



Connecting customers to opportunities

HSBC aims to be where the growth is, enabling business to thrive and economies to prosper, and ultimately helping people to fulfil their hopes and realise their ambitions.

Group Long-term Strategy

Develop our international network

To facilitate international trade and capital flows and serve our clients, with potential to help them grow from small enterprises into large multinationals

Invest in wealth and retail businesses with local scale

To make the most of global social mobility, wealth creation and long-term demographic changes in our priority markets

Group 2017

Adjusted PBT ▲
(2016: \$18.9bn)

\$21.0bn

Adjusted Jaws ▲

+1.0%

Ordinary dividends

In respect of 2017
(2016: \$0.51)

\$0.51

For reported results and further information, please refer to the Annual Report & Accounts 2017

GPB 2017

Adjusted PBT ▲
(2016: \$0.3bn)

\$0.3bn

Client assets
(2016: \$298bn)

\$330bn

Net new money

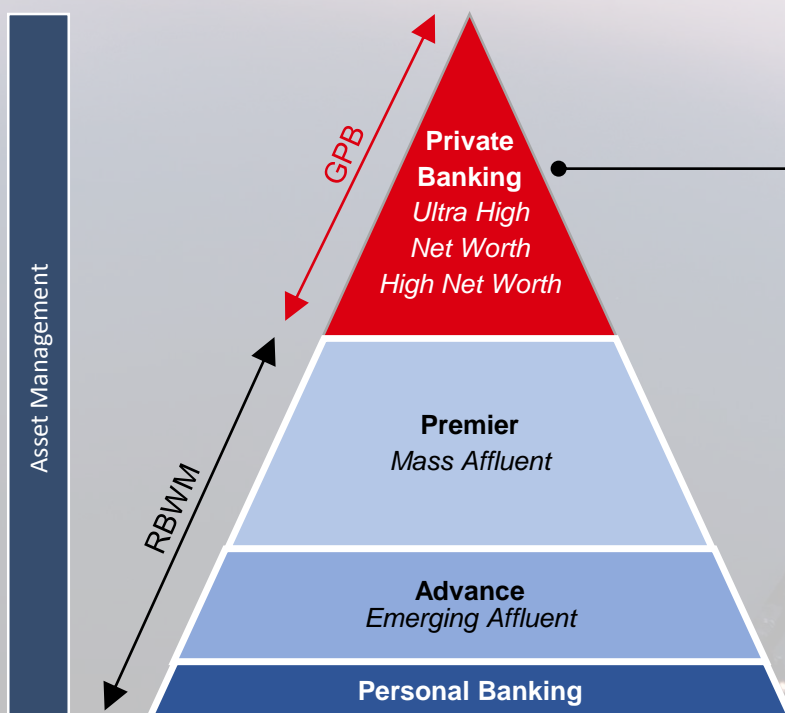
In areas targeted for growth
(2016: \$2bn)

\$15bn

Global Private Banking

We help high net worth individuals and their families to grow, manage and preserve their wealth

Wealth segments



Investment Management

Trusts and succession planning

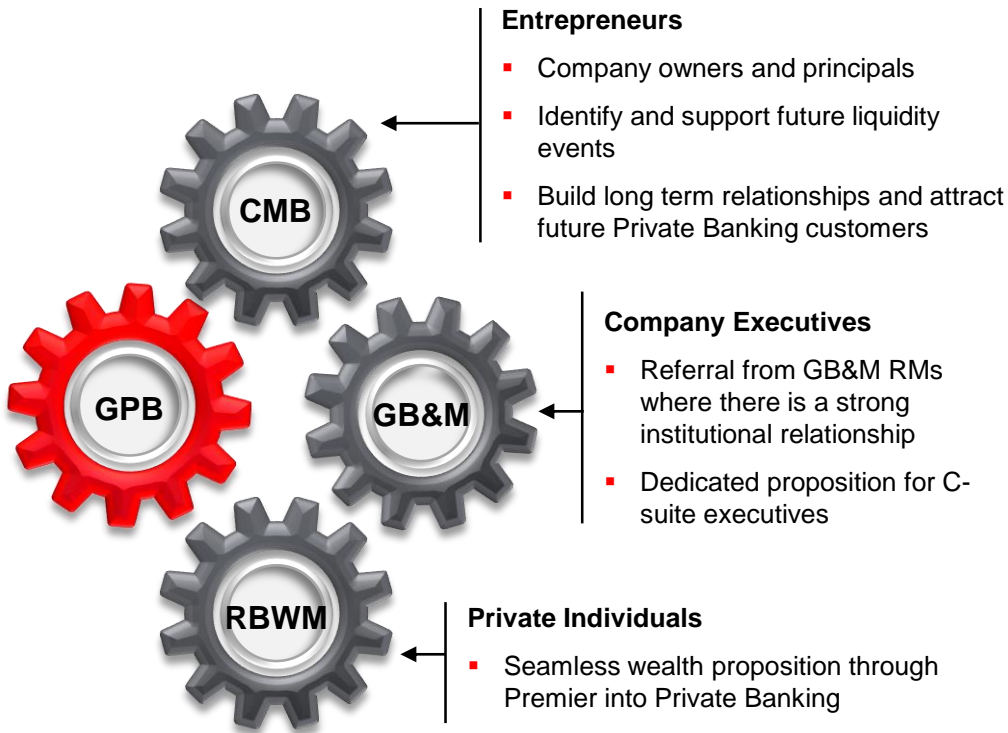
Bespoke financing solutions

Alternative investments

Serving HNW and UHNW clients globally

- 11 core booking centres in strategic locations
- Unrivalled Group client base rooted in the Bank's commercial banking origins
- Unique client solutions leveraging HSBC Asset Management and Global Markets capabilities

Meeting the wealth management needs of our Ultra High Net Worth and High Net Worth customers



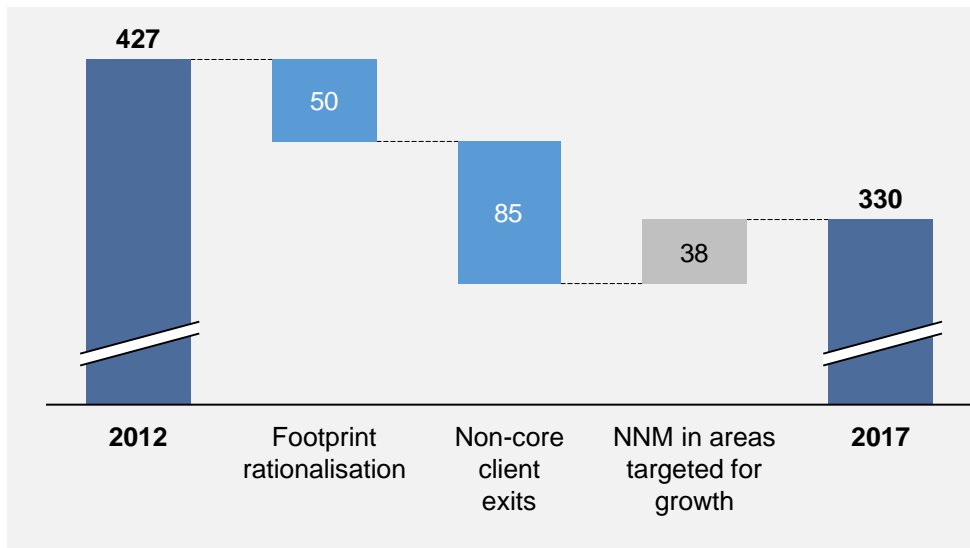
c.60% of new clients onboarded in 2017 were Group referrals

In 2017, GPB generated \$8.5bn of NNM from clients referred from other HSBC global businesses

In the last three years GPB has generated c.\$20bn of NNM from new referrals of Group clients

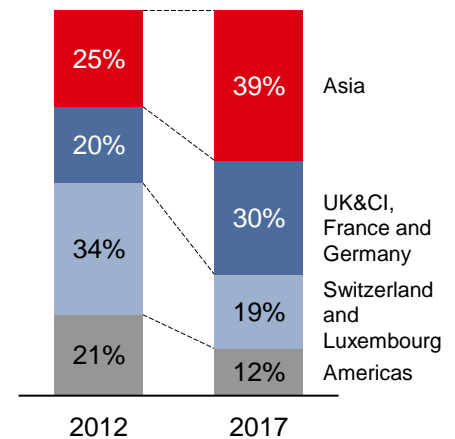
The restructuring and repositioning of our business is nearing completion

1. Client Assets (\$bn)¹



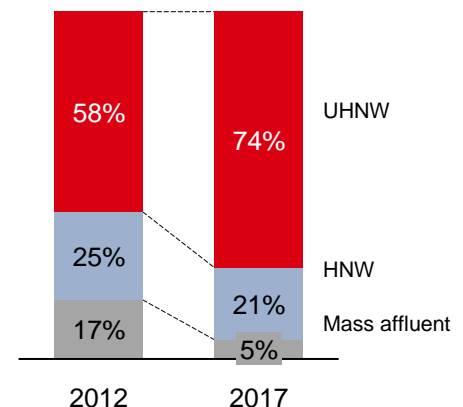
Shift to Group Priority Markets

Client Assets mix



Focus on higher value segments

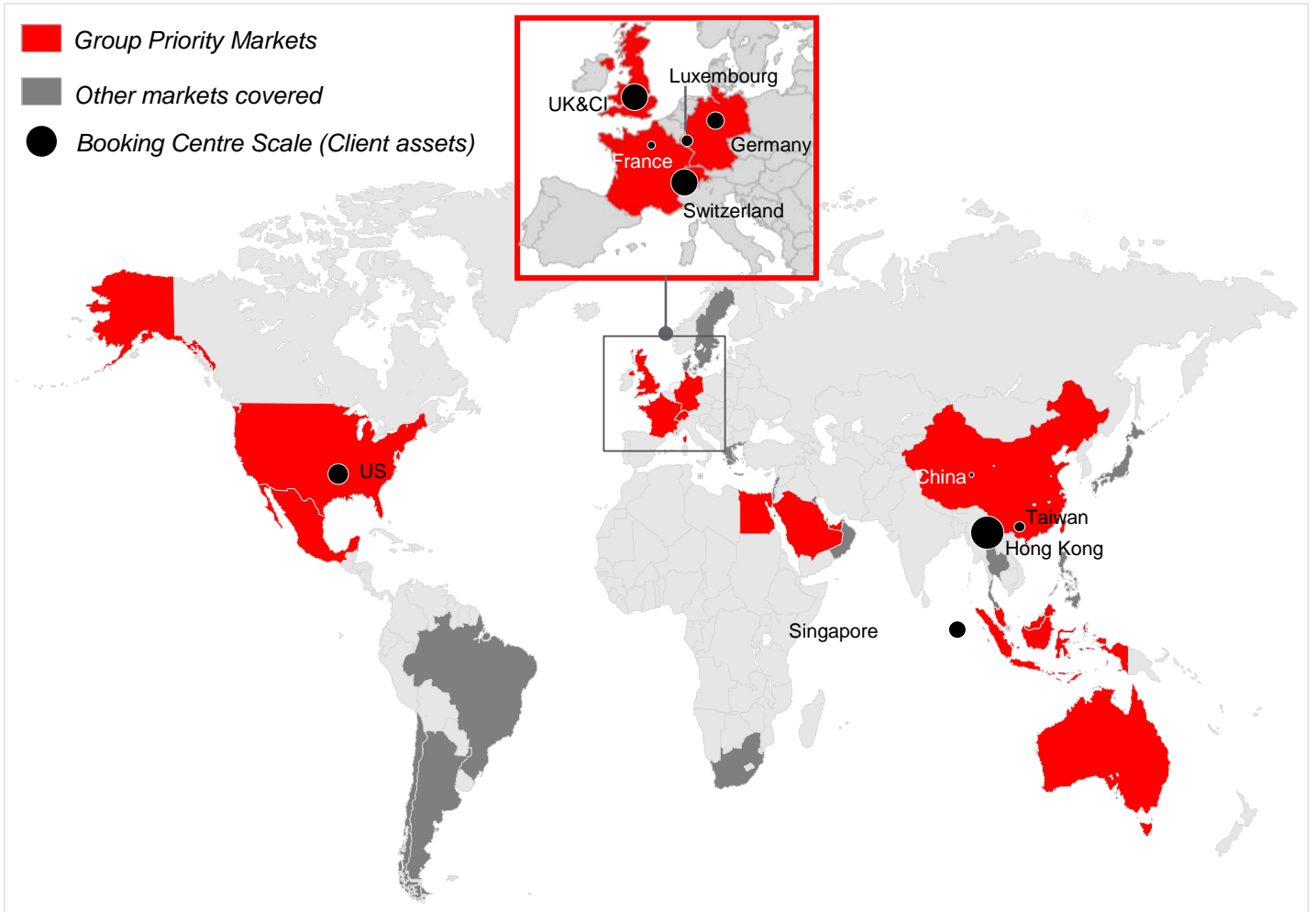
Client Assets mix



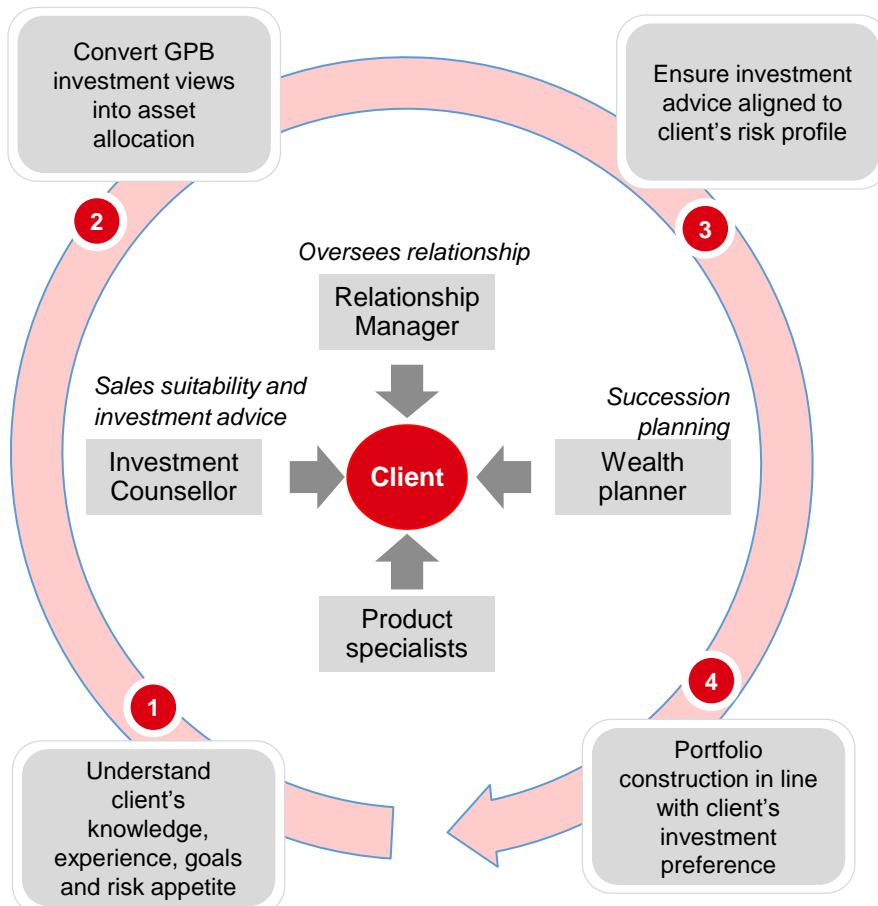
Booking centre closures	Japan (2011) Panama (2013) Israel (2015)	Brazil (2016) Bermuda (2016) Monaco (2016-2018)
Non-core client exits	Clients below GPB threshold Clients in Non Priority Markets Clients outside risk appetite	
Consolidation into RBWM	Mexico (2016), Turkey (2016) and India (2016/17)	

1. [2012 retranslated at Dec-17 exchange rates and market impacts (\$29m market impact)].

Refocused the business on 11 strategic booking centres and 34 Target Markets



Enhancing the client service model with embedded advisory capabilities



Improved client experience

Increased **frequency of client contact** with the wider team

Sales Quality Standards embedded with the best qualified individuals delivering **appropriate advice**

Proactive, targeted and timely investment ideas, delivered **consistently**

29% increase in Investment Counsellors providing **improved client outcomes**

Key to meeting client needs and developing **trusted advisor** status with clients

Redesigned investment services

Investment in platforms

- Core system replacement underway - Avaloq
- New global digital platform roll-out starting with UK in 2018
- Knowledge and Research Centre live - best of HSBC Global Research

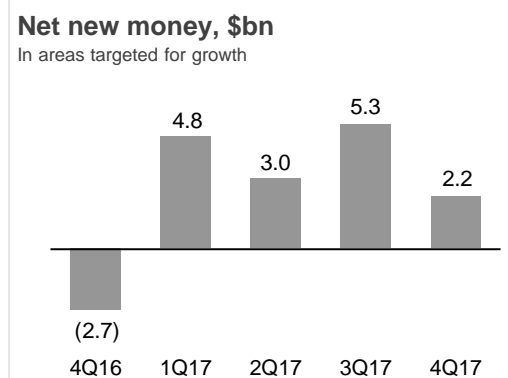
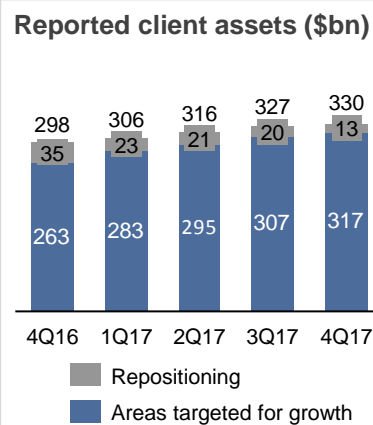
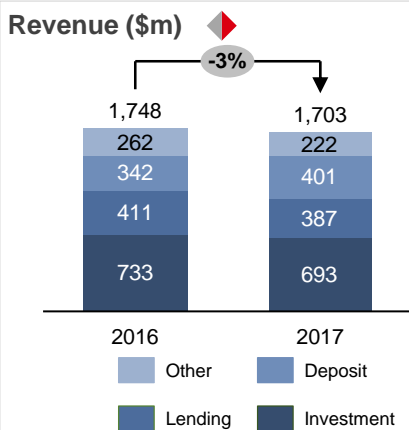
Discretionary reconfigured

- Full suite of multi-asset, single-asset and alternative investments solutions
- Better client outcomes – move from static to active strategic asset allocation
- Consistency of product offerings across centres

Advisory enhanced

- Enhanced advisory mandate proposition ('Prism advisory') being rolled-out globally
- Investment underway in best-in-class supporting technology platform

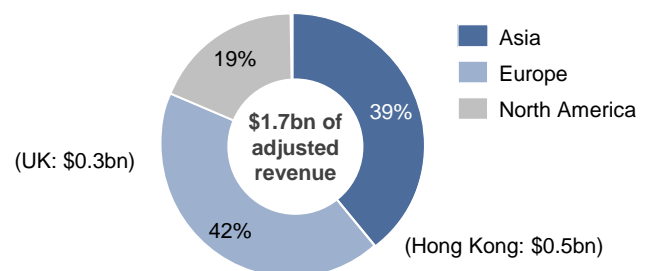
Results: 2017 Highlights



2017 Adjusted Income Statement

	2016	2017	% change
Revenue	1,748	1,703	(3)%
Investment	733	693	(5)%
Lending	411	387	(6)%
Deposit	342	401	17%
Other	262	222	(15)%
LICs	-	(16)	nm
Costs	(1,476)	(1,391)	6%
Profit before tax	272	296	9%

10% revenue growth in areas targeted for growth



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This presentation contains non-GAAP financial information. The primary non-GAAP financial measure we use is 'adjusted performance' which is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons. Significant items are those items which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the underlying trends in the business. Reconciliations between non-GAAP financial measurements and the most directly comparable measures under GAAP are provided in our Annual Report and Accounts 2017 and the Reconciliations of Non-GAAP Financial Measures document which are both available at www.hsbc.com.

Information in this presentation was prepared as at 19 February 2018.