

## Total Payout ratio for Participating Products

To provide you an overview of the overall historical performance of participating products reflecting both the guaranteed and non-guaranteed benefits, HSBC Life (International) Limited, Macau Branch (“the Company”) intends to show the Total Payout Ratio for each of the Company’s participating products to you which have new policies issued in the previous five years prior to the reporting year 2020. Since there are no new policies recently issued for the year 2020, there is no reportable statistic for reporting the Total Payout ratio for the year 2020.

### What is the Total Payout ratio for special bonuses?

The Total Payout ratio is calculated as the ratio of the aggregate actual total cash value against the aggregate illustrated amounts at the point of sale for all the relevant in-force participating policies at that policy year. The total cash value reflects both the guaranteed and non-guaranteed benefits which include guaranteed cash value, accumulated endowment coupons and interests (if applicable), accumulated annuities and interests (if applicable), accumulated dividends and interests, special bonus (if applicable) to be paid upon surrender etc.

Total payout ratios - reporting year 2020

Types	Name of Participating Products	Currency	Policy effective in 2019 (Policy year 1)
Whole Life	HSBC Family Goal Insurance Plan	USD	Not yet launched
Whole Life	HSBC Health Goal Insurance Plan	USD	Not yet launched
Whole Life	HSBC Wealth Goal Insurance Plan II	USD	Not yet launched

### Footnote:

1) The products shown above are underwritten by HSBC Life (International) Limited, Macau Branch (“the Company”), an HSBC Group insurance underwriting subsidiary. The Company is incorporated in Bermuda with limited liability and is authorized and regulated by Autoridade Monetária de Macau to carry on long-term insurance business in the Macau SAR. You are subject to the credit risk of the Company. Your premiums paid will form part of the Company’s assets. You do not have any rights or ownership over any of those assets. Your recourse is against the Company only. The above insurance products are long-term life insurance protection. They are not equivalent or similar to any kind of bank deposit. The proceeds received upon policy surrender, whether partial or full, may be less than the total premiums paid.

