



# Health is Wealth



Opening up a world of opportunity

# Quality of Life Report: physical and mental wellness and financial fitness are deeply linked

HSBC's recent Quality of Life Report<sup>1</sup> confirms what we've always sensed: physical and mental wellness, and financial fitness all contribute to our overall well-being.

## Changing life, evolving priorities

The last few years have brought significant changes to our lives. We lived through a pandemic and embraced remote and hybrid work. Opportunities for travel and social interaction were limited, and we've had concerns about mortality. How people live and plan their lives today is even more influenced by our increasing focus on our overall health.



**Edward Moncreiffe**  
CEO, Global Insurance,  
HSBC

**“Our clients are approaching their well-being in a comprehensive way. There’s a strong connection between physical and mental wellness and financial fitness. In the post-pandemic era, we see that people worldwide share common priorities, including achieving a healthy body and mind, securing a stable income and spending quality time with people they love. All three factors are strongly connected and influence each other, and that’s why when we discuss financial protection, it goes beyond just monetary support to become a powerful tool to secure our overall well-being.”**

<sup>1</sup><https://internationalservices.hsbc.com/content/dam/hsbc/hsbcis/docs/reports/quality-of-life/quality-of-life-report-2023.pdf>

Survey respondents ranked the components of a good life. Physical wellness was the top factor identified for a good Quality of Life, followed by mental wellness and financial fitness. The top three were closely ranked, underscoring their collective importance.



#### Physical Wellness:

- ▶ Being physically healthy is the first step towards thriving. Regardless of generation, health concerns are a top priority for individuals striving to achieve their life goals, particularly among baby boomers (aged 55-69). It's not surprising to see that those who rank physical wellness highly tend to be financially and mentally healthier.



#### Mental Wellness:

- ▶ Our thoughts, emotions, and overall mental well-being wield a profound influence on the quality of our lives. By actively taking care of our minds, we are more likely to engage in behaviours and make daily choices that enhance our overall satisfaction and bring greater meaning to our lives.



#### Financial Fitness:

- ▶ For most people, financial fitness starts with the desire to maintain income stability. But it doesn't end there. Our Quality of Life report and HSBC Life +Factor Study<sup>2</sup> uncovered a strong link between financial fitness and mental well-being.





Beyond having a stable income and a positive wealth balance, financial fitness involves making informed and strategic choices to minimise risk and safeguard against life's adversities. This, in turn, contributes to our overall well-being.

Those who are financially fit are over four times more likely to have above-average mental health and twice as likely to have above-average physical health. This underlines the importance of making wise financial decisions to achieve balance across all aspects of life.

## Challenges along the way

People everywhere are striving for a better life but can encounter formidable barriers that test their spirit and determination.

**Unexpected Events:** Illnesses and loss, accidents, incapacity, and other challenges can profoundly affect us and our loved ones. Even the most well-thought-out plans can be knocked off course. The unpredictable nature of life demands adaptability and preparation.

**Rising Costs:** Many places worldwide are experiencing escalating costs (living expenses, healthcare, and inflation) that challenge our pursuit of a good life. Navigating financial challenges and reducing risks requires looking ahead and a strategic approach to financial planning.

## Protection: Cushioning life's blows

Given these challenges, protection in various forms such as insurance and wealth management cushions people's finances against setbacks and gives them the confidence to pursue their dreams.

Protection acts as a shield. Individuals can face unexpected events but adequate protection with financial safety net in place can ensure a level of preparedness to weather life's storms – whether a health crisis or an accident.

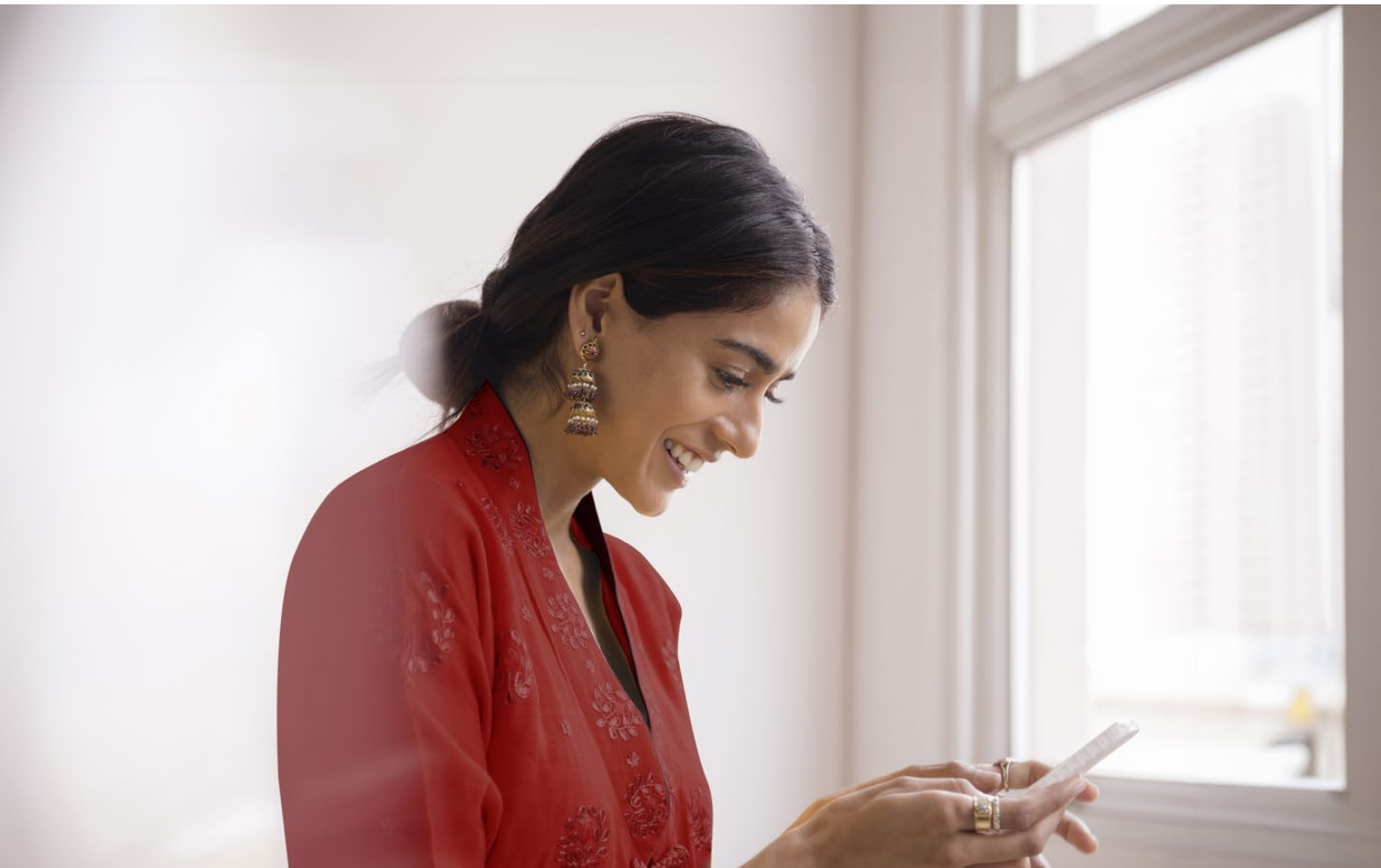
To further support the science of well-being and better understand the role of financial health, HSBC recently also announced a two-year Research Fellowship in partnership with the University of Oxford's Well-being Research Centre.

**Dr. Caspar Kaiser, HSBC Research Fellow at the Well-being Research Centre, University of Oxford says, "The evidence, both from HSBC's +Factor study and beyond, shows a strong causal link between financial health and well-being. However, this link is not merely driven by earnings. Instead, financial security, especially in terms of having a protective safety net to fall back on, is repeatedly observed to be a major priority for individuals, and a key determinant of our mental health and overall well-being."**

## Crafting the well-being narrative

Determining the necessary protection is crucial for attaining well-being and a high Quality of Life. Expert guidance from financial professionals can assist in devising a comprehensive strategy.

HSBC provides a wide range of insurance services, but striking a good life balance involves more than financial planning and accumulating wealth; it requires a holistic approach encompassing physical and mental wellness, and financial fitness.



## What practical steps can you take today to establish effective safeguards for yourself and your loved ones, and raise the quality of your life?



### Physical wellness

Make exercise a daily routine. Including a mix of cardio, strength training, and flexibility exercises boosts mood, improves overall health, and reduces the risk of lifestyle diseases. If possible, engage in more sport as the physical and mental health benefits of doing so are well-documented.



### Social health

Invest in relationships with friends, family, and the community. More social interactions and deeper friendships lead to higher satisfaction and well-being.



### Mental wellness

Make mindfulness a daily routine to enhance mental well-being. Just a few minutes of deep breathing or meditation promotes mental clarity and emotional resilience. Be aware of burnout, depression, and anxiety disorders.



### Financial fitness

Work towards your financial security in small steps. It's not just about income or wealth, but the degree to which you're secure with your economic resources that can help improve your Quality of Life. To start, look at how you are allocating your cash flow and ensure your expenses are within your income. If you have not already, ensure you build up an emergency fund of 3-6 months' cash flow to give yourself breathing room against any financial shocks. Assurance of future income can greatly reduce financial stress and enhance overall well-being.



### Protecting yourself and loved ones

People are naturally more sensitive to losses than gains. Ensure you and your family are well protected against unexpected events. Evaluate your big potential risks to your Quality of Life and utilise the four strategies of retention, avoidance, reduction, and risk transfer (insurance) as needed. Regularly review protection needs, and update insurance policies and wealth plans as circumstances change. Accurate details guarantee prompt benefits in unforeseen events.

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