

17 May 2020

HSBC LAUNCHES HSBC HEALTH GOAL INSURANCE PLAN TO COMMERCIAL CUSTOMERS IN HONG KONG TO MEET THEIR CRITICAL NEEDS AND ENSURE BUSINESS CONTINUITY

- *All-in-one solution combining keyman protection, talent retention with wealth growth*
- *3X critical illness benefits against three major diseases come with a flexibility to change life insured thrice*

HSBC announced the launch of HSBC Health Goal Insurance Plan (“HGIP”), a whole-of-life insurance plan designed for commercial customers in Hong Kong to address multiple business needs which are increasingly critical in a complex operating environment through a single solution. Starting from tomorrow, commercial customers will be able to integrate HGIP into their business continuity strategy to cover enhanced keyman protection, talent retention and long-term wealth growth.

As businesses are facing many challenges posed by the recent market trough, HGIP aims to help them stay protected and better prepared for future by integrating HSBC Life’s health proposition with a continued wealth solution that offers long-term growth potential. By focusing on the top three diseases that kill in Hong Kong – cancer, heart disease and stroke¹, the plan can help strengthen protection for their keyman through up to three times additional cash claims², without affecting the policy value. As part of commercial customers’ plan to retain specific talent under different circumstances, they can also enjoy the special feature on a change of the life insured for up to three times so as to transfer the coverage to different executives. At the same time, HGIP is endowed with a value added service – Global Medical Care Services, which provides world class medical advisory service and personalised care management.

Terence Chiu, Head of Commercial Banking, Hong Kong, HSBC, said, “This period of market uncertainty has put the business community in an unprecedented situation. HSBC is dedicated to supporting our customers with a suite of comprehensive solutions. The new plan serves to cater for their evolving business needs and assist their long-term planning. With the introduction of HGIP, we trust our commercial customers will find themselves better equipped to face unexpected events and pull through future challenges.”

Edward Moncreiffe, Chief Executive Officer, Hong Kong, HSBC Life, said, “The current uncertain and challenging environment underscores the role of insurance as a protection and risk management tool for businesses to ensure a smooth operation. As key persons often play a crucial role in the operation of companies, particularly small and medium-sized enterprises which account for 98% of companies in Hong Kong³, we are providing an extra layer of medical support to safeguard their businesses. Regardless of the scale of business, the plan comes with a flexible entry threshold with protection that could address the needs of both employee and business during the current difficult times.”

The launch of HGIP complements the existing suite of life insurance plans offered by HSBC Life to provide wealth growth potential and the much needed protection to support business growth in this critical time. Key features of HGIP include:

- **Growth potential** – Offer wealth growth potential with projected return at 4.73%⁴ p.a. over 30 years
- **Additional Critical Illness Benefits** – Receive an additional lump sum payment for the diagnosis of cancer, heart disease or stroke, up to three times (once for each type of disease and subject to a one-year waiting period from the last claim). Policy value will remain unchanged after these claims
- **Benefit transfer** – Flexibly change the life insured option three times and pass to next generation or different talented employees⁵
- **Value-added service to provide extra care** – The Global Medical Care Services consist of a world-class personal care manager, diagnosis verification and treatment plan, doctor-to-doctor dialogue with Harvard-level specialists and US care management service⁶
- **Simplified underwriting**⁷ – Simple solution with five underwriting questions
- **Reasonable entry level** – Minimum total premium amount at USD100,000 and the early potential breakeven can be as low as sixth year⁸

Moreover, HSBC Life announced earlier this year to provide additional free benefits to all of its life insurance customers and their immediate family diagnosed with COVID-19, with coverage guaranteed for one year. All existing commercial customers holding HSBC Life insurance policy, or new customers purchasing insurance policy before 30 June 2020, can receive complimentary benefits including hospital cash benefit and extended premium grace period, so as to have peace of mind and extra protection during this time of uncertainty.

Notes to editors:

1. Source: "The top 10 causes of death" released by the World Health Organization in May 2018
2. Critical Illnesses (CI) Benefits will cease immediately if any claim is made before the acceptance of change of life insured. Policy value is not impacted by CI claims to warrant wealth accumulation.
3. Source: Trade and Industry Department, The Government of the Hong Kong Special Administrative Region
https://www.tid.gov.hk/english/smes_industry/smes/smes_content.html
4. The percentage illustrated above is a projected annual return for a policy over a period of 30 years insuring the life of a male non-smoker, taking out the policy at age 40 (attained age), and with a single premium payment. Figures illustrated above are indicative and non-guaranteed. The actual return may be higher or lower than illustrated.
5. After the 3rd policy year or after the premium payment period provided that all premiums have been fully paid (whichever is later)
6. US Care Management Service is only applicable to eligible life insured of HSBC Health Goal Insurance Plan.
7. Simple underwriting is subject to the policy's underwriting limit. For life insured aged between 56 and 65, seven underwriting questions are required when customer applies for HGIP with simplified underwriting.
8. Breakeven policy year is determined with reference to total cash value which is not guaranteed and it varies from case to case.

HSBC Health Goal Insurance Plan is a long-term participating life insurance product with a savings element. It is underwritten by HSBC Life (International) Limited ("HSBC Life") and is not equivalent or similar to any kind of deposit. Policyholder is subject to the credit risk of issuer HSBC Life. If the policyholder discontinues and/or surrenders the policy in the early policy years, the amount of the benefits he/she will get back may be considerably less than the total premiums paid.

HSBC Life (International) Limited

HSBC Life (International) Limited ("HSBC Life") is an indirect wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited. HSBC Life is authorised and regulated by the Insurance Authority of the Hong Kong SAR to carry on long-term insurance business in the Hong Kong SAR. As one of the leading life insurers in Hong Kong, HSBC Life offers a wide range of life insurance products, including annuities, to retail and commercial customers in Hong Kong through HSBC banking channels and third party brokers. HSBC Life provides tailored solutions to meet the protection, education, retirement, managing growth and legacy planning needs of its customers.

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,918bn at 31 March 2020, HSBC is one of the world's largest banking and financial services organisations.