

Independent review report to HSBC Holdings plc

Report on the interim condensed consolidated financial statements

Our conclusion

We have reviewed HSBC Holdings plc's interim condensed consolidated financial statements (the 'interim financial statements') in the Interim Report 2024 of HSBC Holdings plc for the six month period ended 30 June 2024 (the 'period').

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the basis of the policies set out in the 2023 annual financial statements, International Accounting Standards 34 ('IAS 34') 'Interim Financial Reporting' as adopted by the United Kingdom ('UK'), IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'), IAS 34 'Interim Financial Reporting' as adopted by the European Union ('EU'), and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority.

The interim financial statements comprise:

- the consolidated balance sheet as at 30 June 2024;
- the consolidated income statement and the consolidated statement of comprehensive income for the period then ended;
- the consolidated statement of changes in equity for the period then ended;
- the consolidated statement of cash flows for the period then ended; and
- the explanatory notes to the interim financial statements¹.

The interim financial statements included in the Interim Report 2024 of HSBC Holdings plc have been prepared in accordance with the basis of the policies set out in the 2023 annual financial statements, IAS 34 'Interim Financial Reporting' as adopted by the UK, IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'), IAS 34 'Interim Financial Reporting' as adopted by the EU, and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ('ISRE (UK) 2410'). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Report 2024 of HSBC Holdings plc and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause HSBC Holdings plc to cease to continue as a going concern.

1 Certain notes to the interim financial statements have been presented elsewhere in the Interim report, rather than in the notes to the interim financial statements. These are cross-referenced from the financial statements and are identified as '(Reviewed)'. The relevant disclosures are included in the 'Risk' section on pages 81 to 85 and the 'Shareholder information' section on page 144.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim Report 2024 of HSBC Holdings plc, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim Report 2024 of HSBC Holdings plc in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. In preparing the Interim Report 2024 of HSBC Holdings plc, including the interim financial statements, the directors are responsible for assessing HSBC Holdings plc's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate HSBC Holdings plc or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report 2024 of HSBC Holdings plc based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants

London

31 July 2024

Interim condensed consolidated financial statements

Contents

CONTENTS

113	Consolidated income statement
114	Consolidated statement of comprehensive income
115	Consolidated balance sheet
116	Consolidated statement of changes in equity
119	Consolidated statement of cash flows

Consolidated income statement

	Half-year to	
	30 Jun 2024	30 Jun 2023
	\$m	\$m
Net interest income	16,911	18,264
- interest income	55,372	46,955
- interest expense	(38,461)	(28,691)
Net fee income	6,200	6,085
- fee income	8,158	7,947
- fee expense	(1,958)	(1,862)
Net income from financial instruments held for trading or managed on a fair value basis ¹	10,516	8,112
Net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss		
	2,376	4,304
Insurance finance expense	(2,486)	(4,234)
Insurance service result	662	524
- insurance service revenue	1,310	1,104
- insurance service expense	(648)	(580)
Gain on acquisition ²	-	1,507
Gain less impairment relating to sale of business operations ³	3,256	2,130
Other operating (expense)/income	(143)	184
Net operating income before change in expected credit losses and other credit impairment charges⁴	37,292	36,876
Change in expected credit losses and other credit impairment charges	(1,066)	(1,345)
Net operating income	36,226	35,531
Employee compensation and benefits	(9,192)	(8,954)
General and administrative expenses	(5,135)	(4,912)
Depreciation and impairment of property, plant and equipment and right-of-use assets	(867)	(782)
Amortisation and impairment of intangible assets	(1,102)	(809)
Total operating expenses	(16,296)	(15,457)
Operating profit	19,930	20,074
Share of profit in associates and joint ventures	1,626	1,583
Profit before tax	21,556	21,657
Tax expense	(3,891)	(3,586)
Profit after tax	17,665	18,071
Attributable to:		
- ordinary shareholders of the parent company	16,586	16,966
- other equity holders	526	542
- non-controlling interests	553	563
Profit after tax	17,665	18,071
	\$	\$
Basic earnings per ordinary share	0.89	0.86
Diluted earnings per ordinary share	0.88	0.86

1 Includes a \$255m gain (1H23: \$284m loss) on the foreign exchange hedging of the proceeds from the sale of our banking business in Canada.

2 Gain recognised in respect of the acquisition of SVB UK.

3 In the first half of 2024, a gain of \$4.6bn inclusive of the recycling of \$0.6bn in foreign currency translation reserve losses and \$0.4bn of other reserves recycling losses on the sale of our banking business in Canada, and an impairment loss of \$1.2bn relating to the planned sale of our business in Argentina was recognised. In the first quarter of 2023, the \$2.1bn reversal of the held for sale classification was recognised relating to the sale of our retail banking operations in France.

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

* For Notes on the interim condensed consolidated financial statements, see page [120](#).

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

	Half-year to	
	30 Jun 2024	30 Jun 2023
	\$m	\$m
Profit for the period	17,665	18,071
Other comprehensive income/(expense)		
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		
Debt instruments at fair value through other comprehensive income	(213)	549
- fair value (losses)/gains	(378)	804
- fair value gains transferred to the income statement on disposal	(24)	(63)
- expected credit losses/(recoveries) recognised in the income statement	13	(3)
- disposal of subsidiary	90	-
- income taxes	86	(189)
Cash flow hedges	(710)	(1,062)
- fair value losses	(612)	(1,700)
- fair value (gains)/losses reclassified to the income statement	(673)	227
- disposal of subsidiary	262	-
- income taxes	313	411
Share of other comprehensive income/(expense) of associates and joint ventures	211	101
- share for the period	211	101
Net finance income/(expense) from insurance contracts	17	(101)
- before income taxes	23	(136)
- income taxes	(6)	35
Exchange differences	(2,588)	(347)
- foreign exchange losses reclassified to the income statement on disposal of a foreign operation	648	-
- other exchange differences	(3,236)	(347)
Items that will not be reclassified subsequently to profit or loss:		
Fair value gains on property revaluation	5	1
Remeasurement of defined benefit asset/(liability)	146	(112)
- before income taxes	178	(105)
- income taxes	(32)	(7)
Changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	(283)	(653)
- before income taxes	(372)	(867)
- income taxes	89	214
Equity instruments designated at fair value through other comprehensive income	41	7
- fair value gains	62	7
- income taxes	(21)	-
Effects of hyperinflation	892	578
Other comprehensive expense for the period, net of tax	(2,482)	(1,039)
Total comprehensive income for the period	15,183	17,032
Attributable to:		
- ordinary shareholders of the parent company	14,131	15,986
- other equity holders	526	542
- non-controlling interests	526	504
Total comprehensive income for the period	15,183	17,032

Consolidated balance sheet

	At	
	30 Jun 2024	31 Dec 2023
	\$m	\$m
Assets		
Cash and balances at central banks	277,112	285,868
Items in the course of collection from other banks	9,977	6,342
Hong Kong Government certificates of indebtedness	43,026	42,024
Trading assets	331,307	289,159
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	117,014	110,643
Derivatives	219,269	229,714
Loans and advances to banks	102,057	112,902
Loans and advances to customers	938,257	938,535
Reverse repurchase agreements - non-trading	230,189	252,217
Financial investments	467,356	442,763
Assets held for sale	5,821	114,134
Prepayments, accrued income and other assets	184,303	165,255
Current tax assets	1,308	1,536
Interests in associates and joint ventures	28,465	27,344
Goodwill and intangible assets	12,161	12,487
Deferred tax assets	7,381	7,754
Total assets	2,975,003	3,038,677
Liabilities		
Hong Kong currency notes in circulation	43,026	42,024
Deposits by banks	82,435	73,163
Customer accounts	1,593,834	1,611,647
Repurchase agreements - non-trading	202,770	172,100
Items in the course of transmission to other banks	10,482	7,295
Trading liabilities	77,455	73,150
Financial liabilities designated at fair value	140,800	141,476

Financial liabilities designated at fair value		217,096	234,772
Derivatives	8	217,096	234,772
Debt securities in issue		98,158	93,917
Liabilities of disposal groups held for sale		5,041	108,406
Accruals, deferred income and other liabilities		157,171	136,606
Current tax liabilities		2,837	2,777
Insurance contract liabilities		125,252	120,851
Provisions	11	1,536	1,741
Deferred tax liabilities		1,186	1,238
Subordinated liabilities		25,510	24,954
Total liabilities		2,784,589	2,846,067
Equity			
Called up share capital		9,310	9,631
Share premium account		14,808	14,738
Other equity instruments		18,825	17,719
Other reserves		(14,930)	(8,907)
Retained earnings		155,280	152,148
Total shareholders' equity		183,293	185,329
Non-controlling interests		7,121	7,281
Total equity		190,414	192,610
Total liabilities and equity		2,975,003	3,038,677

* For Notes on the interim condensed consolidated financial statements, see page 120.

Consolidated statement of changes in equity

	Called up share capital and share premium	Other equity instruments	Financial assets at FVOCI reserve	Other reserves				Retained earnings	Total share-holders' equity	Non-controlling interests	Total equity
				Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Insurance finance reserve ¹				
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
At 1 Jan 2024	24,369	17,719	(3,507)	(1,033)	(33,753)	28,601	785	152,148	185,329	7,281	192,610
Profit for the period	-	-	-	-	-	-	-	17,112	17,112	553	17,665
Other comprehensive income (net of tax)	-	-	(164)	(691)	(2,551)	5	(10)	956	(2,455)	(27)	(2,482)
- debt instruments at fair value through other comprehensive income	-	-	(313)	-	-	-	-	-	(313)	10	(303)
- equity instruments designated at fair value through other comprehensive income	-	-	35	-	-	-	-	-	35	6	41
- cash flow hedges	-	-	-	(970)	-	-	-	-	(970)	(2)	(972)
- changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	-	-	-	-	-	-	-	(283)	(283)	-	(283)
- property revaluation	-	-	-	-	-	5	-	-	5	-	5
- remeasurement of defined benefit asset/liability	-	-	-	-	-	-	-	136	136	10	146
- share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	211	211	-	211
- effects of hyperinflation	-	-	-	-	-	-	-	892	892	-	892
- foreign exchange losses reclassified to income statement on disposal of a foreign operation	-	-	-	-	648	-	-	-	648	-	648
- other reserves reclassified to income statement on disposal of a foreign operation	-	-	90	262	-	-	-	-	352	-	352
- insurance finance income/(expense) recognised in other comprehensive income	-	-	-	-	-	-	17	-	17	-	17
- other exchange differences	-	-	24	17	(3,199)	-	(27)	-	(3,185)	(51)	(3,236)
Total comprehensive income for the period	-	-	(164)	(691)	(2,551)	5	(10)	18,068	14,657	526	15,183
Shares issued under employee remuneration and share plans	75	-	-	-	-	-	-	(75)	-	-	-
Capital securities issued ²	-	1,106	-	-	-	-	-	-	1,106	-	1,106
Dividends to shareholders	-	-	-	-	-	-	-	(12,217)	(12,217)	(468)	(12,685)
Cost of share-based payment arrangements	-	-	-	-	-	-	-	274	274	-	274
Transfers ³	-	-	-	-	-	(2,945)	-	2,945	-	-	-
Share buy-backs ⁴	-	-	-	-	-	-	-	(5,019)	(5,019)	-	(5,019)
Cancellation of shares	(326)	-	-	-	-	326	-	-	-	-	-

Other movements	-	-	4	-	-	3	-	(844)	(837)	(218)	(1,055)
At 30 Jun 2024	24,118	18,825	(3,667)	(1,724)	(36,304)	25,990	775	155,280	183,293	7,121	190,414

Consolidated statement of changes in equity (continued)

	Other reserves										
	Called up share capital and share premium	Other equity instruments	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Insurance finance reserve ¹	Retained earnings	Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jan 2023	24,811	19,746	(7,038)	(3,808)	(32,575)	33,209	1,079	142,409	177,833	7,364	185,197
Profit for the period	-	-	-	-	-	-	-	17,508	17,508	563	18,071
Other comprehensive income (net of tax)	-	-	560	(1,077)	(271)	1	(101)	(92)	(980)	(59)	(1,039)
- debt instruments at fair value through other comprehensive income	-	-	546	-	-	-	-	-	546	3	549
- equity instruments designated at fair value through other comprehensive income	-	-	14	-	-	-	-	-	14	(7)	7
- cash flow hedges	-	-	-	(1,077)	-	-	-	-	(1,077)	15	(1,062)
- changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	-	-	-	-	-	-	-	(654)	(654)	1	(653)
- property revaluation	-	-	-	-	-	1	-	-	1	-	1
- remeasurement of defined benefit asset/liability	-	-	-	-	-	-	-	(117)	(117)	5	(112)
- share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	101	101	-	101
- effects of hyperinflation	-	-	-	-	-	-	-	578	578	-	578
- insurance finance income/(expense) recognised in other comprehensive income	-	-	-	-	-	-	(101)	-	(101)	-	(101)
- other exchange differences	-	-	-	-	(271)	-	-	-	(271)	(76)	(347)
Total comprehensive income for the period	-	-	560	(1,077)	(271)	1	(101)	17,416	16,528	504	17,032
Shares issued under employee remuneration and share plans	78	-	-	-	-	-	-	(78)	-	-	-
Capital securities issued	-	1,996	-	-	-	-	-	-	1,996	-	1,996
Dividends to shareholders	-	-	-	-	-	-	-	(7,133)	(7,133)	(375)	(7,508)
Redemption of securities	-	(2,350)	-	-	-	-	-	-	(2,350)	-	(2,350)
Cost of share-based payment arrangements	-	-	-	-	-	-	-	228	228	-	228
Share buy-backs	-	-	-	-	-	-	-	(2,007)	(2,007)	-	(2,007)
Cancellation of shares	(79)	-	-	-	-	79	-	-	-	-	-
Other movements	-	-	6	-	-	1	-	(932)	(925)	(12)	(937)
At 30 Jun 2023	24,810	19,392	(6,472)	(4,885)	(32,846)	33,290	978	149,903	184,170	7,481	191,651

Consolidated statement of changes in equity (continued)

	Other reserves										
	Called up share capital and share premium	Other equity instruments	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Insurance finance reserve ¹	Retained earnings	Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jul 2023	24,810	19,392	(6,472)	(4,885)	(32,846)	33,290	978	149,903	184,170	7,481	191,651
Profit for the period	-	-	-	-	-	-	-	6,025	6,025	463	6,488
Other comprehensive income (net of tax)	-	-	1,842	4,107	60	-	(270)	206	5,945	77	6,022
- debt instruments at fair value through other comprehensive income	-	-	2,028	-	-	-	-	-	2,028	22	2,050
- equity instruments designated at fair value through other comprehensive income	-	-	(107)	-	-	-	-	-	(107)	(20)	(127)
- cash flow hedges	-	-	-	3,996	-	-	-	-	3,996	19	4,015
- changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	-	-	-	-	-	-	-	(566)	(566)	-	(566)
- property revaluation	-	-	-	-	-	-	-	-	-	-	-
- remeasurement of defined benefit asset/liability	-	-	-	-	-	-	-	(200)	(200)	(2)	(202)

- share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-	-	(54)	(54)	-	(54)
- effects of hyperinflation	-	-	-	-	-	-	-	1,026	1,026	-	1,026
- insurance finance income/ (expense) recognised in other comprehensive income	-	-	-	-	-	-	(263)	-	(263)	-	(263)
- other exchange differences	-	-	(79)	111	60	-	(7)	-	85	58	143
Total comprehensive income for the period	-	-	1,842	4,107	60	-	(270)	6,231	11,970	540	12,510
Shares issued under employee remuneration and share plans	1	-	-	-	-	-	-	(1)	-	-	-
Dividends to shareholders	-	-	-	-	-	-	-	(4,460)	(4,460)	(228)	(4,688)
Redemption of securities	-	(1,673)	-	-	-	-	-	20	(1,653)	-	(1,653)
Cost of share-based payment arrangements	-	-	-	-	-	-	-	254	254	-	254
Transfers	-	-	-	-	(5,130)	-	-	5,130	-	-	-
Share buy-backs	-	-	-	-	-	-	-	(5,018)	(5,018)	-	(5,018)
Cancellation of shares	(442)	-	-	-	442	-	-	-	-	-	-
Other movements	-	-	1,123	(255)	(967)	(1)	77	89	66	(512)	(446)
At 31 Dec 2023	24,369	17,719	(3,507)	(1,033)	(33,753)	28,601	785	152,148	185,329	7,281	192,610

- The insurance finance reserve reflects the impact of adoption of the other comprehensive income option for our insurance business in France. Underlying assets supporting these contracts are measured at fair value through other comprehensive income. Under this option, only the amount that matches income or expenses recognised in profit or loss on underlying items is included in finance income or expenses, resulting in the elimination of income statement accounting mismatches. The remaining amount of finance income or expenses for these insurance contracts is recognised in other comprehensive income ('OCI').
- In June 2024, HSBC Holdings issued SGD1,500m of contingent convertible securities on which there were SGD15m of external issue costs.
- At 30 June 2024, an impairment of \$2,945m of HSBC Overseas Holdings (UK) Limited was recognised post sale of our banking business in Canada, resulting in a permitted transfer from the merger reserve to retained earnings.
- In February 2024, HSBC Holdings announced a share buy-back of up to \$2.0bn, which concluded in March 2024. Additionally, in April 2024, HSBC Holdings announced another share buy-back of up to \$3.0bn, which was completed in July 2024.

Consolidated statement of cash flows

	Half-year to	
	30 Jun 2024	30 Jun 2023
	\$m	\$m
Profit before tax	21,556	21,657
Adjustments for non-cash items:		
Depreciation, amortisation and impairment	1,969	1,591
Net gain from investing activities	(34)	(41)
Share of profit in associates and joint ventures	(1,626)	(1,583)
Net gain on acquisition/disposal of subsidiaries, businesses, associates and joint ventures	(3,199)	(3,604)
Change in expected credit losses gross of recoveries and other credit impairment charges	1,192	1,482
Provisions including pensions	15	148
Share-based payment expense	274	228
Other non-cash items included in profit before tax	(4,237)	(1,661)
Elimination of exchange differences ¹	18,406	(6,558)
Change in operating assets ²	(41,493)	(52,745)
Change in operating liabilities	36,486	72,836
Dividends received from associates	130	124
Contributions paid to defined benefit plans	(76)	(87)
Tax paid	(2,664)	(1,664)
Net cash from operating activities	26,699	30,123
Purchase of financial investments	(259,999)	(298,182)
Proceeds from the sale and maturity of financial investments	223,443	263,838
Net cash flows from the purchase and sale of property, plant and equipment	(464)	(329)
Net investment in intangible assets	(1,058)	(1,123)
Net cash inflow on acquisition/disposal of subsidiaries, businesses, associates and joint ventures ³	9,891	1,243
Net cash outflow on acquisition/disposal of subsidiaries, businesses, associates and joint ventures ³	(10,612)	(15)
Net cash from investing activities	(38,799)	(34,568)
Issue of ordinary share capital and other equity instruments	1,106	1,996
Cancellation of shares	(5,330)	(1,273)
Net sales/(purchases) of own shares for market-making and investment purposes	(494)	(823)
Redemption of preference shares and other equity instruments	-	(2,350)
Subordinated loan capital issued	2,611	2,744
Subordinated loan capital repaid	(2,000)	(1,044)
Dividends paid to shareholders of the parent company and non-controlling interests	(12,685)	(7,508)
Net cash from financing activities	(16,792)	(8,258)
Net increase in cash and cash equivalents	(28,892)	(12,703)
Cash and cash equivalents at the beginning of the period	490,933	521,671
Exchange differences in respect of cash and cash equivalents	(13,057)	8,565

Interest received was \$54,197m (1H23: \$46,817m), interest paid was \$41,254m (1H23: \$29,222m) and dividends received (excluding dividends received from associates, which are presented separately above) were \$1,231m (1H23: \$751m).

- 1 Adjustments to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.
- 2 Includes net settlement of the foreign exchange hedge of the proceeds from the sale of our banking business in Canada, with a \$255m gain in 1H24 (1H23: \$284m loss).
- 3 The 'Net cash inflow on acquisition/disposal of subsidiaries, businesses, associates and joint ventures' includes \$9.3bn of net cash inflow on the sale of our banking business in Canada in March 2024. In 1H23, it included \$1.2bn of net cash inflow on acquisition of Silicon Valley Bank UK Limited in March 2023. The 'Net cash outflow on acquisition/disposal of subsidiaries, businesses, associates and joint ventures' includes \$10.6bn of net cash outflow on the sale of our retail banking operations in France in January 2024.
- 4 Includes \$1.7bn (1H23: \$7.5bn) of cash and cash equivalents classified as held for sale.

Notes on the interim condensed consolidated financial statements

Contents

120	1 Basis of preparation and material accounting policies	132	10 Interests in associates and joint ventures
121	2 Net fee income	134	11 Provisions
122	3 Dividends	135	12 Contingent liabilities, contractual commitments and guarantees
122	4 Earnings per share	135	13 Legal proceedings and regulatory matters
122	5 Segmental analysis	138	14 Transactions with related parties
125	6 Fair values of financial instruments carried at fair value	138	15 Assets held for sale, liabilities of disposal groups held for sale and business acquisitions
130	7 Fair values of financial instruments not carried at fair value		16 Events after the balance sheet date
131	8 Derivatives	141	17 Interim Report 2024 and statutory accounts
131	9 Financial investments	141	

1 Basis of preparation and material accounting policies

(a) Compliance with International Financial Reporting Standards

Our interim condensed consolidated financial statements have been prepared on the basis of the policies set out in the 2023 annual financial statements. They have also been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the UK, IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'), IAS 34 'Interim Financial Reporting' as adopted by the EU, and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. Therefore, they include an explanation of events and transactions that are significant to an understanding of the changes in HSBC's financial position and performance since the end of 2023.

These interim condensed consolidated financial statements should be read in conjunction with the Annual Report and Accounts 2023, which was prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. These interim condensed consolidated financial statements were also prepared in accordance with International Financial Reporting Standards ('IFRS Accounting Standards') as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee.

At 30 June 2024, there were no IFRS Accounting Standards effective for the half-year to 30 June 2024 affecting these financial statements that were not approved for adoption in the UK by the UK Endorsement Board. There was no difference between IFRS Accounting Standards adopted by the UK, IFRS Accounting Standards as adopted by the EU, and IFRS Accounting Standards issued by the IASB in terms of their application to HSBC.

Standards applied during the half-year to 30 June 2024

There were no new standards or amendments to standards that had an effect on these interim condensed consolidated financial statements.

(b) Use of estimates and judgements

Management believes that the critical estimates and judgements applicable to the Group are those that relate to impairment of amortised cost and FVOCI debt financial assets, the valuation of financial instruments, deferred tax assets, provisions, interests in associates, impairment of goodwill and non-financial assets, and post-employment benefit plans.

Other than in respect of non-current assets and disposal groups held for sale, there were no material changes in the current period to any of the critical estimates and judgements disclosed in 2023, which are stated on pages 101 and 343 to 354 of the Annual Report and Accounts 2023.

(c) Composition of the Group

In the first half of 2024 the sales of the retail banking operations in France, the banking business in Canada, and the business in Russia completed. There were no other material changes in the composition of the Group in the half-year to 30 June 2024.

For further details of future business acquisitions and disposals, see Note 15 'Assets held for sale, liabilities of disposal groups held for sale and business acquisitions'.

(d) Future accounting developments

Amendments to IAS 21 'Lack of Exchangeability'

In August 2023, the IASB published amendments to IAS 21 'Lack of Exchangeability' effective from 1 January 2025. The Group is undertaking an assessment of the potential impact, which is not expected to be significant.

Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures'

In May 2024, the IASB issued amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', effective for annual reporting periods beginning on, or after, 1 January 2026. In addition to guidance as to when certain financial liabilities can be deemed settled when using an electronic payment system, the amendments also provide further clarification regarding the classification of financial assets that contain contractual terms that change the timing or amount of contractual cash flows, including those arising from ESG-related contingencies, and financial assets with certain non-recourse features. The Group is undertaking an assessment of the potential impact.

IFRS 18 'Presentation and Disclosure in Financial Statements'

In April 2024, the IASB issued IFRS 18 'Presentation and Disclosure in Financial Statements', effective for annual reporting periods beginning on or after 1 January 2027. The new accounting standard aims to give users of financial statements more transparent and comparable information about an entity's financial performance. It will replace IAS 1 'Presentation of Financial Statements' but carries over many requirements from that IFRS Accounting Standard unchanged. In addition, there are three sets of new requirements relating to the structure of the income statement, management-defined performance measures and the aggregation and disaggregation of financial information.

While IFRS 18 will not change recognition criteria or measurement bases, it might have a significant impact on presenting information in the financial statements, in particular the income statement. HSBC are currently assessing any impacts as well as data readiness before developing a more detailed implementation plan.

(e) Going concern

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the Group and parent company have the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows, capital requirements and capital resources. These considerations include stressed scenarios, as well as considering potential impacts from other top and emerging risks, and the related impact on profitability, capital and liquidity.

(f) Accounting policies

The accounting policies that we applied for these interim condensed consolidated financial statements are consistent with those described on pages 341 to 354 of the Annual Report and Accounts 2023, as are the methods of computation.

(g) Presentation of information

Certain disclosures have been presented elsewhere in the Interim Report 2024, rather than in the notes to the financial statements. These are marked as '(Reviewed)' as follows:

- Reconciliation of changes in gross carrying/nominal amount and allowances for loans and advances to banks and customers including loan

commitments and financial guarantees included in the 'Risk' section on pages 81 to 83.

- Distribution of financial instruments to which the impairment requirements in IFRS 9 are applied, by credit quality and stage allocation included in the 'Risk' section on pages 84 to 85.
- Share buy-back included in the 'Shareholder information' section on page 144.

2 Net fee income

	Half-year to	
	30 Jun 2024	30 Jun 2023
	\$m	\$m
Net fee income by product		
Funds under management	1,206	1,176
Cards	1,395	1,351
Credit facilities	754	798
Account services	760	765
Broking income	626	555
Unit trusts	515	386
Underwriting	369	345
Global custody	401	432
Remittances	399	405
Imports/exports	313	328
Insurance agency commission	183	159
Other	1,237	1,247
Fee income	8,158	7,947
Less: fee expense	(1,958)	(1,862)
Net fee income	6,200	6,085
Net fee income by global business		
Wealth and Personal Banking	2,941	2,694
Commercial Banking	1,962	2,009
Global Banking and Markets	1,287	1,382
Corporate Centre	10	-

3 Dividends

On 31 July 2024, the Directors approved a second interim dividend for 2024 of \$0.10 per ordinary share in respect of the financial year ending 31 December 2024. This distribution amounts to approximately \$1.849bn and will be payable on 27 September 2024. No liability is recognised in the financial statements in respect of these dividends.

Dividends paid to shareholders of HSBC Holdings plc

	Half-year to			
	30 Jun 2024		30 Jun 2023	
	Per share	Total	Per share	Total
	\$	\$m	\$	\$m
Dividends paid on ordinary shares				
In respect of previous year				

in respect of previous year:				
- second interim dividend	-	-	0.23	4,590
- fourth interim dividend	0.31	5,872	-	-
In respect of current year:				
- first interim dividend	0.10	1,877	0.10	2,001
- special dividend	0.21	3,942	-	-
Total	0.62	11,691	0.33	6,591
Total coupons on capital securities classified as equity		526		542
Dividends to shareholders		12,217		7,133

4 Earnings per share

Basic earnings per ordinary share is calculated by dividing the profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding, excluding own shares held. Diluted earnings per ordinary share is calculated by dividing the basic earnings, which require no adjustment for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares outstanding, excluding own shares held, plus the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

Basic and diluted earnings per share

	Half-year to					
	30 Jun 2024			30 Jun 2023		
	Profit \$m	Number of shares (millions)	Amount per share \$	Profit \$m	Number of shares (millions)	Amount per share \$
Basic ¹	16,586	18,666	0.89	16,966	19,693	0.86
Effect of dilutive potential ordinary shares		120			136	
Diluted¹	16,586	18,786	0.88	16,966	19,829	0.86

1 Weighted average number of ordinary shares outstanding (basic) or assuming dilution (diluted).

2

1

5 Segmental analysis

The Group Chief Executive, supported by the rest of the Group Executive Committee ('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 that removes the effects of currency translation from reported results. Therefore, we disclose these results on a constant currency basis as required by IFRS Accounting Standards. The income statement for the half-year to 30 June 2023 is converted at the average rate of exchange for 2024, and the balance sheets at 30 June 2023 and 31 December 2023 at the prevailing rates of exchange on 30 June 2024.

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. 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. Measurement of segmental assets, liabilities, income and expenses is in accordance with the Group's accounting policies. Shared costs are included in segments on the basis of actual recharges. The intra-Group elimination items for the global businesses are presented in Corporate Centre.

Our global businesses

We provide a comprehensive range of banking and related financial services to our customers in our three global businesses. The products and services offered to customers are organised by these global businesses:

- Wealth and Personal Banking ('WPB') provides a full range of retail banking and wealth products to our customers from personal banking to ultra high net worth individuals. Typically, customer offerings include retail banking products, such as current and savings accounts, mortgages and personal loans, credit cards, debit cards and local and international payment services. We also provide wealth management services, including insurance and investment products, global asset management services, investment management and private wealth solutions for customers with more sophisticated and international requirements.
- Commercial Banking ('CMB') offers a broad range of products and services to serve the needs of our commercial customers, including small and medium-sized enterprises, mid-market enterprises and corporates. These include credit and lending, international trade and receivables finance, treasury management and liquidity solutions (payments and cash management and commercial cards), commercial insurance and investments. CMB also offers customers access to products and services offered by other global businesses, such as Global Banking and Markets, which include foreign exchange products, raising capital on debt and equity markets and advisory services.
- Global Banking and Markets ('GBM') provides tailored financial solutions to major government, corporate and institutional clients and private investors worldwide. The client-focused business lines deliver a full range of banking capabilities, including financing, advisory and transaction services, a markets business that provides services in credit, rates, foreign exchange, equities, money markets and securities services, and principal investment activities.

HSBC constant currency profit before tax and balance sheet data

	Half-year to 30 Jun 2024				
	Wealth and Personal Banking \$m	Commercial Banking \$m	Global Banking and Markets \$m	Corporate Centre \$m	Total \$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges¹	14,312	10,896	8,742	3,342	37,292
- external	10,166	11,217	15,377	532	37,292
- inter-segment	4,146	(321)	(6,635)	2,810	-
- of which: net interest income/(expense) ²	10,231	8,799	3,710	(5,829)	16,911
Change in expected credit losses and other credit impairment charges	(476)	(573)	(11)	(6)	(1,066)
Net operating income	13,836	10,323	8,731	3,336	36,226
Total operating expenses	(7,406)	(3,861)	(4,918)	(111)	(16,296)
Operating profit	6,430	6,462	3,813	3,225	19,930
Share of profit/(loss) in associates and joint ventures	28	1	-	1,597	1,626
Constant currency profit before tax	6,458	6,463	3,813	4,822	21,556
	%	%	%	%	%
Share of HSBC's constant currency profit before tax	30.0	30.0	17.7	22.3	100.0
Constant currency cost efficiency ratio	51.7	35.4	56.3	3.3	43.7
Constant currency balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	445,882	310,356	174,376	7,643	938,257
Interests in associates and joint ventures	567	25	111	27,762	28,465
Total external assets	864,948	597,808	1,365,439	146,808	2,975,003
Customer accounts	794,807	467,362	331,269	396	1,593,834

	Half-year to 30 Jun 2023				
	Wealth and Personal Banking \$m	Commercial Banking \$m	Global Banking and Markets \$m	Corporate Centre \$m	Total \$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges¹	16,095	12,086	8,321	-	36,502
- external	12,317	12,730	13,714	(2,259)	36,502
- inter-segment	3,778	(644)	(5,393)	2,259	-
- of which: net interest income/(expense) ²	10,130	8,073	3,401	(3,877)	17,727
Change in expected credit losses and other credit impairment charges	(484)	(694)	(136)	(3)	(1,317)
Net operating income/(expense)	15,611	11,392	8,185	(3)	35,185
Total operating expenses	(7,020)	(3,458)	(4,776)	10	(15,244)
Operating profit	8,591	7,934	3,409	7	19,941
Share of profit in associates and joint ventures	35	(1)	-	1,497	1,531
Constant currency profit before tax	8,626	7,933	3,409	1,504	21,472
	%	%	%	%	%
Share of HSBC's constant currency profit before tax	40.2	36.9	15.9	7.0	100.0
Constant currency cost efficiency ratio	43.6	28.6	57.4	-	41.8
Constant currency balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	460,395	315,271	175,055	293	951,014
Interests in associates and joint ventures	551	22	105	28,856	29,534
Total external assets	891,675	644,672	1,325,327	150,047	3,011,721
Customer accounts	803,962	466,302	309,526	628	1,580,418

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

2 Net interest expense recognised in the Corporate Centre includes \$5.5bn (1H23: \$3.8bn) of interest expense in relation to the internal cost to fund trading and fair value net assets; and the funding cost of foreign exchange swaps in our Markets Treasury function.

Reported external net operating income is attributed to countries and territories on the basis of the location of the branch responsible for reporting the results or advancing the funds:

Half-year to

	30 Jun 2024	30 Jun 2023
	\$m	\$m
Reported external net operating income by country/territory¹	37,292	36,876
- UK	6,247	6,762
- Hong Kong	10,393	10,325
- US	2,146	2,112
- France	1,819	4,107
- other countries/territories	16,687	13,570

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

Constant currency results reconciliation

	30 Jun 2024	30 Jun 2023		
	Reported and constant currency \$m	Constant currency \$m	Currency translation \$m	Reported \$m
Revenue ¹	37,292	36,502	(374)	36,876
ECL	(1,066)	(1,317)	28	(1,345)
Operating expenses	(16,296)	(15,244)	213	(15,457)
Share of profit in associates and joint ventures	1,626	1,531	(52)	1,583
Profit before tax	21,556	21,472	(185)	21,657

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

Constant currency balance sheet reconciliation

	At 30 Jun 2024	At 30 Jun 2023		At 31 Dec 2023			
	Reported and constant currency \$m	Constant currency \$m	Currency translation \$m	Reported \$m	Constant currency \$m	Currency translation \$m	Reported \$m
Loans and advances to customers (net)	938,257	951,014	(8,544)	959,558	925,791	(12,744)	938,535
Interests in associates and joint ventures	28,465	29,534	(12)	29,546	26,967	(377)	27,344
Total external assets	2,975,003	3,011,721	(29,755)	3,041,476	2,997,845	(40,832)	3,038,677
Customer accounts	1,593,834	1,580,418	(15,351)	1,595,769	1,590,533	(21,114)	1,611,647

Notable items

	Half-year to	
	30 Jun 2024	30 Jun 2023
	\$m	\$m
Notable items		
Revenue		
Disposals, acquisitions and related costs ^{1,2}	3,571	3,321
Fair value movements on financial instruments ³	-	15
Operating expenses		
Disposals, acquisitions and related costs	(101)	(118)
Restructuring and other related costs ⁴	19	47

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

2 Includes the gain of \$1.5bn recognised in respect of the acquisition of SVB UK.

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

4 Relates to reversals of restructuring provisions recognised in 2022.

6 Fair values of financial instruments carried at fair value

The accounting policies, control framework and hierarchy used to determine fair values at 30 June 2024 are consistent with those applied for the Annual Report and Accounts 2023.

Financial instruments carried at fair value and bases of valuation

	Valuation techniques			Total \$m
	Quoted market price Level 1 \$m	Using observable inputs Level 2 \$m	With significant unobservable inputs Level 3 \$m	
Recurring fair value measurements				
At 30 Jun 2024				
Assets				
Trading assets	254,095	73,132	4,080	331,307
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	30,762	64,631	21,621	117,014
Derivatives	1,278	215,480	2,511	219,269
Financial investments	252,692	62,912	2,414	318,018
Liabilities				
Trading liabilities	54,933	22,392	130	77,455
Financial liabilities designated at fair value	1,333	137,318	12,158	140,809

Financial instruments designated at fair value	1,266	167,217	16,137	199,090
Derivatives	1,331	212,284	3,481	217,096
At 31 Dec 2023				
Assets				
Trading assets	202,020	82,833	4,306	289,159
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	27,030	63,825	19,788	110,643
Derivatives	931	226,714	2,069	229,714
Financial investments	215,228	76,591	2,618	294,437
Liabilities				
Trading liabilities	53,354	19,318	478	73,150
Financial liabilities designated at fair value	1,266	129,232	10,928	141,426
Derivatives	1,918	230,285	2,569	234,772

The table below provides the fair value levelling of assets held for sale and liabilities of disposal groups that have been classified as held for sale in accordance with IFRS 5. For further details, see Note 15.

Financial instruments carried at fair value and bases of valuation - assets and liabilities held for sale

	Valuation techniques			Total \$m
	Quoted market price Level 1 \$m	Using observable inputs Level 2 \$m	With significant unobservable inputs Level 3 \$m	
Recurring fair value measurements				
At 30 Jun 2024				
Assets				
Trading assets	63	114	-	177
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	382	11	19	412
Derivatives	-	3	-	3
Financial investments	123	1,641	3	1,767
Liabilities				
Trading liabilities	-	-	-	-
Financial liabilities designated at fair value	-	-	-	-
Derivatives	-	1	-	1
At 31 Dec 2023				
Assets				
Trading assets	2,403	61	-	2,465
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	-	15	49	64
Derivatives	-	528	-	528
Financial investments	9,357	-	28	9,385
Liabilities				
Trading liabilities	1,352	64	-	1,417
Financial liabilities designated at fair value	-	2,370	-	2,370
Derivatives	-	615	-	615

Transfers between Level 1 and Level 2 fair values

	Assets				Liabilities			
	Financial investments \$m	Trading assets \$m	Designated and otherwise mandatorily measured at fair value \$m	Derivatives \$m	Trading liabilities \$m	Designated at fair value \$m	Derivatives \$m	
At 30 Jun 2024								
Transfers from Level 1 to Level 2	4,084	1,975	611	-	33	-	-	
Transfers from Level 2 to Level 1	5,662	3,098	1,113	-	63	-	-	
At 31 Dec 2023								
Transfers from Level 1 to Level 2	13,200	8,066	1,709	-	54	-	-	
Transfers from Level 2 to Level 1	9,975	5,758	2,477	-	309	-	-	

Transfers between levels of the fair value hierarchy are deemed to occur at the end of each quarterly reporting period. Transfers into and out of levels of the fair value hierarchy are primarily attributable to observability of valuation inputs and price transparency.

Fair value adjustments

We adopt the use of fair value adjustments when we take into consideration additional factors not incorporated within the valuation model that would otherwise be considered by a market participant. We classify fair value adjustments as either 'risk-related' or 'model-related'. The majority of these adjustments relate to GBM. Movements in the amount of fair value adjustments do not necessarily translate into equivalent movements of profits or losses within the income statement, as these movements can be compensated for by other related profit or loss effects. For example, as models are enhanced, fair value adjustments may no longer be required. Similarly, fair value adjustments will decrease when the related positions are unwound, but this may not result in profit or loss.

Global Banking and Markets fair value adjustments

Type of adjustment	At 30 Jun 2024		At 31 Dec 2023	
	GBM \$m	Corporate Centre \$m	GBM \$m	Corporate Centre \$m
Risk-related	602	45	692	41
- bid-offer	351	-	414	-
- uncertainty	70	4	75	3
- credit valuation adjustment	124	37	164	35
- debit valuation adjustment	(26)	-	(54)	-
- funding fair value adjustment	83	4	93	3
Model-related	50	-	63	-
- model limitation	50	-	63	-
Inception profit (Day 1 P&L reserves)	91	-	86	-
Total	743	45	841	41

The reduction in fair value adjustments was predominantly driven by changes to exposure, and tightening of credit and liquidity market spreads.

Fair value valuation bases

Financial instruments measured at fair value using a valuation technique with significant unobservable inputs - Level 3

Assets					Liabilities				
Financial investments \$m	Trading assets \$m	Designated and otherwise mandatorily measured at fair value through profit or loss \$m	Derivatives \$m	Total \$m	Trading liabilities \$m	Designated at fair value \$m	Derivatives \$m	Total \$m	
									Private equity including

Private equity including strategic investments	514	1	19,150	-	19,665	-	1	-	1
Asset-backed securities	309	227	7	-	543	-	-	-	-
Structured notes	-	-	3	-	3	-	12,050	-	12,050
Other derivatives	-	-	-	2,511	2,511	-	-	3,481	3,481
Other portfolios	1,591	3,852	2,461	-	7,904	130	108	-	238
At 30 Jun 2024	2,414	4,080	21,621	2,511	30,626	130	12,159	3,481	15,770

Private equity including strategic investments	507	7	17,640	-	18,154	-	1	-	1
Asset-backed securities	309	128	8	-	445	-	-	-	-
Structured notes	-	-	3	-	3	-	10,331	-	10,331
Other derivatives	-	-	-	2,069	2,069	-	-	2,569	2,569
Other portfolios	1,802	4,171	2,137	-	8,110	478	596	-	1,074
At 31 Dec 2023	2,618	4,306	19,788	2,069	28,781	478	10,928	2,569	13,975

The basis for determining the fair value of the financial instruments in the table above is explained on page 378 of the Annual Report and Accounts 2023.

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy

Movement in Level 3 financial instruments

	Assets				Liabilities			
	Financial investments \$m	Trading assets \$m	Designated and otherwise mandatorily measured at fair value through profit or loss \$m	Derivatives \$m	Trading liabilities \$m	Designated at fair value \$m	Derivatives \$m	
At 1 Jan 2024	2,618	4,306	19,788	2,069	478	10,928	2,569	
Total gains or losses recognised in profit or loss	(11)	(7)	270	323	(4)	345	865	
- net income or losses from financial instruments held for trading or managed on a fair value basis	-	(7)	-	323	(4)	345	865	
- net income from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	-	-	223	-	-	-	-	
- changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	-	-	47	-	-	-	-	
- gains less losses from financial investments held at fair value through other comprehensive income	(11)	-	-	-	-	-	-	
Total gains/(losses) recognised in other comprehensive income ('OCI')	(73)	(48)	(102)	(22)	(4)	(77)	(30)	
- financial investments: fair value gains/(losses)	(18)	-	-	-	-	31	-	
- exchange differences	(55)	(48)	(102)	(22)	(4)	(108)	(30)	
Purchases	351	1,030	3,694	-	135	-	-	
New issuances	-	-	-	-	-	3,378	-	
Sales	(30)	(633)	(183)	-	(293)	-	-	
Settlements	(406)	(615)	(1,738)	(147)	(164)	(1,898)	(136)	
Transfers out	(80)	(281)	(213)	(265)	(29)	(1,039)	(353)	
Transfers in	45	328	105	553	11	522	566	
At 30 Jun 2024	2,414	4,080	21,621	2,511	130	12,159	3,481	
Unrealised gains or losses recognised in profit or loss relating to assets and liabilities held at 30 Jun 2024	-	(12)	(302)	(2,157)	5	(167)	(541)	
- net income or losses from financial instruments held for trading or managed on a fair value basis	-	(12)	-	(2,157)	5	-	(541)	
- changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	-	-	(302)	-	-	(167)	-	

Movement in Level 3 financial instruments (continued)

Assets

Liabilities

	Financial investments \$m	Trading assets \$m	Designated and otherwise mandatorily measured at fair value through profit or loss \$m	Derivatives \$m	Trading liabilities \$m	Designated at fair value \$m	Derivatives \$m
At 1 Jan 2023	2,961	4,817	17,407	1,964	474	10,432	2,920
Total gains or losses recognised in profit or loss	(15)	65	706	237	25	60	478
- net income or losses from financial instruments held for trading or managed on a fair value basis	-	65	-	237	25	-	478
- changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	-	-	706	-	-	60	-
- gains less losses from financial investments held at fair value through other comprehensive income	(15)	-	-	-	-	-	-
Total gains/(losses) recognised in other comprehensive income ('OCI')	138	92	11	75	21	323	98
- financial investments: fair value gains/(losses)	83	-	-	-	-	234	-
- exchange differences	55	92	11	75	21	89	98
Purchases	215	761	1,660	-	115	-	-
New issuances	-	-	-	-	2	2,313	-
Sales	(122)	(1,353)	(303)	-	(181)	(2)	-
Settlements	(202)	(487)	(963)	(517)	(9)	(1,479)	(1,164)
Transfers out	(108)	(377)	(140)	(85)	(32)	(1,821)	(138)
Transfers in	139	554	2	98	36	323	121
At 30 Jun 2023	3,006	4,072	18,380	1,772	451	10,149	2,315
Unrealised gains or losses recognised in profit or loss relating to assets and liabilities held at 30 Jun 2023	-	(58)	232	734	(4)	(189)	(560)
- net income or losses from financial instruments held for trading or managed on a fair value basis	-	(58)	-	734	(4)	-	(560)
- changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	-	-	232	-	-	(189)	-

Transfers between levels of the fair value hierarchy are deemed to occur at the end of each quarterly reporting period. Transfers into and out of levels of the fair value hierarchy are primarily attributable to observability of valuation inputs and price transparency.

Effect of changes in significant unobservable assumptions to reasonably possible alternatives

The following table shows the sensitivity of Level 3 fair values to reasonably possible alternative assumptions:

Sensitivity of fair values to reasonably possible alternative assumptions

	Reflected in profit or loss		Reflected in OCI	
	Favourable changes \$m	Unfavourable changes \$m	Favourable changes \$m	Unfavourable changes \$m
Derivatives, trading assets and trading liabilities ¹	546	(309)	-	-
Financial assets and liabilities designated and otherwise mandatorily measured at fair value through profit or loss	1,664	(1,255)	-	-
Financial investments	18	(18)	42	(45)
At 30 Jun 2024	2,228	(1,582)	42	(45)
Derivatives, trading assets and trading liabilities ¹	332	(434)	-	-
Financial assets and liabilities designated and otherwise mandatorily measured at fair value through profit or loss	1,009	(1,009)	-	-
Financial investments	10	(10)	61	(63)
At 30 Jun 2023	1,351	(1,453)	61	(63)
Derivatives, trading assets and trading liabilities ¹	492	(531)	-	-
Financial assets and liabilities designated and otherwise mandatorily measured at fair value through profit or loss	1,092	(1,100)	-	-
Financial investments	13	(12)	61	(66)
At 31 Dec 2023	1,597	(1,643)	61	(66)

1 'Derivatives, trading assets and trading liabilities' are presented as one category to reflect the manner in which these financial instruments are risk-managed.

The sensitivity analysis for certain private equity positions has been enhanced in order to reduce dependency on historical observations and focus on current valuation uncertainty, resulting in some increases in favourable sensitivities.

The sensitivity analysis aims to measure a range of fair values consistent with the application of a 95% confidence interval. Methodologies take account of the nature of the valuation technique employed, as well as the availability and reliability of observable proxy and historical data.

When the fair value of a financial instrument is affected by more than one unobservable assumption, the table above reflects the most favourable or the most unfavourable change from varying the assumptions individually.

Key unobservable inputs to Level 3 financial instruments

The following table lists key unobservable inputs to Level 3 financial instruments and provides the range of those inputs at 30 June 2024. There has been no change to the key unobservable inputs to Level 3 financial instruments and inter-relationships therein, which are detailed on pages 380 and 381 of the Annual Report and Accounts 2023.

Quantitative information about significant unobservable inputs in Level 3 valuations

	Fair value		Key valuation techniques	Key unobservable inputs	30 Jun 2024		31 Dec 2023	
	Assets	Liabilities			Full range of inputs		Full range of inputs	
	\$m	\$m			Lower	Higher	Lower	Higher
Private equity including strategic investments ¹	19,665	1	Price - Net asset value	Current Value/Cost	-	277	See footnote 1	
Asset-backed securities ('ABS')	543	-						
- collateralised loan/debt obligation	81	-	Market proxy	Bid quotes	-	96	-	94
- other ABSs	462	-	Market proxy	Bid quotes	-	246	-	220
Structured notes	3	12,050						
- equity-linked notes	3	7,929	Model - Option model	Equity volatility	6%	177%	6%	154%
- Foreign exchange ('FX')-linked notes	-	2,521	Model - Option model	Equity correlation	27%	100%	34%	100%
- other ²	-	1,600	Model - Option model	FX volatility	1%	38%	1%	34%
Other derivatives	2,511	3,481						
- interest rate derivatives	1,094	994						
securitisation swaps	152	119	Model - Discounted cash flow	Prepayment rate	5%	10%	5%	10%
long-dated swaptions	66	71	Model - Option model	Interest rate volatility	7%	26%	11%	37%
other ²	876	804						
- FX derivatives	373	411						
FX options	312	369	Model - Option model	FX volatility	1%	32%	1%	31%
other ²	61	42						
- equity derivatives	681	1,396						
long-dated single stock options	469	905	Model - Option model	Equity volatility	6%	133%	6%	110%
other ²	212	491						
- credit derivatives	363	680						
other ²	363	680						
Other portfolios	7,904	238						
- repurchase agreements	949	116	Model - Discounted cash flow	Interest rate curve	5%	8%	3%	8%
- bonds	3,383	1	Market proxy	Mid quotes	-	103	-	101
- other ²	3,572	121						
At 30 Jun 2024	30,626	15,770						

1 'Private equity including strategic investments' includes private equity, private credit, private equity funds, and infrastructure debt, primarily held as part of our Insurance business and for strategic investments. The analysis for private equity positions has been enhanced with the range of key unobservable inputs now quoted.

2 'Other' includes a range of smaller holdings with multiple inputs.

7 Fair values of financial instruments not carried at fair value

The bases for measuring the fair values of loans and advances to banks and customers, financial investments, deposits by banks, customer accounts, debt securities in issue, subordinated liabilities and non-trading repurchase and reverse repurchase agreements are explained on pages 382 and 383 of the Annual Report and Accounts 2023.

Fair values of financial instruments not carried at fair value on the balance sheet

	At 30 Jun 2024		At 31 Dec 2023	
	Carrying amount \$m	Fair value \$m	Carrying amount \$m	Fair value \$m
Assets				
Loans and advances to banks	102,057	102,058	112,902	112,744
Loans and advances to customers	938,257	923,152	938,535	924,382
Reverse repurchase agreements - non-trading	230,189	230,153	252,217	252,243
Financial investments - at amortised cost	149,338	146,390	148,326	146,588
Liabilities				
Deposits by banks	82,435	82,472	73,163	73,176
Customer accounts	1,593,834	1,593,834	1,611,647	1,611,795
Repurchase agreements - non-trading	202,770	202,735	172,100	172,081
Debt securities in issue	98,158	99,009	93,917	93,902
Subordinated liabilities	25,510	27,916	24,954	27,151

Fair values of financial instruments not carried at fair value on the balance sheet - assets and disposal groups held for sale

	At 30 Jun 2024		At 31 Dec 2023	
	Carrying amount \$m	Fair value \$m	Carrying amount \$m	Fair value \$m
Assets				
Loans and advances to banks	631	631	10,487	10,487
Loans and advances to customers	2,414	2,339	73,376	72,290
Reverse repurchase agreements - non-trading	209	209	2,723	2,723
Financial investments - at amortised cost	92	113	7,624	7,535
Liabilities				
Deposits by banks	9	9	78	78
Customer accounts	4,037	4,037	85,950	86,475
Repurchase agreements - non-trading	1	1	2,768	2,768
Debt securities in issue	-	-	9,084	8,820
Subordinated liabilities	-	-	8	7

Other financial instruments not carried at fair value are typically short term in nature and repriced to current market rates frequently. Accordingly, their carrying amount is a reasonable approximation of fair value.

8 Derivatives

Notional contract amounts and fair values of derivatives by product contract type held by HSBC

	Notional contract amount				Fair value amount			
	Assets and liabilities		Assets		Total \$m	Liabilities		Total \$m
	Trading \$m	Hedging \$m	Trading \$m	Hedging \$m		Trading \$m	Hedging \$m	
Foreign exchange	11,084,647	65,960	87,694	1,921	89,615	82,071	170	82,241
Interest rate	17,753,900	363,059	216,753	4,522	221,275	217,725	4,603	222,328
Equities	835,458	-	17,797	-	17,797	21,556	-	21,556
Credit	157,766	-	1,350	-	1,350	1,586	-	1,586
Commodity and other	104,840	-	2,250	-	2,250	2,403	-	2,403
Gross total fair values	29,936,611	429,019	325,844	6,443	332,287	325,341	4,773	330,114
Offset					(113,018)			(113,018)
At 30 Jun 2024	29,936,611	429,019	325,844	6,443	219,269	325,341	4,773	217,096
Foreign exchange	9,463,768	63,547	99,014	935	99,949	99,949	780	100,729
Interest rate	14,853,397	361,312	223,534	5,119	228,653	225,443	4,080	229,523
Equities	677,149	-	14,427	-	14,427	17,603	-	17,603
Credit	153,606	-	1,351	-	1,351	1,861	-	1,861
Commodity and other	90,007	-	1,820	-	1,820	1,542	-	1,542
Gross total fair values	25,237,927	424,859	340,146	6,054	346,200	346,398	4,860	351,258
Offset					(116,486)			(116,486)
At 31 Dec 2023	25,237,927	424,859	340,146	6,054	229,714	346,398	4,860	234,772

The notional contract amounts of derivatives held for trading purposes and derivatives designated in qualifying hedge accounting relationships indicate the nominal value of transactions outstanding at the balance sheet date, not amounts at risk. Derivative assets and liabilities decreased during 1H24, reflecting changes in yield curves and the market environment.

Hedge accounting derivatives

The notional contract amounts of derivatives held for hedge accounting purposes indicate the nominal value of transactions outstanding at the balance sheet date, not amounts at risk.

Notional contract amounts of derivatives held for hedging purposes by product type

	At 30 Jun 2024		At 31 Dec 2023	
	Cash flow hedges \$m	Fair value hedges \$m	Cash flow hedges \$m	Fair value hedges \$m
Foreign exchange	33,272	-	29,772	-
Interest rate	184,049	179,010	188,327	172,985
Total	217,321	179,010	218,099	172,985

The Group applies hedge accounting in respect of certain consolidated net investments. Hedging is undertaken using forward foreign exchange contracts or by financing with foreign currency borrowings. At 30 June 2024, the notional contract value of outstanding financial instruments designated as hedges of net investments in foreign operations was \$32,688m (31 December 2023: \$33,775m).

9 Financial investments

Carrying amounts of financial investments

	30 Jun 2024	31 Dec 2023
	\$m	\$m
Financial investments measured at fair value through other comprehensive income	318,018	294,437
- treasury and other eligible bills	110,960	102,438
- debt securities	205,327	190,119
- equity securities	1,492	1,447
- other instruments	239	433
Debt instruments measured at amortised cost	149,338	148,326
- treasury and other eligible bills	26,177	30,733
- debt securities	123,161	117,593
At the end of the period	467,356	442,763

10 Interests in associates and joint ventures

At 30 June 2024, the carrying amount of HSBC's interests in associates and joint ventures was \$28,465m (31 December 2023: \$27,344m).

Principal associates of HSBC

	At 30 Jun 2024		At 31 Dec 2023	
	Carrying amount \$m	Fair value ¹ \$m	Carrying amount \$m	Fair value ¹ \$m
Bank of Communications Co., Limited	22,126	11,096	21,210	8,812
Saudi Awwal Bank	4,823	6,469	4,659	6,438

¹ Principal associates are listed on recognised stock exchanges. The fair values are based on the quoted market prices of the shares held (Level 1 in the fair value hierarchy).

Share of profit in associates and joint ventures

	Half year to	
	30 Jun 2024 \$m	30 Jun 2023 \$m
Bank of Communications Co., Limited	1,257	1,317
Saudi Awwal Bank	317	272
Other associates and joint ventures	52	(6)
Share of profit in associates and joint ventures	1,626	1,583

Bank of Communications Co., Limited

The Group maintains a 19.03% interest in Bank of Communications Co., Limited ('BoCom'). The Group's investment in BoCom is classified as an associate. Significant influence in BoCom was established with consideration of all relevant factors, including representation on BoCom's Board of Directors and participation in a resource and experience sharing agreement ('RES'). Under the RES, HSBC staff have been seconded to assist in the maintenance of BoCom's financial and operating policies. Investments in associates are recognised using the equity method of accounting in accordance with IAS 28 'Investments in Associates and Joint Ventures', whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of associate's net assets. An impairment test is required if there is any indication of

impairment.

The fair value of the Group's investment in BoCom is below its carrying amount. At 31 December 2023, the Group performed an impairment test on the carrying amount, which resulted in an impairment of \$3.0bn, as the recoverable amount as determined by a value in use ('VIU') calculation was lower than the carrying value.

The VIU may increase or decrease depending on the effect of changes to model inputs. The main model inputs are described below and are based on factors observed at period-end. The factors that could result in increases or reductions in the VIU include changes in BoCom's short-term performance, a change in regulatory capital requirements or revisions to the forecast of BoCom's future profitability.

If the Group did not have significant influence in BoCom, the investment would be carried at fair value rather than the current carrying value.

Impairment testing

At 30 June 2024, the carrying amount of the investment was \$22.1bn (31 December 2023: \$21.2bn) with fair value of \$11.1bn (31 December 2023: \$8.8bn). The Group has concluded there is no indication of further significant impairment (or indication that an impairment may no longer exist or may have decreased significantly) since 31 December 2023. As part of this assessment the Group updated the VIU calculation, which supported the case that there was no significant change to the 31 December 2023 impairment position. As a result, no additional impairment to the carrying amount (or reversal of impairment) was made at 30 June 2024.

Basis of recoverable amount

The updated assessment was performed by comparing the recoverable amount of BoCom, determined by a VIU calculation, with its carrying value. The VIU calculation uses discounted cash flow projections based on management's best estimates of future earnings available to ordinary shareholders prepared in accordance with IAS 36 'Impairment of Assets'. Significant management judgement is required in arriving at the best estimate.

There are two main components to the VIU calculation. The first component is management's best estimate of BoCom's earnings. Forecast earnings growth over the short to medium term continues to be lower than recent (within the last five years) actual growth, and reflects the impact of recent macroeconomic, policy and industry factors in mainland China. As a result of management's intent to continue to retain its investment for the long term, earnings beyond the short to medium term are extrapolated into perpetuity using a long-term growth rate to derive a terminal value, which comprises the majority of the VIU. The second component is the capital maintenance charge ('CMC'), which is management's forecast of the earnings that need to be withheld in order for BoCom to meet capital requirements over the forecast period, meaning that CMC is deducted when arriving at management's estimate of future earnings available to ordinary shareholders. The CMC reflects the revised capital requirements arising from revisions of the ratio of risk-weighted assets to total assets assumption. The principal inputs to the CMC calculation include estimates of asset growth, the ratio of risk-weighted assets to total assets and the expected capital requirements. An increase in the CMC as a result of a change to these principal inputs would reduce VIU. Additionally, management considers other qualitative factors, to ensure that the inputs to the VIU calculation remain appropriate.

Key assumptions in value-in-use calculation

We used a number of assumptions in our VIU calculation, in accordance with the requirements of IAS 36:

- Long-term profit growth rate: 3.00% (31 December 2023: 3.00%) for periods after 2027, which does not exceed forecast GDP growth in mainland China and is similar to forecasts by external analysts.
- Long-term asset growth rate: 3.25% (31 December 2023: 3.00%) for periods after 2027, which is the rate that assets are expected to grow to achieve long-term profit growth of 3.00%. The increase of long-term asset growth rate was supported by historical data, which is expected to continue.
- Discount rate: 8.53% (31 December 2023: 9.00%), which is based on a capital asset pricing model ('CAPM'), using market data. The discount rate used is within the range of 7.7% to 9.4% (31 December 2023: 7.9% to 9.7%) indicated by the CAPM, and decreased as a consequence of a market-driven reduction in the risk-free rate and beta.
- Expected credit losses ('ECL') as a percentage of loans and advances to customers: ranges from 0.78% to 0.97% (31 December 2023: 0.80% to 0.97%) in the short to medium term, reflecting reported credit experience in mainland China. For periods after 2027, the ratio is 0.97% (31 December 2023: 0.97%), which is higher than BoCom's average ECL as a percentage of loans and advances to customers in recent years prior to the pandemic.
- Risk-weighted assets as a percentage of total assets: ranges from 62.0% to 62.5% (31 December 2023: 62.0% to 63.7%) in the short to medium term, reflecting higher risk-weights in the short term followed by an expected reversion to recent historical levels. For periods after 2027, the ratio is 62.0% (31 December 2023: 62.0%), which is similar to BoCom's actual results in recent years.
- Loans and advances to customers growth rate: ranges from 9.0% to 10.0% (31 December 2023: 9.0% to 10.0%) in the short to medium term,

which is similar to BoCom's actual results in recent years. Increases in the forecast growth rate of loans and advances to customers results in higher forecast ECL.

- Operating income growth rate: ranges from -0.4% to 9.3% (31 December 2023: -0.4% to 9.7%) in the short to medium term, which is similar to BoCom's actual results in recent years, and is impacted by projections of net interest income in the short term as a consequence of recent macroeconomic, policy and industry factors in mainland China.
- Cost-income ratio: ranges from 35.5% to 39.8% (31 December 2023: 35.5% to 39.8%) in the short to medium term. These ratios are similar to BoCom's actual results in recent years and forecasts disclosed by external analysts.
- Effective tax rate ('ETR'): ranges from 6.3% to 15.0% (31 December 2023: 5.3% to 15.0%) in the short to medium term, reflecting BoCom's actual results and an expected increase towards the long-term assumption through the forecast period. For periods after 2027, the rate is 15.0% (31 December 2023: 15.0%), which is higher than the recent historical average, and aligned to the minimum tax rate as proposed by the OECD/Group of 20 ('G20') Inclusive Framework on Base Erosion and Profit Shifting.
- Capital requirements: capital adequacy ratio of 12.5% (31 December 2023: 12.5%) and tier 1 capital adequacy ratio of 9.5% (31 December 2023: 9.5%), based on BoCom's capital risk appetite and capital requirements respectively.

The VIU is highly sensitive to the assumptions above. To indicate the scale of that sensitivity, we also disclose the reasonably possible range of VIU-based changes to these assumptions. This is based on impacts arising from the favourable/unfavourable change in the earnings in the short to medium term, the long-term expected credit losses as a percentage of loans and advances to customers, and a 50bps increase/decrease in the discount rate. At 30 June 2024, we estimate that the reasonably possible range of VIU is \$14.1bn to \$31.1bn (31 December 2023: \$13.1bn to \$28.8bn), acknowledging that the fair value of the Group's investment has ranged from \$6.8bn to \$11.1bn over the last five years as at the date of the impairment test. All other long-term assumptions, and the basis of the CMC, have been kept unchanged when determining the reasonable possible range of the VIU.

Saudi Awwal Bank

The Group's investment in Saudi Awwal Bank ('SAB') is classified as an associate. HSBC is the largest shareholder in SAB with a shareholding of 31%. Significant influence in SAB is established via representation on the Board of Directors. Investments in associates are recognised using the equity method of accounting in accordance with IAS 28, as described previously for BoCom.

Impairment testing

There were no indicators of impairment at 30 June 2024. The fair value of the Group's investment in SAB of \$6.5bn was above the carrying amount of \$4.8bn.

11 Provisions

	Restructuring costs \$m	Legal proceedings and regulatory matters \$m	Customer remediation \$m	Other provisions \$m	Total \$m
Provisions (excluding contractual commitments)					
At 31 Dec 2023	284	380	130	420	1,214
Additions	37	97	12	49	195
Amounts utilised	(113)	(145)	(24)	(64)	(346)
Unused amounts reversed	(33)	(45)	(24)	(39)	(141)
Exchange and other movements	(8)	(4)	6	17	11
At 30 Jun 2024	167	283	100	383	933
Contractual commitments¹					
At 31 Dec 2023					527
Net change in expected credit loss provision and other movements					76
At 30 Jun 2024					603
Total provisions					
At 31 Dec 2023					1,741
At 30 Jun 2024					1,536

¹ Contractual commitments include the expected credit loss provision in relation to off-balance sheet financial guarantee contracts and commitments where HSBC has become party to an irrevocable commitment, as defined under IFRS 9 'Financial Instruments'; and provisions for performance and other guarantee contracts.

Further details of 'Legal proceedings and regulatory matters' are set out in Note 13. Legal proceedings include civil court, arbitration or tribunal proceedings brought against HSBC companies (whether by way of claim or counterclaim); or civil disputes that may, if not settled, result in court, arbitration or tribunal proceedings. 'Regulatory matters' refers to investigations, reviews and other actions carried out by, or in response to, the

actions of regulators or law enforcement agencies in connection with alleged wrongdoing by HSBC.

Customer remediation refers to HSBC's activities to compensate customers for losses or damages associated with a failure to comply with regulations or to treat customers fairly. Customer remediation is often initiated by HSBC in response to customer complaints and/or industry developments in sales practices, and is not necessarily initiated by regulatory action.

For further details of the impact of IFRS 9 on undrawn loan commitments and financial guarantees, presented in 'Contractual commitments', see Note 12. Further analysis of the movement in the ECL provision is disclosed within the 'Reconciliation of changes in gross carrying/nominal amount and allowances for loans and advances to banks and customers including loan commitments and financial guarantees' table on page 82.

Brazil PIS and COFINS tax matters

Beginning in the late 1990s, HSBC Bank Brasil S.A. - Banco Múltiplo ('HSBC Brazil') and other financial services firms brought legal proceedings in Brazil challenging the assessment of PIS and COFINS taxes, which are federal taxes imposed on gross revenues earned by legal entities in Brazil. The Supreme Court of Brazil selected three cases - one involving an insurer, in 2007, and two involving other banks, in 2011 - to set standards that would apply to all of these proceedings. In June 2023, the court ruled against the financial services firms in all three cases. The standards set by the court in this ruling have not yet been applied to HSBC Brazil's legacy cases, liability for which remained with HSBC after the sale of HSBC's operations in Brazil to Bradesco in 2016. There are many factors that may affect the range of outcomes and any resulting financial impact for HSBC. Based upon the information currently available, a provision was recognised in respect of one legacy case. The remaining additional tax liability subject to challenge on all legacy PIS and COFINS cases is up to \$0.4bn.

12 Contingent liabilities, contractual commitments and guarantees

	At	
	30 Jun 2024 \$m	31 Dec 2023 \$m
Guarantees and other contingent liabilities:		
- financial guarantees	16,343	17,009
- performance and other guarantees	91,275	94,277
- other contingent liabilities	543	636
At the end of the period	108,161	111,922
Commitments: ¹		
- documentary credits and short-term trade-related transactions	7,169	7,818
- forward asset purchases and forward deposits placed	87,219	78,535
- standby facilities, credit lines and other commitments to lend	780,929	810,797
At the end of the period	875,317	897,150

1 Includes \$638,635m of commitments at 30 June 2024 (31 December 2023: \$661,015m), to which the impairment requirements in IFRS 9 are applied where HSBC has become party to an irrevocable commitment.

The preceding table discloses the nominal principal amounts of off-balance sheet liabilities and commitments for the Group, which represent the maximum amounts at risk should the contracts be fully drawn upon and the clients default. As a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the nominal principal amounts is not indicative of future liquidity requirements. The expected credit loss provision relating to guarantees and commitments under IFRS 9 is disclosed in Note 11.

The majority of the guarantees have a term of less than one year, while guarantees with terms of more than one year are subject to HSBC's annual credit review process.

Contingent liabilities arising from legal proceedings and regulatory and other matters against Group companies are excluded from this note but are disclosed in Notes 11 and 13.

13 Legal proceedings and regulatory matters

HSBC is party to legal proceedings and regulatory matters in a number of jurisdictions arising out of its normal business operations. Apart from the matters described below, HSBC considers that none of these matters are material. The recognition of provisions is determined in accordance with the accounting policies set out in Note 1 of the Annual Report and Accounts 2023. While the outcomes of legal proceedings and regulatory matters are inherently uncertain, management believes that, based on the information available to it, appropriate provisions have been made in respect of these matters as at 30 June 2024 (see Note 11). Where an individual provision is material, the fact that a provision has been made is stated and quantified, except to the extent that doing so would be seriously prejudicial. Any provision recognised does not constitute an admission of wrongdoing or legal liability. It is not practicable to provide an aggregate estimate of potential liability for our legal proceedings and regulatory matters as a class of contingent liabilities.

Bernard L. Madoff Investment Securities LLC

Various non-US HSBC companies provided custodial, administration and similar services to a number of funds incorporated outside the US whose assets were invested with Bernard L. Madoff Investment Securities LLC ('Madoff Securities'). Based on information provided by Madoff Securities as at 30 November 2008, the purported aggregate value of these funds was \$8.4bn, including fictitious profits reported by Madoff. Based on information available to HSBC, the funds' actual transfers to Madoff Securities minus their actual withdrawals from Madoff Securities during the time HSBC serviced the funds are estimated to have totalled approximately \$4bn. Various HSBC companies have been named as defendants in lawsuits arising out of Madoff Securities' fraud.

US litigation: The Madoff Securities Trustee has brought lawsuits against various HSBC companies and others, seeking recovery of alleged transfers from Madoff Securities to HSBC in the amount of \$543m (plus interest), and these lawsuits remain pending in the US Bankruptcy Court for the Southern District of New York (the 'US Bankruptcy Court').

Certain Fairfield entities (together, 'Fairfield') (in liquidation) have brought a lawsuit in the US against fund shareholders, including HSBC companies that acted as nominees for clients, seeking restitution of redemption payments in the amount of \$382m (plus interest). Fairfield's claims against most of the HSBC companies have been dismissed by the US Bankruptcy Court and the US District Court for the Southern District of New York, but remain pending on appeal before the US Court of Appeals for the Second Circuit. Fairfield's claims against HSBC Private Bank (Suisse) SA and HSBC Securities Services Luxembourg ('HSSL') have not been dismissed and their appeals are also pending before the US Court of Appeals for the Second Circuit. Meanwhile, proceedings before the US Bankruptcy Court with respect to the claims against HSBC Private Bank (Suisse) SA and HSSL are ongoing.

UK litigation: The Madoff Securities Trustee has filed a claim against various HSBC companies in the High Court of England and Wales, seeking recovery of transfers from Madoff Securities to HSBC. The claim has not yet been served and the amount claimed has not been specified.

Luxembourg litigation: In 2009, Herald Fund SPC ('Herald') (in liquidation) brought an action against HSSL before the Luxembourg District Court, seeking restitution of cash and securities in the amount of \$2.5bn (plus interest), or damages in the amount of \$2bn (plus interest). In 2018, HSBC Bank plc was added to the claim and Herald increased the amount of the alleged damages claim to \$5.6bn (plus interest). The Luxembourg District Court has dismissed Herald's securities restitution claim, but reserved Herald's cash restitution and damages claims. Herald has appealed this dismissal to the Luxembourg Court of Appeal, where the matter is pending.

Beginning in 2009, various HSBC companies have been named as defendants in a number of actions brought by Alpha Prime Fund Limited in the Luxembourg District Court seeking damages for alleged breach of contract and negligence in the amount of \$1.16bn (plus interest). These matters are currently pending before the Luxembourg District Court.

Beginning in 2014, HSSL and the Luxembourg branch of HSBC Bank plc have been named as defendants in a number of actions brought by Senator Fund SPC before the Luxembourg District Court seeking restitution of securities in the amount of \$625m (plus interest), or damages in the amount of \$188m (plus interest). These matters are currently pending before the Luxembourg District Court.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of the pending matters, including the timing or any possible impact on HSBC, which could be significant.

US Anti-Terrorism Act litigation

Since November 2014, a number of lawsuits have been filed in federal courts in the US against various HSBC companies and others on behalf of plaintiffs who are, or are related to, alleged victims of terrorist attacks in the Middle East. In each case, it is alleged that the defendants aided and abetted the unlawful conduct of various sanctioned parties in violation of the US Anti-Terrorism Act, or provided banking services to customers alleged to have connections to terrorism financing. Seven actions, which seek damages for unspecified amounts, remain pending and HSBC's motions to dismiss have been granted in three of these cases. These dismissals are subject to appeals and/or the plaintiffs re-pleading their claims. The four other actions are at an early stage.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Interbank offered rates investigation and litigation

Euro interest rate derivatives: In December 2016, the European Commission ('EC') issued a decision finding that HSBC, among other banks, engaged in anti-competitive practices in connection with the pricing of euro interest rate derivatives, and the EC imposed a fine on HSBC based on a one-month infringement in 2007. The fine was annulled in 2019 and a lower fine was imposed in 2021. In January 2023, the European Court of Justice dismissed an appeal by HSBC and upheld the EC's findings on HSBC's liability. A separate appeal by HSBC concerning the amount of the fine remains pending before the General Court of the European Union.

US dollar Libor: Beginning in 2011, HSBC and other panel banks have been named as defendants in a number of individual and putative class action lawsuits filed in federal and state courts in the US with respect to the setting of US dollar Libor. The complaints assert claims under various US federal and state laws, including antitrust and racketeering laws and the Commodity Exchange Act ('US CEA'). HSBC has concluded class settlements with five groups of plaintiffs, and several class action lawsuits brought by other groups of plaintiffs have been voluntarily dismissed. A number of individual US dollar Libor-related actions seeking damages for unspecified amounts remain pending.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of the pending matters, including the timing or any possible impact on HSBC, which could be significant.

Foreign exchange-related investigations and litigation

In December 2016, Brazil's Administrative Council of Economic Defense initiated an investigation into the onshore foreign exchange market and identified a number of banks, including HSBC, as subjects of its investigation, which remains ongoing.

Since 2017, HSBC Bank plc, among other financial institutions, has been defending a complaint filed by the Competition Commission of South Africa before the South African Competition Tribunal for alleged anti-competitive behaviour in the South African foreign exchange market. In 2020, a revised complaint was filed which also named HSBC Bank USA N.A. ('HSBC Bank USA') as a defendant. In January 2024, the South African Competition Appeal Court dismissed HSBC Bank USA from the revised complaint but denied HSBC Bank plc's application to dismiss. The Competition Commission and HSBC Bank plc have appealed to the Constitutional Court of South Africa.

Since 2015, various HSBC companies and other banks have been named as defendants in a putative class action in the US District Court for the Southern District of New York filed by a group of retail customers who dealt in foreign exchange products. The plaintiffs allege that the defendants conspired to manipulate foreign exchange rates and seek damages for unspecified amounts. In May 2024, the US Court of Appeals for the Second Circuit affirmed the dismissal of this action.

HSBC Bank plc and HSBC Holdings have reached a settlement with plaintiffs in Israel to resolve a class action filed in the local courts alleging foreign exchange-related misconduct. The settlement remains subject to court approval. Lawsuits alleging foreign exchange-related misconduct remain pending against HSBC and other banks in courts in Brazil.

In February 2024, HSBC Bank plc and HSBC Holdings were joined to an existing claim brought in the UK Competition Appeals Tribunal against various other banks alleging historical anti-competitive behaviour in the foreign exchange market and seeking approximately £3bn in damages from all the defendants. This matter is at an early stage. It is possible that additional civil actions will be initiated against HSBC in relation to its historical foreign exchange activities.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of the pending matters, which could be significant.

Precious metals fix-related litigation

US litigation: HSBC and other members of The London Silver Market Fixing Limited are defending a class action pending in the US District Court for the Southern District of New York alleging that, from January 2007 to December 2013, the defendants conspired to manipulate the price of silver and silver derivatives for their collective benefit in violation of US antitrust laws, the US CEA and New York state law. In May 2023, this action, which seeks damages for unspecified amounts, was dismissed but remains pending on appeal.

HSBC and other members of The London Platinum and Palladium Fixing Company Limited are defending a class action pending in the US District Court for the Southern District of New York alleging that, from January 2008 to November 2014, the defendants conspired to manipulate the price of platinum group metals and related financial products for their collective benefit in violation of US antitrust laws and the US CEA. The defendants have reached a settlement-in-principle with the plaintiffs to resolve this action. The settlement-in-principle remains subject to documentation and court approval.

Canada litigation: HSBC and other financial institutions are defending putative class actions filed in the Ontario and Quebec Superior Courts of Justice alleging that the defendants conspired to manipulate the price of silver, gold and related derivatives in violation of the Canadian Competition Act and common law. These actions each seek CA\$1bn in damages plus CA\$250m in punitive damages. Two of the actions are proceeding and the others have been stayed.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of the pending matters, which could be significant.

Tax-related investigations

In March 2023, the French National Financial Prosecutor announced an investigation into a number of banks, including HSBC Continental Europe and the Paris branch of HSBC Bank plc, in connection with alleged tax fraud related to the dividend withholding tax treatment of certain trading activities. HSBC Bank plc and the German branch of HSBC Continental Europe also continue to cooperate with investigations by the German public prosecutor into numerous financial institutions and their employees, in connection with the dividend withholding tax treatment of certain trading activities.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Gilts trading investigation and litigation

Since 2018, the UK Competition and Markets Authority ('CMA') has been investigating HSBC and four other banks for suspected anti-competitive conduct in relation to the historical trading of gilts and related derivatives. In May 2023, the CMA announced its case against HSBC Bank plc and HSBC Holdings; both HSBC companies are contesting the CMA's allegations.

In June 2023, HSBC Bank plc and HSBC Securities (USA) Inc., among other banks, were named as defendants in a putative class action filed in the US District Court for the Southern District of New York by plaintiffs alleging anti-competitive conduct in the gilts market and seeking damages for unspecified amounts. In September 2023, the defendants filed a motion to dismiss which remains pending. It is possible that additional civil actions will be initiated against HSBC in relation to its historical gilts trading activities.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

UK collections and recoveries investigation

In 2019, the FCA began investigating HSBC Bank plc's, HSBC UK Bank plc's and Marks and Spencer Financial Services plc's compliance with regulatory standards relating to collections and recoveries operations in the UK between 2017 and 2018. In May 2024, the FCA concluded its investigation and imposed a £6m fine on HSBC Bank plc, HSBC UK Bank plc and Marks and Spencer Financial Services plc, which has been paid, and this matter is now closed.

Korean short selling indictment

In March 2024, the Korean Prosecutors' Office issued a criminal indictment against The Hongkong and Shanghai Banking Corporation Limited and three current and former employees for breaching short selling rules under the Financial Investment Services and Capital Markets Act in connection with trades carried out between August 2021 and December 2021. The Hongkong and Shanghai Banking Corporation Limited is defending the action.

Silicon Valley Bank ('SVB') litigation

In May 2023, First-Citizens Bank & Trust Company ('First Citizens') brought a lawsuit in the US District Court for the Northern District of California against various HSBC companies and seven US-based HSBC employees who had previously worked for SVB. The lawsuit seeks \$1bn in damages and alleges, among other things, that the various HSBC companies conspired with the individual defendants to solicit employees from First Citizens and that the individual defendants took confidential information belonging to SVB and/or First Citizens. In July 2024, the court dismissed several of First Citizens' claims and also dismissed certain defendants for lack of jurisdiction, but allowed limited discovery into whether some of these defendants may be subject to jurisdiction. The remaining claims are proceeding against certain defendants.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of this matter, including the timing or any possible impact on HSBC, which could be significant.

Film Finance litigation

In June 2020, two separate investor groups issued claims against HSBC UK Bank plc (as successor to HSBC Private Bank (UK) Limited ('PBGB')) in the High Court of England and Wales seeking damages for unspecified amounts in connection with PBGB's role in the development of Eclipse film finance schemes. In March 2024, HSBC UK Bank plc reached a settlement with the first investor group. In April 2024, the High Court dismissed the second investor group's claims, and this matter is now closed.

US mortgage securitisation litigation

Beginning in 2014, a number of lawsuits were filed in various state and federal courts in the US against HSBC Bank USA, as a trustee of more than 280 mortgage securitisation trusts, seeking unspecified damages for losses in collateral value allegedly sustained by the trusts. HSBC Bank USA has reached settlements with a number of plaintiffs to resolve nearly all of these lawsuits. The remaining two actions are pending in a New York state court. HSBC Bank USA and certain of its affiliates continue to defend a mortgage loan repurchase action seeking unspecified damages and specific performance brought by the trustee of a mortgage securitisation trust in New York state court.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of the pending matters, which could be significant.

Mexican government bond litigation

HSBC Mexico S.A. and other banks are named as defendants in a consolidated putative class action pending in the US District Court for the Southern District of New York alleging anti-competitive conduct in the Mexican government bond market between 2010 and 2014 and seeking damages for unspecified amounts. In February 2024, the US Court of Appeals for the Second Circuit reversed an earlier dismissal of this lawsuit. In May 2024, the plaintiffs amended their complaint and this action is ongoing.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of this matter, including the timing or any possible impact on HSBC, which could be significant.

Stanford litigation

Since 2009, HSBC Bank plc has been named as a defendant in numerous claims filed in courts in the UK and the US arising from the collapse of Stanford International Bank Ltd, for which it was a correspondent bank from 2003 to 2009. In February 2023, HSBC Bank plc reached settlements with the plaintiffs to resolve the claims and these settlements have concluded.

Other regulatory investigations, reviews and litigation

HSBC Holdings and/or certain of its affiliates are also subject to a number of other enquiries and examinations, requests for information, investigations and reviews by various tax authorities, regulators, competition and law enforcement authorities, as well as legal proceedings including litigation, arbitration and other contentious proceedings, in connection with various matters arising out of their businesses and operations.

At the present time, HSBC does not expect the ultimate resolution of any of these matters to be material to the Group's financial position; however, given the uncertainties involved in legal proceedings and regulatory matters, there can be no assurance regarding the eventual outcome of a particular matter or matters.

14 Transactions with related parties

There were no changes in the related party transactions described in the Annual Report and Accounts 2023 that have had a material effect on the financial position or performance of HSBC in the half-year to 30 June 2024. All related party transactions that took place in the half-year to 30 June 2024 were similar in nature to those disclosed in the Annual Report and Accounts 2023.

15 Assets held for sale, liabilities of disposal groups held for sale and business acquisitions

	At	
	30 Jun 2024	31 Dec 2023
	\$m	\$m
Disposal groups	6,226	115,836
Unallocated impairment losses ¹	(695)	(1,975)
Non-current assets held for sale	290	273
Assets held for sale	5,821	114,134
Liabilities of disposal groups held for sale	5,041	108,406

1 This represents impairment losses in excess of the carrying value of the non-current assets, excluded from the measurement scope of IFRS 5.

Disposal groups

France retail banking operations

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'). The sale also included HSBC Continental Europe's 100% ownership interest in HSBC SFH (France) and its 3% ownership interest in Crédit Logement.

Upon completion and in accordance with the terms of the sale, HSBC Continental Europe received a €0.1bn (\$0.1bn) profit participation interest in the ultimate holding company of My Money Group. The associated impacts on initial recognition of this stake at fair value were recognised as part of the pre-tax loss on disposal in 2023, upon the reclassification of the disposal group as held for sale. In accordance with the terms of the sale, HSBC Continental Europe retained a portfolio of €7.1bn (\$7.6bn) at the time of sale, consisting of home and certain other loans, in respect of which it may consider on-sale opportunities at a suitable time, and the CCF brand, which it licensed to the buyer under a long-term licence agreement. Additionally, HSBC Continental Europe's subsidiaries, HSBC Assurances Vie (France) and HSBC Global Asset Management (France), have entered into distribution agreements with the buyer.

The customer lending balances and associated income statement impacts of the portfolio of retained loans, together with the profit participation interest and the licence agreement of the CCF brand, were reclassified from WPB to Corporate Centre, with effect from 1 January 2024.

Canada banking business

On 28 March 2024, HSBC Overseas Holdings (UK) Limited, a direct subsidiary of HSBC Holdings plc, completed the sale of HSBC Bank Canada to the Royal Bank of Canada.

The completion of the transaction resulted in a gain on sale of \$4.8bn, inclusive of the recycling of \$0.6bn in foreign currency translation reserve losses and \$0.4bn in other reserves losses. The gain on sale also included \$0.3bn in fair value gains recognised on the related foreign exchange hedges in the first quarter of 2024. There was no tax on the gain recognised at completion due to the substantial shareholding exemption rule in the UK.

Following the completion of this transaction, the Board approved a special dividend of \$0.21 per share, which was paid in June 2024 alongside the first interim dividend.

Argentina business

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').

Galicia will acquire all of HSBC Argentina's business covering banking, asset management and insurance, together with \$100m of subordinated debt issued by HSBC Argentina and held by HSBC Latin America Holdings (UK) Limited for a base consideration of \$550m. The consideration will be adjusted for the results of the business and fair value gains or losses on HSBC Argentina's securities portfolios during the period between 31 December 2023 and closing.

HSBC expects to receive the purchase consideration in a combination of cash and Galicia's American Depositary Receipts ('ADRs'), with ADRs accounting for around half of the consideration received and representing less than a 10% economic interest in Galicia. The transaction is subject to conditions, including regulatory approval, and is expected to be completed in the second half of 2024.

At 31 March 2024, given the advanced stage of agreement on deal terms and that completion was expected within 12 months, our investment in HSBC Argentina met the criteria to be classified as held for sale in accordance with IFRS 5. At 30 June 2024, total assets of \$5.9bn and total liabilities of \$4.1bn were classified as held for sale, and we recognised a \$1.2bn pre-tax loss in the first half of 2024. There was no tax deduction on the loss recognised. At closing, cumulative foreign currency translation reserves and other reserves will recycle to the income statement. At 30 June 2024, foreign currency translation reserve and other reserve losses stood at \$5.0bn.

Between signing and closing, the loss on sale will vary by changes in the net asset value of the disposed business and associated hyperinflation

and foreign currency translation, and the fair value of consideration including price adjustments and migration costs.

Other disposals

On 30 May 2024, HSBC Europe BV, a wholly-owned subsidiary of HSBC Bank plc, completed the sale of HSBC Bank (RR) (Limited Liability Company) to Expobank. Foreign currency translation reserve losses of \$0.1bn were recognised in the income statement upon completion.

On 6 February 2024, following a strategic review of our operations in Armenia, HSBC Europe BV reached an agreement for the sale of HSBC Bank Armenia to Ardshinbank. This resulted in a loss on classification to held for sale of \$0.1bn. The transaction is subject to regulatory approvals. As part of this transaction, all staff members of HSBC Armenia will transfer to Ardshinbank at completion, and the transfer will include all customer relationships held by HSBC Armenia at that time. The transaction is expected to complete in the second half of 2024.

On 13 November 2023, the Hongkong and Shanghai Banking Corporation Limited (acting through its Mauritius branch) entered into an agreement with ABSA Bank (Mauritius) Limited, a wholly-owned subsidiary of ABSA Bank Group Limited, to sell its Wealth and Personal Banking business in Mauritius. The sale completed on 6 July 2024 and the financial impact was not significant for the Group.

At 30 June 2024, the major classes of assets and associated liabilities of disposal groups held for sale, including allocated impairment losses, were as follows:

	Argentina \$m	Armenia \$m	Other \$m	Total \$m
Assets of disposal groups held for sale				
Cash and balances at central banks	244	64	-	308
Trading assets	176	1	-	177
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	412	-	-	412
Derivatives	3	-	-	3
Loans and advances to banks	616	15	-	631
Loans and advances to customers	1,559	478	216	2,253
Reverse repurchase agreements - non-trading	175	33	1	209
Financial investments ¹	1,788	71	-	1,859
Prepayments, accrued income and other assets	338	25	11	374
Total assets at 30 Jun 2024	5,311	687	228	6,226
Liabilities of disposal groups held for sale				
Deposits by banks	8	1	-	9
Customer accounts	3,077	457	503	4,037
Repurchase agreements - non-trading	1	-	-	1
Derivatives	1	-	-	1
Accruals, deferred income and other liabilities	974	16	3	993
Total liabilities at 30 Jun 2024	4,061	474	506	5,041

	Second half of 2024	Second half of 2024
	All global businesses	All global businesses
Expected date of completion		
Operating segment		

1 Includes financial investments measured at fair value through other comprehensive income of \$1,767m and debt instruments measured at amortised cost of \$92m.

	Canada \$m	Retail banking operations in France \$m	Other \$m	Total \$m
Assets of disposal groups held for sale				
Cash and balances at central banks	5,370	226	-	5,596
Trading assets	2,465	-	-	2,465
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	15	49	-	64
Derivatives	528	-	-	528
Loans and advances to banks	154	10,333	-	10,487
Loans and advances to customers	56,129	16,902	254	73,285
Reverse repurchase agreements - non-trading	2,723	-	-	2,723
Financial investments ¹	16,978	33	-	17,011
Goodwill	225	-	-	225
Prepayments, accrued income and other assets	3,318	132	2	3,452
Total assets at 31 Dec 2023	87,905	27,675	256	115,836
Liabilities of disposal groups held for sale				
Trading liabilities	1,417	-	-	1,417
Deposits by banks	78	-	-	78
Customer accounts	63,001	22,307	642	85,950
Repurchase agreements - non-trading	2,768	-	-	2,768
Financial liabilities designated at fair value	-	2,370	-	2,370
Derivatives	608	7	-	615
Debt securities in issue	7,707	1,377	-	9,084
Subordinated liabilities	8	-	-	8
Accruals, deferred income and other liabilities	5,916	196	4	6,116
Total liabilities at 31 Dec 2023	81,503	26,257	646	108,406

1 Includes financial investments measured at fair value through other comprehensive income of \$9,385m and debt instruments measured at amortised cost of \$7,624m.

Business acquisitions

In October 2023, HSBC Global Asset Management Singapore Limited, a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, entered into an agreement to acquire 100% of the shares of SilkRoad Property Partners Pte Ltd ('SilkRoad') and for HSBC Global Asset Management Limited to acquire SilkRoad's affiliated General Partner entities. SilkRoad is a Singapore headquartered Asia-Pacific-focused, real estate investment manager. The acquisition was completed on 31 January 2024.

In October 2023, HSBC Bank (China) Company Limited, a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, entered into an agreement to acquire Citibank China's retail wealth management portfolio in mainland China. The portfolio comprises assets under management and deposits, and the associated wealth customers. The acquisition was completed on 7 June 2024.

In accordance with IFRS 3, the amounts recognised for both acquisitions at 30 June 2024 remain provisional until expiry of the measurement period.

16 Events after the balance sheet date

On 6 July 2024, the Hongkong and Shanghai Banking Corporation Limited (acting through its Mauritius Branch) completed the sale of its Wealth and Personal Banking business to ABSA Bank (Mauritius) Limited, a wholly-owned subsidiary of ABSA Bank Group Limited. The financial impact was not significant for the Group.

A second interim dividend for 2024 of \$0.10 per ordinary share in respect of the financial year ending 31 December 2024 was approved by the Directors on 31 July 2024, as described in Note 3. On 31 July 2024, HSBC Holdings announced a share buy-back to purchase its ordinary shares up to a maximum consideration of \$3.0bn, which is expected to commence shortly and complete within three months.

17 Interim Report 2024 and statutory accounts

The information in this Interim Report 2024 is unaudited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. This Interim Report 2024 was approved by the Board of Directors on 31 July 2024. The unaudited interim condensed consolidated financial statements included in the Interim Report 2024 have been reviewed by the Group's auditor, PwC, in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom. The statutory accounts of HSBC Holdings plc for the year ended 31 December 2023 have been delivered to the Registrar of Companies in England and Wales in accordance with section 447 of the Companies Act 2006. The Group's auditor, PwC, has reported on those accounts. Its report was unqualified, did not include a reference to any matters to which PwC drew attention by way of emphasis without qualifying its report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Contents

142	1 Directors' interests	146	10 Earnings release
144	2 Employee share plans	147	11 Final results
144	3 Share buy-back	147	12 Corporate governance
145	4 Other equity instruments	147	13 Changes in Directors' details
145	5 Notifiable interests in share capital	147	14 Going concern basis
146	6 Dealings in HSBC Holdings listed securities	147	15 Telephone and online share dealing service
146	7 Second interim dividend for 2024	148	16 Stock symbols
146	8 Dividend on preference share	148	17 Copies of the Interim Report 2024 and shareholder enquiries and communications
146	9 Proposed interim dividends for 2024		

1 Directors' interests

According to the register of Directors' interests maintained by HSBC Holdings pursuant to section 352 of the Securities and Futures Ordinance of Hong Kong, at 30 June 2024 the Directors of HSBC Holdings had the following interests, all beneficial unless otherwise stated, in the shares or debentures of HSBC Holdings and its associated corporations:

Directors' interests - shares and debentures

	At 1 Jan 2024 or date of appointment, if later		At 30 Jun 2024 or date of retirement, if earlier			Total interests
	Total interests	Beneficial owner	Child under 18 or spouse	Jointly with spouse/other	Trustee	
HSBC Holdings ordinary shares						
Geraldine Buckingham ¹	15,000	15,000	-	-	-	15,000
Rachel Duan ¹	15,000	15,000	-	-	-	15,000
Georges Elhedery ²	753,467	894,799	-	-	-	894,799
Dame Carolyn Fairbairn	15,000	15,000	-	-	-	15,000
James Forese ¹	115,000	115,000	-	-	-	115,000
Ann Godbehere ¹	15,000	-	-	15,000	-	15,000
Steven Guggenheimer ¹	15,000	-	-	15,000	-	15,000
José Antonio Meade Kuribreña ¹	15,000	15,000	-	-	-	15,000
Kalpana Morparia ¹	15,000	15,000	-	-	-	15,000
Eileen Murray ¹	75,000	75,000	-	-	-	75,000
Brendan Nelson	-	-	-	-	-	-
David Nish (retired on 3 May 2024)	50,000	-	50,000	-	-	50,000
Noel Quinn ²	1,721,465	2,000,730	-	-	-	2,000,730
Swee Lian Teo	15,200	15,200	-	-	-	15,200
Sir Mark Tucker	307,352	307,352	-	-	-	307,352

1 Geraldine Buckingham has an interest in 3,000, Rachel Duan in 3,000, James Forese in 23,000, Ann Godbehere in 3,000, Steven Guggenheimer in 3,000, José Antonio Meade Kuribreña in 3,000, Kalpana Morparia in 3,000 and Eileen Murray in 15,000 listed American Depositary Shares ('ADSs'), which are categorised as equity derivatives under Part XV of the Securities and Futures Ordinance of Hong Kong. Each ADS represents five HSBC Holdings ordinary shares.

2 Executive Directors' other interests in HSBC Holdings ordinary shares arising from the HSBC Holdings Savings-Related Share Option Plan (UK) and the HSBC Share Plan 2011 are set out on the following pages. At 30 June 2024, the aggregate interests under the Securities and Futures Ordinance of Hong Kong in HSBC Holdings ordinary shares, including interests arising through employee share plans, were: Noel Quinn - 5,690,240 and Georges Elhedery - 2,545,618. Each Director's total interests represents approximately 0.03% of the shares in issue and 0.01% of the shares in issue, respectively.

HSBC Holdings Savings-Related Share Option Plan (UK)

Currently no executive Directors participate in a Savings-Related Share Option Plan.

HSBC Share Plan 2011

Share awards

Vesting of deferred share awards is normally subject to the Director remaining an employee on the vesting date. The awards may vest at an earlier date in certain circumstances. Under the Securities and Futures Ordinance of Hong Kong, interests in conditional share awards are categorised as the interests of the beneficial owner.

Deferred share, immediate share and fixed pay allowance awards

Dates of award	Award price (£) ¹	Usually vesting		HSBC Holdings ordinary shares					At 30 Jun 2024
		from	to	At 1 Jan 2024	Granted in period	Vested in period	Lapsed in period	Cancelled in period	
27 Feb 2017 ²	6.503	1 Mar 2020	31 Mar 2024	19,886	-	19,886	-	-	-
26 Feb 2018 ³	7.234	1 Mar 2021	31 Mar 2025	43,011	-	21,504	-	-	21,507
25 Feb 2019 ⁴	6.235	1 Mar 2022	31 Mar 2026	84,351	-	28,117	-	-	56,234
24 Feb 2020 ⁵	5.622	1 Mar 2023	31 Mar 2027	161,362	-	40,340	-	-	121,022
26 Feb 2024 ⁶	5.972		26 Feb 2024	-	168,955	168,955	-	-	-
8 May 2024 ⁷	7.126		8 May 2024	-	42,146	42,146	-	-	-
Noel Quinn									
1 Jan to 30 Jun 2024 ⁸	-	1 Mar 2024	31 Mar 2024	-	812	812	-	-	-
25 Feb 2019 ⁹	6.235	1 Mar 2020	31 Mar 2024	17,193	-	17,193	-	-	-
24 Feb 2020 ⁶	5.622	1 Mar 2023	31 Mar 2027	118,129	-	29,532	-	-	88,597
1 Mar 2021 ¹⁰	4.262	1 Mar 2024	31 Mar 2028	305,523	-	61,104	-	-	244,419
28 Feb 2022 ¹¹	5.38	1 Mar 2025	31 Mar 2029	273,163	-	-	-	-	273,163
Georges Elhedery									
26 Feb 2024 ⁶	5.972		26 Feb 2024	-	107,752	107,752	-	-	-
8 May 2024 ⁷	7.126		8 May 2024	-	26,899	26,899	-	-	-

1 The award price is the closing price on the day before the grant date. In all cases the purchase price is nil.

2 The award vested in five equal annual tranches. The final tranche vested on 11 March 2024 at a market value of £5.7534. Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for six months from the vesting date. The closing price of the shares immediately before the date on which the awards were vested was £5.7990.

3 Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The award will vest in five equal annual tranches. The fourth tranche vested on 12 March 2024 at a market value of £5.8992. The closing price of the shares immediately before the date on which the awards were vested was £5.7580.

4 Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The award will vest in five equal annual tranches. The third tranche vested on 11 March 2024 at a market value of £5.7534. The closing price of the shares immediately before the date on which the awards were vested was £5.7990.

5 Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The award will vest in five equal annual tranches. The second tranche vested on 11 March 2024 at a market value of £5.7534. The closing price of the shares immediately before the date on which the awards were vested was £5.7990.

6 The non-deferred award vested immediately on 26 February 2024 and was based on the market value of £5.9605. Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The closing price of the shares immediately before 26 February 2024, the date on which the awards were granted and vested, was £5.9720. The fair value of the awards granted on 26 February 2024 was £5.9570 based on IFRS 2 accounting standards.

7 The fixed pay allowance award vested immediately on 8 May 2024 at a value of £7.2080. Individual tax liabilities were settled in cash, therefore the number of shares awarded reflects the net of tax number of shares. The awards are subject to a retention period and release annually on a pro-rata basis over five years starting in March 2025. The closing price of the shares immediately before 8 May 2024, the date on which the awards were granted, was £7.1260. The fair value of the awards granted on 8 May 2024 was £7.2080 based on IFRS 2 accounting standards.

8 Relates to the allocation of dividend equivalent shares in relation to eligible awards.

9 Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for six months from the vesting date. The award vested in five equal annual tranches. The final tranche vested on 11 March 2024 at a market value of £5.7534. The closing price of the shares immediately before the date on which the awards were vested was £5.7990.

10 Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The award will vest in five equal annual tranches. The first tranche vested on 12 March 2024 at a market value of £5.8992. The closing price of the shares immediately before the date on which the awards were vested was £5.7580.

11 The award will vest in five equal annual tranches commencing in 2025. Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date.

Long-term incentive awards

The long-term incentive award is an award of shares with a three-year performance period. At the end of this performance period and subject to the award terms, the number of shares that vest will be determined based on an assessment against financial and non-financial measures.

Details of these measures can be found in the Directors' remuneration report in the Annual Report and Accounts. Subject to that assessment, the shares will vest in five equal annual instalments, with the first instalment vesting on or around the third anniversary of the grant date and the last instalment vesting on or around the seventh anniversary of the grant date. On vesting, awards are subject to a retention period of up to one year.

Under the Securities and Futures Ordinance of Hong Kong, interests in share awards are categorised as interests of the beneficial owner.

Long-term incentive awards

	Dates of award	Award price (£) ¹	Usually vesting		HSBC Holdings ordinary shares					
			from	to	At 1 Jan 2024	Granted in period	Vested in period	Lapsed in period	Cancelled in period	At 30 Jun 2024
	1 Mar 2021	4.262	1 Mar 2024	31 Mar 2028	1,118,554	-	167,782 ²	279,639	-	671,133
	28 Feb 2022	5.38	1 Mar 2025	31 Mar 2029	983,339	-	-	-	-	983,339
	27 Feb 2023	6.357	1 Mar 2026	31 Mar 2030	861,422	-	-	-	-	861,422
Noel Quinn	26 Feb 2024 ³	5.972	1 Mar 2027	31 Mar 2031	-	974,853	-	-	-	974,853
	28 Feb 2022	5.38	1 Mar 2025	31 Mar 2029	223,989	-	-	-	-	223,989
Georges	27 Feb 2023	6.357	1 Mar 2026	31 Mar 2030	251,474	-	-	-	-	251,474
Elhedery	26 Feb 2024 ³	5.972	1 Mar 2027	31 Mar 2031	-	569,177	-	-	-	569,177

1 The award price is the closing price on the day before the grant date. In all cases the purchase price is nil.

2 The performance conditions were assessed and confirmed at 75%. The remaining 25% of the award was forfeited. Shares equivalent in number to those that vest under the award (net of tax liabilities) must be retained for one year from the vesting date. The award vests in five equal annual tranches commencing in 2024. The first tranche vested on 12 March 2024 at a market value of £5.8992. The closing price of the shares immediately before the date on which the awards were vested was £5.7580.

3 The closing price of the shares on the day before the grant date was £5.972. The fair value of the awards was £2.028 based on IFRS 2 accounting standards.

No Directors held any short position (as defined in the Securities and Futures Ordinance of Hong Kong) in the shares or debentures of HSBC Holdings and its associated corporations. Save as stated in the tables above, none of the Directors had an interest in any shares or debentures of HSBC Holdings or any associates at the beginning or at the end of the period, and none of the Directors or members of their immediate families were awarded or exercised any right to subscribe for any shares or debentures in any HSBC corporation during the period.

There have been no changes in the shares or debentures of the Directors from 30 June 2024 to the date of this report.

2 Employee share plans

Summaries of the share options and share awards granted, exercised/vested or lapsed during the first half of 2024 and other details required to be disclosed pursuant to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including detailed summaries of the HSBC share plans, are available on our website at www.hsbc.com/who-we-are/leadership-and-governance/remuneration and on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk, or can be obtained on request from the Group Company Secretary and Chief Governance Officer, 8 Canada Square, London, E14 5HQ.

Particulars of options held by Directors of HSBC Holdings are set out on page [142](#).

3 Share buy-back

(Reviewed)

On 1 November 2023, HSBC Holdings commenced a share buy-back to purchase its ordinary shares up to a maximum consideration of \$3.0bn. The share buy-back continued in 2024 and was concluded on 16 February 2024, with 64,733,089 ordinary shares repurchased for cancellation on UK trading venues and 79,414,800 ordinary shares repurchased for cancellation on The Stock Exchange of Hong Kong Limited ('HKEx') in January and February 2024.

On 23 February 2024, HSBC Holdings commenced a further share buy-back of its ordinary shares of \$0.50 each up to a maximum consideration of \$2.0bn. This share buy-back concluded on 23 April 2024 with 127,570,463 ordinary shares repurchased for cancellation on UK trading venues and 127,412,800 ordinary shares repurchased for cancellation on HKEx.

On 8 May 2024, HSBC Holdings commenced a further share buy-back of its ordinary shares of \$0.50 each up to a maximum consideration of \$3.0bn. As at 30 June 2024, 135,376,852 ordinary shares had been repurchased for cancellation on UK trading venues and 118,148,000 ordinary shares were repurchased for cancellation on HKEx.

The purpose of the share buy-backs is to reduce HSBC's number of outstanding ordinary shares.

As at 30 June 2024, the total number of ordinary shares repurchased during the year was 652,656,004, representing a nominal value of \$326,328,002 and an aggregate consideration paid by HSBC of £2,123,749,873 on UK trading venues and HK\$20,762,986,458 on HKEx. The shares repurchased represent 3.505% of the shares in issue. Of the repurchased shares, 45,010,444 shares were awaiting cancellation as at 30 June 2024.

The table that follows outlines details of the shares purchased and cancelled on a monthly basis during 2024.

Share buy-back - UK venues

	Number of shares purchased	Highest price paid per share £	Lowest price paid per share £	Average price paid per share £	Aggregate price paid £
Jan 2024	64,733,089	6.4300	5.8190	6.1356	397,174,665
Feb 2024	17,761,890	6.2050	5.9270	6.0468	107,403,375
Mar 2024	59,048,017	6.2810	5.7290	6.0295	356,031,979
Apr 2024	50,760,556	6.6960	6.1950	6.4603	327,930,581
May 2024	59,069,838	7.2440	6.8240	6.9678	411,587,427
Jun 2024	76,307,014	7.0080	6.7040	6.8620	523,621,846
Total	327,680,404				2,123,749,873

Share buy-back - Hong Kong venues

	Number of shares purchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Average price paid per share HK\$	Aggregate price paid HK\$
Jan 2024	57,819,600	63.8000	57.8500	61.0549	3,530,172,280
Feb 2024	33,790,800	62.4500	58.8500	60.8394	2,055,810,581
Mar 2024	63,110,400	61.9500	58.1000	60.1891	3,798,555,480
Apr 2024	52,106,800	64.9500	61.1000	63.0989	3,287,883,380
May 2024	53,104,800	70.6500	67.5000	68.7465	3,650,768,500
Jun 2024	65,043,200	69.7500	67.0500	68.2592	4,439,796,237
Total	324,975,600				20,762,986,458

4 Other equity instruments

Additional tier 1 capital - contingent convertible securities

HSBC Holdings continues to issue contingent convertible securities that are included in its capital base as fully CRR II-compliant additional tier 1 capital securities on an end point basis. These securities are marketed principally and subsequently allotted to corporate investors and fund managers. The net proceeds of the issuances are typically used for HSBC Holdings' general corporate purposes and to further strengthen its capital base to meet requirements under CRR II. These securities bear a fixed rate of interest until their initial call dates. After the initial call dates, if they are not redeemed, the securities will bear interest at rates fixed periodically in advance for five-year periods based on credit spreads, fixed at issuance, above prevailing market rates. Interest on the contingent convertible securities will be due and payable only at the sole discretion of HSBC Holdings, and HSBC Holdings has sole and absolute discretion at all times to cancel for any reason (in whole or part) any interest payment that would otherwise be payable on any payment date. Distributions will not be paid if they are prohibited under UK banking regulations or if the Group has insufficient reserves or fails to meet the solvency conditions defined in the securities' terms.

The contingent convertible securities are undated and are repayable at the option of HSBC Holdings in whole typically at the initial call date or on any fifth anniversary after this date. In addition, the securities are repayable at the option of HSBC in whole for certain regulatory or tax reasons. Any repayments require the prior consent of the PRA. These securities rank pari passu with HSBC Holdings' sterling preference shares and therefore rank ahead of ordinary shares. The contingent convertible securities will be converted into fully paid ordinary shares of HSBC Holdings at a predetermined price, should HSBC's consolidated non-transitional CET1 ratio fall below 7.0%. Therefore, in accordance with the terms of the securities, if HSBC's non-transitional CET1 ratio breaches the 7.0% trigger, the securities will convert into ordinary shares at fixed contractual conversion price in the currency of the relevant securities. During the first half of 2024, HSBC Holdings issued SGD1,500m contingent convertible securities.

5 Notifiable interests in share capital

Between 1 January 2024 and 30 June 2024, HSBC Holdings did not receive any notification of major holdings of voting rights pursuant to the requirements of Rule 5 of the Disclosure, Guidance and Transparency Rules, which had not been amended or withdrawn. No further notifications had been received between 30 June 2024 and 20 July 2024.

Previous notifications received, which have not been amended or withdrawn, are as follows:

- BlackRock, Inc. gave notice on 3 March 2020 that on 2 March 2020 it had the following: an indirect interest in HSBC Holdings ordinary shares of 1,235,558,490; qualifying financial instruments with 7,294,459 voting rights that may be acquired if the instruments are exercised or converted; and financial instruments with a similar economic effect to qualifying financial instruments, which refer to 2,441,397 voting rights, representing 6.07%, 0.03% and 0.01%, respectively, of the total voting rights at 2 March 2020.
- Ping An Asset Management Co., Ltd. gave notice on 6 December 2017 that on 4 December 2017 it had an indirect interest in HSBC Holdings ordinary shares of 1,007,946,172, representing 5.04% of the total voting rights at that date.

-

At 30 June 2024, according to the register maintained by HSBC Holdings pursuant to section 336 of the Securities and Futures Ordinance of Hong Kong, the following notifications of major holdings have been made to HSBC Holdings and have not been amended or withdrawn:

- BlackRock, Inc. gave notice on 7 June 2024 that on 4 June 2024 it had the following interests in HSBC Holdings ordinary shares: a long position of 1,667,403,488 shares and a short position of 18,161,531 shares, representing 8.89% and 0.10%, respectively, of the ordinary shares in issue at that date.
- Ping An Asset Management Co., Ltd. gave notice on 10 May 2024 that on 7 May 2024 it had a long position of 1,502,584,731 in HSBC Holdings ordinary shares, representing 7.98% of the ordinary shares in issue at that date.

-

6 Dealings in HSBC Holdings listed securities

HSBC has policies and procedures that, except where permitted by statute and regulation, prohibit it undertaking specified transactions in respect of its securities listed on The Stock Exchange of Hong Kong Limited ('HKEx'). Except for dealings as intermediaries or as trustees by subsidiaries of HSBC Holdings, or in relation to HSBC Holdings ordinary share buy-backs, neither HSBC Holdings nor any of its subsidiaries has purchased, sold or redeemed any of its securities listed on HKEx during the half-year ended 30 June 2024.

7 Second interim dividend for 2024

On 31 July 2024, the Directors approved a second interim dividend in respect of the financial year ending 31 December 2024 of \$0.10 per ordinary share (the 'dividend'), a distribution of approximately \$1.849bn. The dividend will be payable on 27 September 2024 to holders of record on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 16 August 2024.

The dividend will be payable in US dollars, or in pounds sterling or Hong Kong dollars at the forward exchange rates quoted by HSBC Bank plc in London at or about 11.00am on 16 September 2024. The ordinary shares in London, Hong Kong and Bermuda will be quoted ex-dividend on 15 August 2024. American Depositary Shares ('ADSs') in New York will be quoted ex-dividend on 16 August 2024.

The default currency on the Principal Register in the UK is pounds sterling, and dividends can also be paid in Hong Kong dollars or US dollars, or a combination of these currencies. International shareholders can register to join the Global Dividend Service to receive dividends in their local currencies. Please register and read the terms and conditions at www.investorcentre.co.uk. UK shareholders can also register their sterling bank mandates at www.investorcentre.co.uk.

The default currency on the Hong Kong Overseas Branch Register is Hong Kong dollars, and dividends can also be paid in US dollars or pounds sterling, or a combination of these currencies. Shareholders can arrange for direct credit of Hong Kong dollar cash dividends into their bank account, or arrange to send US dollar or pound sterling cheques to the credit of their bank account. Shareholders can register for these services at www.investorcentre.com/hk. Shareholders can also download a dividend currency election form from www.hsbc.com/dividends, www.investorcentre.com/hk, or www.hkexnews.hk.

The default currency on the Bermuda Overseas Branch Register is US dollars, and dividends can also be paid in Hong Kong dollars or pounds sterling, or a combination of these currencies. Shareholders can change their dividend currency election by contacting the Bermuda investor relations team. Shareholders can download a dividend currency election form from www.hsbc.com/dividends.

Changes to currency elections must be received by 12 September 2024 to be effective for this dividend.

The dividend will be payable on ADSs, each of which represents five ordinary shares, on 27 September 2024 to holders of record on 16 August 2024. The dividend of \$0.50 per ADS will be payable by the depositary in US dollars. Alternatively, the cash dividend may be invested in additional ADSs by participants in the dividend reinvestment plan operated by the depositary. Elections must be received by 6 September 2024.

Any person who has acquired ordinary shares registered on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register but who has not lodged the share transfer with the Principal Registrar in the UK, Hong Kong Overseas Branch Registrar or Bermuda Overseas Branch Registrar should do so before 4.00pm local time on 16 August 2024 in order to receive the dividend.

Ordinary shares may not be removed from or transferred to the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 16 August 2024. Any person wishing to remove ordinary shares to or from each register must do so before 4.00pm local time on 15 August 2024.

Transfer of ADSs must be lodged with the depositary by 11.00am on 16 August 2024 in order to receive the dividend. ADS holders who receive a cash dividend will be charged a fee, which will be deducted by the depositary, of \$0.005 per ADS per cash dividend.

8 Dividend on preference share

A quarterly dividend of £0.01 per Series A sterling preference share is payable on 15 March, 17 June, 16 September and 16 December 2024 for the quarter then ended at the sole and absolute discretion of the Board of HSBC Holdings plc. Accordingly, the Board of HSBC Holdings plc has approved a quarterly dividend to be payable on 16 September 2024 to holders of record on 30 August 2024.

9 Proposed interim dividends for 2024

As previously communicated, we have established a dividend payout ratio of 50% of earnings per ordinary share ('EPS') for 2023 and 2024. EPS for this purpose excludes material notable items and related impacts. Material notable items in 1H24 and 2023 included the planned 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. 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 was recognised at completion, inclusive of the recycling of related reserves and fair value gains on related hedges. The Board has adopted a dividend policy designed to provide sustainable cash dividends, while retaining the flexibility to invest and grow the business in the future, supplemented by additional shareholder distributions, if appropriate.

Dividends are declared in US dollars and, at the election of the shareholder, paid in cash in one of US dollars, pounds sterling or Hong Kong dollars.

10 Earnings release

An earnings release for the three-month period ending 30 September 2024 is expected to be issued on 29 October 2024.

11 Final results

The results for the year to 31 December 2024 are expected to be announced on 19 February 2025.

12 Corporate governance

We are subject to corporate governance requirements in both the UK and Hong Kong. Throughout the six months ended 30 June 2024, we complied with the applicable provisions of the UK Corporate Governance Code, and also the requirements of the Hong Kong Corporate Governance Code. The UK Corporate Governance Code is available at www.frc.org.uk and the Hong Kong Corporate Governance Code is available at www.hkex.com.hk. We note that the Financial Reporting Council have issued a new UK Corporate Governance Code, which will apply to financial reporting periods from 1 January 2025, and that The Stock Exchange of Hong Kong Limited is currently consulting on changes to the Hong Kong Corporate Governance Code. The Group will take the necessary actions to ensure that we continue to be compliant with both Codes as the new provisions come into force.

The Board has codified obligations for transactions in Group securities in accordance with the requirements of the UK Market Abuse Regulation and the rules governing the listing of securities on the HKEx, save that the HKEx has granted waivers from strict compliance with the rules that take into account accepted practices in the UK, particularly in respect of employee share plans.

All Directors have confirmed that they have complied with their obligations in respect of transacting in Group securities throughout the period.

There have been no material changes to the information disclosed in the Annual Report and Accounts 2023 in respect of the remuneration of employees, remuneration policies, bonus and share option plans and training schemes. Details of the number of employees are provided on page 34 of the Interim Report 2024.

13 Changes in Directors' details

Changes in current Directors' details since the date of the Annual Report and Accounts 2023, which are required to be disclosed pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Hong Kong Listing Rules, are set out below.

Ann Godbehere

Appointed to the Group Audit Committee on 21 February 2024. Appointed Senior Independent Director on 3 May 2024.

Steven Guggenheimer

Appointed to the Group Technology Committee on 1 March 2024.

Kalpana Morparia

Appointed to the Group Technology Committee on 1 March 2024.

Eileen K Murray

Appointed Chair of the Group Technology Committee on 1 March 2024.

Brendan Nelson

Appointed Chair of the Group Audit Committee on 21 February 2024 and to the Group Technology Committee on 1 March 2024.

David Nish

Retired from the Board, Group Audit Committee, Group Risk Committee and Nomination & Corporate Governance Committee on 3 May 2024.

Swee Lian Teo

Appointed to the Group Technology Committee on 1 March 2024.

14 Going concern basis

As mentioned in Note 1 'Basis of preparation and material accounting policies' on page [120](#), the financial statements are prepared on a going concern basis as the Directors are satisfied that the Group and parent company have the resources to continue in business for the foreseeable future. In making this assessment, the Directors considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows, capital requirements and capital resources. These considerations include persistently high interest rate and inflationary stress scenarios that reflect the intensification of ongoing global energy supply issues, the impact of the Russia-Ukraine and Israel-Hamas wars, as well as the potential impacts from other top and emerging risks, and the related impact on profitability, capital and liquidity.

In particular, HSBC's principal activities, business and operating models, strategic direction, and top and emerging risks are addressed in the Overview section. A financial summary, including a review of the consolidated income statement and consolidated balance sheet, is provided in the 'Interim management report' section. HSBC's objectives, policies and processes for managing credit, liquidity and market risk are described in the 'Risk review' section of the Annual Report and Accounts 2023. HSBC's approach to capital management and allocation is described in the 'Treasury risk' section of the Annual Report and Accounts 2023.

15 Telephone and online share dealing service

For shareholders on the Principal Register who are resident in the UK, with a UK postal address, and who hold an HSBC Bank plc personal current account, the HSBC InvestDirect share dealing service is available for buying and selling HSBC Holdings plc ordinary shares. Details are available from: HSBC InvestDirect, Forum 1, Parkway, Whiteley PO15 7PA; or UK telephone: +44 (0) 3456 080848, or from an overseas telephone: +44 (0) 1226 261090; or website: www.hsbc.co.uk/investments/products-and-services/invest-direct.

16 Stock symbols

HSBC Holdings plc ordinary shares trade under the following stock symbols:

London Stock Exchange	HSBA
Hong Kong Stock Exchange	5
New York Stock Exchange (ADS)	HSBC
Bermuda Stock Exchange	HSBC.BH

17 Copies of the Interim Report 2024 and shareholder enquiries and communications

Further copies of the Interim Report 2024 may be obtained from Global Communications, HSBC Holdings plc, 8 Canada Square, London E14 5HQ, United Kingdom; from Communications (Asia), The Hongkong and Shanghai Banking Corporation Limited, 1 Queen's Road Central, Hong Kong; or from US Communications, HSBC Bank USA, N.A., 1 West 39th Street, 9th Floor, New York, NY 10018, USA. The Interim Report 2024 may also be downloaded from the HSBC website, www.hsbc.com.

Shareholders may at any time choose to receive corporate communications in printed form or to receive notifications of their availability on HSBC's website. To receive notifications of the availability of a corporate communication on HSBC's website by email, or to revoke or amend an instruction to receive such notifications by email, go to www.hsbc.com/investors/shareholder-information/manage-your-shareholding. If you provide an email address to receive electronic communications from HSBC, we will also send notifications of any future dividend entitlements by email. If you received a notification of the availability of this document on HSBC's website and would like to receive a printed copy or, if you would like to receive future corporate communications in printed form, please write or send an email (quoting your shareholder reference number) to the appropriate Registrar at the address given below. Printed copies will be provided without charge.

Any enquiries relating to your shareholdings on the share register (for example transfers of shares, change of name or address, lost share certificates or dividend cheques) should be sent to the Registrar at the address given below. The Registrars offer an online facility, Investor Centre, which enables shareholders to manage their shareholding electronically.

Principal Register:	Computershare Investor Services PLC The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ, United Kingdom	Telephone: +44 (0) 370 702 0137 www.investorcentre.co.uk/contactus Investor Centre: www.investorcentre.co.uk
Hong Kong Overseas Branch Register:	Computershare Hong Kong Investor Services Limited Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong	Telephone: +852 2862 8555 hsbc.ecom@computershare.com.hk Investor Centre: www.investorcentre.com/hk
Bermuda Overseas Branch Register:	Investor Relations Team HSBC Bank Bermuda Limited, 37 Front Street, Hamilton HM 11, Bermuda	hbbm.shareholder.services@hsbc.bm Investor Centre: www.investorcentre.com/bm
ADS Depository:	The Bank of New York Mellon Shareowner Services, P.O. Box 43006, Providence RI, 02940-3078, USA	Telephone (US): +1 877 283 5786 Telephone (International): +1 201 680 6825 shrrelations@cpushareownerservices.com www.mybnyndr.com

A Chinese translation of this and future documents may be obtained on request from the Registrar. Please also contact the Registrar if you have received a Chinese translation of this document and do not wish to receive such translations in future.

Persons whose shares are held on their behalf by another person may have been nominated to receive communications from HSBC pursuant to section 146 of the UK Companies Act 2006 ('nominated person'). The main point of contact for a nominated person remains the registered shareholder (for example your stockbroker, investment manager, custodian or other person who manages the investment on your behalf). Any changes or queries relating to a nominated person's personal details and holding (including any administration thereof) must continue to be directed to the registered shareholder and not HSBC's Registrar. The only exception is where HSBC, in exercising one of its powers under the UK Companies Act 2006, writes to nominated persons directly for a response.

本中期業績報告及日後的相關文件均備有中譯本，如有需要，請向適當的股份登記處索取。股東如收到本報告的中譯本，但不希望再收取此等中譯本，亦請聯絡股份登記處。

Cautionary statement regarding forward-looking statements

This Interim Report 2024 contains certain forward-looking statements with respect to HSBC's: financial condition; results of operations and business, including the strategic priorities; financial, investment and capital targets; and ESG targets, commitments and ambitions described herein.

Statements that are not historical facts, including statements about HSBC's beliefs and expectations, are forward-looking statements. Words such as 'may', 'will', 'should', 'expects', 'targets', 'anticipates', 'intends', 'plans', 'believes', 'seeks', 'estimates', 'potential' and 'reasonably possible', or the negative thereof, other variations thereon or similar expressions are intended to identify forward-looking statements. These statements are based on current plans, information, data, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. HSBC makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statements.

Written and/or oral forward-looking statements may also be made in the periodic reports to the US Securities and Exchange Commission, summary financial statements to shareholders, offering circulars and prospectuses, press releases and other written materials, and in oral statements made by HSBC's Directors, officers or employees to third parties, including financial analysts.

Forward-looking statements involve inherent risks and uncertainties. Readers are cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement.

These include, but are not limited to:

- changes in general economic conditions in the markets in which we operate, such as new, continuing or deepening recessions, prolonged inflationary pressures and fluctuations in employment levels and the creditworthiness of customers beyond those factored into consensus forecasts; the Russia-Ukraine war and the Israel-Hamas war and their impact on global economies and the markets where HSBC operates, which could have a material adverse effect on (among other things) our financial condition, results of operations, prospects, liquidity, capital position and credit ratings; deviations from the market and economic assumptions that form the basis for our ECL measurements (including, without limitation, as a result of the Russia-Ukraine war and the Israel-Hamas war, inflationary pressures, commodity price changes, and ongoing developments in the commercial real estate sector in mainland China); potential changes in HSBC's dividend policy; changes and volatility in foreign exchange rates and interest rates levels, including the accounting impact resulting from financial reporting in respect of hyperinflationary economies; volatility in equity markets; lack of liquidity in wholesale funding or capital markets, which may affect our ability to meet our obligations under financing facilities or to fund new loans, investments and businesses; geopolitical tensions or diplomatic developments producing social instability or legal uncertainty, such as the Russia-Ukraine war or the Israel-Hamas war (including the continuation and escalation thereof) and the related imposition of sanctions and trade restrictions, supply chain restrictions and disruptions, sustained increases in energy prices and key commodity prices, claims of human rights violations, diplomatic tensions, including between China and the US, the UK, the EU, India and other countries, and developments in Hong Kong and Taiwan, alongside other potential areas of tension, which may adversely affect HSBC by creating regulatory, reputational and market risks; the efficacy of government, customer, and HSBC's actions in managing and mitigating ESG risks, in particular climate risk, nature-related risks and human rights risks, and in supporting the global transition to net zero carbon emissions, each of which can impact HSBC both directly and indirectly through our customers and which may result in potential financial and non-financial impacts; illiquidity and downward price pressure in national real estate markets; adverse changes in central banks' policies with respect to the provision of liquidity support to financial markets; heightened market concerns over sovereign creditworthiness in over-indebted countries; adverse changes in the funding status of public or private defined benefit pensions; societal shifts in customer financing and investment needs, including consumer perception as to the continuing availability of credit; exposure to counterparty risk, including third parties using us as a conduit for illegal activities without our knowledge; the discontinuation of certain key lbors and the transition of the remaining legacy lbor contracts to near risk-free benchmark rates, which continues to expose HSBC to some financial and non-financial risks; and price competition in the market segments we serve;
- changes in government policy and regulation, including the monetary, interest rate and other policies of central banks and other regulatory authorities in the principal markets in which we operate and the consequences thereof (including, without limitation, actions taken as a result of changes in government following national elections in the jurisdictions where the Group operates); initiatives to change the size, scope of activities and interconnectedness of financial institutions in connection with the implementation of stricter regulation of financial institutions in key markets worldwide; revised capital and liquidity benchmarks, which could serve to deleverage bank balance sheets and lower returns available from the current business model and portfolio mix; changes to tax laws and tax rates applicable to HSBC, including the imposition of levies or taxes designed to change business mix and risk appetite; the practices, pricing or responsibilities of financial institutions serving their consumer markets; expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; the UK's

consumer markets; expropriation, nationalisation, combination of assets and changes in regulation relating to foreign ownership; the UK's relationship with the EU, which continues to be characterised by uncertainty and political disagreement, despite the signing of the Trade and Cooperation Agreement between the UK and the EU, particularly with respect to the potential divergence of UK and EU law on the regulation of financial services; changes in government approach and regulatory treatment in relation to ESG disclosures and reporting requirements, and the current lack of a single standardised regulatory approach to ESG across all sectors and markets; changes in UK macroeconomic and fiscal policy, which may result in fluctuations in the value of the pound sterling; general changes in government policy (including, without limitation, actions taken as a result of changes in government following national elections in the jurisdictions where the Group operates) that may significantly influence investor decisions; the costs, effects and outcomes of regulatory reviews, actions or litigation, including any additional compliance requirements; and the effects of competition in the markets where we operate including increased competition from non-bank financial services companies; and

- factors specific to HSBC, including our success in adequately identifying the risks we face, such as the incidence of loan losses or delinquency, and managing those risks (through account management, hedging and other techniques); our ability to achieve our financial, investment, capital and ESG targets, commitments and ambitions (including the positions set forth in our thermal coal phase-out policy and our energy policy and our targets to reduce our on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors), which may result in our failure to achieve any of the expected benefits of our strategic priorities; evolving regulatory requirements and the development of new technologies, including artificial intelligence, affecting how we manage model risk; model limitations or failure, including, without limitation, the impact that high inflationary pressures and rising interest rates have had on the performance and usage of financial models, which may require us to hold additional capital, incur losses and/or use compensating controls, such as judgemental post-model adjustments, to address model limitations; changes to the judgements, estimates and assumptions we base our financial statements on; changes in our ability to meet the requirements of regulatory stress tests; a reduction in the credit ratings assigned to us or any of our subsidiaries, which could increase the cost or decrease the availability of our funding and affect our liquidity position and net interest margin; changes to the reliability and security of our data management, data privacy, information and technology infrastructure, including threats from cyber-attacks, which may impact our ability to service clients and may result in financial loss, business disruption and/or loss of customer services and data; the accuracy and effective use of data, including internal management information that may not have been independently verified; changes in insurance customer behaviour and insurance claim rates; our dependence on loan payments and dividends from subsidiaries to meet our obligations; changes in our reporting frameworks and accounting standards, which have had and may continue to have a material impact on the way we prepare our financial statements; our ability to successfully execute planned strategic acquisitions and disposals; our success in adequately integrating acquired businesses into our business, including the integration of SVB UK into our CMB business; changes in our ability to manage third-party, fraud, financial crime and reputational risks inherent in our operations; employee misconduct, which may result in regulatory sanctions and/or reputational or financial harm; changes in skill requirements, ways of working and talent shortages, which may affect our ability to recruit and retain senior management and diverse and skilled personnel; and changes in our ability to develop sustainable finance and ESG-related products consistent with the evolving expectations of our regulators, and our capacity to measure the environmental and social impacts from our financing activity (including as a result of data limitations and changes in methodologies), which may affect our ability to achieve our ESG ambitions, targets and commitments, including our net zero ambition, our targets to reduce on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors and the positions set forth in our thermal coal phase-out policy and our energy policy, and increase the risk of greenwashing. Effective risk management depends on, among other things, our ability through stress testing and other techniques to prepare for events that cannot be captured by the statistical models it uses; our success in addressing operational, legal and regulatory, and litigation challenges; and other risks and uncertainties we identify in 'Risk overview' and 'Risk - Geopolitical and macroeconomic risk' on pages 25 to 27 and 62 to 64 of this Interim Report 2024.

Additional detailed information concerning important factors, including but not limited to ESG-related factors, that could cause actual results to differ materially from those anticipated or implied in any forward-looking statement in this Interim Report 2024 is available in our Annual Report and Accounts for the fiscal year ended 31 December 2023, which was filed with the SEC on Form 20-F on 22 February 2024.

This Interim Report 2024 contains a number of images, graphics, text boxes and credentials which aim to give a high-level overview of certain elements of our disclosures and to improve accessibility for readers. These images, graphics, text boxes and credentials are designed to be read within the context of the Interim Report 2024 as a whole.

Certain defined terms

Unless the context requires otherwise, 'HSBC Holdings' means HSBC Holdings plc and 'HSBC', the 'Group', 'we', 'us' and 'our' refer to HSBC Holdings together with its subsidiary undertakings. Within this document the Hong Kong Special Administrative Region of the People's Republic of China is referred to as 'Hong Kong'. When used in the terms 'shareholders' equity' and 'total shareholders' equity', 'shareholders' means holders of HSBC Holdings ordinary shares and those preference shares and capital securities issued by HSBC Holdings classified as equity. The abbreviations '\$m', '\$bn' and '\$tn' represent millions, billions (thousands of millions) and trillions of US dollars, respectively.

Abbreviations

Currencies

£	British pound sterling
CA\$	Canadian dollar
€	Euro
HK\$	Hong Kong dollar
RMB	Chinese renminbi
SGD	Singapore dollar
\$	United States dollar

Abbreviation

1H23	First half of 2023
1H24	First half of 2024
1Q23	First quarter of 2023
1Q24	First quarter of 2024
2H23	Second half of 2023
2Q23	Second quarter of 2023
2Q24	Second quarter of 2024
4Q23	Fourth quarter of 2023

A

ABS	Asset-backed security
ADS	American Depositary Share
AI	Artificial intelligence
AIBL	Average interest-bearing liabilities
AIEA	Average interest-earning assets
ALCO	Asset and Liability Management Committee
ANP	Annualised new business premiums
ASEAN	Association of Southeast Asian Nations
AT1	Additional tier 1

B

Banking Nil	Banking net interest income
Basel	Basel Committee on Banking Supervision
Basel III	Basel Committee's reforms to strengthen global capital and liquidity rules
Basel 3.1	Outstanding measures to be implemented from the Basel III reforms
BoCom	Bank of Communications Co., Limited, one of China's largest banks
BoE	Bank of England
Bps	Basis points. One basis point is equal to one hundredth of a percentage point

C

CAPM	Capital asset pricing model
CDOR	Canadian dollar offered rate
CEA	Commodity Exchange Act (US)
CET1	Common equity tier 1
CMB	Commercial Banking, a global business
CMC	Capital maintenance charge
CODM	Chief Operating Decision Maker
COFINS	Contribution for the Financing of Social Security, a Brazilian federal corporation tax
CPI	Consumer price index
CRD IV	Capital Requirements Regulation and Directive
CRE	Commercial real estate
CRR	Customer risk rating
CRR II	The regulatory requirements of the Capital Requirements Regulation and Directive, the CRR II regulation and the PRA Rulebook
CSM	Contractual service margin

D

Dec	December
DPD	Days past due
DPF	Discretionary participation feature of insurance and investment contracts
DVA	Debit valuation adjustment

E

EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank

ECL	Expected credit losses. In the income statement, ECL is recorded as a change in expected credit losses and other credit impairment charges. In the balance sheet, ECL is recorded as an allowance for financial instruments to which only the impairment requirements in IFRS 9 are applied.
EEA	European Economic Area
Eonia	Euro Overnight Index Average
EPS	Earnings per ordinary share
ESG	Environmental, social and governance
EU	European Union
Euribor	Euro interbank offered rate
EVE	Economic value of equity
F	
FCA	Financial Conduct Authority (UK)
FRB	Federal Reserve Board (US)
FTE	Full-time equivalent staff
FVOCI	Fair value through other comprehensive income
FX	Foreign exchange
G	
GAAP	Generally accepted accounting principles
GBM	Global Banking and Markets, a global business
GDP	Gross domestic product
GEC	Group Executive Committee
GPS	Global Payments Solutions, the business formerly known as Global Liquidity and Cash Management
Group	HSBC Holdings together with its subsidiary undertakings
GTS	Global Trade Solutions, the business formerly known as Global Trade and Receivables Finance
H	
HIBOR	Hong Kong interbank offered rate
HKEx	The Stock Exchange of Hong Kong Limited
HKMA	Hong Kong Monetary Authority
Holdings ALCO	HSBC Holdings Asset and Liability Management Committee
Hong Kong	Hong Kong Special Administrative Region of the People's Republic of China
HQLA	High-quality liquid assets
HSBC	HSBC Holdings together with its subsidiary undertakings
HSBC Bank plc	HSBC Bank plc, also known as the non-ring-fenced bank
HSBC Bank Middle East	HSBC Bank Middle East Limited
HSBC Canada	The sub-group, HSBC Bank Canada, HSBC Trust Company Canada, HSBC Mortgage Corporation Canada and HSBC Securities Canada, consolidated for liquidity purposes
HSBC Continental Europe	HSBC Continental Europe
HSBC Holdings	HSBC Holdings plc, the parent company of HSBC
HSBC UK	HSBC UK Bank plc, also known as the ring-fenced bank
HSSL	HSBC Securities Services (Luxembourg)
I	
IAS	International Accounting Standards
IASB	International Accounting Standards Board
libor	Interbank offered rate
ICAAP	Internal capital adequacy assessment process
IFRS Accounting Standards	International Financial Reporting Standards as issued by the International Accounting Standards Board
ILAAP	Internal liquidity adequacy assessment process
IVB	HSBC Innovation Banking
J	
Jan	January
Jun	June
JV	Joint venture
L	
LCR	Liquidity coverage ratio
Libor	London interbank offered rate
LTI	Long-term incentive
LTV	Loan to value
M	
M&A	Mergers and acquisitions
Mainland China	People's Republic of China excluding Hong Kong and Macau
Mar	March
MENAT	Middle East, North Africa and Türkiye
MREL	Minimum requirement for own funds and eligible liabilities
MSS	Markets and Securities Services, HSBC's capital markets and securities services businesses in Global Banking and Markets
N	
Net operating income	Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue
NII	Net interest income
NIM	Net interest margin
NSFR	Net stable funding ratio
O	
OCI	Other comprehensive income
OECD	Organisation of Economic Co-operation and Development
OTC	Over-the-counter
P	
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of default
PIS	Contribution to the Social Integration Programme, a Brazilian federal corporation tax
POCI	Purchased or originated credit-impaired financial assets
PRA	Prudential Regulation Authority (UK)
Premier	HSBC Premier, HSBC's premium personal global banking service

PVIF	Present value of in-force long-term insurance business and long-term investment contracts with DPF
PwC	The member firms of the PwC network, including PricewaterhouseCoopers LLP
R	
RAF	Bank of England's Resolvability Assessment Framework
RES	Resource and experience sharing agreement
RFR	Risk-free rate
RoE	Return on average ordinary shareholders' equity
RoTE	Return on average tangible equity
RWAs	Risk-weighted assets
S	
SAB	Saudi Awwal Bank
SEC	Securities and Exchange Commission (US)
ServCo group	Separately incorporated group of service companies established in response to UK ring-fencing requirements
Sibor	Singapore interbank offered rate
SME	Small and medium-sized enterprise
SOFR	Secured Overnight Financing Rate
SVB UK	Silicon Valley Bank UK Limited, now HSBC Innovation Bank Limited
T	
TNFD	Taskforce on Nature-related Financial Disclosures
U	
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
US	United States of America
V	
VaR	Value at risk
VIU	Value in use
W	
WPB	Wealth and Personal Banking, a global business

This document comprises the Interim Report 2024 and information herein has been filed on Form 6-K with the US Securities and Exchange Commission for HSBC Holdings plc and its subsidiary and associated undertakings.

HSBC Holdings plc

Incorporated in England with limited liability. Registered in England: number 617987

Registered Office and Group Head Office

8 Canada Square, London E14 5HQ, United Kingdom

Web: www.hsbc.com

Tel: +44(0)20 7991 8888

© Copyright HSBC Holdings plc 2024

All rights reserved

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC Holdings plc.

Published by Global Finance, HSBC Holdings plc, London

Designed by Design Bridge and Partners, London (cover) and by Global Finance with Design Bridge and Partners (rest of the Interim Report 2024)

Printed by Park Communications Limited, London, on Nautilus SuperWhite board and paper using vegetable oil-based inks.

Made in Austria, the stocks comprise 100% de-inked

post-consumer waste. Pulps used are totally chlorine-free.

The FSC® recycled logo identifies a paper which contains

100% post-consumer recycled fibre certified in accordance

with the rules of the Forest Stewardship Council®.



This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

IR QKDBKCBKKCON