HSBC Holdings plc

1H25 Insurance factbook

Who we are

- Insurance is part of our **strategy to grow our wealth franchise**, contributing **over a quarter of our wealth revenue** in 1H25, and supports our ambition to **capture growth from diversified, fee-generating businesses**
- **A leading life insurer** in Asia. #1 in Hong Kong with 27% market share[2,3]
- We have **core manufacturing life and health insurance businesses in 6 markets**[1], alongside a reinsurance presence in Bermuda, and distribute insurance products from partners in other IWPB markets
- Insurance **supports the deepening of wealth penetration** in our customer base, enabling long-term and intra-generational relationships for the Group

Insurance performance highlights

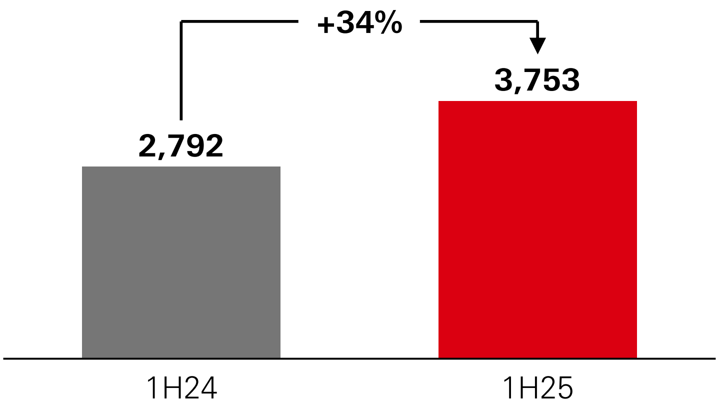
	FY24		1H25	
Revenue❖	$1.8bn	▲ +32% vs. FY23	$1.2bn	▲ +24% vs. 1H24
Insurance manufacturing New Business CSM	$2.5bn	▲ +49% vs. FY23	$2.0bn	▲ +54% vs. 1H24
Insurance manufacturing CSM balance	$12.1bn	▲ +12% vs. FY23	$13.5bn	▲ +12% vs. FY24

❖ Growth rates are on a constant currency basis. Due to re-segmentation, FY24 revenue is presented on "Life insurance" basis and 1H25 revenue is presented on "Total insurance" basis

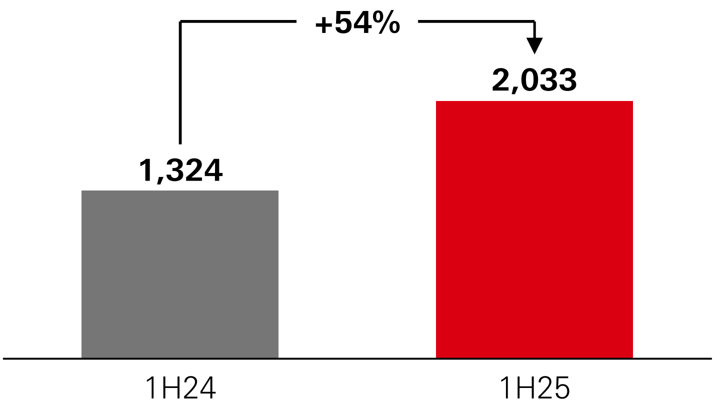
1H25 performance

$m

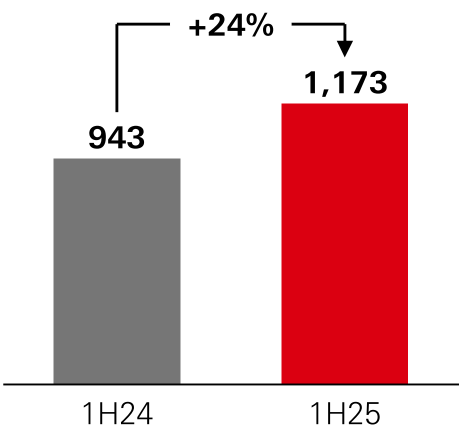
ANP



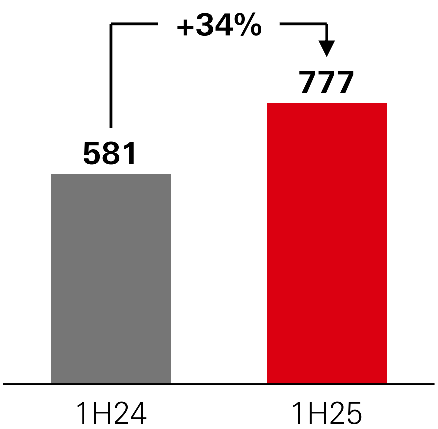
Insurance manufacturing New Business CSM



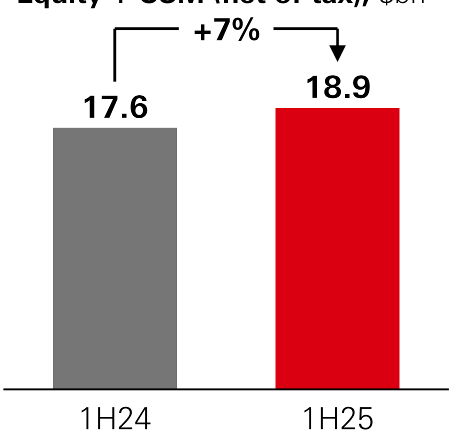
Total insurance revenue❖



Total insurance profit before tax❖



Insurance manufacturing Equity + CSM (net of tax), $bn



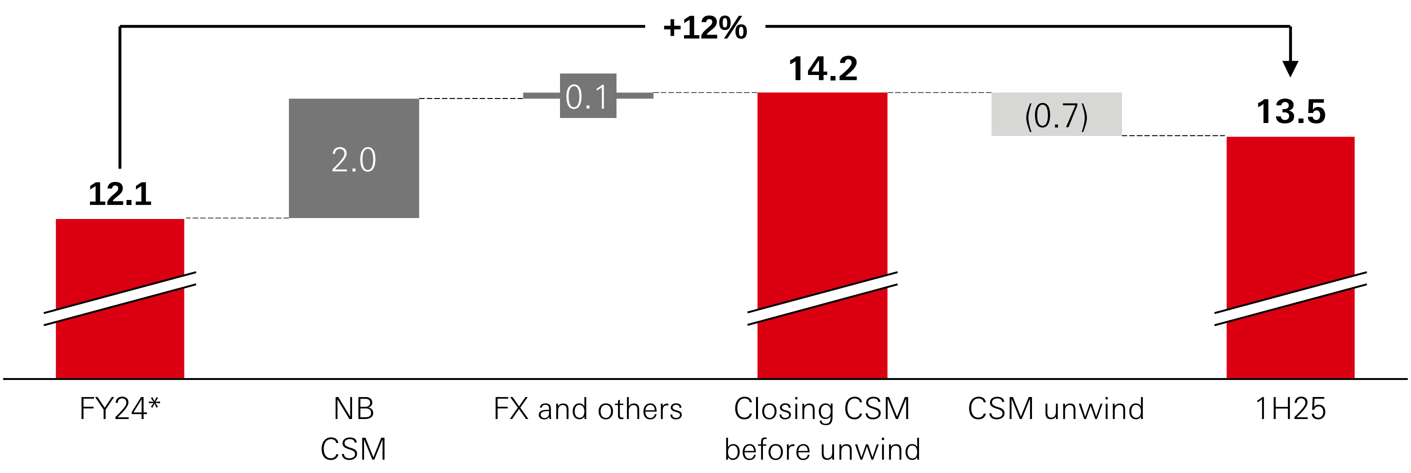
- **Strong new business growth** – **ANP up 34%** and **NB CSM up 54%** vs. 1H24, primarily from strong new business sales in Hong Kong, and across Asia and Mexico, a shift in product mix to higher margin regular-premium products
- **CSM balance up 12% to $13.5bn** vs. FY24, driven by New Business CSM growth
- **High Net Worth (HNW) achievements:** A leading player in the HNW segment in Asia, a key strategic priority in Hong Kong and Singapore for traditional, index-linked and variable solutions with region-wide distribution coverage from private banks and international brokers. HSBC Life Hong Kong continues to hold the Guinness World Record for the most valuable life insurance policy, issued in 2024 for US$250m[1].
- **Scale-up of our digital health platforms:** >780,000 member registrations on our digital health and wellness platforms in Hong Kong, +200,000 vs. FY24
- **Health and wellness centres:** 3 in Hong Kong and 1 in Singapore, attached to HSBC wealth centres, offering prevention, treatment, concierge and on-premises underwriting capabilities for HSBC wealth clients

❖ 1H24 financials are presented on a constant currency basis. Total insurance revenue comprises revenue from insurance manufacturing operations, revenue from wealth retail distribution channels and consolidation impacts.

Financial highlights

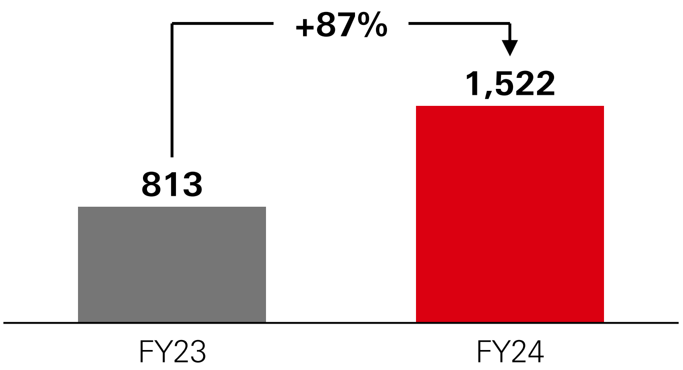
Financial results for the Insurance business are prepared on an IFRS 17 basis (and restated where relevant). FY22, FY23, FY24 and 1H24, 1H25 Revenue and Profit before Tax (PBT) are presented on a constant currency basis

Insurance manufacturing CSM movement, $bn



* Excludes French life insurance business ($0.9bn moved to balances held-for-sale in FY24)

Insurance net dividends[1], $m



Insurance business performance

$m	FY22	FY23	FY24	CAGR	1H24	1H25	YoY
ANP	2,354	3,797	4,912	44%	2,792	3,753	34%
Manufacturing NB CSM	1,111	1,686	2,515	50%	1,324	2,033	54%
Manufacturing CSM	9,058	10,786	12,063	15%	12,218	13,466	10%
Revenue[2]	1,337	1,396	1,840	17%	943	1,173	24%
PBT[2]	559	767	1,157	44%	581	777	34%

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Footnotes

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1. Manufacturing markets comprise Hong Kong, Macau, Mainland China, Singapore, India and Mexico. Additional markets in France, the UK and Malta are subject to previously announced divestments. In India, Canara HSBC Life Insurance ("CHL") is a 26% owned associate, and is not consolidated into HSBC's results
2. Market share based on 1Q25 ANP, including HSBC Life and Hang Seng Insurance. Source: Hong Kong Insurance Authority
3. HSBC owns 63.12% of Hang Seng Bank. Hang Seng Insurance is a 100% owned subsidiary of Hang Seng Bank

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1. Source: https://www.guinnessworldrecords.com/world-records/most-valuable-life-insurance-policy

Page 3
1. Insurance net dividends include dividends paid to immediate parent companies (2024: $1,612m, 2023: $993m) net of CET1 qualifying injections to fund business growth (2024: $90m, 2023: $180m)
2. Revenue and PBT are presented on a constant currency basis (1H24 on 1H25 FX rates, FY22 and FY23 on FY24 FX rates). Due to re-segmentation, revenue and PBT for FY22, FY23 and FY24 are presented on "Life insurance" basis. Revenue and PBT for 1H24 and 1H25 are presented on "Total insurance" basis

Glossary

ANP	Annualised new business premiums, an insurance industry standard measure of new business written in the period, comprising annualised new business regular premiums plus 10% of new business single premiums
NB CSM	New Business Contractual Service Margin, the IFRS 17 measure of the estimated future profit from new business written in the reporting period
CSM	Contractual Service Margin, a component of the carrying amount of a group of insurance contract assets or liabilities which represents the unearned profit which the Group will recognise as it provides insurance contract services under the insurance contracts in the Group

Disclaimer

Important notice

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

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Forward-looking statements

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

Additional detailed information concerning important factors, including but not limited to ESG-related factors, that could cause actual results to differ materially from this Factbook is available in our Annual Report and Accounts for the fiscal year ended 31 December 2024 filed with the Securities and Exchange Commission (the “SEC”) on Form 20-F on 20 February 2025 (the “2024 Form 20-F”), our 1Q 2025 Earnings Release furnished to the SEC on Form 6-K on 29 April 2025 (the “1Q 2025 Earnings Release”) and our Interim Report for the six months ended 30 June 2025 furnished to the SEC on Form 6-K on 30 July 2025 (the “2025 Interim Report”).

Alternative Performance Measures

This Factbook contains non-IFRS measures used by management internally that constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with SEC rules and regulations (“Alternative Performance Measures”). The primary Alternative Performance Measures we use are presented on a “constant currency” basis which is computed by adjusting comparative period reported results for the effects of foreign currency translation differences, which distort period-on-period comparisons.

Reconciliations between Alternative Performance Measures and the most directly comparable measures under IFRS are provided in our 2024 Form 20-F, 1Q 2025 Earnings Release and the 2025 Interim Report, each of which is available at www.hsbc.com.

Information in this Factbook was prepared as at 22 September 2025, unless otherwise specified.