> |

#### Retail invested assets by legal entities

|                                                       | 2024       | 2023       |
|-------------------------------------------------------|------------|------------|
|                                                       | \$bn       | \$bn       |
| HSBC UK Bank plc                                      | 31         | 29         |
| HSBC Bank plc                                         | 8          | 31         |
| The Hongkong and Shanghai Banking Corporation Limited | 336        | 292        |
| HSBC Bank Middle East Limited                         | 3          | 3          |
| HSBC North America Holdings Inc.                      | 16         | 14         |
| Grupo Financiero HSBC, S.A. de C.V.                   | 10         | 9          |
| Other trading entities                                | 5          | 5          |
| <b>Closing balance</b>                                | <b>409</b> | <b>383</b> |

1 'Retail net new invested assets' covers nine markets, comprising Hong Kong including Hang Seng Bank (Hong Kong), mainland China, Malaysia, Singapore, HSBC UK, UAE, US, Canada and Mexico. The net new invested assets relating to all other geographies is reported in 'foreign exchange and others'.

## WPB invested assets

Net new invested assets represents the net customer inflows from retail invested assets, Asset Management third-party distribution and Global Private Banking invested assets. It excludes all customer deposits. The net new invested assets in the table below is non-additive from the tables above, as net new invested assets managed by Asset Management that are generated by retail clients or Global Private Banking will be recorded in both businesses.

### WPB: Invested assets

|                             | 2024<br>\$bn | 2023<br>\$bn |
|-----------------------------|--------------|--------------|
| Opening balance             | 1,191        | 1,015        |
| Net new invested assets     | 64           | 84           |
| Net market movements        | 97           | 43           |
| Foreign exchange and others | (59)         | 49           |
| <b>Closing balance</b>      | <b>1,293</b> | <b>1,191</b> |

### WPB: Net new invested assets by legal entities

|                                                       | 2024<br>\$bn | 2023<br>\$bn |
|-------------------------------------------------------|--------------|--------------|
| HSBC UK Bank plc                                      | 3            | 1            |
| HSBC Bank plc                                         | 9            | 3            |
| The Hongkong and Shanghai Banking Corporation Limited | 47           | 47           |
| HSBC Bank Middle East Limited                         | 1            | 1            |
| HSBC North America Holdings Inc.                      | (10)         | 7            |
| Grupo Financiero HSBC, S.A. de C.V.                   | 2            | 5            |
| Other trading entities                                | 12           | 20           |
| <b>Total</b>                                          | <b>64</b>    | <b>84</b>    |

## GBM: Securities Services and Issuer Services

### Assets held in custody

Custody is the safekeeping and servicing of securities and other financial assets on behalf of clients. Assets held in custody are not reported on the Group's balance sheet, except where it is deemed that we are acting as principal rather than agent in our role as investment manager. At 31 December 2024, we held \$10.6tn of assets as custodian, an increase of 9% compared with 31 December 2023. The balance comprised \$9.7tn of assets in Securities Services, which were recorded at market value, and \$0.9tn of assets in Issuer Services, recorded at book value.

The increase was mainly in Securities Services balances. This was driven by net asset inflows in Asia and Europe and favourable market movements in Asia, North America and Latin America, partly offset by adverse impacts of currency translations in Asia and Europe.

### Assets under administration

Our assets under administration business includes the provision of bond and loan administration services, transfer agency services and the valuation of portfolios of securities and other financial assets on behalf of clients and complements the custody business. At 31 December 2024, the value of assets held under administration by the Group amounted to \$5.2tn, which was 6% higher than at 31 December 2023. The balance comprised \$3.1tn of assets in Securities Services, which were recorded at market value, and \$2.1tn of assets in Issuer Services, recorded at book value.

The increase was mainly driven by Securities Services balances due to net asset inflows in Europe and Asia together with favourable market movement, partly offset by adverse impact of currency translations notably in Europe and Asia. Issuer Services balances also rose driven by new issuances, including in the UK and the US, as well as new assets, including in our legal entity in Hong Kong.

## Analysis of reported results by legal entities

HSBC reported profit/(loss) before tax and balance sheet data

|                                                                                                                                               | 2024                          |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                     |                                                                                                 |               |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------|--------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|-------------------------------|--------------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------|---------------|
|                                                                                                                                               | HSBC<br>UK Bank<br>plc<br>\$m | HSBC<br>Bank plc<br>\$m | The<br>Hongkong<br>and<br>Shanghai<br>Banking<br>Corporation<br>Limited<br>\$m | HSBC<br>Bank<br>Middle<br>East<br>Limited<br>\$m | HSBC<br>North<br>America<br>Holdings<br>Inc.<br>\$m | HSBC<br>Bank<br>Canada<br>\$m | Grupo<br>Financiero<br>HSBC,<br>S.A. de<br>C.V.<br>\$m | Other<br>trading<br>entities<br>\$m | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations<br>\$m | Total<br>\$m  |
| Net interest income                                                                                                                           | 10,331                        | 1,254                   | 15,077                                                                         | 1,590                                            | 1,613                                               | 300                           | 2,292                                                  | 2,774                               | (2,498)                                                                                         | 32,733        |
| Net fee income                                                                                                                                | 1,672                         | 1,629                   | 5,449                                                                          | 508                                              | 1,372                                               | 129                           | 630                                                    | 1,076                               | (164)                                                                                           | 12,301        |
| Net income from financial instruments held for trading or managed on a fair value basis                                                       | 580                           | 6,042                   | 11,781                                                                         | 331                                              | 914                                                 | 33                            | 504                                                    | 411                                 | 520                                                                                             | 21,116        |
| Net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit and loss | —                             | 1,100                   | 4,608                                                                          | —                                                | —                                                   | —                             | 22                                                     | 183                                 | (12)                                                                                            | 5,901         |
| Insurance finance income/(expense)                                                                                                            | —                             | (1,261)                 | (4,562)                                                                        | —                                                | —                                                   | —                             | (26)                                                   | (150)                               | 21                                                                                              | (5,978)       |
| Insurance service result                                                                                                                      | —                             | 217                     | 1,042                                                                          | —                                                | —                                                   | —                             | 76                                                     | (7)                                 | (18)                                                                                            | 1,310         |
| Other income/(expense) <sup>1</sup>                                                                                                           | 169                           | 576                     | 658                                                                            | 75                                               | 365                                                 | —                             | 75                                                     | (984)                               | (2,463)                                                                                         | (1,529)       |
| <b>Net operating income before change in expected credit losses and other credit impairment charges<sup>2</sup></b>                           | <b>12,752</b>                 | <b>9,557</b>            | <b>34,053</b>                                                                  | <b>2,504</b>                                     | <b>4,264</b>                                        | <b>462</b>                    | <b>3,573</b>                                           | <b>3,303</b>                        | <b>(4,614)</b>                                                                                  | <b>65,854</b> |
| Change in expected credit losses and other credit impairment charges                                                                          | (405)                         | (211)                   | (1,532)                                                                        | (198)                                            | (81)                                                | (40)                          | (864)                                                  | (93)                                | 10                                                                                              | (3,414)       |
| <b>Net operating income</b>                                                                                                                   | <b>12,347</b>                 | <b>9,346</b>            | <b>32,521</b>                                                                  | <b>2,306</b>                                     | <b>4,183</b>                                        | <b>422</b>                    | <b>2,709</b>                                           | <b>3,210</b>                        | <b>(4,604)</b>                                                                                  | <b>62,440</b> |
| Total operating expenses excluding impairment of goodwill and other intangible assets                                                         | (5,124)                       | (6,718)                 | (14,296)                                                                       | (1,191)                                          | (3,349)                                             | (236)                         | (1,992)                                                | (1,959)                             | 1,899                                                                                           | (32,966)      |
| Impairment of goodwill and other intangible assets                                                                                            | (11)                          | (5)                     | (33)                                                                           | (1)                                              | (2)                                                 | —                             | (2)                                                    | (22)                                | (1)                                                                                             | (77)          |
| <b>Operating profit/(loss)</b>                                                                                                                | <b>7,212</b>                  | <b>2,623</b>            | <b>18,192</b>                                                                  | <b>1,114</b>                                     | <b>832</b>                                          | <b>186</b>                    | <b>715</b>                                             | <b>1,229</b>                        | <b>(2,706)</b>                                                                                  | <b>29,397</b> |
| Share of profit in associates and joint ventures less impairment <sup>3</sup>                                                                 | 1                             | 22                      | 2,278                                                                          | —                                                | —                                                   | —                             | 15                                                     | 600                                 | (4)                                                                                             | 2,912         |
| <b>Profit/(loss) before tax</b>                                                                                                               | <b>7,213</b>                  | <b>2,645</b>            | <b>20,470</b>                                                                  | <b>1,114</b>                                     | <b>832</b>                                          | <b>186</b>                    | <b>730</b>                                             | <b>1,829</b>                        | <b>(2,710)</b>                                                                                  | <b>32,309</b> |
|                                                                                                                                               | %                             | %                       | %                                                                              | %                                                | %                                                   | %                             | %                                                      | %                                   | %                                                                                               | %             |
| Share of HSBC's profit before tax                                                                                                             | 22.2                          | 8.2                     | 63.4                                                                           | 3.4                                              | 2.6                                                 | 0.6                           | 2.3                                                    | 5.7                                 | (8.4)                                                                                           | 100.0         |
| Cost efficiency ratio                                                                                                                         | 40.3                          | 70.3                    | 42.1                                                                           | 47.6                                             | 78.6                                                | 51.1                          | 55.8                                                   | 60.0                                | 41.1                                                                                            | 50.2          |
| <b>Balance sheet data</b>                                                                                                                     | <b>\$m</b>                    | <b>\$m</b>              | <b>\$m</b>                                                                     | <b>\$m</b>                                       | <b>\$m</b>                                          | <b>\$m</b>                    | <b>\$m</b>                                             | <b>\$m</b>                          | <b>\$m</b>                                                                                      | <b>\$m</b>    |
| Loans and advances to customers (net)                                                                                                         | 272,973                       | 103,464                 | 449,940                                                                        | 20,440                                           | 55,786                                              | —                             | 23,439                                                 | 4,617                               | (1)                                                                                             | 930,658       |
| Total assets                                                                                                                                  | 426,165                       | 914,506                 | 1,400,456                                                                      | 57,215                                           | 253,251                                             | —                             | 46,007                                                 | 26,623                              | (107,175)                                                                                       | 3,017,048     |
| Customer accounts                                                                                                                             | 340,233                       | 297,785                 | 845,284                                                                        | 34,808                                           | 99,278                                              | —                             | 27,525                                                 | 9,999                               | 43                                                                                              | 1,654,955     |
| Risk-weighted assets <sup>4,5,6</sup>                                                                                                         | 138,332                       | 137,609                 | 402,847                                                                        | 26,624                                           | 74,416                                              | —                             | 29,671                                                 | 50,731                              | (648)                                                                                           | 838,254       |

HSBC reported profit/(loss) before tax and balance sheet data (continued)

2023

|                                                                                                                                                           | HSBC UK<br>Bank plc | HSBC<br>Bank plc | The<br>Hongkong<br>and Shanghai<br>Banking<br>Corporation<br>Limited | HSBC<br>Bank<br>Middle<br>East<br>Limited | HSBC<br>North<br>America<br>Holdings<br>Inc. | HSBC<br>Bank<br>Canada | Grupo<br>Financiero<br>HSBC,<br>S.A. de<br>C.V. | Other<br>trading<br>entities | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations | Total     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|----------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------|-------------------------------------------------|------------------------------|------------------------------------------------------------------------------------------|-----------|
|                                                                                                                                                           | \$m                 | \$m              | \$m                                                                  | \$m                                       | \$m                                          | \$m                    | \$m                                             | \$m                          | \$m                                                                                      | \$m       |
| Net interest income                                                                                                                                       | 9,684               | 2,674            | 16,705                                                               | 1,551                                     | 1,712                                        | 1,275                  | 2,148                                           | 3,765                        | (3,718)                                                                                  | 35,796    |
| Net fee income                                                                                                                                            | 1,597               | 1,527            | 4,859                                                                | 475                                       | 1,237                                        | 559                    | 581                                             | 1,225                        | (215)                                                                                    | 11,845    |
| Net income from financial<br>instruments held for trading or<br>managed on a fair value basis                                                             | 516                 | 4,220            | 9,507                                                                | 397                                       | 729                                          | 110                    | 437                                             | 1,054                        | (309)                                                                                    | 16,661    |
| Net income from assets and<br>liabilities of insurance businesses,<br>including related derivatives,<br>measured at fair value through profit<br>and loss | —                   | 1,438            | 6,258                                                                | —                                         | —                                            | —                      | 39                                              | 323                          | (171)                                                                                    | 7,887     |
| Insurance finance income/(expense)                                                                                                                        | —                   | (1,460)          | (6,237)                                                              | —                                         | —                                            | —                      | (44)                                            | (166)                        | 98                                                                                       | (7,809)   |
| Insurance service result                                                                                                                                  | —                   | 154              | 838                                                                  | —                                         | —                                            | —                      | 87                                              | 9                            | (10)                                                                                     | 1,078     |
| Other income/(expense) <sup>1</sup>                                                                                                                       | 1,608               | 736              | (31)                                                                 | 2                                         | 185                                          | 22                     | 65                                              | (1,481)                      | (506)                                                                                    | 600       |
| Net operating income before change<br>in expected credit losses and other<br>credit impairment charges <sup>2</sup>                                       | 13,405              | 9,289            | 31,899                                                               | 2,425                                     | 3,863                                        | 1,966                  | 3,313                                           | 4,729                        | (4,831)                                                                                  | 66,058    |
| Change in expected credit losses<br>and other credit<br>impairment charges                                                                                | (523)               | (212)            | (1,641)                                                              | (90)                                      | (94)                                         | (46)                   | (696)                                           | (279)                        | 134                                                                                      | (3,447)   |
| Net operating income                                                                                                                                      | 12,882              | 9,077            | 30,258                                                               | 2,335                                     | 3,769                                        | 1,920                  | 2,617                                           | 4,450                        | (4,697)                                                                                  | 62,611    |
| Total operating expenses excluding<br>impairment of goodwill and other<br>intangible assets                                                               | (4,602)             | (6,483)          | (13,379)                                                             | (1,095)                                   | (3,473)                                      | (1,049)                | (1,823)                                         | (2,631)                      | 2,180                                                                                    | (32,355)  |
| Impairment of goodwill and other<br>intangible assets                                                                                                     | (10)                | 97               | (16)                                                                 | (1)                                       | 222                                          | —                      | (3)                                             | (4)                          | —                                                                                        | 285       |
| Operating profit/(loss)                                                                                                                                   | 8,270               | 2,691            | 16,863                                                               | 1,239                                     | 518                                          | 871                    | 791                                             | 1,815                        | (2,517)                                                                                  | 30,541    |
| Share of profit in associates and<br>joint ventures less impairment <sup>3</sup>                                                                          | —                   | (52)             | (696)                                                                | —                                         | —                                            | —                      | 14                                              | 544                          | (3)                                                                                      | (193)     |
| Profit/(loss) before tax                                                                                                                                  | 8,270               | 2,639            | 16,167                                                               | 1,239                                     | 518                                          | 871                    | 805                                             | 2,359                        | (2,520)                                                                                  | 30,348    |
|                                                                                                                                                           | %                   | %                | %                                                                    | %                                         | %                                            | %                      | %                                               | %                            | %                                                                                        | %         |
| Share of HSBC's profit before tax                                                                                                                         | 27.2                | 8.7              | 53.3                                                                 | 4.1                                       | 1.7                                          | 2.9                    | 2.6                                             | 7.8                          | (8.3)                                                                                    | 100.0     |
| Cost efficiency ratio                                                                                                                                     | 34.4                | 68.7             | 42.0                                                                 | 45.2                                      | 84.2                                         | 53.4                   | 55.1                                            | 55.7                         | 45.1                                                                                     | 48.5      |
| Balance sheet data                                                                                                                                        | \$m                 | \$m              | \$m                                                                  | \$m                                       | \$m                                          | \$m                    | \$m                                             | \$m                          | \$m                                                                                      | \$m       |
| Loans and advances to customers<br>(net)                                                                                                                  | 270,208             | 95,750           | 455,315                                                              | 20,072                                    | 54,829                                       | —                      | 26,410                                          | 15,951                       | —                                                                                        | 938,535   |
| Total assets                                                                                                                                              | 423,029             | 896,682          | 1,333,911                                                            | 50,612                                    | 252,339                                      | 90,731                 | 47,309                                          | 59,051                       | (114,987)                                                                                | 3,038,677 |
| Customer accounts                                                                                                                                         | 339,611             | 274,733          | 801,430                                                              | 31,341                                    | 99,607                                       | —                      | 29,423                                          | 35,326                       | 176                                                                                      | 1,611,647 |
| Risk-weighted assets <sup>4,5</sup>                                                                                                                       | 129,211             | 131,468          | 396,677                                                              | 24,294                                    | 72,248                                       | 31,890                 | 32,639                                          | 59,574                       | 6,704                                                                                    | 854,114   |

## Legal entities

### HSBC reported profit/(loss) before tax and balance sheet data (continued)

|                                                                                                                                                         | 2022                |                  |                                                                      |                                           |                                              |                        |                                                 |                              |                                                                                          |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|----------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------|-------------------------------------------------|------------------------------|------------------------------------------------------------------------------------------|-----------|
|                                                                                                                                                         | HSBC UK<br>Bank plc | HSBC<br>Bank plc | The<br>Hongkong<br>and Shanghai<br>Banking<br>Corporation<br>Limited | HSBC<br>Bank<br>Middle<br>East<br>Limited | HSBC<br>North<br>America<br>Holdings<br>Inc. | HSBC<br>Bank<br>Canada | Grupo<br>Financiero<br>HSBC,<br>S.A. de<br>C.V. | Other<br>trading<br>entities | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations | Total     |
|                                                                                                                                                         | \$m                 | \$m              | \$m                                                                  | \$m                                       | \$m                                          | \$m                    | \$m                                             | \$m                          | \$m                                                                                      | \$m       |
| Net interest income                                                                                                                                     | 7,615               | 2,357            | 14,031                                                               | 903                                       | 1,922                                        | 1,251                  | 1,796                                           | 2,244                        | (1,742)                                                                                  | 30,377    |
| Net fee income                                                                                                                                          | 1,536               | 1,601            | 4,924                                                                | 458                                       | 1,223                                        | 598                    | 455                                             | 1,127                        | (152)                                                                                    | 11,770    |
| Net income from financial instruments held for trading or managed on a fair value basis                                                                 | 472                 | 3,564            | 5,270                                                                | 360                                       | 485                                          | 76                     | 351                                             | 639                          | (939)                                                                                    | 10,278    |
| Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit and loss | —                   | (1,761)          | (12,117)                                                             | —                                         | —                                            | —                      | (9)                                             | 66                           | (10)                                                                                     | (13,831)  |
| Insurance finance income/(expense)                                                                                                                      | —                   | 1,431            | 12,407                                                               | —                                         | —                                            | —                      | 3                                               | (32)                         | (10)                                                                                     | 13,799    |
| Insurance service result                                                                                                                                | —                   | 149              | 636                                                                  | —                                         | —                                            | —                      | 50                                              | (20)                         | (6)                                                                                      | 809       |
| Other income/(expense) <sup>1</sup>                                                                                                                     | 148                 | (1,920)          | 491                                                                  | 22                                        | 533                                          | 29                     | 67                                              | (521)                        | (1,431)                                                                                  | (2,582)   |
| Net operating income before loan impairment (charges)/recoveries and other credit risk provisions <sup>2</sup>                                          | 9,771               | 5,421            | 25,642                                                               | 1,743                                     | 4,163                                        | 1,954                  | 2,713                                           | 3,503                        | (4,290)                                                                                  | 50,620    |
| Change in expected credit losses and other credit impairment (charges)/recoveries                                                                       | (563)               | (292)            | (2,090)                                                              | 21                                        | (20)                                         | (84)                   | (507)                                           | (61)                         | 12                                                                                       | (3,584)   |
| Net operating income                                                                                                                                    | 9,208               | 5,129            | 23,552                                                               | 1,764                                     | 4,143                                        | 1,870                  | 2,206                                           | 3,442                        | (4,278)                                                                                  | 47,036    |
| Total operating expenses excluding impairment of goodwill and other intangible assets                                                                   | (4,667)             | (6,497)          | (13,011)                                                             | (1,033)                                   | (3,429)                                      | (1,017)                | (1,631)                                         | (2,359)                      | 1,090                                                                                    | (32,554)  |
| Impairment of goodwill and other intangible assets                                                                                                      | (54)                | 11               | (42)                                                                 | (3)                                       | (9)                                          | (21)                   | (5)                                             | (2)                          | (22)                                                                                     | (147)     |
| Operating profit/(loss)                                                                                                                                 | 4,487               | (1,357)          | 10,499                                                               | 728                                       | 705                                          | 832                    | 570                                             | 1,081                        | (3,210)                                                                                  | 14,335    |
| Share of profit in associates and joint ventures less impairment                                                                                        | —                   | (38)             | 2,400                                                                | —                                         | —                                            | —                      | 13                                              | 351                          | (3)                                                                                      | 2,723     |
| Profit/(loss) before tax                                                                                                                                | 4,487               | (1,395)          | 12,899                                                               | 728                                       | 705                                          | 832                    | 583                                             | 1,432                        | (3,213)                                                                                  | 17,058    |
|                                                                                                                                                         | %                   | %                | %                                                                    | %                                         | %                                            | %                      | %                                               | %                            | %                                                                                        | %         |
| Share of HSBC's profit before tax                                                                                                                       | 26.3                | (8.2)            | 75.6                                                                 | 4.3                                       | 4.1                                          | 4.9                    | 3.4                                             | 8.4                          | (18.8)                                                                                   | 100.0     |
| Cost efficiency ratio                                                                                                                                   | 48.3                | 119.6            | 50.9                                                                 | 59.4                                      | 82.6                                         | 53.1                   | 60.3                                            | 67.4                         | 24.9                                                                                     | 64.6      |
| Balance sheet data                                                                                                                                      | \$m                 | \$m              | \$m                                                                  | \$m                                       | \$m                                          | \$m                    | \$m                                             | \$m                          | \$m                                                                                      | \$m       |
| Loans and advances to customers (net)                                                                                                                   | 245,921             | 86,964           | 473,985                                                              | 19,762                                    | 54,159                                       | —                      | 20,446                                          | 22,325                       | (1)                                                                                      | 923,561   |
| Total assets                                                                                                                                            | 412,522             | 863,308          | 1,297,806                                                            | 48,086                                    | 239,117                                      | 94,604                 | 39,939                                          | 67,345                       | (113,441)                                                                                | 2,949,286 |
| Customer accounts                                                                                                                                       | 336,086             | 253,075          | 784,236                                                              | 29,893                                    | 100,404                                      | —                      | 25,531                                          | 41,078                       | —                                                                                        | 1,570,303 |
| Risk-weighted assets <sup>4,5</sup>                                                                                                                     | 110,919             | 127,017          | 406,985                                                              | 22,490                                    | 72,446                                       | 31,876                 | 26,744                                          | 60,289                       | 8,144                                                                                    | 839,720   |

1 Other income/(expense) in this context includes gain on acquisitions, impairment gain/(loss) relating to the sale of our retail banking operations in France, and other operating income/(expense).

2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

3 Includes an impairment loss of \$3.0bn recognised in respect of the Group's investment in BoCom.

4 Risk-weighted assets are non-additive across the legal entities due to market risk diversification effects within the Group.

5 Balances are on a third-party Group consolidated basis.

6 Other trading entities' RWAs balance at 31 December 2024 includes HSBC Argentina operational risk RWAs, due to the averaging calculation and will roll off over future reporting cycles.

## Summary information – legal entities and selected countries/territories

Legal entity reported and constant currency results<sup>1</sup>

|                                                  | 2024             |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |               |
|--------------------------------------------------|------------------|---------------|-------------------------------------------------------|-------------------------------|----------------------------------|------------------|-------------------------------------|-------------------------------------|------------------------------------------------------------------------|---------------|
|                                                  | HSBC UK Bank plc | HSBC Bank plc | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited | HSBC North America Holdings Inc. | HSBC Bank Canada | Grupo Financiero HSBC, S.A. de C.V. | Other trading entities <sup>2</sup> | Holding companies, shared service centres and intra-Group eliminations | Total         |
|                                                  | \$m              | \$m           | \$m                                                   | \$m                           | \$m                              | \$m              | \$m                                 | \$m                                 | \$m                                                                    | \$m           |
| Revenue <sup>3</sup>                             | 12,752           | 9,557         | 34,053                                                | 2,504                         | 4,264                            | 462              | 3,573                               | 3,303                               | (4,614)                                                                | 65,854        |
| ECL                                              | (405)            | (211)         | (1,532)                                               | (198)                         | (81)                             | (40)             | (864)                               | (93)                                | 10                                                                     | (3,414)       |
| Operating expenses                               | (5,135)          | (6,723)       | (14,329)                                              | (1,192)                       | (3,351)                          | (236)            | (1,994)                             | (1,981)                             | 1,898                                                                  | (33,043)      |
| Share of profit in associates and joint ventures | 1                | 22            | 2,278                                                 | —                             | —                                | —                | 15                                  | 600                                 | (4)                                                                    | 2,912         |
| <b>Profit/(loss) before tax</b>                  | <b>7,213</b>     | <b>2,645</b>  | <b>20,470</b>                                         | <b>1,114</b>                  | <b>832</b>                       | <b>186</b>       | <b>730</b>                          | <b>1,829</b>                        | <b>(2,710)</b>                                                         | <b>32,309</b> |
| Loans and advances to customers (net)            | 272,973          | 103,464       | 449,940                                               | 20,440                        | 55,786                           | —                | 23,439                              | 4,617                               | (1)                                                                    | 930,658       |
| Customer accounts                                | 340,233          | 297,785       | 845,284                                               | 34,808                        | 99,278                           | —                | 27,525                              | 9,999                               | 43                                                                     | 1,654,955     |

1 In the current period, constant currency results are equal to reported, as there is no currency translation.

2 Other trading entities includes the results of entities located in Türkiye, Egypt and Saudi Arabia (including our share of the results of Saudi Awwal Bank) which do not consolidate into HSBC Bank Middle East Limited. These entities had an aggregated impact on the Group's reported profit before tax of \$1,429m. Supplementary analysis is provided on page 120 to provide a fuller picture of the MENAT regional performance.

3 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

Legal entity results: notable items

|                                                        | 2024             |               |                                                       |                               |                                  |                  |                                     |                        |                                                                        |         |
|--------------------------------------------------------|------------------|---------------|-------------------------------------------------------|-------------------------------|----------------------------------|------------------|-------------------------------------|------------------------|------------------------------------------------------------------------|---------|
|                                                        | HSBC UK Bank plc | HSBC Bank plc | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited | HSBC North America Holdings Inc. | HSBC Bank Canada | Grupo Financiero HSBC, S.A. de C.V. | Other trading entities | Holding companies, shared service centres and intra-Group eliminations | Total   |
|                                                        | \$m              | \$m           | \$m                                                   | \$m                           | \$m                              | \$m              | \$m                                 | \$m                    | \$m                                                                    | \$m     |
| <b>Revenue</b>                                         |                  |               |                                                       |                               |                                  |                  |                                     |                        |                                                                        |         |
| Disposals, acquisitions and related costs <sup>1</sup> | —                | (148)         | —                                                     | —                             | —                                | —                | —                                   | (23)                   | (1,172)                                                                | (1,343) |
| Early redemption of legacy securities                  | —                | —             | —                                                     | —                             | —                                | —                | —                                   | —                      | (237)                                                                  | (237)   |
| <b>Operating expenses</b>                              |                  |               |                                                       |                               |                                  |                  |                                     |                        |                                                                        |         |
| Disposals, acquisitions and related costs              | 8                | (9)           | —                                                     | —                             | (29)                             | (36)             | —                                   | (61)                   | (72)                                                                   | (199)   |
| Restructuring and other related costs <sup>2</sup>     | 3                | 15            | (5)                                                   | (2)                           | (4)                              | —                | —                                   | (9)                    | (32)                                                                   | (34)    |

1 Includes a \$1.0bn loss on disposal and a \$5.2bn loss on the recycling in foreign currency translation reserve losses and other reserves arising on sale of our business in Argentina. This is partly offset by a \$4.8bn gain on disposal of our banking business in Canada, inclusive of a \$0.3bn gain on the foreign exchange hedging of the sales proceeds, the recycling of \$0.6bn in foreign currency translation reserve losses and \$0.4bn of other reserves losses.

2 Amounts relate to restructuring provisions recognised in 2024 and reversals of restructuring provisions recognised during 2022.

Selected countries/territories results<sup>1</sup>

|                                                         | 2024            |               |                |            |            |
|---------------------------------------------------------|-----------------|---------------|----------------|------------|------------|
|                                                         | UK <sup>2</sup> | Hong Kong     | Mainland China | US         | Mexico     |
|                                                         | \$m             | \$m           | \$m            | \$m        | \$m        |
| Revenue <sup>3</sup>                                    | 21,017          | 22,038        | 4,078          | 4,216      | 3,573      |
| ECL                                                     | (526)           | (1,273)       | (121)          | (81)       | (864)      |
| Operating expenses                                      | (13,725)        | (8,886)       | (2,971)        | (3,350)    | (1,994)    |
| Share of profit/(loss) in associates and joint ventures | 24              | 8             | 2,241          | —          | 15         |
| <b>Profit before tax</b>                                | <b>6,790</b>    | <b>11,887</b> | <b>3,227</b>   | <b>785</b> | <b>730</b> |
| Loans and advances to customers (net)                   | 313,925         | 272,152       | 44,551         | 55,786     | 23,439     |
| Customer accounts                                       | 524,251         | 575,141       | 63,169         | 99,278     | 27,525     |

1 In the current period, constant currency results are equal to reported, as there is no currency translation.

2 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

3 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Legal entities

### Selected countries/territories results: notable items

|                                                          | 2024                   |                  |                       |           |               |
|----------------------------------------------------------|------------------------|------------------|-----------------------|-----------|---------------|
|                                                          | UK <sup>1</sup><br>\$m | Hong Kong<br>\$m | Mainland China<br>\$m | US<br>\$m | Mexico<br>\$m |
| <b>Revenue</b>                                           |                        |                  |                       |           |               |
| Disposals, acquisitions and related costs <sup>1,2</sup> | 285                    | —                | —                     | —         | —             |
| Early redemption of legacy securities                    | (237)                  | —                | —                     | —         | —             |
| <b>Operating expenses</b>                                |                        |                  |                       |           |               |
| Disposals, acquisitions and related costs                | (50)                   | (2)              | (7)                   | (28)      | —             |
| Restructuring and other related costs <sup>3</sup>       | (42)                   | (4)              | —                     | (4)       | —             |

- 1 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').
- 2 Includes fair value movements on the foreign exchange hedging of the sale of our banking business in Canada which is booked in HSBC Overseas Holdings (UK) Limited.
- 3 Amounts relate to restructuring provisions recognised in 2024 and reversals of restructuring provisions recognised during 2022.

### Legal entity reported and constant currency results (continued)

| 2023                                                               |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
|--------------------------------------------------------------------|----------------------------|-------------------------|--------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|-------------------------------|--------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------|
|                                                                    | HSBC UK<br>Bank plc<br>\$m | HSBC<br>Bank plc<br>\$m | The<br>Hongkong<br>and<br>Shanghai<br>Banking<br>Corporation<br>Limited<br>\$m | HSBC<br>Bank<br>Middle<br>East<br>Limited<br>\$m | HSBC<br>North<br>America<br>Holdings<br>Inc.<br>\$m | HSBC<br>Bank<br>Canada<br>\$m | Grupo<br>Financiero<br>HSBC,<br>S.A.<br>de C.V.<br>\$m | Other<br>trading<br>entities <sup>1</sup><br>\$m | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations<br>\$m | Total<br>\$m |
| <b>Revenue<sup>2</sup></b>                                         |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | 13,405                     | 9,289                   | 31,899                                                                         | 2,425                                            | 3,863                                               | 1,966                         | 3,313                                                  | 4,729                                            | (4,831)                                                                                         | 66,058       |
| Currency translation                                               | 391                        | 150                     | (93)                                                                           | 1                                                | —                                                   | (28)                          | (103)                                                  | (1,567)                                          | 103                                                                                             | (1,146)      |
| Constant currency                                                  | 13,796                     | 9,439                   | 31,806                                                                         | 2,426                                            | 3,863                                               | 1,938                         | 3,210                                                  | 3,162                                            | (4,728)                                                                                         | 64,912       |
| <b>ECL</b>                                                         |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | (523)                      | (212)                   | (1,641)                                                                        | (90)                                             | (94)                                                | (46)                          | (696)                                                  | (279)                                            | 134                                                                                             | (3,447)      |
| Currency translation                                               | (11)                       | (1)                     | —                                                                              | —                                                | —                                                   | 1                             | 34                                                     | 166                                              | (1)                                                                                             | 188          |
| Constant currency                                                  | (534)                      | (213)                   | (1,641)                                                                        | (90)                                             | (94)                                                | (45)                          | (662)                                                  | (113)                                            | 133                                                                                             | (3,259)      |
| <b>Operating expenses</b>                                          |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | (4,612)                    | (6,386)                 | (13,395)                                                                       | (1,096)                                          | (3,251)                                             | (1,049)                       | (1,826)                                                | (2,635)                                          | 2,180                                                                                           | (32,070)     |
| Currency translation                                               | (126)                      | (99)                    | 31                                                                             | —                                                | —                                                   | 16                            | 55                                                     | 796                                              | (97)                                                                                            | 576          |
| Constant currency                                                  | (4,738)                    | (6,485)                 | (13,364)                                                                       | (1,096)                                          | (3,251)                                             | (1,033)                       | (1,771)                                                | (1,839)                                          | 2,083                                                                                           | (31,494)     |
| <b>Share of profit/(loss) in<br/>associates and joint ventures</b> |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | —                          | (52)                    | (696)                                                                          | —                                                | —                                                   | —                             | 14                                                     | 544                                              | (3)                                                                                             | (193)        |
| Currency translation                                               | —                          | (1)                     | (61)                                                                           | —                                                | —                                                   | —                             | (1)                                                    | —                                                | —                                                                                               | (63)         |
| Constant currency                                                  | —                          | (53)                    | (757)                                                                          | —                                                | —                                                   | —                             | 13                                                     | 544                                              | (3)                                                                                             | (256)        |
| <b>Profit/(loss) before tax</b>                                    |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | 8,270                      | 2,639                   | 16,167                                                                         | 1,239                                            | 518                                                 | 871                           | 805                                                    | 2,359                                            | (2,520)                                                                                         | 30,348       |
| Currency translation                                               | 254                        | 49                      | (123)                                                                          | 1                                                | —                                                   | (11)                          | (15)                                                   | (605)                                            | 5                                                                                               | (445)        |
| Constant currency                                                  | 8,524                      | 2,688                   | 16,044                                                                         | 1,240                                            | 518                                                 | 860                           | 790                                                    | 1,754                                            | (2,515)                                                                                         | 29,903       |
| <b>Loans and advances to<br/>customers (net)</b>                   |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | 270,208                    | 95,750                  | 455,315                                                                        | 20,072                                           | 54,829                                              | —                             | 26,410                                                 | 15,951                                           | —                                                                                               | 938,535      |
| Currency translation                                               | (4,407)                    | (4,136)                 | (6,200)                                                                        | (4)                                              | —                                                   | —                             | (4,904)                                                | (1,794)                                          | (1)                                                                                             | (21,446)     |
| Constant currency                                                  | 265,801                    | 91,614                  | 449,115                                                                        | 20,068                                           | 54,829                                              | —                             | 21,506                                                 | 14,157                                           | (1)                                                                                             | 917,089      |
| <b>Customer accounts</b>                                           |                            |                         |                                                                                |                                                  |                                                     |                               |                                                        |                                                  |                                                                                                 |              |
| Reported                                                           | 339,611                    | 274,733                 | 801,430                                                                        | 31,341                                           | 99,607                                              | —                             | 29,423                                                 | 35,326                                           | 176                                                                                             | 1,611,647    |
| Currency translation                                               | (5,539)                    | (9,425)                 | (7,068)                                                                        | (12)                                             | —                                                   | —                             | (5,464)                                                | (4,527)                                          | 1                                                                                               | (32,034)     |
| Constant currency                                                  | 334,072                    | 265,308                 | 794,362                                                                        | 31,329                                           | 99,607                                              | —                             | 23,959                                                 | 30,799                                           | 177                                                                                             | 1,579,613    |

- 1 Other trading entities includes the results of entities located in Oman, Türkiye, Egypt and Saudi Arabia (including our share of the results of Saudi Awwal Bank) which do not consolidate into HSBC Bank Middle East Limited. These entities had an aggregated impact on the Group's reported profit before tax of \$1,286m, and constant currency profit before tax of \$1,090m. Supplementary analysis is provided on page 120 to provide a fuller picture of the MENAT regional performance.
- 2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Legal entity results: notable items (continued)

|                                                            | 2023                |                  |                                                                         |                                           |                                              |                        |                                              |                              |                                                                                          |         |
|------------------------------------------------------------|---------------------|------------------|-------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------|----------------------------------------------|------------------------------|------------------------------------------------------------------------------------------|---------|
|                                                            | HSBC UK<br>Bank plc | HSBC<br>Bank plc | The<br>Hongkong<br>and<br>Shanghai<br>Banking<br>Corporation<br>Limited | HSBC<br>Bank<br>Middle<br>East<br>Limited | HSBC<br>North<br>America<br>Holdings<br>Inc. | HSBC<br>Bank<br>Canada | Grupo<br>Financiero<br>HSBC, S.A.<br>de C.V. | Other<br>trading<br>entities | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations | Total   |
|                                                            | \$m                 | \$m              | \$m                                                                     | \$m                                       | \$m                                          | \$m                    | \$m                                          | \$m                          | \$m                                                                                      | \$m     |
| Revenue                                                    |                     |                  |                                                                         |                                           |                                              |                        |                                              |                              |                                                                                          |         |
| Disposals, acquisitions and related costs <sup>1,2,3</sup> | 1,591               | (14)             | —                                                                       | —                                         | —                                            | —                      | —                                            | —                            | (279)                                                                                    | 1,298   |
| Fair value movements on financial instruments <sup>4</sup> | —                   | —                | —                                                                       | —                                         | —                                            | —                      | —                                            | —                            | 14                                                                                       | 14      |
| Restructuring and other related costs                      | —                   | 361              | —                                                                       | —                                         | —                                            | —                      | —                                            | —                            | (361)                                                                                    | —       |
| Disposal losses on Markets Treasury repositioning          | (145)               | (94)             | (473)                                                                   | (20)                                      | (246)                                        | —                      | —                                            | —                            | 1                                                                                        | (977)   |
| Operating expenses                                         |                     |                  |                                                                         |                                           |                                              |                        |                                              |                              |                                                                                          |         |
| Disposals, acquisitions and related costs                  | (45)                | (111)            | —                                                                       | —                                         | (11)                                         | (115)                  | —                                            | —                            | (39)                                                                                     | (321)   |
| Restructuring and other related costs <sup>5</sup>         | 20                  | 30               | 10                                                                      | 2                                         | 10                                           | —                      | 6                                            | 2                            | 56                                                                                       | 136     |
| Impairment of interest in associate <sup>6</sup>           | —                   | —                | (3,000)                                                                 | —                                         | —                                            | —                      | —                                            | —                            | —                                                                                        | (3,000) |

1 Includes the impacts of the sale of our retail banking operations in France.

2 Includes the gain of \$1.6bn recognised in respect of the acquisition of SVB UK.

3 Includes fair value movements on the foreign exchange hedging of the proceeds from the sale of our banking business in Canada.

4 Fair value movements on non-qualifying hedges in HSBC Holdings.

5 Balances relate to reversals of restructuring provisions recognised during 2022.

6 Includes an impairment loss of \$3.0bn recognised in respect of the Group's investment in BoCom.

## Selected countries/territories results (continued)

| 2023                                                    |                 |              |                   |         |         |
|---------------------------------------------------------|-----------------|--------------|-------------------|---------|---------|
|                                                         | UK <sup>1</sup> | Hong<br>Kong | Mainland<br>China | US      | Mexico  |
|                                                         | \$m             | \$m          | \$m               | \$m     | \$m     |
| Revenue <sup>2</sup>                                    |                 |              |                   |         |         |
| Reported                                                | 19,092          | 20,611       | 3,923             | 3,796   | 3,313   |
| Currency translation                                    | 637             | 67           | (64)              | —       | (103)   |
| Constant currency                                       | 19,729          | 20,678       | 3,859             | 3,796   | 3,210   |
| ECL                                                     |                 |              |                   |         |         |
| Reported                                                | (594)           | (1,529)      | (93)              | (94)    | (696)   |
| Currency translation                                    | (14)            | (5)          | (2)               | —       | 34      |
| Constant currency                                       | (608)           | (1,534)      | (95)              | (94)    | (662)   |
| Operating expenses                                      |                 |              |                   |         |         |
| Reported                                                | (12,485)        | (8,244)      | (2,713)           | (3,251) | (1,826) |
| Currency translation                                    | (328)           | (27)         | 41                | —       | 55      |
| Constant currency                                       | (12,813)        | (8,271)      | (2,672)           | (3,251) | (1,771) |
| Share of profit/(loss) in associates and joint ventures |                 |              |                   |         |         |
| Reported                                                | (53)            | 30           | (746)             | —       | 14      |
| Currency translation                                    | —               | —            | (61)              | —       | (1)     |
| Constant currency                                       | (53)            | 30           | (807)             | —       | 13      |
| Profit before tax                                       |                 |              |                   |         |         |
| Reported                                                | 5,960           | 10,868       | 371               | 451     | 805     |
| Currency translation                                    | 295             | 35           | (86)              | —       | (15)    |
| Constant currency                                       | 6,255           | 10,903       | 285               | 451     | 790     |
| Loans and advances to customers (net)                   |                 |              |                   |         |         |
| Reported                                                | 309,262         | 279,551      | 44,275            | 54,829  | 26,410  |
| Currency translation                                    | (5,044)         | 1,663        | (1,207)           | —       | (4,904) |
| Constant currency                                       | 304,218         | 281,214      | 43,068            | 54,829  | 21,506  |
| Customer accounts                                       |                 |              |                   |         |         |
| Reported                                                | 508,181         | 543,504      | 56,006            | 99,607  | 29,423  |
| Currency translation                                    | (8,289)         | 3,233        | (1,525)           | —       | (5,464) |
| Constant currency                                       | 499,892         | 546,737      | 54,481            | 99,607  | 23,959  |

1 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Legal entities

### Selected countries/territories results: notable items (continued)

|                                                            | 2023            |           |                |       |        |
|------------------------------------------------------------|-----------------|-----------|----------------|-------|--------|
|                                                            | UK <sup>1</sup> | Hong Kong | Mainland China | US    | Mexico |
|                                                            | \$m             | \$m       | \$m            | \$m   | \$m    |
| Revenue                                                    |                 |           |                |       |        |
| Disposals, acquisitions and related costs <sup>2,3,4</sup> | 1,272           | —         | —              | —     | —      |
| Fair value movements on financial instruments <sup>5</sup> | 14              | —         | —              | —     | —      |
| Disposal losses on Markets Treasury repositioning          | (239)           | (473)     | —              | (246) | —      |
| Operating expenses                                         |                 |           |                |       |        |
| Disposals, acquisitions and related costs                  | (71)            | (1)       | (5)            | (11)  | —      |
| Restructuring and other related costs <sup>6</sup>         | 75              | 9         | 4              | 10    | 6      |
| Impairment of interest in associate <sup>7</sup>           | —               | —         | (3,000)        | —     | —      |

1 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

2 Includes the gain of \$1.6bn recognised in respect of the acquisition of SVB UK.

3 Includes the impairment gain relating to the sale of our retail banking operations in France.

4 Includes fair value movements on the foreign exchange hedging of the proceeds from the sale of our banking business in Canada.

5 Fair value movements on non-qualifying hedges in HSBC Holdings.

6 Balances relates to reversals of restructuring provisions recognised during 2022.

7 Includes an impairment loss of \$3.0bn recognised in respect of the Group's investment in BoCom.

### Legal entity reported and constant currency results

|                                                         | 2022             |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
|---------------------------------------------------------|------------------|---------------|-------------------------------------------------------|-------------------------------|----------------------------------|------------------|-------------------------------------|-------------------------------------|------------------------------------------------------------------------|-----------|
|                                                         | HSBC UK Bank plc | HSBC Bank plc | The Hongkong and Shanghai Banking Corporation Limited | HSBC Bank Middle East Limited | HSBC North America Holdings Inc. | HSBC Bank Canada | Grupo Financiero HSBC, S.A. de C.V. | Other trading entities <sup>1</sup> | Holding companies, shared service centres and intra-Group eliminations | Total     |
|                                                         | \$m              | \$m           | \$m                                                   | \$m                           | \$m                              | \$m              | \$m                                 | \$m                                 | \$m                                                                    | \$m       |
| Revenue <sup>2</sup>                                    |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | 9,771            | 5,421         | 25,642                                                | 1,743                         | 4,163                            | 1,954            | 2,713                               | 3,503                               | (4,290)                                                                | 50,620    |
| Currency translation                                    | 399              | (30)          | (338)                                                 | 3                             | —                                | (96)             | 265                                 | (1,235)                             | (1)                                                                    | (1,033)   |
| Constant currency                                       | 10,170           | 5,391         | 25,304                                                | 1,746                         | 4,163                            | 1,858            | 2,978                               | 2,268                               | (4,291)                                                                | 49,587    |
| ECL                                                     |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | (563)            | (292)         | (2,090)                                               | 21                            | (20)                             | (84)             | (507)                               | (61)                                | 12                                                                     | (3,584)   |
| Currency translation                                    | (57)             | 8             | 2                                                     | —                             | —                                | 5                | (46)                                | 59                                  | (2)                                                                    | (31)      |
| Constant currency                                       | (620)            | (284)         | (2,088)                                               | 21                            | (20)                             | (79)             | (553)                               | (2)                                 | 10                                                                     | (3,615)   |
| Operating expenses                                      |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | (4,721)          | (6,486)       | (13,053)                                              | (1,036)                       | (3,438)                          | (1,038)          | (1,636)                             | (2,361)                             | 1,068                                                                  | (32,701)  |
| Currency translation                                    | (178)            | (177)         | 165                                                   | (1)                           | —                                | 51               | (163)                               | 792                                 | (17)                                                                   | 472       |
| Constant currency                                       | (4,899)          | (6,663)       | (12,888)                                              | (1,037)                       | (3,438)                          | (987)            | (1,799)                             | (1,569)                             | 1,051                                                                  | (32,229)  |
| Share of profit/(loss) in associates and joint ventures |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | —                | (38)          | 2,400                                                 | —                             | —                                | —                | 13                                  | 351                                 | (3)                                                                    | 2,723     |
| Currency translation                                    | —                | —             | (164)                                                 | —                             | —                                | —                | —                                   | —                                   | —                                                                      | (164)     |
| Constant currency                                       | —                | (38)          | 2,236                                                 | —                             | —                                | —                | 13                                  | 351                                 | (3)                                                                    | 2,559     |
| Profit/(loss) before tax                                |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | 4,487            | (1,395)       | 12,899                                                | 728                           | 705                              | 832              | 583                                 | 1,432                               | (3,213)                                                                | 17,058    |
| Currency translation                                    | 164              | (199)         | (335)                                                 | 2                             | —                                | (40)             | 56                                  | (384)                               | (20)                                                                   | (756)     |
| Constant currency                                       | 4,651            | (1,594)       | 12,564                                                | 730                           | 705                              | 792              | 639                                 | 1,048                               | (3,233)                                                                | 16,302    |
| Loans and advances to customers (net)                   |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | 245,921          | 86,964        | 473,985                                               | 19,762                        | 54,159                           | —                | 20,446                              | 22,325                              | (1)                                                                    | 923,561   |
| Currency translation                                    | 10,166           | 331           | (8,248)                                               | 16                            | —                                | —                | (1,318)                             | (3,210)                             | 1                                                                      | (2,262)   |
| Constant currency                                       | 256,087          | 87,295        | 465,737                                               | 19,778                        | 54,159                           | —                | 19,128                              | 19,115                              | —                                                                      | 921,299   |
| Customer accounts                                       |                  |               |                                                       |                               |                                  |                  |                                     |                                     |                                                                        |           |
| Reported                                                | 336,086          | 253,075       | 784,236                                               | 29,893                        | 100,404                          | —                | 25,531                              | 41,078                              | —                                                                      | 1,570,303 |
| Currency translation                                    | 13,894           | 3,640         | (9,033)                                               | 24                            | —                                | —                | (1,645)                             | (8,633)                             | —                                                                      | (1,753)   |
| Constant currency                                       | 349,980          | 256,715       | 775,203                                               | 29,917                        | 100,404                          | —                | 23,886                              | 32,445                              | —                                                                      | 1,568,550 |

1 Other trading entities includes the results of entities located in Oman, Türkiye, Egypt and Saudi Arabia (including our share of the results of Saudi Awwal Bank) which do not consolidate into HSBC Bank Middle East Limited. These entities had an aggregated impact on the Group's reported profit before tax of \$997m and constant currency profit before tax of \$756m.

2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Legal entity results: notable items (continued)

|                                                            | 2022                       |                         |                                                                                |                                                  |                                                     |                               |                                                     |                                     |                                                                                                 |              |
|------------------------------------------------------------|----------------------------|-------------------------|--------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|-------------------------------|-----------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------|--------------|
|                                                            | HSBC UK<br>Bank plc<br>\$m | HSBC<br>Bank plc<br>\$m | The<br>Hongkong<br>and<br>Shanghai<br>Banking<br>Corporation<br>Limited<br>\$m | HSBC<br>Bank<br>Middle<br>East<br>Limited<br>\$m | HSBC<br>North<br>America<br>Holdings<br>Inc.<br>\$m | HSBC<br>Bank<br>Canada<br>\$m | Grupo<br>Financiero<br>HSBC, S.A.<br>de C.V.<br>\$m | Other<br>trading<br>entities<br>\$m | Holding<br>companies,<br>shared<br>service<br>centres and<br>intra-Group<br>eliminations<br>\$m | Total<br>\$m |
| Revenue                                                    |                            |                         |                                                                                |                                                  |                                                     |                               |                                                     |                                     |                                                                                                 |              |
| Disposals, acquisitions and related costs <sup>1</sup>     | —                          | (2,242)                 | —                                                                              | —                                                | —                                                   | —                             | —                                                   | —                                   | (495)                                                                                           | (2,737)      |
| Fair value movements on financial instruments <sup>2</sup> | —                          | —                       | —                                                                              | —                                                | —                                                   | —                             | —                                                   | —                                   | (618)                                                                                           | (618)        |
| Restructuring and other related costs <sup>3</sup>         | 1                          | (278)                   | 46                                                                             | (13)                                             | 98                                                  | 1                             | (17)                                                | —                                   | (85)                                                                                            | (247)        |
| Operating expenses                                         |                            |                         |                                                                                |                                                  |                                                     |                               |                                                     |                                     |                                                                                                 |              |
| Disposals, acquisitions and related costs                  | —                          | (18)                    | —                                                                              | —                                                | —                                                   | —                             | —                                                   | —                                   | —                                                                                               | (18)         |
| Restructuring and other related costs                      | (521)                      | (656)                   | (741)                                                                          | (64)                                             | (421)                                               | (87)                          | (115)                                               | (150)                               | (127)                                                                                           | (2,882)      |

1 Includes losses from classifying businesses as held for sale as part of a broader restructuring of our European business, of which \$2.3bn (inclusive of \$0.4bn in goodwill impairments) relates to the sale of the retail banking operations in France. Held-for-sale classification for the sale of the retail banking operations in France was reversed in 1Q23 (\$2.1bn loss reversed) and reinstated in 4Q23 (\$2.0bn loss reinstated).

2 Fair value movements on non-qualifying hedges in HSBC Holdings.

3 Comprises gains and losses relating to the business update in February 2020, including losses associated with the RWA reduction programme.

## Selected countries/territories results (continued)

|                                                         | 2022                   |                     |                          |           |               |
|---------------------------------------------------------|------------------------|---------------------|--------------------------|-----------|---------------|
|                                                         | UK <sup>1</sup><br>\$m | Hong<br>Kong<br>\$m | Mainland<br>China<br>\$m | US<br>\$m | Mexico<br>\$m |
| Revenue <sup>2</sup>                                    |                        |                     |                          |           |               |
| Reported                                                | 17,268                 | 15,712              | 4,104                    | 4,107     | 2,713         |
| Currency translation                                    | 746                    | 60                  | (272)                    | —         | 265           |
| Constant currency                                       | 18,014                 | 15,772              | 3,832                    | 4,107     | 2,978         |
| ECL                                                     |                        |                     |                          |           |               |
| Reported                                                | (712)                  | (1,683)             | (326)                    | (20)      | (507)         |
| Currency translation                                    | (54)                   | (8)                 | 21                       | —         | (46)          |
| Constant currency                                       | (766)                  | (1,691)             | (305)                    | (20)      | (553)         |
| Operating expenses                                      |                        |                     |                          |           |               |
| Reported                                                | (13,232)               | (7,935)             | (2,757)                  | (3,438)   | (1,636)       |
| Currency translation                                    | (504)                  | (26)                | 178                      | —         | (163)         |
| Constant currency                                       | (13,736)               | (7,961)             | (2,579)                  | (3,438)   | (1,799)       |
| Share of profit/(loss) in associates and joint ventures |                        |                     |                          |           |               |
| Reported                                                | (41)                   | 5                   | 2,386                    | —         | 12            |
| Currency translation                                    | —                      | —                   | (163)                    | —         | 1             |
| Constant currency                                       | (41)                   | 5                   | 2,223                    | —         | 13            |
| Profit before tax                                       |                        |                     |                          |           |               |
| Reported                                                | 3,283                  | 6,099               | 3,407                    | 649       | 582           |
| Currency translation                                    | 188                    | 26                  | (236)                    | —         | 57            |
| Constant currency                                       | 3,471                  | 6,125               | 3,171                    | 649       | 639           |
| Loans and advances to customers (net)                   |                        |                     |                          |           |               |
| Reported                                                | 286,032                | 294,580             | 50,481                   | 54,159    | 20,446        |
| Currency translation                                    | 11,825                 | 1,122               | (2,811)                  | —         | (1,318)       |
| Constant currency                                       | 297,857                | 295,702             | 47,670                   | 54,159    | 19,128        |
| Customer accounts                                       |                        |                     |                          |           |               |
| Reported                                                | 493,028                | 542,543             | 56,948                   | 100,404   | 25,531        |
| Currency translation                                    | 20,382                 | 2,068               | (3,169)                  | —         | (1,645)       |
| Constant currency                                       | 513,410                | 544,611             | 53,779                   | 100,404   | 23,886        |

1 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

2 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

## Legal entities

### Selected countries/territories results: notable items (continued)

|                                                            | 2022            |           |                |       |        |
|------------------------------------------------------------|-----------------|-----------|----------------|-------|--------|
|                                                            | UK <sup>1</sup> | Hong Kong | Mainland China | US    | Mexico |
|                                                            | \$m             | \$m       | \$m            | \$m   | \$m    |
| Revenue                                                    |                 |           |                |       |        |
| Disposals, acquisitions and related costs                  | (60)            | —         | —              | —     | —      |
| Fair value movements on financial instruments <sup>2</sup> | (617)           | —         | —              | —     | —      |
| Restructuring and other related costs <sup>3</sup>         | 407             | (124)     | 71             | 99    | (17)   |
| Operating expenses                                         |                 |           |                |       |        |
| Restructuring and other related costs                      | (1,741)         | (393)     | (70)           | (424) | (115)  |

- 1 UK includes HSBC UK Bank plc (ring-fenced bank), HSBC Bank plc (non-ring-fenced bank), the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').
- 2 Fair value movements on non-qualifying hedges in HSBC Holdings.
- 3 Comprises gains and losses relating to the business update in February 2022, including losses associated with RWA reduction commitments.

## Analysis by country/territory

### Profit/(loss) before tax by country/territory within global businesses

|                                                  | 2024                        |                    |                            |                  |               |
|--------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|---------------|
|                                                  | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total         |
|                                                  | \$m                         | \$m                | \$m                        | \$m              | \$m           |
| UK <sup>1</sup>                                  | 2,487                       | 3,446              | 12                         | 845              | 6,790         |
| – of which: HSBC UK Bank plc (ring-fenced bank)  | 2,628                       | 4,367              | 146                        | 72               | 7,213         |
| – of which: HSBC Bank plc (non-ring-fenced bank) | 534                         | 97                 | 657                        | (359)            | 929           |
| – of which: Holdings and other                   | (675)                       | (1,018)            | (791)                      | 1,132            | (1,352)       |
| France                                           | 60                          | 196                | 127                        | (153)            | 230           |
| Germany                                          | 27                          | 45                 | 137                        | 5                | 214           |
| Hong Kong                                        | 7,453                       | 3,212              | 1,704                      | (482)            | 11,887        |
| Australia                                        | 141                         | 378                | 99                         | (9)              | 609           |
| India                                            | 96                          | 448                | 875                        | 269              | 1,688         |
| Indonesia                                        | 7                           | 156                | 63                         | (5)              | 221           |
| Mainland China <sup>2</sup>                      | (167)                       | 235                | 678                        | 2,481            | 3,227         |
| Malaysia                                         | 143                         | 155                | 219                        | (3)              | 514           |
| Singapore                                        | 572                         | 376                | 448                        | (21)             | 1,375         |
| Taiwan                                           | 113                         | 70                 | 223                        | (8)              | 398           |
| Egypt                                            | 123                         | 145                | 355                        | (16)             | 607           |
| UAE                                              | 371                         | 228                | 355                        | (83)             | 871           |
| Saudi Arabia <sup>3</sup>                        | —                           | —                  | 112                        | 596              | 708           |
| US                                               | 74                          | 578                | 331                        | (198)            | 785           |
| Canada <sup>4</sup>                              | 71                          | 126                | 26                         | 4,503            | 4,726         |
| Mexico                                           | 185                         | 529                | 13                         | 3                | 730           |
| Other <sup>5</sup>                               | 426                         | 1,537              | 1,286                      | (6,520)          | (3,271)       |
| <b>Year ended 31 Dec 2024</b>                    | <b>12,182</b>               | <b>11,860</b>      | <b>7,063</b>               | <b>1,204</b>     | <b>32,309</b> |

- 1 UK includes results from the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').
- 2 Includes our share of the profits of our associate, Bank of Communications Co., Limited.
- 3 Includes the results of HSBC Saudi Arabia and our share of the profits of our associate, Saudi Awwal Bank.
- 4 Corporate Centre includes a gain of \$4.5bn on the sale of our banking business in Canada excluding the fair value movements on the foreign exchange hedging of the sale which is booked in HSBC Overseas Holdings (UK) Limited.
- 5 Corporate Centre includes the profit and loss impact of inter-company debt eliminations of \$(269)m and a loss of \$6.2bn relating to the sale of our business in Argentina.

## Profit/(loss) before tax by country/territory within global businesses (continued)

|                                                  | 2023                        |                    |                            |                  |         |
|--------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|---------|
|                                                  | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total   |
|                                                  | \$m                         | \$m                | \$m                        | \$m              | \$m     |
| UK <sup>1</sup>                                  | 2,415                       | 4,437              | (692)                      | (200)            | 5,960   |
| – of which: HSBC UK Bank plc (ring-fenced bank)  | 2,754                       | 5,282              | 144                        | 90               | 8,270   |
| – of which: HSBC Bank plc (non-ring-fenced bank) | 396                         | 295                | 121                        | 177              | 989     |
| – of which: Holdings and other                   | (735)                       | (1,140)            | (957)                      | (467)            | (3,299) |
| France                                           | (35)                        | 235                | 128                        | 10               | 338     |
| Germany                                          | 44                          | 144                | 128                        | 4                | 320     |
| Hong Kong                                        | 6,808                       | 2,970              | 1,394                      | (304)            | 10,868  |
| Australia                                        | 177                         | 319                | 85                         | (15)             | 566     |
| India                                            | 56                          | 398                | 774                        | 289              | 1,517   |
| Indonesia                                        | 23                          | 124                | 68                         | (7)              | 208     |
| Mainland China <sup>2</sup>                      | (90)                        | 339                | 662                        | (540)            | 371     |
| Malaysia                                         | 111                         | 158                | 219                        | (21)             | 467     |
| Singapore                                        | 233                         | 436                | 444                        | (31)             | 1,082   |
| Taiwan                                           | 99                          | 72                 | 198                        | (7)              | 362     |
| Egypt                                            | 141                         | 98                 | 303                        | (11)             | 531     |
| UAE                                              | 387                         | 212                | 377                        | (83)             | 893     |
| Saudi Arabia <sup>3</sup>                        | —                           | —                  | 118                        | 539              | 657     |
| US                                               | 225                         | 513                | 111                        | (398)            | 451     |
| Canada                                           | 293                         | 561                | 120                        | (96)             | 878     |
| Mexico                                           | 317                         | 504                | 15                         | (31)             | 805     |
| Other <sup>4</sup>                               | 340                         | 1,760              | 1,472                      | 502              | 4,074   |
| Year ended 31 Dec 2023                           | 11,544                      | 13,280             | 5,924                      | (400)            | 30,348  |

1 UK includes results from the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

2 Includes our share of the profits of our associate, Bank of Communications Co., Limited.

3 Includes the results of HSBC Saudi Arabia and our share of the profits of our associate, Saudi Awwal Bank.

4 Corporate Centre includes the profit and loss impact of inter-company debt eliminations of \$571m.

|                                                  | 2022                        |                    |                            |                  |         |
|--------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|---------|
|                                                  | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total   |
|                                                  | \$m                         | \$m                | \$m                        | \$m              | \$m     |
| UK <sup>1</sup>                                  | 1,764                       | 2,094              | (534)                      | (41)             | 3,283   |
| – of which: HSBC UK Bank plc (ring-fenced bank)  | 2,112                       | 2,662              | 143                        | (430)            | 4,487   |
| – of which: HSBC Bank plc (non-ring fenced bank) | 294                         | 315                | 141                        | (473)            | 277     |
| – of which: Holdings and other                   | (642)                       | (883)              | (818)                      | 862              | (1,481) |
| France <sup>2</sup>                              | (2,248)                     | 210                | 81                         | (231)            | (2,188) |
| Germany                                          | 17                          | 8                  | 133                        | (147)            | 11      |
| Hong Kong                                        | 4,435                       | 1,278              | 955                        | (568)            | 6,100   |
| Australia                                        | 147                         | 180                | 157                        | (36)             | 448     |
| India                                            | 45                          | 304                | 622                        | 306              | 1,277   |
| Indonesia                                        | 4                           | 71                 | 100                        | (8)              | 167     |
| Mainland China <sup>3</sup>                      | (100)                       | 303                | 526                        | 2,678            | 3,407   |
| Malaysia                                         | 110                         | 89                 | 219                        | (36)             | 382     |
| Singapore                                        | 218                         | 255                | 351                        | (77)             | 747     |
| Taiwan                                           | 36                          | 43                 | 137                        | (17)             | 199     |
| Egypt                                            | 101                         | 76                 | 194                        | (4)              | 367     |
| UAE                                              | 128                         | 107                | 320                        | (86)             | 469     |
| Saudi Arabia <sup>4</sup>                        | 30                          | —                  | 94                         | 345              | 469     |
| US                                               | 209                         | 557                | 270                        | (387)            | 649     |
| Canada                                           | 243                         | 548                | 140                        | (89)             | 842     |
| Mexico                                           | 241                         | 414                | 39                         | (112)            | 582     |
| Other <sup>5</sup>                               | 208                         | 1,056              | 1,115                      | (2,532)          | (153)   |
| Year ended 31 Dec 2022                           | 5,588                       | 7,593              | 4,919                      | (1,042)          | 17,058  |

1 UK includes results from the ultimate holding company, HSBC Holdings plc, and the separately incorporated group of service companies ('ServCo Group').

2 Includes the impact of goodwill impairment of \$425m as a result of the reclassification of our retail banking operations in France to held for sale. At 31 December 2022, HSBC's cash-generating units were based on geographical regions, sub-divided by global businesses.

3 Includes our share of the profits of our associate, Bank of Communications Co., Limited.

4 Includes the results of HSBC Saudi Arabia and our share of the profits of our associate, Saudi Awwal Bank.

5 Corporate Centre includes the profit and loss impact of inter-company debt eliminations of \$1,850m.

## Reconciliation of alternative performance measures

### Middle East, North Africa and Türkiye supplementary information

The following tables show the results of our Middle East, North Africa and Türkiye business operations on a regional basis (including results of all the legal entities operating in the region and our share of the results of Saudi Awwal Bank). They also show the profit before tax of each of the global businesses.

#### Middle East, North Africa and Türkiye regional performance

|                                                                      | 2024         | 2023         |
|----------------------------------------------------------------------|--------------|--------------|
|                                                                      | \$m          | \$m          |
| Revenue <sup>1</sup>                                                 | 3,852        | 3,688        |
| Change in expected credit losses and other credit impairment charges | (222)        | (133)        |
| Operating expenses                                                   | (1,695)      | (1,592)      |
| Share of profit in associates and joint ventures                     | 596          | 538          |
| <b>Profit before tax</b>                                             | <b>2,531</b> | <b>2,501</b> |
| Loans and advances to customers (net)                                | 22,975       | 22,766       |
| Customer accounts                                                    | 42,434       | 40,708       |

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

#### Profit before tax by global business

|                             | 2024         | 2023         |
|-----------------------------|--------------|--------------|
|                             | \$m          | \$m          |
| Wealth and Personal Banking | 585          | 612          |
| Commercial Banking          | 368          | 400          |
| Global Banking and Markets  | 1,091        | 1,104        |
| Corporate Centre            | 487          | 385          |
| <b>Total</b>                | <b>2,531</b> | <b>2,501</b> |

## Reconciliation of alternative performance measures

### Contents

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### Use of alternative performance measures

Our reported results are prepared in accordance with IFRS Accounting Standards as detailed in our financial statements starting on page 341.

As described on page 86, we use a combination of reported and alternative performance measures, including those derived from our reported results that eliminate factors that distort year-on-year comparisons. These are considered alternative performance measures (non-GAAP financial measures).

The following information details the adjustments made to the reported results and the calculation of other alternative performance measures. All alternative performance measures are reconciled to the closest reported performance measure.

On 1 January 2023, HSBC adopted IFRS 17 'Insurance Contracts'. As required by the standard, the Group applied the requirements retrospectively with comparative data previously published under IFRS 4 'Insurance Contracts' restated from the 1 January 2022 transition date.

In addition to the alternative performance measures set out in this section, another alternative performance measure in relation to the Group's insurance manufacturing operations is set out on pages 105 to 107.

## Alternative performance measure definitions

| Alternative performance measure                                                                                                                   | Definition                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reported revenue excluding notable items                                                                                                          | Reported revenue after excluding notable items reported under revenue                                                                                                                                                                                      |
| Reported profit before tax excluding notable items                                                                                                | Reported profit before tax after excluding notable items reported under revenue less notable items reported under operating expenses                                                                                                                       |
| Constant currency revenue excluding notable items <sup>1</sup>                                                                                    | Reported revenue excluding notable items and the impact of foreign exchange translation <sup>2</sup>                                                                                                                                                       |
| Constant currency profit before tax excluding notable items <sup>1</sup>                                                                          | Reported profit before tax excluding notable items and the impact of foreign exchange translation <sup>2</sup>                                                                                                                                             |
| Constant currency revenue excluding notable items and strategic transactions <sup>1</sup>                                                         | Reported revenue excluding notable items, strategic transactions and the impact of foreign exchange translation <sup>3</sup>                                                                                                                               |
| Constant currency profit before tax excluding notable items and strategic transactions <sup>1</sup>                                               | Reported profit before tax excluding notable items, strategic transactions and the impact of foreign exchange translation <sup>3</sup>                                                                                                                     |
| Return on average ordinary shareholders' equity ('RoE')                                                                                           | $\frac{\text{Profit attributable to the ordinary shareholders}}{\text{Average ordinary shareholders' equity}}$                                                                                                                                             |
| Return on average tangible equity ('RoTE')                                                                                                        | $\frac{\text{Profit attributable to the ordinary shareholders, excluding impairment of goodwill and other intangible assets}}{\text{Average ordinary shareholders' equity adjusted for goodwill and intangibles}}$                                         |
| Return on average tangible equity ('RoTE') excluding notable items                                                                                | $\frac{\text{Profit attributable to the ordinary shareholders, excluding impairment of goodwill and other intangible assets and notable items}^2}{\text{Average ordinary shareholders' equity adjusted for goodwill and intangibles and notable items}^2}$ |
| Net asset value per ordinary share                                                                                                                | $\frac{\text{Total ordinary shareholders' equity}^4}{\text{Basic number of ordinary shares in issue after deducting own shares held}}$                                                                                                                     |
| Tangible net asset value per ordinary share                                                                                                       | $\frac{\text{Tangible ordinary shareholders' equity}^5}{\text{Basic number of ordinary shares in issue after deducting own shares held}}$                                                                                                                  |
| Post-tax return on average total assets                                                                                                           | $\frac{\text{Profit after tax}}{\text{Average total assets}}$                                                                                                                                                                                              |
| Average total shareholders' equity on average total assets                                                                                        | $\frac{\text{Average total shareholders' equity}}{\text{Average total assets}}$                                                                                                                                                                            |
| Expected credit losses and other credit impairment charges ('ECL') as % of average gross loans and advances to customers                          | $\frac{\text{Annualised constant currency ECL}^6}{\text{Constant currency average gross loans and advances to customers}^6}$                                                                                                                               |
| Expected credit losses and other credit impairment charges ('ECL') as % of average gross loans and advances to customers, including held for sale | $\frac{\text{Annualised constant currency ECL}^6}{\text{Constant currency average gross loans and advances to customers, including held for sale}^6}$                                                                                                      |
| Target basis operating expenses                                                                                                                   | Reported operating expenses excluding notable items, foreign exchange translation and other excluded items <sup>7</sup>                                                                                                                                    |
| Basic earnings per share excluding material notable items and related impacts                                                                     | $\frac{\text{Profit attributable to ordinary shareholders excluding material notable items and related impacts}^8}{\text{Weighted average number of ordinary shares outstanding after deducting own shares held}}$                                         |
| Multi-jurisdictional client revenue                                                                                                               | Total client revenue we generate from clients that hold a relationship with us that generates revenue in more than one market                                                                                                                              |

1 Constant currency performance is computed by adjusting reported results for the effects of foreign currency translation differences, which distort period-on-period comparisons.

2 For details of notable items, see 'Supplementary financial information' on page 99.

3 For details of strategic transactions, see 'Strategic transactions supplementary analysis' on page 102.

4 Total ordinary shareholders' equity is total shareholders' equity less non-cumulative preference shares and capital securities.

5 Tangible ordinary shareholders' equity is total ordinary shareholders' equity excluding goodwill and other intangible assets (net of deferred tax).

6 The constant currency numbers are derived by adjusting reported ECL and average loans and advances to customers for the effects of foreign currency translation differences.

7 Other excluded items includes the impact of re-translating comparative period financial information at the latest rates of foreign exchange in hyperinflationary economies, which we consider to be outside of our control, and the impact of the sale of our retail banking operations in France and banking business in Canada.

8 For details of material notable items and related impacts, that are included in the calculation of Profit attributable to ordinary shareholders excluding material notable items and related impacts, see page 125.

## Reconciliation of alternative performance measures

### Constant currency revenue and profit before tax excluding notable items and strategic transactions

|                                                                                                                          | Year ended    |               |               |
|--------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
|                                                                                                                          | 2024          | 2023          | 2022          |
|                                                                                                                          | \$m           | \$m           | \$m           |
| <b>Revenue</b>                                                                                                           |               |               |               |
| Reported                                                                                                                 | 65,854        | 66,058        | 50,620        |
| Notable items                                                                                                            | 1,580         | (335)         | 3,602         |
| <b>Reported revenue excluding notable items</b>                                                                          | <b>67,434</b> | <b>65,723</b> | <b>54,222</b> |
| Currency translation <sup>1</sup>                                                                                        |               | (1,234)       | (839)         |
| <b>Constant currency revenue excluding notable items</b>                                                                 | <b>67,434</b> | <b>64,489</b> | <b>53,383</b> |
| Constant currency impact of strategic transactions (distorting impact of operating results between periods) <sup>2</sup> | (178)         | (1,446)       | N/A           |
| <b>Constant currency revenue excluding notable items and strategic transactions</b>                                      | <b>67,256</b> | <b>63,043</b> | <b>N/A</b>    |
| <b>Profit before tax</b>                                                                                                 |               |               |               |
| Reported                                                                                                                 | 32,309        | 30,348        | 17,058        |
| Notable items                                                                                                            | 1,813         | 2,850         | 6,502         |
| <b>Reported profit before tax excluding notable items</b>                                                                | <b>34,122</b> | <b>33,198</b> | <b>23,560</b> |
| Currency translation <sup>1</sup>                                                                                        |               | (518)         | (503)         |
| <b>Constant currency profit before tax excluding notable items</b>                                                       | <b>34,122</b> | <b>32,680</b> | <b>23,057</b> |
| Constant currency impact of strategic transactions (distorting impact of operating results between periods) <sup>2</sup> | (85)          | (463)         | N/A           |
| <b>Constant currency profit before tax excluding notable items and strategic transactions</b>                            | <b>34,037</b> | <b>32,217</b> | <b>N/A</b>    |

1 Currency translation on the reported balance excluding currency translation on notable items.

2 For more details of strategic transactions, please refer to page 102.

### Return on average ordinary shareholders' equity, return on average tangible equity and return on average tangible equity excluding notable items

|                                                                                                                                   | 2024           | 2023           | 2022           |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|
|                                                                                                                                   | \$m            | \$m            | \$m            |
| <b>Profit after tax</b>                                                                                                           |                |                |                |
| Profit attributable to the ordinary shareholders of the parent company                                                            | 22,917         | 22,432         | 14,346         |
| Impairment of goodwill and other intangible assets (net of tax)                                                                   | 118            | 43             | 535            |
| <b>Profit attributable to the ordinary shareholders, excluding goodwill and other intangible assets impairment</b>                | <b>23,035</b>  | <b>22,475</b>  | <b>14,881</b>  |
| Impact of notable items <sup>1</sup>                                                                                              | 1,588          | 2,173          | 2,750          |
| <b>Profit attributable to the ordinary shareholders, excluding goodwill, other intangible assets impairment and notable items</b> | <b>24,623</b>  | <b>24,648</b>  | <b>17,631</b>  |
| <b>Equity</b>                                                                                                                     |                |                |                |
| Average total shareholders' equity                                                                                                | 187,507        | 184,029        | 180,263        |
| Effect of average preference shares and other equity instruments                                                                  | (18,480)       | (18,794)       | (21,202)       |
| <b>Average ordinary shareholders' equity</b>                                                                                      | <b>169,027</b> | <b>165,235</b> | <b>159,061</b> |
| Effect of goodwill and other intangibles (net of deferred tax)                                                                    | (11,626)       | (11,480)       | (10,786)       |
| <b>Average tangible equity</b>                                                                                                    | <b>157,401</b> | <b>153,755</b> | <b>148,275</b> |
| Average impact of notable items                                                                                                   | (3,322)        | (1,162)        | 1,565          |
| <b>Average tangible equity excluding notable items</b>                                                                            | <b>154,079</b> | <b>152,593</b> | <b>149,840</b> |
|                                                                                                                                   | %              | %              | %              |
| <b>Ratio</b>                                                                                                                      |                |                |                |
| Return on average ordinary shareholders' equity                                                                                   | 13.6           | 13.6           | 9.0            |
| Return on average tangible equity                                                                                                 | 14.6           | 14.6           | 10.0           |
| Return on average tangible equity excluding notable items                                                                         | 16.0           | 16.2           | 11.8           |

1 For details of notable items please refer to Supplementary financial information on page 99.

From 1 January 2024, we have revised the adjustments made to return on average tangible equity ('RoTE'). Prior to this, we adjusted RoTE for the impact of strategic transactions and the impairment of our investment in Bank of Communications Co., Limited ('BoCom'), whereas from 1 January 2024 we have excluded all notable items. This was intended to improve alignment with the treatment of notable

items in our other income statement disclosures. Comparatives have been re-presented on the revised basis and we no longer disclose RoTE excluding strategic transactions and the impairment of BoCom. We will now target a RoTE in the mid-teens in each of the three years from 2025 to 2027 excluding the impact of notable items.

The following table details the adjustments made to reported results by global business:

#### Return on average tangible equity by global business

|                                                                                                | Year ended 31 Dec 2024      |                    |                            |                  |                |
|------------------------------------------------------------------------------------------------|-----------------------------|--------------------|----------------------------|------------------|----------------|
|                                                                                                | Wealth and Personal Banking | Commercial Banking | Global Banking and Markets | Corporate Centre | Total          |
|                                                                                                | \$m                         | \$m                | \$m                        | \$m              | \$m            |
| <b>Profit before tax</b>                                                                       | <b>12,182</b>               | <b>11,860</b>      | <b>7,063</b>               | <b>1,204</b>     | <b>32,309</b>  |
| Tax expense                                                                                    | (2,173)                     | (2,834)            | (1,573)                    | (730)            | (7,310)        |
| <b>Profit after tax</b>                                                                        | <b>10,009</b>               | <b>9,026</b>       | <b>5,490</b>               | <b>474</b>       | <b>24,999</b>  |
| Less attributable to: preference shareholders, other equity holders, non-controlling interests | (824)                       | (471)              | (520)                      | (267)            | (2,082)        |
| <b>Profit attributable to ordinary shareholders of the parent company</b>                      | <b>9,185</b>                | <b>8,555</b>       | <b>4,970</b>               | <b>207</b>       | <b>22,917</b>  |
| Other adjustments                                                                              | (110)                       | 314                | (202)                      | 116              | 118            |
| <b>Profit attributable to ordinary shareholders</b>                                            | <b>9,075</b>                | <b>8,869</b>       | <b>4,768</b>               | <b>323</b>       | <b>23,035</b>  |
| Average tangible shareholders' equity                                                          | <b>31,267</b>               | <b>44,357</b>      | <b>36,622</b>              | <b>45,155</b>    | <b>157,401</b> |
| Return on average tangible equity (%)                                                          | <b>29.0</b>                 | <b>20.0</b>        | <b>13.0</b>                | <b>0.7</b>       | <b>14.6</b>    |

|                                                                                                | Year ended 31 Dec 2023 |         |         |        |         |
|------------------------------------------------------------------------------------------------|------------------------|---------|---------|--------|---------|
| Profit before tax                                                                              | 11,544                 | 13,280  | 5,924   | (400)  | 30,348  |
| Tax expense                                                                                    | (2,141)                | (2,945) | (1,165) | 462    | (5,789) |
| Profit after tax                                                                               | 9,403                  | 10,335  | 4,759   | 62     | 24,559  |
| Less attributable to: preference shareholders, other equity holders, non-controlling interests | (828)                  | (485)   | (588)   | (226)  | (2,127) |
| Profit attributable to ordinary shareholders of the parent company                             | 8,575                  | 9,850   | 4,171   | (164)  | 22,432  |
| Other adjustments                                                                              | (221)                  | 364     | 168     | (268)  | 43      |
| Profit attributable to ordinary shareholders                                                   | 8,354                  | 10,214  | 4,339   | (432)  | 22,475  |
| Average tangible shareholders' equity                                                          | 29,352                 | 43,687  | 38,036  | 42,680 | 153,755 |
| Return on average tangible equity (%)                                                          | 28.5                   | 23.4    | 11.4    | (1.0)  | 14.6    |

#### Net asset value and tangible net asset value per ordinary share

|                                                                                    | 2024            | 2023      | 2022      |
|------------------------------------------------------------------------------------|-----------------|-----------|-----------|
|                                                                                    | \$m             | \$m       | \$m       |
| Total shareholders' equity                                                         | <b>184,973</b>  | 185,329   | 177,833   |
| Preference shares and other equity instruments                                     | <b>(19,070)</b> | (17,719)  | (19,746)  |
| <b>Total ordinary shareholders' equity</b>                                         | <b>165,903</b>  | 167,610   | 158,087   |
| Goodwill, PVIF and intangible assets (net of deferred tax)                         | <b>(11,608)</b> | (11,900)  | (11,160)  |
| <b>Tangible ordinary shareholders' equity</b>                                      | <b>154,295</b>  | 155,710   | 146,927   |
| Basic number of \$0.50 ordinary shares outstanding after deducting own shares held | <b>17,918</b>   | 19,006    | 19,739    |
| <b>Value per share</b>                                                             | <b>\$</b>       | <b>\$</b> | <b>\$</b> |
| Net asset value per ordinary share                                                 | <b>9.26</b>     | 8.82      | 8.01      |
| Tangible net asset value per ordinary share                                        | <b>8.61</b>     | 8.19      | 7.44      |

#### Post-tax return and average total shareholders' equity on average total assets

|                                                            | 2024             | 2023      | 2022      |
|------------------------------------------------------------|------------------|-----------|-----------|
|                                                            | \$m              | \$m       | \$m       |
| Profit after tax                                           | <b>24,999</b>    | 24,559    | 16,249    |
| Average total shareholders' equity                         | <b>187,507</b>   | 184,029   | 180,263   |
| Average total assets                                       | <b>3,062,474</b> | 3,059,887 | 3,017,495 |
| <b>Ratio</b>                                               | <b>%</b>         | <b>%</b>  | <b>%</b>  |
| Post-tax return on average total assets                    | <b>0.8</b>       | 0.8       | 0.5       |
| Average total shareholders' equity to average total assets | <b>6.12</b>      | 6.01      | 5.97      |

## Reconciliation of alternative performance measures

Expected credit losses and other credit impairment charges as % of average gross loans and advances to customers and expected credit losses and other credit impairment charges as % of average gross loans and advances to customers, including held for sale

|                                                                                                                                           | 2024           | 2023             | 2022             |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------|------------------|
|                                                                                                                                           | \$m            | \$m              | \$m              |
| Expected credit losses and other credit impairment charges ('ECL')                                                                        | (3,414)        | (3,447)          | (3,584)          |
| Currency translation                                                                                                                      | —              | 188              | (31)             |
| <b>Constant currency</b>                                                                                                                  | <b>(3,414)</b> | <b>(3,259)</b>   | <b>(3,615)</b>   |
| Average gross loans and advances to customers                                                                                             | 952,484        | 955,585          | 1,014,148        |
| Currency translation                                                                                                                      | (16,140)       | (10,586)         | (17,751)         |
| <b>Constant currency</b>                                                                                                                  | <b>936,344</b> | <b>944,999</b>   | <b>996,397</b>   |
| Average gross loans and advances to customers, including held for sale                                                                    | 968,785        | 1,020,992        | 1,035,678        |
| Currency translation                                                                                                                      | (17,394)       | (14,752)         | (18,233)         |
| <b>Constant currency</b>                                                                                                                  | <b>951,391</b> | <b>1,006,240</b> | <b>1,017,445</b> |
| <b>Ratio</b>                                                                                                                              | <b>%</b>       | <b>%</b>         | <b>%</b>         |
| Expected credit losses and other credit impairment charges as % of average gross loans and advances to customers                          | 0.36           | 0.34             | 0.36             |
| Expected credit losses and other credit impairment charges as % of average gross loans and advances to customers, including held for sale | 0.36           | 0.32             | 0.36             |

## Target basis operating expenses

Target basis operating expenses for 2024 was computed by excluding the direct cost impact of our retail banking operations in France and Canada banking business disposals 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. We consider target basis operating expenses to provide useful information to investors by quantifying and excluding the notable items that management considered when setting and assessing cost-related targets. In 2024, we targeted operating expenses growth of approximately 5% compared with 2023. This target reflected our business plan for 2024, which included an increase in staff compensation, higher spend and investment in technology for growth and efficiency, in part mitigated by cost savings from actions taken during 2023. We are targeting growth in target basis operating expenses of approximately 3% in 2025 compared with 2024.

Our target basis operating expenses for 2025 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.

Our cost target includes the impact of simplification-related saves associated with our announced reorganisation, see page 103, which aims to generate approximately \$0.3bn of cost reductions in 2025, with a commitment to an annualised reduction of \$1.5bn in our cost base expected by the end of 2026. To deliver these reductions, we plan to incur severance and other up-front costs of \$1.8bn over 2025 and 2026, which will be classified as notable items.

We do not reconcile our forward target basis operating expenses guidance to the reported operating expenses.

### Target basis operating expenses

|                                                                                                                                           | 2024          | 2023          |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                                                           | \$m           | \$m           |
| Reported operating expenses                                                                                                               | 33,043        | 32,070        |
| <b>Notable items</b>                                                                                                                      | <b>(233)</b>  | <b>(185)</b>  |
| – disposals, acquisitions and related costs                                                                                               | (199)         | (321)         |
| – restructuring and other related costs <sup>1</sup>                                                                                      | (34)          | 136           |
| Currency translation <sup>2</sup>                                                                                                         |               | (577)         |
| Excluding the constant currency impact of the sale of our retail banking operations in France and banking business in Canada <sup>3</sup> | (162)         | (976)         |
| Excluding the impact of retranslating prior year costs of hyperinflationary economies at a constant currency foreign exchange rate        |               | 742           |
| <b>Target basis operating expenses</b>                                                                                                    | <b>32,648</b> | <b>31,074</b> |

1 Amounts relate to restructuring provisions recognised in 2024 and reversals of restructuring provisions recognised during 2022.

2 Currency translation on reported operating expenses, excluding currency translation on notable items.

3 This represents the business as usual costs which are not classified as notable items relating to our retail banking operations in France and banking business in Canada, on a constant currency basis. This does not include the disposal costs which relate to these transactions.

## Basic earnings per share excluding material notable items and related impacts

Basic earnings per share excluding material notable items and related impacts

|                                                                                                                                                  | 2024          | 2023    |
|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------|
|                                                                                                                                                  | \$m           | \$m     |
| <b>Profit attributable to shareholders of company</b>                                                                                            | <b>23,979</b> | 23,533  |
| Coupon payable on capital securities classified as equity                                                                                        | (1,062)       | (1,101) |
| <b>Profit attributable to ordinary shareholders of company</b>                                                                                   | <b>22,917</b> | 22,432  |
| Impairment of interest in associate <sup>1</sup>                                                                                                 | —             | 3,000   |
| Gain on acquisition of SVB UK                                                                                                                    | (5)           | (1,549) |
| Impact of the sale of our retail banking operations in France                                                                                    | (56)          | 108     |
| Impact of the sale of our banking business in Canada <sup>2</sup>                                                                                | (4,963)       | (311)   |
| Impact of the sale of our business in Argentina                                                                                                  | 6,161         | —       |
| <b>Profit attributable to ordinary shareholders of company excluding material notable items and related impacts</b>                              | <b>24,054</b> | 23,680  |
| <b>Number of shares</b>                                                                                                                          |               |         |
| Weighted average basic number of ordinary shares (millions) after deducting own shares held                                                      | <b>18,357</b> | 19,478  |
| Basic earnings per share (\$)                                                                                                                    | <b>1.25</b>   | 1.15    |
| Basic earnings per share excluding material notable items and related impacts (\$)                                                               | <b>1.31</b>   | 1.22    |
| Dividend per ordinary share (in respect of the period) (\$) <sup>3</sup>                                                                         | <b>0.87</b>   | 0.61    |
| Dividend payout ratio (%) (dividend per ordinary share divided by basic earnings per share excluding material notable items and related impacts) | <b>50%</b>    | 50%     |

1 Represents an impairment loss of \$3bn recognised in respect of the Group's investment in BoCom in 2023. See Note 18 on page 402.

2 Represents gain on sale of business in Canada recognised on completion, inclusive of the earnings recognised by the banking business from 30 June 2022, the recycling of losses in foreign currency translation reserves and other reserves, and gain on the foreign exchange hedging of the sale proceeds.

3 In 2024, dividend per share includes the special dividend of \$0.21 per ordinary share arising from the proceeds of the sale of our banking business in Canada to Royal Bank of Canada.

Material notable items are a subset of notable items. Material notable items are components of our income statement that management would consider as outside the normal course of business and generally non-recurring in nature, which are excluded from our dividend payout ratio calculation and our earnings per share measure, along with related impacts. Categorisation as a material notable item is dependent on the nature of each item in conjunction with the financial impact on the Group's income statement.

Related impacts include those items that do not qualify for designation as notable items but whose adjustment is considered by management to be appropriate for the purposes of determining the basis for our dividend payout ratio calculation.

Material notable items in 2024 and comparative periods included the sale of our business in Argentina, the sale of our retail banking

operations in France, the sale of our banking business in Canada, the gain following the acquisition of SVB UK and the impairment of our investment in BoCom. In determining this measure, we also excluded HSBC Bank Canada's financial results from the 30 June 2022 net asset reference date until completion of the sale, as the gain on sale was recognised through a combination of the consolidation of HSBC Bank Canada's results in the Group's results since this date, and the remaining gain on sale recognised at completion. For the sale of our business in Argentina, between signing and closing, the loss on sale varied by changes in the net asset value of the disposed business and associated hyperinflation and foreign currency translation, and in the fair value of consideration including price adjustments and migration costs. There were no additional related impacts identified, and the ongoing profits from HSBC Argentina were not excluded from our basic earnings per share excluding material notable items and related impacts.

## Multi-jurisdictional client revenue

Multi-jurisdictional client revenue is a financial metric we use to assess our ability to drive value from our international network.

In our wholesale businesses, we identify a client as multi-jurisdictional if they hold a relationship with us that generates revenue in any market outside of where the primary relationship is managed. A client is defined as a mastergroup (HSBC's own client groupings) that includes both the parent and, where relevant, any subsidiaries.

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. In 2023, we also excluded the gain on the acquisition of SVB UK.

Wholesale multi-jurisdictional client revenue

|                                                                     | 2024        | 2023  |
|---------------------------------------------------------------------|-------------|-------|
|                                                                     | \$bn        | \$bn  |
| <b>CMB and GBM revenue</b>                                          | <b>39.1</b> | 39.0  |
| Allocated revenue and other <sup>1</sup>                            | (1.3)       | 0.9   |
| Client facilitation in Fixed Income and Equities                    | (5.6)       | (4.8) |
| Gain on acquisition of SVB UK                                       | —           | (1.6) |
| <b>Wholesale client revenue</b>                                     | <b>32.3</b> | 33.5  |
| — clients banked in multiple jurisdictions ('multi-jurisdictional') | <b>20.0</b> | 20.4  |
| — domestic only clients                                             | <b>12.3</b> | 13.1  |

1 Including allocations of Market Treasury revenue, HSBC Holdings interest expense and hyperinflationary accounting adjustments, and interest earned on capital held in the global businesses.