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HSBC BOOSTS WEALTH SOLUTIONS FOR MASS AFFLUENT & PRIVATE BANKING CLIENTS IN MAINLAND CHINA

- ***Expand Global Private Banking Presence to 6 Cities and Hire Almost 100 Staff by 2022***
- ***Enhance Product and Service Offerings for Premier Clients With Additional Personnel To Provide Customised Services***

HSBC Bank (China) Company Limited (“HSBC China”) today announced the expansion of **Global Private Banking** in mainland China, and the enhancement of services and offerings for its **HSBC Premier** clients, as part of its strategy to serve the evolving needs of mass affluent and private banking clients in the second largest economy in the world.

Household wealth in mainland China is set to grow by around 8.5% annually from 2021 to 2025 with household investable asset topping RMB300 trillion in 2025, driven by the rising number of HNW individuals and families, and the expansion of the middle income segment to over 500 million.¹

Nuno Matos, Chief Executive Officer, Wealth and Personal Banking, HSBC, said, “As the largest and fastest-growing wealth pool in Asia, mainland China is pivotal to our ambition of becoming the leading international wealth manager in the region. These investments will further scale up our wealth management capabilities to meet stronger demand for tailored investment solutions, professional advisory services on asset allocation and diversification, as well as international banking amongst mass affluent and private banking clients in mainland China.”

Trista Sun, Executive Vice President (Designate) and Head of Wealth and Personal Banking, mainland China, HSBC, commented, “The pandemic and global market uncertainties have changed the investment appetite and behaviour of many individual investors in the market, driving stronger needs to diversify their investments to enhance and preserve their portfolio’s value. A team of trusted advisors, equipped with deep local market knowledge and global insights, alongside new financial technology, are our key to help clients navigate their wealth journey and achieve the ambitions for themselves and their family. As the leading international bank, we are committed to further investing and growing our business, bringing the best of HSBC to our local clients.”

Building a differentiated private banking business with market-leading offerings

HSBC is committed to building a differentiated private banking business² in the market to serve internationally-minded Chinese clients. As the new growth engine of HSBC's wealth business in mainland China, Global Private Banking will create a variety of products and establish pioneering digital platforms to accelerate the upgrade of local service capabilities.

Global Private Banking plans to hire almost 100 staff, including relationship managers and investment counsellors, by end of this year, and further expand its team size three-fold in the next five years. Meanwhile, HSBC will grow its private banking presence to Hangzhou and Chengdu in the second half of this year, and further extend its footprint to more cities in the next few years, in addition to its current presence in Beijing, Shanghai, Guangzhou and Shenzhen.

Leveraging HSBC's international connectivity, Global Private Banking will continue to enrich its offering, including structured deposits and overseas mutual funds, as well as introduce succession planning and philanthropy services. Global Private Banking will also provide clients with holistic wealth management solutions through our strategic partnership with HSBC Qianhai Securities Limited³. To cater to the growing demand for digitalised investing and transaction banking, HSBC China is the first foreign bank to enable private banking clients to manage their wealth and investments including structured products, local funds, Qualified Domestic Institutional Investor (QDII) fund products and Recognised Hong Kong funds via the bank's mobile banking app.

Annabel Spring, Chief Executive Officer, Global Private Banking & Wealth, HSBC said, "HSBC Global Private Banking's international connectivity and deep investment expertise make us the partner of choice for clients around the world. In mainland China, we are unique in our ability to deliver the full promise of the Bank: unrivalled local and global investment management and markets capabilities, strong digital transaction banking and wealth services, combined with our partnership with HSBC Qianhai Securities Ltd and a rapidly growing business banking network. This expansion in mainland China is built upon our longstanding commitment and relationships across the market and region. It also reflects the role we have to play in serving a rapidly growing market, where we see increasing demand for holistic advisory services from private banking clients."

HSBC Premier enhancement

HSBC has been investing and growing HSBC Premier, its global flagship proposition for mass affluent families, in mainland China over the past 20 years. It has achieved steady growth in its client base. To better serve the evolving needs of the fast-growing mass affluent clients at different life stages, the bank has enhanced its Premier proposition with elevated wealth solutions, global banking services and a full suite of lifestyle and healthcare privileges. HSBC China has also launched **HSBC Premier Elite** to enable priority Premier clients to enjoy dedicated and personalised services. In addition, HSBC plans to hire

over 300 staff by the end of 2022 as part of its effort to provide more customised service to its Premier clients.

HSBC is the largest foreign bank in mainland China⁴, offering comprehensive wealth management solutions to support clients on wealth accumulation and investment diversification. The bank has about 90 Premier Centres in mainland China along with a leading digital wealth management platform among foreign banks. HSBC is the largest mutual fund distributor among foreign financial institutions. Its cumulative QDII quota now has reached USD4.4 billion⁵, maintaining a leading position among banks. The bank is also one of the first banks to offer cross-boundary Wealth Management Connect investment service in the Greater Bay Area, and pioneers in distributing asset management plans investing in Qualified Domestic Limited Partners (QDLP) and one-to-one private fund as a foreign bank in mainland China.

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Note to editors:

1. Source: HSBC Global Research: The Rising Wealth of China
2. HSBC Global Private Banking is named Best Private Bank in Asia Pacific and Best Wealth Planning in 2021 by Asian Private Banker, Best Wealth Planning Team and Best Alternatives Team at WealthBriefingAsia Greater China Awards 2022.
3. Global Private Banking will provide wealth management offerings through our strategic partnership with HSBC Qianhai Securities Limited within the respective business scope.
4. Our ambition is to be Asia's leading wealth manager by 2025, opening up a world of opportunities for Asian, international and HSBC-connected clients, wherever their wealth is created, invested and managed. As Asia's leading bank across the wealth continuum of mass affluent to HNW and UHNW clients, with total global wealth balances of USD1,670 billion as at end-2021, HSBC has a unique ability to serve the full range and progression of wealth needs – from first time investors through to UHNW individuals, their families and businesses. We will lead in offering a unified international banking and wealth experience by harnessing the Group's in-house manufacturing strengths in insurance, asset management, private banking & wealth and global markets, and delivering the full capabilities of our global universal bank, including HSBC Commercial Banking and Global Banking and Markets, to attract and deepen wealth relationships among entrepreneurs, business owners, C-suite executives and their employees. With HSBC's leading expertise and capabilities, strong Asian presence and unrivalled international connectivity, we will bring the best of HSBC to deliver a wealth experience that helps all our clients achieve sustainable prosperity and opens up a world of opportunity.
5. As of June 2020

HSBC Bank (China) Company Limited

HSBC Bank (China) Company Limited HSBC was one of the first foreign banks to locally incorporate its operations in mainland China, establishing HSBC Bank (China) Company Limited in April 2007. HSBC China's network currently comprises about 150 outlets across more than 50 major cities. HSBC China's head office is based in Pudong, Shanghai.

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