

News Release

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HONG KONG MILLENNIAL ENTREPRENEURS SEE SUCCESS IN ABILITY TO LEVERAGE THEIR NETWORK AND IMPACT ON COMMUNITY, HSBC STUDY SHOWS

- Hong Kong and mainland China are among markets with the highest proportion of millennial entrepreneurs in Asia
- Over half of Hong Kong's millennial entrepreneurs are female vs just one-third among older entrepreneurs
- Millennial entrepreneurs are actively involved in philanthropy with a clear strategy

Hong Kong millennial entrepreneurs (aged under 35 years old) believe that having a positive impact on their communities and economies is critical for growing their businesses, according to a new international survey by HSBC Private Bank called “**Essence of Enterprise**”. Unlike the older generation who prioritised self-reliance, over three-quarters of Hong Kong millennial entrepreneurs (78%) say that having a positive economic impact is an important factor in their decision to go into business, while over two-thirds (68%) say that they want to have a positive impact in their community.

The HSBC Private Bank Essence of Enterprise report is based on interviews with more than 2,800 business owners worth between USD250,000 and USD20 million in countries and territories including Hong Kong, Singapore, mainland China, the United States, the United Kingdom, Germany and France. The report is one of the largest and most in-depth analyses of the motivations and journey of entrepreneurs across a range of major international markets.

Hong Kong (44%) and China (44%) are two out of the three markets that have the highest proportion of millennial entrepreneurs (global: 30%). Over half of the Hong Kong millennial entrepreneurs (55%) are female, which is significantly higher than entrepreneurs over 55

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years old, where women only account for 33%. Hong Kong millennial entrepreneurs on average are actively involved in three to four businesses and have 57 employees.

Chingyee Yau, Co-Head, North Asia at HSBC Private Bank said: “The new generation of millennial entrepreneurs are revolutionising the nature of entrepreneurship. Indeed, in Generation Y there is a greater intertwining of business with social and family priorities, suggesting the upcoming generation see their business activities as part of a wider ecosystem of relationships. Therefore, they are as motivated to create an impact on the world as they are to make money, and they are having a positive impact on their communities.”

Kevin Herbert, Co-Head, North Asia at HSBC Private Bank commented: “We also see how they are changing the nature of diversity in business; for the first time ever, we are seeing near gender equality in the next generation of millennial entrepreneurs. Women in Hong Kong and Mainland China are launching and operating new enterprises at an ever faster pace. This emergence reflects how women are forging ahead and succeeding in business.”

Giving back strategically

Millennial entrepreneurs are more focused on how they can benefit the broader community. Seven out of ten Hong Kong millennial entrepreneurs were actively involved in philanthropic activities over the past 12 months with many of them saying they feel lucky to have the opportunity to give to others. This compares with 62% of entrepreneurs over 35 years old. Over half (57%) of Hong Kong millennial entrepreneurs have a clear philanthropic strategy behind their giving as compared to 44% of older entrepreneurs. Almost half (49%) say that their giving reflects social and cultural, rather than personal values. Also, young entrepreneurs are keen to apply their expertise from the business world to generate maximum impact.

Raising the next generation of business owners

Over half of Hong Kong millennial entrepreneurs (57%) come from a business-owning family, demonstrating that an individual's upbringing can have a significant impact on the entrepreneur they eventually become. The practical support and connections provided within a business-owning family can be invaluable in growing larger enterprises. The report also shows how this heritage in business lends itself to the entrepreneurial mind-set earlier in life. When asked about the point at which they started to see themselves as entrepreneurs, 44% of global millennial entrepreneurs with a family business background identified their formal education or said they had always thought of themselves as an entrepreneur, compared to 33% of those without this background.

To read the full Essence of Enterprise report and view the infographics visit:

<http://bit.ly/1UB0PMw>.

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Notes to editors

Follow @HSBC and the #HSBCEnterprise hashtag on Twitter for further updates on the Essence of Enterprise campaign

About the research

The research was conducted online between August and September 2015 by an independent market research agency. There were a total of 2,834 respondents, including 277 respondents in Hong Kong and 1,106 in Asia. The research covered Mainland China, Hong Kong, Singapore, UK, Germany, France, US and the United Arab Emirates and Saudi Arabia. Throughout the press release, 'entrepreneurs refers' to people who have a) actively own or have derived their wealth principally from a business; and b) have a personal wealth of more than USD250,000. 'Millennials' refers to people under the age of 35 at the time of the survey.

About HSBC Private Bank

As part of the HSBC Group, one of the world's largest banking and financial services organisations, HSBC Private Bank seeks to be the leading international private bank for business owners and their families. It provides clients with wealth, business and family succession solutions in the largest and fastest growing markets around the world. HSBC Private Bank is the marketing name for the private banking business conducted by the principal private banking subsidiaries of the HSBC Group.

For more information, visit www.hsbcprivatebank.com

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