

Employee Handbook (HBEU)

HSBC  UK

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Life at HSBC

Dear Colleague

“If we can all bring HSBC’s values to life in our daily work, it will make all the difference”.

Welcome to HSBC, and welcome to this handbook.

This handbook is an important part of our journey towards meeting our strategic goals and ensuring we do the right thing for our customers and our people. How successful we are in this is going to depend heavily on how we treat each other and, of course, our customers. If we can all bring HSBC’s values to life in our daily work, it will make all the difference.

So please do take the time to read this handbook, it is important. But remember, it is only a brief overview of what we, and our customers, will expect from you – and what you can expect from your colleagues and the bank. The full details of everything here can be found on HRDirect. And if you have questions, your entity manager will be happy to help.

Human Resources

Your guide to how we work and what we'll ask of you

Section 1 – How we work and how we want you to work

Our values and ethics.

Section 2 – Your job

Terms and conditions of your employment. This section forms part of your contract with us.

Section 3 – What we'll ask of you

The rules: how to behave and the way we work together.

Section 4 – What we'll give you in return

Benefits, optional extras and facilities.

Section 5 - Making things clear

A glossary of some of the words we've used here.

Where to look further?

This handbook is here to give you the highlights. The full picture of our policies and procedures can be found in HRDirect*, or from your entity manager. This is where you'll find full details on specific issues, along with contacts for further help. The policies and procedures do not form part of your contract of employment, unless stated otherwise.* See Making things clear for explanations of all asterisked terms.

For M&S Bank Employees

References to Unite, National Council of Managers and collective agreements do not apply to M&S Bank Employees. The consultative body for M&S Bank Employees is the Business Involvement Group (BIG).

For information on the following, please refer to HRDirect:

- M&S Bank Employee Discount Card Policy.
- M&S Bank Sunday Working Policy.

For information on the following, please refer to Moneybox:

- Sports and Social.
- Business Involvement Group (BIG).
- Expenses.

Note: 4.11 Corporate Card does not apply to M&S Bank employees.

Section 1 – How we work and how we want you to work

Mutual trust and public confidence are fundamental to our business. They take a long time to build up and can be lost in a moment. Irresponsible or unethical behaviour can undo years of good work. So everyone here, at every level, has a responsibility to act and carry out business in the right way.

This means living and breathing a core set of values and behaviours that guide everything we do. How we work. How we act. And how we do business with our customers.

We already have a well-established set of corporate values in place. These help us stay:

- dependable and doing the right thing.
- open to different ideas and cultures.
- connected to our customers, community, regulators and each other.

But in this handbook we're going to look at some additional values - values which relate directly to your day-to-day work.

Integrity

Being part of HSBC means being in a position of trust. Our colleagues and customers rely on us to be impartial and honest in all our dealings. So we need to do the right thing.

This means:

- never using confidential information for personal gain or abusing the trust the bank and our customers place in us.
- scrupulously refraining from illegal, fraudulent, dishonest or unethical behaviour, particularly in relation to financial and/or business dealings.
- putting the bank's or customers' interests before our personal interests, including following the rules for personal dealings in securities.
- not accepting or giving gifts, services or hospitality on a scale that might be thought to affect our judgment
- turning down secondary employment, consultancies or directorships, except those agreed beforehand and confirmed in your offer or, for example, because you are working key-time.
- ensuring that where the employment of relatives or partners is being considered, the existing employee is not involved in the decision making for recruitment, salary promotion or retention. They should also not be involved in transacting, processing or auditing the same activity.

Fidelity

Loyalty to the bank and to our customers doesn't just mean doing our personal banking with HSBC (although we normally do).

It also means:

- taking personal responsibility for doing what we say we'll do.
- treating every customer's business, financial and personal affairs with confidentiality.
- being careful with our communications, to keep information safe and secure.
- complying fully with the laws and regulations of all countries in which we do business.
- not engaging in business which might be associated with, or regarded as supportive of, illegal or criminal activities, construed as bribery or corruption or, which would be contrary to the national interest of the United Kingdom.

Self-respect

Acting professionally means being straightforward and conscientious in how we make decisions. And in how we deal with people. It's also about leading by example.

This means:

- maintaining our dignity, promoting that of colleagues and embracing equal opportunities, both within and outside of the workplace.
- developing the skills and knowledge to conduct business openly and well.
- keeping up to date with current developments and asking for help when we need it.
- giving consideration not just to the immediate financial effects of decisions but also their wider implications.
- Avoiding practices which could make you vulnerable to financial difficulties or which could lead to malpractice e.g. gambling (except for very modest stakes).
- Seeking help and advice from others where difficulties arise in matters of professional judgment or conduct and adopting an approach of openness and teamwork.

Corporate values

Transparency and accountability underpin everything we do. And how we act reflects on the bank as a whole. So it's up to each of us to maintain and protect the bank's reputation.

We can do this by:

- not knowingly allowing the bank to place itself in a position where its duty to one customer conflicts with its duty to another.
- staying true to the spirit and letter of the law and regulatory requirements.
- maintaining accurate records and systems, never falsifying or misrepresenting facts.
- reporting to the appropriate internal level of authority any behaviour which contravenes the law, regulatory requirements, or the spirit of this handbook.

- Putting it into practice: core standards of behaviour:

Integrity. Fidelity. Self-respect. Transparency. Taking personal responsibility for applying these values – all day, every day – is what makes our reputation. Here's a checklist for dealing with customers, clients and colleagues alike. Obvious, maybe. Essential, definitely.

- Listen.
- Give undivided attention and ask thoughtful questions to confirm facts.
- Be ready to act in others' best interests.
- Understand.
- Greet people in a polite and friendly way.
- Be pleasant, enthusiastic and helpful.
- Communicate relevant information clearly and accurately.
- Treat everyone with dignity and respect, ensuring each person receives the best service.
- Handle enquiries, instructions and complaints promptly, willingly, accurately and efficiently.
- Deliver.
- Take pride in providing excellent customer service and take personal responsibility for getting things right first time.
- Challenge processes as necessary, either to improve our services or remove barriers.
- Adopt a 'can do' approach.
- Be straightforward.

- Act openly and honestly, recognising that what you do reflects on the bank.
- Welcome feedback and apologise when you make a mistake.
- Address all matters, particularly difficult issues, with frankness, facts and tact.
- Ensure that you do what you say you'll do.
- Think ahead.
- Develop the skills and knowledge you need to do your job well and improve your performance.
- Adapt and maintain a positive approach to change.
- Anticipate others' needs.
- Think teamwork.
- Share knowledge and experience to support colleagues in achieving their goals.
- Lead by example, contributing to team morale.
- Actively contribute to the team effort and attend work regularly and punctually.
- Place team goals before your individual goals, if appropriate.
- Actively promote HSBC as a reputable organisation.
- Investing in your future.

We're only as good as the people who work for us. That's you. So developing skills and knowledge is vital if we are to continue to give first-class service to our customers – and be better than our competitors.

We all want to enjoy our jobs. And we know learning works best when it is fun. Of course, not everyone learns in the same way or at the same pace. So we've set up various opportunities for you to develop your career, whatever your goals are. But it's up to you to make the most of them. Take control. It's *your* personal learning and development plan.

Our resources for helping you grow with us – and stay with us – include:

- My Learning, which is your first stop – a single point of access for all our learning activities and information resources and a key part of our flexible learning approach.
- Careerlink, which advertises vacancies within the bank both within the U.K. and overseas.
- Leadership Capabilities Framework, which highlights the skills and actions you can take that best support our growth strategies.
- Career Development Review, which helps managers reflect on strengths and development needs, identify career goals and aspirations and plan the best way to achieve them.

The Learning team is in regular contact with business units to ensure you get the most from your learning activities. You can contact the team to find out more – or even to join them.

- See Learning

Section 2: Your job

This bit's all about you and your job. Along with your offer letter/contract*, this section provides everything you need to know about the terms and conditions of your employment. It provides the information that we must give you under section 1 of the Employment Rights Act 1996.

We've tried to make it as clear as possible, so you know where you stand and what you can expect. But if you need any further detail, you'll find what you need in HRDirect. It's available on the intranet, or you can get help from your entity manager.

One final point. If ever anything changes that directly affects you, we'll let you know in writing within one month of the change, either through the UK Intranet* or through your pay statement.

In this handbook, 'we' and 'us' refer to HSBC Bank plc.

2.1 Job title and duties

Everyone has a job title – yours is stated in your offer letter/contract.

You will also have a job description. This sets out your duties and your entity manager will make you aware of any other duties that are relevant to your job. You must act at all times within the authority we grant you. But you will need to be flexible; from time to time, you may have to take on alternative or additional duties at your Global Career Band (GCB)* level. It may also be necessary, for training or other reasons, for you to carry out duties at a higher or lower GCB.

Deputising in duties at another GCB allows you to develop your career and contributes to overall teamwork and customer service. If we pay you for deputising in a job at a higher GCB this will only be by prior agreement and in accordance with our rules at the time.

We will review your performance annually.

- See Global Performance management policy

2.2 Global Career Bands

All positions within the bank are allocated a GCB. We use a separate 'contract type' code to determine contractual terms and conditions for GCBs, including the level of flexibility in working hours.

Your offer letter/contract states your GCB and contract type. Look on the intranet for changes to grade names over the past few years and for information on any red-circled* arrangements applying to your GCB level role.

The HSBC Group* has standard job measurement processes at all GCB levels to determine the relative size or importance of jobs. The process measures the job, not the jobholder's performance in the role and is used to position new roles or to reposition existing roles where the duties have significantly changed. The Hay system is used for measuring GCB 7/8 level roles and is endorsed by Unite.

- See UK Global Career Bands
- See UK Job Measurement

2.3 Pay

Salary and allowances

Your pay comprises a base salary and any entitlement to other allowances as stated in your offer letter/contract. Salary and any allowances accrue for each hour or part of an hour that you work. Your base salary is pensionable and any allowances are non-pensionable, unless we state otherwise.

We will make payment into a bank account in your name. Payment will be in 12 equal monthly instalments on or around the 20th of each month. This means you will be paid in arrears for work done to 20th and in advance for work from 20th to end of the month. The payment period and/or date of your first salary payment may vary depending on the date in the month you join the bank.

You must notify HR Operations of the appropriate details of your bank account to enable your salary to be paid into your account on time.

If you would like to open an account with HSBC, please take to an HSBC branch: a copy of your contract as proof of your employment, a form of identification, e.g. full driving licence or valid passport together with a receipted bill or your last 3 months' bank statements.

Your pay is subject to statutory deductions of income tax and employee national insurance contributions and any other deductions that we may be obliged to make. You will receive a monthly pay statement detailing gross pay and deductions.

- See UK Reward policies

Salary Review

The bank reviews its current levels of pay for all employees each year and for GCB 7/8, seeks to agree changes with Unite through negotiation.

Any changes to your base salary will be notified to you by letter, HRDirect or in your pay statement. In addition, current pay bands are set out in the Rates – allowances section of the Reward policies.

- See UK Reward policies

Variable Pay Plans

We run variable pay plans to reward individual performance. These variable pay plans are entirely discretionary and are run in accordance with the plan rules.

- See UK Reward policies

Overtime and 'additional hours'

We will pay you for any overtime you are required to work if you are GCB 7/8, in accordance with our rules on authorisation, eligibility and rates of pay. Overtime payments are non-pensionable and we do not use them in calculating any other benefits reliant on hours worked.

As a key-time employee* in GCB 7/8, you will not be eligible for overtime payments until you work more than 7 hours in one day or 35 hours in one week. If you work more than your normal hours but below the limits for overtime payments, this extra time will count as 'additional hours'. 'Additional hours' are pensionable and we will also use them in calculating any benefits, such as incentive payments, that are reliant on hours worked.

We will not pay overtime if you are GCB 6 or above. Key-time employees at GCB6 or above may, in exceptional circumstances, be permitted to work 'additional hours', for which we will pay you as set out above for GCB 7/8 employees.

Some employees receive payment for Public and Bank holidays worked in accordance with our rules on authorisation, eligibility and rates of pay.

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- See UK Overtime
 - See UK Public and bank holiday working

Incorrect pay and deductions from pay

If, through error, you receive less/more than your contractual pay and/or allowances, we will pay you what is due/deduct the overpayment(s) from your salary on the first pay-day after you have notified us of, or we have identified, the error. For overpayments, we will discuss the proposed repayment schedule with you, taking into account your personal circumstances.

If we overpay your final salary (or other payment due) or if you are under a repayment schedule when your employment ends, you will need to repay what you owe.

If your employment ends and you have taken more holiday than your *pro rata* entitlement for the holiday year, we will deduct the appropriate amount from your final pay. If this is not possible, you will need to repay the appropriate amount.

A failure to re-pay any money owed to the bank, may result in Disciplinary action being taken against you.

If you have taken less holiday than your *pro rata* entitlement and it is not practical for you to take the outstanding days during your notice period, we will pay you in *lieu* of outstanding holiday entitlement. We will not make payments or deductions for any public or bank holidays you have accrued or taken beyond your holiday entitlement.

Tax and National Insurance (NI) on benefits

Each year we will issue you with a P60 certificate, which states your total earnings and deductions for the tax year ending 5 April.

HM Revenue and Customs (HMRC) states that if you earn £8,500 or more in any tax year including benefits in kind*, you will be liable to tax on the financial value of those benefits. At HSBC most benefits are taxed at source through payroll so most employees will not receive a P11d.

If you think your tax code is wrong you need to tell HM Revenue & Customs (HMRC) as soon as possible to make sure you pay the right amount of tax. If it is wrong you may be due a tax refund, or need to pay more tax. Your tax code is individual to you, depending on your circumstances and HMRC will only discuss your affairs with you personally.

You can contact HMRC if you have any questions. You will need to quote your tax reference and NI number (both of which are on your pay statement). Write to: HM Revenue and Customs, West Yorkshire and Craven Area, Centenary Court, 1 St Blaise Way, Bradford, West Yorkshire, BD1 4YL. Or telephone: 0345 3021432.

2.4 Hours of work

The number of normal hours you work in a week and the way we schedule these hours depend on your GCB, work location and job. If you are GCB 3 or above, we expect you to work the hours you need to work to fulfill your duties properly. For levels up to GCB 4, you will work on either a 'non-flexible' or 'flexible' schedule. The following parameters apply to all levels up to GCB 4 unless:

- you are a member of Salesforce, in which case the standard working week is 35 hours and may include weekends, public and bank holidays. Your specific hours of work will be flexible and may include further hours as necessary.
- you work on a shift basis, in which case your offer letter/contract will set out your working hours.

Working hours for 'non-flexible' contracts: GCB 7/8 TA 7/8, TS 7/8 (pre-accreditation onto flexible terms), TA 6-4 (for employees whose employment started before 1 December 1996)

Standard working week: 35 hours, Monday to Friday inclusive.

Normal working day: 7 hours a day, excluding an hour unpaid lunch break, 9am to 5pm (unless advised otherwise).

If you are a non-shift employee, we can agree with you a start and finish time between 8am and 10am, and 4pm and 6pm respectively.

Working hours for 'flexible' contracts

Your hours of work depend on the first two letters of your grade/contract type, as set out below. All schedules include an hour unpaid lunch break each day, unless we state otherwise. We will advise you – either locally or in your offer letter/contract* – of any specific schedules but we may change these, with reasonable notice, within the parameters below.

GCB 7/8 TF, TL and TW, GCB 0–6 TF, TW and GCB4-8 UK and SU

Standard working week: 35 hours, maximum of 6 days, over 7 calendar days, Monday to Sunday. Working days need not be consecutive.

Maximum working day: 10 hours a day, although you may agree to work longer hours as overtime (GCB 7/8 only).

GCB 7/8 TC, TX and GCB 0–6 TC

Standard working week: 35 hours, maximum of 6 days, Monday to Saturday or Sunday to Friday. These days need not be consecutive.

Maximum working day: 10 hours a day, although you may agree to work longer hours as overtime (GCB 7/8 only).

GCB 7/8 TJ

Standard working week: 35 hours, maximum of 5 days over 6 calendar days, Monday to Saturday, with a maximum of one Saturday in every two. Working days need not be consecutive.

Maximum working day: 10 hours a day, between 8am and 8pm.

GCB 7/8 TB and GCB 0–6 TB and ET, E0C and E0R

Standard working week: 35 hours, maximum of 5 days over 6 calendar days, Monday to Saturday. Working days need not be consecutive.

Working day: you can agree with us time or day 'slides' within the core schedule of 8am to 8pm, Monday to Saturday, provided 50% of your current schedule remains unchanged.

If you work less than 35 hours per week we can agree either a time or day slide. If you choose a day slide, we may alter the days on which you work, but not the times in those days that you work. If you choose a time slide, we may alter the times in the day when you work, but not the days on which you work.

We will only change the core schedule in agreement with you or by collective agreement with Unite.

GCB TD and TK and GCB 0–6 TD

Standard working week: 35 hours, maximum of 5 days over any 6 calendar days. These days need not be consecutive.

Maximum working day: 10 hours a day, although you may agree to work longer hours as overtime (GCB 7/8 only).

- See UK Working Time Regulations 1998

2.5 Leave

Holiday entitlement

Our holiday year runs from 1 January to 31 December each year.

During core leave of two weeks, you need to be away from your workplace and it is expected that you do not undertake any work-related activities during this period e.g. accessing Blackberry's. Entity managers must not place employees under duress to respond to work-related matters during core leave*.

You may attend training courses, conferences or conventions during your core leave as long as the events are not held on HSBC Group premises. Such events must not account for more than 50% of the core leave period.

If you are a full-time employee with 20 or more days' annual leave allowance, your minimum core leave* is 10 working days, which may include bank and public holidays that fall on normal working days. If you are key time core leave will be pro rata based on your hours of work.

If you have a working pattern of more than seven hours a day, or are in a recognised shift pattern, your leave arrangements may vary. We will advise you of these when you begin this working pattern.

If you are promoted, we will adjust your holiday entitlement *pro rata* for the remainder of the holiday year. If your employment starts or finishes part way through the holiday year, your holiday entitlement will be directly proportional to the actual period you have worked during that holiday year.

Your holiday entitlement is as set out below unless your contract of employment states otherwise. If the leave indicated in your contract of employment is different from the below, your contract takes precedence.

GCB 0-3 : 30 days
GCB 4-6 : 28 days
GCB 7 : 27 days
GCB 8 : 25 days

Key-time employees*

If you work less than 35 hours a week, your holiday entitlement will be *pro rata* that of a full-time employee. Your offer letter/contract or entity manager will set out any individual entitlement.

- See Incorrect pay and deductions from pay
- See UK Annual leave policy

Public and bank holidays

The recognised public and bank holidays are New Year's Day, Good Friday, Easter Monday, May Bank Holiday, Spring Bank Holiday, August Bank Holiday, Christmas Day and Boxing Day.

If your normal working hours are 35 hours a week, you will receive eight days' leave in recognition of bank and public holidays in addition to your holiday entitlement.

If you are a key-time employee, you will receive an entitlement for bank and public holidays proportional to your normal hours of work.

Depending on your rostered pattern of work, we will give you either paid leave on the bank or public holiday, or subsequent time off in recognition.

If your working arrangements include working a public or bank holiday, and you are subsequently not required to work on that day, we will give you reasonable notice.

- See UK Public and bank holiday working policy

Time off for trade union duties

If you carry out trade union duties on behalf of Unite, we will grant you paid or unpaid time off in accordance with any agreements that may exist between the bank and Unite.

Time off for medical appointments

We may grant you paid time off to attend medical appointments that you cannot arrange outside working hours, subject to local policies and procedures. This includes visits to the dentist or optician. Try to make these appointments close to the beginning or end of your working day. We may ask you to work extra hours to cover time taken off for medical appointments in the middle of the day.

If you are pregnant, we will not ask you to work any extra hours to cover time taken off for ante-natal appointments.

2.6 Absence from work

You must, wherever possible, speak to your entity manager before being absent from work, explaining why you will be absent.

If you do not have prior agreement to your absence, you must telephone your entity manager at your normal starting time, or as soon after this as you can, to explain why you are absent. If you are sick or injured, follow the procedure outlined below.

When you return to work you must attend a return to work interview, if you are asked to do so.. If we consider that the explanation you have given for your absence – verbally, in writing or through your self-certification form – to be unsatisfactory, we may take disciplinary action against you.

Absence due to sickness or injury

If sickness or injury prevents you from coming to work, you must telephone your entity manager at your normal starting time, or as soon after this as you can, to explain why you are absent.

If you are absent for seven calendar days or less, you will need to complete a self-certification form.

If you are absent, or are likely to be absent, for longer than one calendar week, you must send a medical statement from your doctor to your manager. You should then contact your manager with your current prognosis at least once a week, unless agreed otherwise.

We may ask you to consent to our obtaining a prognosis directly from your doctor. We may also require you to visit a medical adviser appointed by us and give your consent to our obtaining a prognosis from this medical adviser.

Payment during periods of absence

We will pay no salary or other allowances or incentive payments for periods of unauthorised absence. We may, at our absolute discretion, make payments for periods of absence due to reasons other than sickness or injury.

We will continue to pay your basic pay less any Statutory Sick Pay (SSP), Employment and Support Allowance or other similar benefit for a limited period during authorised absence due to sickness or injury, subject to you following the absence rules we have laid down above. The period for which we will continue to pay your salary depends on how long you have worked for us.

Maximum period of normal pay granted

For the purposes of CSP and any eligibility for payment, absence is considered on a rolling 12 month basis (i.e. any time period of 12 months within the course of employment) .Sick pay entitlements:

- Less than 3 years service: 8 weeks full pay
- 3 to less than 5 years 16 weeks full pay
- 5 years or more service: 26 weeks full pay

We will calculate all sick pay and pay it monthly in arrears after we have received the absence return completed by your entity manager.

We may refuse to pay sick pay (including SSP) if we have reasonable cause to think you are not genuinely sick, or are abusing the sick pay policy.

We may reduce your holiday entitlement *pro rata* according to your attendance during that holiday year. Any incentive scheme arrangements may also be affected.

If your SSP entitlement continues beyond your bank sick pay, you will be paid SSP in accordance with your statutory entitlement (for up to 28 weeks). Payment of SSP depends on you satisfying rules on periods of incapacity, period of entitlement, qualifying days and notification of absence.

If you are absent from work due to an accident or a condition sustained on or off duty that is the fault of a third party, we will recover any sick pay we pay you for such absence if, and to the extent that, you recover damages for your injury, condition or absence from work. We will notify you if this applies.

- See UK Sickness absence procedures

2.7 Place of work and mobility

Your offer letter/contract states where you will work initially. You may have to travel to customer sites and attend training sessions and meetings elsewhere.

We may also ask you to make a permanent or temporary move but will take into account your personal and domestic circumstances, before requiring you to do so. Set out below are our mobility requirements. Although the general mobility requirement depends on your GCB, our requirements under any business recovery plan (see below) apply to all GCBs.

These requirements also apply to you if your offer letter/contract* states your work location as 'home'. You may have the option of working from home from time to time if you agree this with your entity manager. However, this arrangement is not contractual and your location remains as stated in your offer letter/contract.

Mobility requirements

GCB 3 and above

You may be required to work at or from any office, branch or location of the bank or within different companies of the HSBC Group* in the UK. You may have to move house from time to time at particular stages of your career.

In some roles, you may also have to work outside the UK or travel overseas from time to time. In such situations, we will take your personal and domestic circumstances into account.

GCB 4–6 and executive & management trainees

You may be required to work at or from any office, branch or location of the bank in the UK. You may have to move house from time to time at particular stages of your career.

In some roles, you may also have to work outside the UK or travel overseas from time to time. In such situations, we will take your personal and domestic circumstances into account.

GCB 7/8

You may be required to work at or from any office, branch or location of the bank in the UK, within 'reasonable travelling distance' of your existing location or your home. 'Reasonable travelling distance' will depend on circumstances such as normal travelling time and public transport availability.

Business recovery plans

The bank has business recovery plans if a major disaster takes place and work cannot continue in the normal way. Depending on the nature and length of the disaster and your role at the time, we may identify you as a key employee. Key employees must expect to report for work at a different site, for a temporary period, until the situation has eased.

2.8 Car Schemes

Depending on your GCB and role, we may provide you with a car under our job car scheme. We regularly review how we allocate job cars and, as they are branch assets and not personal cars, we may withdraw your use of a job car at any time.

- See UK Car scheme policy
- Motoring offences.
- If you lose your driving license as a result of a motoring offence, you must make suitable alternative arrangements to enable you to do your job satisfactorily.
- If you are not able to do so, we will try to find you a position that does not involve driving. But if this is not possible or you do not accept the alternative position, we will give you due notice and terminate your employment.
- If you accept the alternative position, your salary, benefits and all other terms and conditions will mirror that of an employee at the GCB level of your alternative position and not that of your current position. You will therefore not be entitled to return automatically to your current role if your driver's license is returned, although you will be able to apply for positions that require a driving license.

2.9 Expenses

It is important that you familiarise yourself with the rules on claiming expenses. We will reimburse you for expenses you incur when on the bank's business if you claim them strictly in accordance with our rules on expenses. You must support your claims with appropriate authorisation and documentation.

We have arrangements for buying certain services through given suppliers or a central point. You must comply with these arrangements where possible.

- See Expenses policy

2.10 Retirement and pensions

The bank does not operate a fixed retirement age. Retirement will be a matter of individual choice for employees. If you wish to retire, you are required to provide at least your contractual notice period prior to the proposed retirement date. The bank also requests that you give more notice wherever possible, as this will assist in succession planning and handover arrangements.

It is important that you consider your pension options and benefits before deciding to retire and the bank recommends that you obtain independent financial advice. Please refer to your pension documentation and/or pension scheme administrator for details.

For members of the Defined Benefit Section (DBS) of the HSBC Bank (UK) Pension Scheme (the Scheme), the 'pensionable retirement age' increased to 65 with effect from 1 April 2010.

You will still be able to retire at your previous 'pensionable retirement age' under the Scheme* and take your benefits. However, the benefits you built up after 1 April 2010 will be reduced unless:

- you chose to make member contributions from 1 July 2009, and
- you took up the opportunity to contribute an additional 3% (of the salary on which your contributions are based) from 1 April 2010.

to enable you to take an unreduced pension from your previous 'pensionable retirement age' onwards, for all of your benefits, for as long as you are making this contribution. If you stop making this additional 3% contribution then the pension element you build up from that date would be subject to an early retirement reduction.

From 1 July 2009 if you chose not to contribute, your future benefits will build up at a lower rate of 1/80th.

*please note that for most members, their previous 'pensionable retirement age' under the Scheme is age 60, but you should check the pensions guide for your section of the Scheme.

The Defined Contribution Section of the HSBC Bank (UK) Pension Scheme (DCS), which is a savings style pension, applies to employees who entered service on or after 1 July 1996. See the DCS website at www.futurefocus.staff.hsbc.co.uk/dcs for further details and helpful contacts. Or contact the DCS administration team at hsbcdcs@towerswatson.com or on 01737 227575 (external).

The DCS provides:

- a pension on retirement.
- security for your dependants, which is currently:
 - a lump sum of four times your final pensionable salary (unless you elected a different level of benefit through My Choice payable through the Group's separate Life Assurance Scheme) if you die in service plus a refund of your own pensions contributions.
 - a spouse's or civil partner's pension.
 - a qualifying children's allowance.

The DCS is contracted into the State Second Pension (S2P) which replaced the State Earnings Related Pension Scheme (SERPS) in April 2002.

The Defined Benefit Section (DBS), which is based on your final salary and pensionable service accrued during membership, applies to most employees in service before 1 July 1996. See the DBS website at www.futurefocus.staff.hsbc.co.uk/dbs for further details and helpful contacts. Contact the DBS administration team at hsbcdbs@towerswatson.com or on 01737 227570.

The DBS Scheme provides:

- a pension on retirement.
- an ill-health pension (if you have five years membership and are unable to continue in employment because of serious ill-health); and
- security for your dependants:-
 - a lump sum of four times your final pensionable salary (unless you elected a different level of benefit through My Choice), payable through the Group's separate Life Assurance Scheme) if you die in service;
 - a spouse's or civil partner's pension.
 - a qualifying children's allowance.

The DBS is contracted-out of the State Second Pension (S2P), which replaced the State Earnings related Pension Scheme (SERPS) In April 2002.

Important points to note are:

- Completion of the Expression of Wish form and/or Specified Dependants Nomination Form can assist the Trustee when making payments in the event of your death.

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- Employees who joined the DBS before 1 January 1975 have the option to retire and draw their pension from age 55, (with provision for a reduction of part of the pension in some cases) subject to providing notice to the bank in accordance with their contract of employment.
 - Ill-health pensions are based upon your actual period of pensionable service accrued to the date of actual retirement. For members of certain sections of the Scheme this may be further enhanced at the discretion of the Trustee.

 - You are eligible to pay additional voluntary contributions (AVCs) through the DSC range of funds to increase your benefits payable from retirement.

The pension benefits detailed above are subject to the Trust Deed and Rules of the HSBC Bank (UK) Pension Scheme which may be changed from time to time to the extent permitted by the Trust Deed and Rules.

- See www.myreward.staff.hsbc.co.uk or contact My Reward Centre on 0345 6033133 **Salesforce Bonus**

Pension Scheme

If you are a Salesforce employee, you may be eligible to participate in the Salesforce Bonus Pension Scheme under which we will make contributions for bonus earnings. Further details are set out in your offer letter/contract* or are available from the pension scheme administrators.

2.11 Standards of Conduct

Our business depends on the utmost integrity and mutual trust, as outlined in our values in Section 1 and rules in Section 3. It is therefore essential that we all maintain the standards of conduct laid out in this handbook. Ask your entity manager if you are in any doubt about the correct action to take in any situation.

A failure to abide by the standards of conduct may lead to disciplinary action being taken, including dismissal.

Where there is a legal or regulatory requirement, Regulatory Compliance will report breaches of conduct and decisions related to individual's fitness and propriety to the relevant regulators and/or law enforcement agencies.

2.12 Confidentiality

You must at all times observe strict confidentiality about information the bank holds. This includes dealings, transactions, procedures, policies, decisions, systems and other confidential matters of and concerning the bank, the HSBC Group and allied or associated companies of the bank or Group ('the Companies'). Confidentiality relates to any and all transactions (including customer or client accounts and matters relating to their business or personal affairs) of the bank or the Group and of each of the Companies with their respective customers, clients, suppliers or associates, except when you are required or authorised to disclose such information by the bank or by law.

Any breaches of the above, including unauthorised 'browsing' of accounts, is likely to lead to disciplinary action and may result in dismissal for gross misconduct.

Disclosure of customers' or clients' business or personal affairs is not permitted without the customers' or clients' authority. This is a requirement of bankers' confidentiality, the Banking Regulators, and the Data Protection Act 1998. Any contravention may lead to action under the disciplinary procedures, as well as individual liability under data protection legislation.

If a third party, in particular any media source, asks you to comment on or provide information, under no circumstances should you respond without having sought permission and guidance from your entity manager. Where necessary, your entity manager will seek permission and guidance from Group Corporate Affairs.

Nothing in this clause prevents you from making a protected disclosure about malpractice or unlawful conduct under the bank's whistle blowing procedure.

- See UK Data protection policy
- See Section 3.9 'Whistle blowing'

2.13 Inventions and other intellectual property

If you invent something or create other intellectual property during your employment with us, you have a special responsibility to further the interests of the bank and the HSBC Group. The following paragraphs lay out our conditions:

- i) In recognition of your position, remuneration and responsibility, you acknowledge and agree that you will immediately disclose to the bank any invention, improvement design, process, information, copyright work, trade mark, trade name or get-up or any other intellectual property (together the 'Intellectual Property') that you make, create or discover during your employment (whether capable of being patented or registered or not) in conjunction with or in any way affecting or relating to the business of any company in the Group or capable of being used or adapted for use in such a company or in connection therewith. This Intellectual Property shall belong to and be the absolute property of the bank or such member of the Group as the bank may direct.
- ii) However, the above clause shall only apply if you made the invention in the course of your duties and (i) such invention was reasonably expected to result therefrom; or (ii) at the time of making the invention, because of the nature of your duties and the particular responsibilities arising therefrom, you have a special obligation to further the interests of the bank. 'Duties' means in the course of your duties or in the course of duties falling outside your normal duties but which have been specifically assigned to you.
- iii) You acknowledge that you have no rights, interest or claims, either during your employment or after the termination of your employment, in or to any such Intellectual Property and you shall not use such Intellectual Property other than during the period of your employment and for the purpose of the bank or the Group.
- iv) If and whenever the bank requires you to do so (whether during your employment or after its termination), you shall at the expense of the bank or such Group company as the bank may direct:
 - apply or join with the bank or such Group company in applying for letters patent or other protection or registration in the United Kingdom and in any other part of the world for any such Intellectual Property.
 - do everything necessary for vesting the said letters patent or other protection or registration when obtained and all right title and interest to and in the same absolutely and as sole beneficial owner in the bank or such Group company or in such other person as the bank may specify.
- v) You agree that you irrevocably and unconditionally waive all rights under Chapter IV of the Copyrights, Designs and Patents Act 1988 in connection with your authorship of any existing or future copyright work, in whatever part of the world such rights may be enforceable.
- vi) Nothing in this clause shall be construed as restricting your rights or those of the bank under the Patents Act 1977 and in particular, sections 39 to 43 Patents Act 1977.

The above clauses are specific to the laws applicable in the United Kingdom.

2.14 Employee records

It is important that we maintain confidential personal records as accurately as possible to comply with data legislation. You must record any change in, for example, your name, address or marital status.

If you work in a regulated role*, you must also notify to your entity manager any adverse change in your credit or other status as this may affect your standing with the regulators.

2.15 Termination of employment

Your period of notice is as set out below, unless stated otherwise in your contract of employment or any side letter, which constitutes an addendum to your contract. If the notice period indicated in your contract or side letter is different from the below, your contract/side letter takes precedence.

From 1 September 2013 for new joiners and existing employees at certain key trigger events, such as promotion:

See Internal managerial moves policy for further guidance.

GCB	Employee	Employer
GCB 5-8	1 month	1 month 0-4 years' service, rising by one week per year of service (eg 5 weeks for 5
		years etc) to a maximum of 12 weeks after 12 years' service.
GCB 3-4	3 months	3 months
GCB 1-2	6 months	6 months
GCB 0	12 months	12 months

For employees who joined the bank prior to 1 September 2013:

We give you notice

You are entitled to a minimum notice period as set out below, or to any such longer period as may be legally required, unless we terminate your employment summarily on the grounds of gross misconduct.

We may hand you your notice personally or send it to your last recorded address.

If you are GCB 3 and above, we will give you at least six calendar months' notice. For all other employees, we will give you minimum notice of:

- one calendar month for up to 5 years' continuous employment.
- one week per year for 5–12 years' continuous employment.
- 12 weeks for 12 or more years' continuous employment.

If your employment ends because of redundancy you will be entitled to notice periods which apply at the time of the redundancy under any security of employment agreement with our employee representatives (see 2.20 Your Representation).

You give us notice

If you are GCB 3 and above, you must give us at least three calendar months' notice in writing, unless otherwise agreed.

For all other employees, you must give us at least one calendar months' notice in writing, unless otherwise agreed.

In either case, you must ensure your entity manager receives your notice before it begins to run. We will not accept verbal resignations.

Garden leave

The following paragraph applies to any notice period, regardless of whether we gave notice to you or you gave notice to us.

We are under no obligation to provide you with any work and may at any time require you to stop carrying out your duties and no longer to attend your place of work or contact any employees, offices, officers, customers or clients of the bank for the duration of the notice period. This is often known as 'garden leave'. Alternatively, we may during

your notice period provide you with work of a different nature to that which you would normally perform under your contract of employment, and/or at a different location.

During any such period you will continue to be bound by the terms and conditions of your contract of employment and you will receive pay and most benefits in the normal way. You will not accrue any incentive payment for a period when you are not required to carry out your duties and attend work. We will pay commission only for credits already earned.

If you have any accrued but untaken leave, we will deem you to have taken this during any such period when you are not at work, provided that you are not working on behalf of the bank during such a period.

2.16 Return of property

When your employment ends or at any time at our request, you must immediately deliver to us, or to anyone we specify, any documentation or property of the bank, or the HSBC Group, in your possession or control. This includes books, documents, records, computer hardware and software and other disks or tapes kept or made by you and in your possession or control relating to the bank's business; your computer, mobile and Blackberry; any materials, credit cards, keys, passes, cars, equipment or other property (including any copies, drafts, extracts, summaries or reproductions of such property) belonging to or related to the business of the bank, or any other company within the HSBC Group, its or their clients, customers or suppliers.

2.17 Competition obligations

Confidential information

After you have stopped working for us, you will continue to be bound by your obligations of confidentiality, as set out in *Confidentiality* at 2.12. In particular, you shall not divulge, use, or in any other way cause to enter into the possession of a third party, any lists or details of customers or products, or any item of confidential information or knowledge that you gained as a result of working for us, or for which we or any company in the HSBC Group are bound by an obligation of confidence to a third party.

- Restrictive covenants.
- If you are GCB 3 or above, the following paragraphs lay out your additional obligations:
 - (i) For six months beginning with the date your employment with the bank ends (the 'Relevant Period'), you will not, whether on your own behalf or with or on behalf of any other person, company, firm or other organisation, directly or indirectly approach, solicit, canvass, or advise, sell to or offer to sell to, or interfere with or entice away from the bank, for the purpose of offering or performing banking or related financial services, any customer or client or potential customer or client of the bank with whom you have had personal contact about offering or performing banking or related financial services.
 - (ii) During your employment and for the Relevant Period, either on your own account or with or for any other person, firm, company or organisation, you will not directly or indirectly approach, solicit, canvass, or advise, sell to or offer to sell to, or interfere with or entice away from or discourage from working for the bank any employee of the bank or HSBC Group of band GCB 5 or above with whom you have worked in the previous six months or, in the case of termination, in the six months before your termination.
 - (iii) The restrictions set out at clauses (i) and (ii) above only apply to banking or other related financial services which are similar to or competing with the bank's financial products or services which you developed (or whose development was known to you), or which you offered for sale, or advised upon or serviced or supervised during the six months before your employment ended. The restrictions do not apply to the taking out of financial services, in the ordinary course of usage, by you or your immediate family.

(iv) The Relevant Period set out at clauses (i) and (ii) above shall be reduced by the period of time (if any) that we require you not to undertake any active employment duties, before the termination of your employment ('Garden leave').

(v) You acknowledge that the duration, extent and application of each of these restrictions are no greater than is necessary for the protection of the legitimate interests of the bank and you agree having regard to the circumstances of your employment and duties that those covenants do not work unfairly or harshly upon you.

(vi) Whilst these restrictions are accepted by all parties to be reasonable in all circumstances it is agreed that if any such restriction shall be judged to go beyond what is properly considered reasonable in all

circumstances but would be adjudged to be reasonable if part or parts of the wording thereof were deleted then you agree that the restriction shall continue to apply save for the deletion of the offending part.

(vii) Each of these sub-clauses shall be deemed to constitute a separate agreement with the bank, for the benefit of the HSBC Group.

(viii) You acknowledge that damages will not be an adequate remedy for any breach of the restrictions set out in (i) and (ii) above and you shall not seek to resist an application for an injunction for any breach or threatened breach of any or all of the restrictions on the grounds that there is an alternative adequate remedy in damages.

- If you are a Salesforce/Regulated employee, specific conditions apply. These are set out in your offer letter/contract*.

2.18 Fitness and Propriety

Your job role may, from time to time, be subject to regulatory requirements. You will be notified in the event that your role is subject to regulation.

If your role is regulated under the 'Senior Manager Regime' or 'Certification Regime' which form part of the Individual Accountability Regime as set out in the FCA and PRA rules, the bank will be required to attest to your fitness and propriety on an annual basis while you perform a regulated role.

The fit and proper test is a test to assess an individual's suitability to perform a specific function and focuses on three main points;

- Honesty, integrity, reputation.
- Competence, capability; and
- Financial soundness.

In the event that the bank is not able to attest to your fitness and propriety, this will result in your removal from your role and potentially the termination of your employment should you not be successful in applying for alternative employment or where it is not appropriate in the view of the bank to do so.

- Where there is a legal or regulatory requirement, Regulatory Compliance will report breaches of conduct and decisions related to individual's fitness and propriety to the relevant Regulators and/or law enforcement agencies. See UK Fitness and Propriety Test Failure Procedures.
- See Regulatory Compliance UK Individual Accountability Policy.

2.19 Disciplinary

Rules and procedure

If you contravene any of the terms of your contract of employment or our standards of conduct, rules, regulations, compliance requirements and other rules which may apply to you, this will normally result in disciplinary action – including possible dismissal.

After a disciplinary procedure has been exhausted, if it is decided that action short of dismissal is appropriate, we may decide to impose on you one or more disciplinary sanctions.

These may include:

- a disciplinary transfer to an alternative place of work.
- a downgrading with reduction in pay.
- forfeiture of pay or loss of a specified amount of pay related to an offence(s).
- stoppage/postponement of your next pay award (salary and/or incentive payment).
- reduction in pay.

If you are dissatisfied with a disciplinary decision relating to you, you can appeal to HR Operations or another person, as set out in the disciplinary procedures. Such appeals will normally be held by a level of management above the level responsible for the decision.

- See UK Disciplinary procedures

The PRA and FCA conduct rules place an obligation on HSBC to report upheld conduct breaches that result in disciplinary sanctions being applied to employees. Sanctions include:

- Final written warning.
- Termination of employment.
- Reduction or recovery of remuneration.

- See Individual Accountability Policy

2.20 Criminal Offences and/or Regulatory Requirements

You should immediately report to your entity manager your involvement in any criminal offences outside your employment by the bank.

Entity Manager Guidance

Disciplinary procedures should be implemented if the offence has an impact on:

- The employee's suitability, and/or
- The work they do, and/or
- Their acceptability to other employees

2.21 Grievance procedure

If you have a grievance related to your employment, you have a right to apply in writing for redress. Full details of how you should go about this, including the person to whom you should apply, are set out in our grievance procedures.

- See UK Grievance procedures

2.22 Your representation

- Union representation

Unite is the only recognised union within HSBC.

For GCB7 / 8 grades, there is a collective agreement with Unite and whether or not you are a member of Unite, from time to time your terms and conditions may vary following negotiations and/or consultations under this agreement. It also enables Unite to represent its GCB7 / 8 members in terms of any individual related issues e.g. Disciplinary, Grievance, Capability and Security of Employment

For GCB6 – 4 grades, who are members of Unite, there is a Representation Agreement, which enables them to represent you in terms of any individual related issues e.g. Disciplinary, Grievance, Capability and Security of Employment

To maintain good industrial relations, we provide Unite with certain services: in most parts of the bank, you will be able to get in touch with a Joint Workplace Representative (JWR) or a Senior Workplace Representative, both of whom are authorised to inspect the workplace and advise management of their findings. Contact either of these if you would like to join Unite.

- See www.unitetheunion.org or phone on 02076112500

National Council of Managers

There is a National Council of Managers, to enable business areas across the bank to be consulted on collective issues relating to GCB 6–4. The Council is composed of 8 representatives elected from the GCB 6–4 population, 5 representatives elected by Unite GCB 6–4 level members and the National Secretary of Unite responsible for HSBC Bank plc issues. From time to time your terms and conditions may vary following negotiations and/or consultations with the NCM under this agreement.

- Rights of third parties

The Contracts (Rights of Third Parties) Act 1999 allows individuals or companies to gain rights under a contract, even if they are not a party to the contract, unless the contract states otherwise.

No person who is not a party to this contract has or shall have any rights under the Act to enforce any term of this contract. No consent of any third party shall be required under that Act to terminate or change this contract.

Section 3 – What we'll ask of you

Honesty. Integrity. Transparency. It's up to all of us to maintain the high standards our customers and clients expect of us. This section lays out the rules and regulations we have set to uphold our values and retain our customers' trust.

Some of it is common sense. Some of it you can find in more detail in HRDirect. All of it is essential if we are to protect our customers, ourselves and the reputation of the bank.

We're not going to go into every single detail here – you'll find these on the intranet. For now, we're just going to look at the key points.

These rules and regulations may be altered or modified at any time by notice to you or through the UK Intranet*. Failure to abide by these rules and regulations may result in disciplinary action being taken against you, which could include dismissal. You must report any known breaches to your entity manager or another appropriate manager as soon as you become aware of them.

3.1 Security and fraud prevention

The kind of work we do brings with it the need for the tightest possible security. This means the majority of employees will be issued and carry security passes. We may ask to search bags or vehicles and we may check your educational and professional background – including running criminal record and/or credit reference checks.

Fraud prevention databases have been established for the purpose of allowing employers to share data on their employment fraud cases. Should our investigations identify fraud or the commission of any criminal offence by you [on your part] when applying for, or during the course of your employment with us, we will record the details of this on the relevant fraud prevention databases. We and other organisations may also access this information to prevent fraud and money laundering.

In addition, the bank reserves the right to inspect bank accounts and other facilities held by any employees when investigating potential fraud or theft. Any information or evidence gained from such monitoring may be admitted as evidence in disciplinary situations. The bank will issue appropriate notification should any further monitoring be necessary in addition to the above. If there is evidence a crime has been committed against the bank, it will be reported to the police/appropriate authorities for further investigation and possible prosecution. We will also notify the Group's insurers.

3.2 Communications

You must maintain the highest standards of professionalism and integrity in all that you do, including your communications to colleagues, customers, clients and the public, both inside and outside of your place of work. This applies to all forms of communication. If sensitive or confidential information needs to be sent by email to external parties it should be encrypted as unencrypted data could be intercepted and used to commit fraud and/or damage the bank's reputation.

For security and administrative purposes we may monitor and/or record your use of bank equipment and systems, including, Browser Main Menu, external and internal telephone calls, voicemail, text messages, Sametime instant messaging, e-mails (including attachments) and both personal and business internet usage.

We may also use CCTV recording equipment in and around our premises in the interests of security and your own personal safety. Photographs and images are also taken and used for security purposes, for example on security passes.

3.3 Personal finance

The rules and conditions that apply to our customers also apply to our own personal finances. This means, for example, not becoming overdrawn without prior authority. You should not become financially reliant on the outcome of a bet or financial speculation. If you are in financial difficulty you must ask Customer Credit Services or your account holding manager for advice.

The rules and conditions that apply to you will be set out in appropriate application forms and/or will be provided to you at the time the facilities are granted to you.

You must not borrow from, or lend money to, customers or colleagues except in the course of authorised business. You must gain approval in writing from your General Manager if you wish to be a personal guarantor for any loan.

3.4 Other employment

We need to know that any other employment you may have doesn't compromise your ability to do your job with us – including taking enough rest. So ask a senior manager to agree in writing if you wish to:

- take or continue with an additional job either inside or outside the bank.
- become or remain a director of a company.
- engage in any other business – including business on the web.
- act as an executor, administrator, attorney or trustee (except for near relatives).

- See UK Dual employment policy

3.5 Giving or receiving gifts and benefits

You must not accept from or give to any third party any gift, hospitality or other personal benefit that is likely to influence (or which other people may reasonably think likely to influence) your judgement or be construed as bribery or conflict with your duties to any customer or colleague. Certain rules apply if your refusal to accept or give a gift might be perceived as impolite or the gift is of nominal value.

- See Global FIM [Entertainment and Other Advantages](#)

3.6 Diversity and Inclusion

We value the rich diversity, skills, abilities and creativity that people from differing backgrounds and experiences bring to the bank. And we know that an inclusive working environment, where everyone can realise their full potential, is crucial to giving high-quality service to our customers. We aim to recruit, train and promote based on individual aptitudes and skills.

We recognise that most disabled people do not need special equipment or adaptations. But we will provide these if they help you to work more effectively. If you become disabled, or an existing disability worsens, we will make every effort to continue to employ you. You can also seek advice or financial support from 'Access to work', run by the Employment Service.

We will not tolerate any form of unlawful discrimination, irrespective of sex, race (including ethnic or national origin), disability, sexual orientation, pregnancy and maternity, marriage or civil partnership, gender reassignment, age, religion or belief. Nor will we tolerate any harassment, victimisation or bullying at work, or at any work event or function. Any such behaviour is likely to lead to disciplinary action and may result in your dismissal for gross misconduct.

If you believe you are the victim of any form of discrimination, harassment, victimisation or bullying, ask your entity manager for help or contact Open Line, our confidential and free advice and information service. You can also follow the guidance in the UK Individual grievance policy.

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- See UK Employees with a disability, illness or condition policy
 - See UK Diversity policy
 - See UK Individual grievance procedures

3.7 Personal Relationships at work

It is important that you behave in an appropriate and professional manner at work and that conflict of interests (or the appearance of them) are avoided.

Therefore, if you form a personal relationship with another employee of the HSBC Group or a contractor working for the HSBC Group, you should not be involved in the transacting, processing or auditing of the same activity and one of you should not have managerial or supervisory responsibilities for the other. You should inform your entity manager of the relationship (or a more senior manager if you have formed a personal relationship with your entity manager). Failure to comply with this reporting requirement may form the subject of disciplinary action.

The Company may consult with you and the other individual concerned regarding changes to your/their duties, role, reporting line etc., but reserves the right to take such action as it considers appropriate in the circumstances.

If in doubt please refer to your HR representative.

3.8 Compliance with financial services regulations

You must be fully aware of your responsibility to comply with applicable laws, rules and codes and to abide by all published compliance and sanctions regulations, including HSBC's procedures for personal dealing in securities.

If you are a US person, you must also, wherever you are, ensure that you comply with US Department of the Treasury's Office of Foreign Assets Control (OFAC) in relation to US sanctions imposed against certain countries on humanitarian or national security grounds.

If you are a branch manager or manager at GCB 5 or above, you also have explicit responsibility (as laid out in your job description) for containing any compliance risk, with the help of the relevant compliance department.

- See Group compliance policy for UK and OFAC Sanctions

Operational risk

Operational risk is relevant to every aspect of the Bank's business and covers a wide spectrum of issues. The objective of the Bank's operational risk management is to manage and control operational risk in a cost effective manner within targeted levels of operational risk consistent with the Group's risk appetite, as defined by the Group Management Board.

Business management is responsible for maintaining an acceptable level of internal control, commensurate with the scale and nature of operations within the Bank. Business Managers are therefore responsible for identifying and assessing risks, designing controls and monitoring effectiveness of these controls. All employees should be aware of operational risks and the controls required to manage these risks.

You must keep up to date with changes to operating procedures, advised legal and regulatory requirements and the impact of new technology, as appropriate to your role, including mandatory e-learning.

Should you identify an operational incident, escalate it in accordance with local incident escalation procedures.

If you are a manager, you must also continually reassess the operational risks inherent in the business, taking account of changing economic or market conditions. You must record any operational risks, incidents and losses in the Group Operational Risk & Internal Control Database (ORION) accurately and in a timely way in line with FIM requirements and local procedures, and take appropriate measures to minimise the bank's exposure to these risks (as laid out in your job description).

This requirement is contained within employee job descriptions and, if appropriate, should be converted into a suitable performance objective for relevant individuals.

If you report directly to the CEO or COO, or to one of their direct reports, you must complete a formal takeover process when moving to a new role to ensure an orderly and documented transfer of management responsibility. You must detail any breaches of procedure or law during the takeover in a report to the appropriate level of functional management, proposing how to remediate the breach.

Consumer protection

The Financial Services and Markets Act 2000 (FSMA) requires all firms in the UK undertaking “regulated activities” to be authorised by the regulators* and some individuals to be registered as an “Approved Person”. The regulators set out detailed rules with which all authorised firms and individuals must comply.

Our office procedures manuals and mandatory reading* reflect regulatory requirements. Observing these will ensure that we protect our customers and our reputation, and will minimise the risk of non-compliance and any associated penalties. If you are required to be formally registered as an Approved Person, you must not only abide by the regulator’s principles and rules but also accept personal responsibility for certain actions under the FSMA.

- See Operations FIM
- See Business Instruction Manual – Compliance
- See Business Instruction Manual – Data

Dealing rules

Personal dealing in securities (eg stocks and shares) is subject to specific guidelines, laid out in our UK Employee Dealing Procedures. These ensure that all dealings comply with the Group’s policy, our regulator’s principles and rules and the Criminal Justice Act 1993. You must understand the implications of these regulations and observe them strictly at all times. We will make a copy of the guidelines available to you when you start work with us. Please read them carefully.

Note in particular the restrictions that apply if you are in possession of inside information. Dealing when in possession of such information, passing such information to others or procuring others to deal while in possession of such information are criminal offences under Part V of the Criminal Justice Act 1993. This is a complex piece of legislation and it is essential that you seek the advice of your entity manager before dealing if you have any doubt about the transaction.

We may take disciplinary action, which could include dismissal, if you fail to observe the UK Employee Dealing Procedures. You may also be subject to criminal prosecution.

There are also special rules for dealing in HSBC Group Securities.

- See Business Instruction Manual – Compliance, UK Employee Dealing Procedures

Lending – conflicts of interest

You must inform your entity manager immediately in writing if you are involved in recommending or approving any credit facility or counterparty limit for a customer in which you or any connected person* has a significant investment. A significant investment is an investment in an unlisted company or partnership or any other investment with a market value of £15,000 or more. Your entity manager will need to be satisfied that the investment does not and will not influence approval of credit facilities or counterparty limits and keep a note of these details.

Except as otherwise detailed in this section, employees with lending authority must not grant credit or loans to themselves, their immediate family, partners or friends or to companies in which they, their immediate families, partners or friends have an interest, financial or otherwise.

We may take disciplinary action against you, including dismissal for gross misconduct, if you fail to comply with any of these requirements.

-
- See Business Instruction Manual – Compliance, UK Employee Dealing Procedures **Money laundering deterrence**

Money laundering is the process of disguising funds derived from criminal activity to make them appear legitimate. Laundering is a feature of all forms of crime irrespective of monetary value. Criminals and their associates use the financial system to hide the source and beneficial ownership of money by a variety of means. The process is also used in the financing of terrorism although the funds involved may not in themselves be the proceeds of a criminal act.

Money Laundering is illegal and failure to comply with money laundering laws, regulations and rules may lead to regulatory censure, prosecution, unlimited fines and reputational damage for the bank, and to disciplinary action, fines and jail sentences for employees.

It is a legal requirement to have procedures in place to combat money laundering and terrorist financing, including staff training and awareness. Internal procedures have been developed to comply with local legislation and the Group's Money Laundering Deterrence Programme, which must be followed by employees when dealing with customers or their funds. In particular:

- take care to verify the identity of all new clients and establish the beneficial ownership of all accounts.
- be alert to unusual activity or other transactions which appear suspicious.
- if you suspect that funds held or transactions undertaken are related to criminal activity, you must report the matter to the Money Laundering Reporting Officer (MLRO) in accordance with local reporting requirements.
- do not reveal in any way to a person (customer, non-customer or employee) that they are the subject of a report or an investigation.
- turning a 'blind eye' is not a defence to a charge of money laundering.

You must therefore be constantly alert to your responsibilities and the risks to which you are exposed. And you must abide by all published money laundering rules, regulations and procedures.

- See Business Instruction Manual – Compliance
- See HSBC Money Laundering Deterrence Programme – Global Policy and Principles
- Call the Money Laundering team on 799 17312 (internal) or 020 79917312 (external)

3.9 Whistle blowing

We are committed to being a fair and objective employer. We have therefore developed our whistleblowing arrangements to help you raise any concerns about wrongdoing at work. Those arrangements are called HSBC Confidential.

What

Under our procedure, non-exhaustive examples of concerns that can be raised include:

- Theft
- Inappropriate customer treatment
- Poor personal conduct
- Inappropriate trading behaviour
- Accepting bribes
- Not following internal procedures
- Unsafe working environment
- Bullying and harassment
- Discrimination
- Cover-ups

HSBC encourages all staff to raise concerns through their normal reporting or escalation channels. These include through an individual's line management, contacting Human Resources or via their local Compliance Officer. In many cases it, will be more effective to raise personal grievances through the grievance procedure.

However, occasionally an individual may feel that they are unable to raise concerns through these routes. HSBC Confidential is an alternative way of raising those concerns. If an individual reasonably believes that the matter they are reporting is true, they will not suffer any detriment by raising it through HSBC Confidential.

HSBC Confidential is designed to help individuals raise concerns outside their normal reporting or escalation channels. Individuals should not attempt to undertake their own investigations or reviews before raising a concern. Investigations will be undertaken by the relevant independent subject matter experts. All reports falling within the remit of HSBC Confidential will be dealt with in a manner which aims to protect the person raising the concern from any retaliation caused by their decision to make the disclosure. Individuals whose reports fall outside the scope of HSBC Confidential will be advised of this.

How

If you feel unable to raise the matter through any of these usual channels, you can do so in confidence and anonymously – if you wish – through HSBC Confidential. A link, available on the Global HSBC Now page, directs you to the HSBC Confidential home page. A concern can be raised and logged via one of four channels:

Via the **phone**: call HSBC Confidential and describe your concerns over the phone

External: 020 3359 1818;

Internal: 7359 1818.

Your case will be secured and submitted to the correct investigations team-

If you wish to make an anonymous report this should be your preferred option. You do not have to give your details.

Via the **portal**: log a case on the HSBC Confidential case management system and attach any relevant documentation to support the investigation.

Via **e-mail**: send an e-mail with a query description to hsbcconfidential@hsbc.com. Ensure you include any relevant documentation and preferred contact details for investigators.

Via **post**: HSBC CONFIDENTIAL c/o GGM, Head of Global Regulatory Compliance HSBC Holdings plc Level 7 1 Canada Square London E14 5AB.

If you want to raise a case with HSBC Confidential, please do not raise a case via other routes, for example with your line manager or other executive management. If you do so, it will be much more difficult to keep your case confidential, and may result in multiple investigations.

In all cases, reasonable efforts will be made to ensure that the identity of the individual contacting HSBC Confidential is kept confidential. There may, however, be situations where we are required to disclose an individual's identity. If an individual's identity has to be disclosed, reasonable steps will be taken to advise the individual of this prior to any disclosure being made but only where it is possible and practical to do so and does not breach any legal or regulatory requirement.

While an individual may raise concerns anonymously, the ability to investigate, ask follow up questions or provide feedback will be reduced if the individual cannot be contacted. Furthermore, it will be more difficult to put steps in place to protect the individual if their identity is not known.

In each case, we will need to balance the protections and rights of other parties, for example if the concern is raised about a person, their employment law rights and right to privacy will need to be considered; each case will be assessed on its merits and you will be advised if this is the case.

As a consequence of the measures in place to protect your confidentiality, your usual sources of support are unlikely to know about the progress on any investigation. In particular cases raised with HSBC Confidential via the HR Direct portal will not be accessible to HR teams unless they are responsible for investigating the concern. Please direct any concerns about your case or further information via HSBC Confidential.

Deliberate misuse, or the making of malicious reports to HSBC Confidential may result in disciplinary action.

Employment Law Protection

In England and Wales, the Public Interest Disclosure Act 1998 provides legal protections for certain types of disclosure. Not all disclosures made through HSBC Confidential will receive this legal protection; equally it is not a prerequisite for that protection that disclosures are made through HSBC Confidential. If you require further details please contact your HR representative, or for independent advice, please contact Public Concern at Work whose details appear below.

How are cases handled?

Global Regulatory Compliance (Global RC) is responsible for the oversight of HSBC Confidential and the handling of cases. All cases will be reviewed and referred to the relevant independent subject matter experts for investigation. Every case will be acknowledged. The length of an investigation will vary depending upon the particular circumstances of each case.

Once an investigation has been concluded, an investigator will give feedback where it is possible and practical to do so.

Management Reporting of Whistleblowing Cases

Aggregated data from whistleblowing cases may be used in presentations and senior management reports for management information purposes. This aggregated data is collected and collated securely to ensure that the identity of a whistleblower is always protected and anonymised. This means that where whistleblowing cases are used in any reports, nothing that may reveal your identity will be disclosed.

Data Collection

In making a disclosure you consent that any data you provide will be processed and handled for the purposes of investigating the disclosure. Any personal data you provide will be processed in accordance with applicable data privacy laws.

The information you provide may be shared with other HSBC group members including across borders to jurisdictions which do not have data protection laws providing the same level of protection as the jurisdiction in which you are based. The information may also be shared subject to applicable data privacy laws, with any sub-contractors, agents, advisers or service providers of the HSBC group (including their employees, directors and officers) as well as any regulatory authorities of the HSBC group. The information provided will be protected by appropriate security and technical measures at all times.

The data controller in relation to the information you provide is the HSBC group member who is conducting the investigation into the disclosure. Information provided in a disclosure will be kept in accordance with existing records retention schedules for the relevant HSBC group member. In certain jurisdictions, data privacy laws may allow you to make a written request for a copy of the personal data we hold about you and to ask us to rectify, erase or block any inaccurate data. You should make a request to the HSBC group member who is conducting the investigation. They will be able to direct your query. Depending on your jurisdiction, there may be a small fee charged for providing this information to you.

Further Information

For further information on raising a concern please refer to the GSM and FIM at the following links:

- [GSM 5.5 WHISTLEBLOWING](#)
- [Global Risk FIM B.2.24 Whistleblowing and "HSBC Confidential"](#)
- [HSBC Confidential SharePoint](#)

Protection from retaliation

HSBC prohibits retaliation against a whistleblower or other user of HSBC Confidential who reasonably believes that the concern that they have raised is true. HSBC considers retaliation in those circumstances as a disciplinary matter. For clarity, this does not prevent performance management or disciplinary action that was started before a person

became a user of HSBC Confidential or is not related to your having contacted HSBC Confidential. If you believe that you have suffered adverse consequences as a result of having made a report through HSBC Confidential, then you must report it to HSBC Confidential who will arrange for an independent investigation. It is important to note that the making of malicious or false claims is incompatible with HSBC's values and may result in disciplinary action.

External disclosures

While HSBC hopes that these internal whistleblowing arrangements will provide you with the most effective and appropriate method of proceeding, the firm recognises that you are entitled to make your disclosure directly to the FCA and/or PRA without initial recourse to or alongside raising the concern with HSBC Confidential. If you wish to raise a concern about a protected disclosure, you may do so at any time through the following ways:

FCA: full details for contacting the FCA can be found at:
<https://www.the-fca.org.uk/whistleblowing>

PRA: full details for contacting the PRA can be found at:

<http://www.bankofengland.co.uk/>

For reference a Protected Disclosure is:

(a) a "qualifying disclosure" as defined in section 43B of the Employment Rights Act 1996 (and summarised in (b) below) made by a worker in accordance with sections 43C to 43H of the Employment Rights Act 1996;

(b) a qualifying disclosure is, in summary, a disclosure, made in the public interest, of information which, in the reasonable belief of the worker making the disclosure, tends to show that one or more of the following (a "failure") has been, is being, or is likely to be, committed:

(i) a criminal offence; or

(ii) a failure to comply with any legal obligation; or

(iii) a miscarriage of justice; or

(iv) the putting of the health and safety of an individual in danger; or

(v) damage to the environment; or

(vi) deliberate concealment relating to any of (i) to (v); it is immaterial whether the failure occurred, occurs or would occur in the United Kingdom or elsewhere, and whether the law applying to it is that of the United Kingdom or of any other country or territory.

Additional sources of help and assistance

ACAS

Advisory, Conciliation and Arbitration Service (ACAS) can be contacted on their helpline number: 0300 123 1100 or www.acas.org.uk/

PCAW

Public Concern at Work (PCAW), an independent charity, can be contacted on 020 7404 6609 or via www.pcaw.org.uk

Open Line

Open Line is a confidential counselling, advice and information service and a trauma service provided by HSBC. This service is also independent and free. Further details are available on HR Direct

08457 666 999

openline@mohuk.co.uk

3.10 Data protection

Personal and Sensitive data

We process personal information that may include payroll processing, references, family and other contact details and records relating to your recruitment and career with us (including job applications or details of any grievance and disciplinary procedures, where relevant and permitted).

We will only process sensitive data with your agreement, unless we need it to meet statutory obligations. The sensitive data we hold about you may include:

(i) Information about your health, which we would use:

- To ensure we comply with health and safety and occupational health obligations.
- when considering any health issues that may affect your ability to work.
- if you are disabled.
- for administration and management of insurance, pension, sick pay and other similar benefits.

(ii) Information about racial or ethnic origin or religious beliefs to fulfil our statutory obligations to ensure equality of opportunity at work.

(iii) Information about your trade union membership to enable deductions or subscriptions from payroll.

If you need time off work or special arrangements to look after a family member or friend, we may keep a record of such absences.

We may during your recruitment and career undertake appropriate security and credit reference checks. Your personal information may also be processed for fraud prevention and other regulatory purposes.

In some instances we may be required by law to provide certain information to a third party, such as the HM Revenue & Customs.

We may also exchange information with other members of the HSBC Group for purposes connected with your career, for payroll and administration purposes and for audit requirements, or to allow information to be processed on our behalf by members of the HSBC Group, and/or third parties for the same purpose. We will always ensure that it is protected by a strict code of security and is only used in accordance with our instructions. If we transfer or hold your personal data overseas, including outside the European Economic Area (where there may be less stringent data protection laws) we will ensure your rights as an individual are protected.

- Any product and services information may be included in your pay statements.

Under data protection legislation, you can ask in writing for a copy of certain personal records we hold about you. A charge of £10 may be made.

Your responsibilities

Please ensure that your personal data is accurate, up-to-date and secure. Unauthorised disclosure of third-party personal data is a serious offence and can result in prosecution. So you must ensure that you:

- do not disclose any individual's personal data without authority.
- do not treat personal data carelessly.
- lock all data (including disks, tapes, paper printouts etc) away when not in use.
- do not disclose your computer password to any unauthorised person.
- only use personal data for the lawful purposes for which the bank has collected it.
- do not write personalised or derogatory comments about a customer, client, colleague or any other third party.
- See UK Data protection policy
- See 3.2: Communications

3.11 Use of information technology

You must strictly observe our policies and guidelines on the security of information and the use of information technology.

Use digital recording devices such as floppy discs, CDs, DVDs and USB memory devices to store information only if there is no alternative. Devices of this type are easily lost and can easily be read or copied. You must have

management approval to write to these types of devices and must use bank supplied methods which ensure that all information is encrypted.

Mobile recording devices should never hold the only copy of information stored. A back-up copy must always exist on a bank-owned computer.

Your manager may further restrict use of these devices if necessary to protect ourselves, our customers and our clients.

Do:

- keep secure all passwords, Personal Identification Numbers, computers, laptops, mobile phones, two-way pagers, PDAs and BlackBerries.
- lock all devices when not in use.
- erase all information no longer required to ensure it cannot be recovered maliciously, including physically destroying any CD and DVD media that cannot be erased.
- ensure that guests, visitors and contractors are aware of our policies on the use of our equipment.
- be vigilant and report any contravention of our Security Guidelines to senior management or to Information Security Risk on 790 27969.

Don't:

- install or use unauthorised software* on bank equipment either on or off bank premises.
- use unauthorised computer equipment to process the bank's data.
- make unauthorised copies of software.
- enter systems without proper authority.
- access or attempt to access data on any Group computer systems that you are not specifically authorised to access.
- access customer or employee records without a specific demonstrable business or operational need.
- change or make transactions on your own account.
- change or make transactions on any account with which you are associated or related [You may view your own account or an account upon which you have signing authority only].
- take photographs or video images on any bank premises, using any kind of equipment (including mobile phone cameras) without the prior permission of an employee of GCB 3 or above or security management.
- connect (physically or by any type of wireless system) any unauthorised device to our computer systems or networks. You must not attach any personal data storage device to the bank's systems without prior management approval and without ensuring that you apply the appropriate security controls for data storage.
- take photographs that infringe personal privacy or customer or client confidentiality (for example on special occasions, at award ceremonies etc), or that compromise the security of employees, customers, clients, premises and equipment.
- use mobile phones in areas such as computer rooms, network rooms and trading floors where their use may cause distraction or a breach of security or compliance regulations.

If you fail to comply with any of these requirements and, in particular, the use of unauthorised software* on Group equipment, you are violating your terms and conditions of employment. This is likely to lead to disciplinary action and may result in your dismissal for gross misconduct.

- See Group ISR Standards (within Operations FIM section B.10.1
- See UK Internet, email and company mobile phones policy

3.12 Health, safety and fire

Your health, safety and welfare are of paramount importance to us. And we have a duty, as your employer, to identify health, safety and fire hazards in advance, and to control the risks. But we need your help to maintain safe working conditions.

You must take reasonable care for your own health and safety, and that of others, and co-operate with us in meeting the requirements of the relevant laws. You must familiarise yourself with the bank health, safety and fire procedures in the Business Instruction Manual. This manual covers what to do in the event of a bank emergency, including what

to do if you have an accident, discover a fire, bomb or other hazard. If you are unsure about what to do in an emergency, you must speak to your entity manager.

If an incident or potential incident means you have to leave your place of work at short notice, ring the following numbers to receive updated information and to report your safety:

- Employees based in Headquarters: 0800 032 2722.
- Employees based elsewhere: 0800 731 3575.
- See <http://www.hsbc.com/> for more information.
- See Business Instruction Manual – Health, Safety and Fire.

Our Central Safety Committee, consisting of representatives of the bank, Unite and the National Council of Managers, meets regularly to discuss health, safety and fire issues, and exchange information and resolve problems.

- See UK Health and safety policy

3.13 Alcohol and Drug Misuse

If you think you might have a drug or alcohol dependency, please seek help through our Occupational Health Services or Open Line.

In order to help an employee, Occupational Health will usually need to liaise with the employee's entity manager who will need to be advised in general terms about the nature of the problem. Clinical details are not disclosed and remain confidential unless the employee gives their written permission to share this information.

- See My Health and Wellbeing
- See UK Alcohol and substance misuse policy

3.14 Dress and Appearance

You are required to dress in a way that the bank considers appropriate to the business situation. Account will be taken of religious and cultural norms. Styles that could offend normally accepted standards will not be permitted.

Dress and appearance requirements may be varied by local arrangement at your place of work. Any particular requirements will be brought to your attention during your employment.

Section 4 - What we'll give you in return

We want you to get the most out of your career with us. Not just in terms of job satisfaction and professional growth, but also in terms of rewards. After all, if you're going to be giving us the benefits of your expertise, dedication and hard work, it's only fair that we give you something in return.

The benefits set out in this section are a summary. Full details and/or further information on specific benefits can be obtained from HRDirect and the My Reward sites, which are available on the bank's intranet.

These benefits do not form part of your contract of employment. The introduction of Salary Sacrifice for the flexible benefit scheme – My Choice – represents a change to your contract of employment. By making pension and/or flexible benefit scheme choices, you will be deemed to have accepted the change in your contract of employment. All benefits and facilities are subject to certain rules on eligibility and operation, which may change from time to time.

- See UK Reward policies
- See My Choice
- See My Discounts

4.1 My Choice

My Choice is the name of the HSBC flexible benefits package we provide to you. My Choice allows you to create a benefits package to suit you and your lifestyle. There are a number of benefits on offer for you and in some cases your partner and family members too.

They are designed to help you with your

- savings and retirement.
- health, such as, dental cover, health assessments.
- protection, such as, Group Income Protection, Critical Illness and Personal Accident cover.
- leisure and lifestyle, such as, holiday buy/sell, childcare vouchers and charity donations.

By signing up to some of these benefits you will, in effect, be changing the terms and conditions of your employment.

- My Choice

4.2 My Discounts

You can also take advantage of a range of discounted financial products and services, corporate rates, online and retail special offers for you and your family.

You have access to a large number of discounts and deals on a wide range of products from Electronics to Fashion through My Discounts.

- My Discounts

4.3 Loans

We may be able to offer you unsecured personal loans at concessionary rates or interest free season ticket loans, repayable via payroll deduction.

- See UK Season ticket loan policy
- See My Discounts

4.4 Charities

Give as You Earn

We run this scheme in association with the Charities Aid Foundation to enable you to make tax-free donations to charities of your choice.

- See UK Charity scheme – Give as you earn (GAYE)

Pound for Pound and Keep the Change!

We will, subject to certain rules, match any charitable funds you raise through the time you give or events you run – up to a certain limit, per person per event per year.

You can also sign up to 'Keep the Change!' to donate the odd pennies from your net salary to six nominated charities each month. For example, if you earn £900.17, you can donate the 17p to charity. So the maximum you give each month is 99p. Distribution costs are covered by the earned interest so the charities will receive 100% of your donation.

- See UK Charity scheme – Pound for Pound (£ for £)
- See UK Charity Scheme – Keep the Change!

4.5 Childcare

If you work in the UK (but not the offshore islands), you are eligible to join the HSBC childcare scheme. You can buy electronic vouchers that you can use to pay for a variety of childcare for children up to 16 years of age.

The benefits of these 'virtual' vouchers are:

- their flexibility, as you can use them to pay for nursery care, childminders, nannies, au pairs, out-of-school clubs and holiday play schemes.
- tax and NI exemption on fees that you pay via salary sacrifice*.

You aren't eligible to join the scheme if a relative provides all of your childcare.

- See UK Childcare provisions

4.6 Open Line

If you're in difficulty – either work or personal - you can ring Open Line, a free and confidential counselling service. Open Line offers practical help and support on bereavement, depression and relationship problems; and also bullying and harassment, lack of confidence and stress at work – including if you are going through grievance investigations or proceedings.

Telephone support is available 24 hours a day, seven days a week. The telephone number is 08457 666 999, Deaf employees should [email openline@mohuk.co.uk](mailto:openline@mohuk.co.uk) where a member of the Open Line team will contact you within normal office working hours.

If you work in an area where calls are routinely monitored (such as Customer Service Centre) you can use a non-monitored phone or a private phone, to preserve your confidentiality.

To make an appointment to see a counselor, please call between 9am and 5pm, Monday to Friday, or write to Openline. Counselling appointments are available outside these times.

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- See My Health and wellbeing
 - See Openline policy

4.7 Sports and social clubs

The Group has two sports and social clubs for you and your family to use: New Beckenham in London and Dore in Sheffield. There is also a rowing club at Putney, London; sailing centres across the country; and a fully equipped gym and class studios (The Fifth Dimension) at the bank's headquarters.

For information and an application form, call 020 7213 4366 (internal, London) or 020 8919 4366 (external, London); 7055 5681 (internal, Sheffield) or 0114 260 5681 (external, Sheffield).

4.8 Healthcare plan

If you are GCB 6 and above, you may be eligible for company-funded membership of the HSBC Group Healthcare plan. This provides cover for you and your immediate family (including partner and dependant children up to the end of the scheme year in which they reach 21) during your employment. We will automatically provide details when you upload your information into My Choice on the My Reward Centre site.

If you are not eligible for company-funded membership, you can still select this benefit in My Choice and pay for it through salary sacrifice*.

We may vary or withdraw the scale or level of benefits at any time.

- See UK Private medical and healthcare schemes policy

4.9 Health assessments

If you are a manager in certain bands, you may have a company-funded health assessment through one of the BUPA Health Screening Centres.

If you are not eligible for a company-funded assessment, you can still select this benefit in My Choice and pay for it through salary sacrifice*.

- See UK Health assessments policy

4.10 Mortgage subsidy and personal accounts

We would like to encourage you to take your mortgage borrowing with us. So we offer a monthly subsidy payment that we will pay with your salary, subject to the rules of the scheme at the time.

You may also be able to benefit from preferential facilities, including rates of interest, on your personal account with us.

- See UK Mortgage subsidy scheme policy
- See UK Employee accounts policy

4.11 Corporate card

If you incur business expenses regularly and we have issued you with an HSBC Corporate Card, you must use it to pay for appropriate business travel, accommodation and entertainment. You can subsequently reclaim such expenses.

You must not use the card for personal expenditure or to make cash withdrawals other than for foreign currency that you need for a business trip. Misuse of the corporate card may result in disciplinary action, including dismissal.

- See Expenses policy

4.12 Professional and technical qualifications

We may be able to help you if you would like to study for a specific professional or technical qualification.

- See UK Professional qualifications policy

4.13 Maternity and family leave

We encourage you to return and continue your career with us after your maternity, shared parental, adoption or paternity leave and will keep in regular touch with you during your leave. You can find full details of maternity, shared parental, adoption and paternity leave arrangements on the intranet, but here are a few of the measures we've introduced to help you:

- childcare support to help you return to work.
- a priority returners scheme, which gives you preference for re-entry to the bank if you apply before leaving and are eligible for the scheme.
- family leave provisions of up to five days' paid family leave, in an emergency, in any one year.
- a flexible working policy that exceeds statutory requirements.

Our childcare scheme and family leave provisions are available to all employees with parental responsibility for children.

- See UK Maternity Policy
- See UK Adoption rights, leave and pay policy
- See UK Shared Parental Leave policy
- See UK Paternity rights, leave and pay policy
- See UK Special leave policy
- See UK Flexible working policy
- See UK Childcare provisions
- See UK Priority returner scheme policy

4.14 Special leave

We may grant you special paid leave for reasons such as public duties, Duke of Edinburgh's Award Scheme Adventure Training, bank sports activities, certain HM Forces or Auxiliary Forces activities, on compassionate grounds or in exceptional circumstances. This leave will not normally be for more than ten days in any one calendar year.

- See UK Special leave policy

4.15 Redundancy

We aim to seek alternative employment for you if your role becomes redundant owing to changing business circumstances. But this will not always be possible. Our Security of Employment Policy (SEP) sets out how we handle job reductions and redundancies, including redundancy pay. Any redundancy payment we make includes and extinguishes any statutory redundancy entitlement.

If you are made redundant, you will be entitled to any period of notice that may apply at the time of the redundancy under any security of employment agreement with any trade union or other such representative body.

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- See UK Security of employment policy.

If you would like to appeal against any redundancy decision, lodge this by raising a case within three weeks of receiving the letter formally advising you of the redundancy decision.

Section 5 - Making things clear

benefits in kind: refers to items such as private health insurance, cars and beneficial rate loans.

connected person: see UK Business Instruction Manual – Compliance, UK Employee Dealing Procedures for the definition of a 'connected person'.

core leave: during core leave, you must be physically away from your workplace and should not work remotely – by accessing your Blackberry, for example. Your entity manager must not place you under duress to respond to work-related matters during core leave. You may attend training courses, conferences or conventions during core leave as long as the events are not held on HSBC Group premises. These events must not account for more than half of the core leave period.

Global Career Bands (GCBs): GCBs were introduced from 2008 to put in place a common language for job grades across HSBC Group. GCBs promote transparency, comparability and mobility across our different borders and business areas. All positions within the bank are allocated a GCB.

key-time employee: Key time employees have a contract of employment to work less than the standard 35 hours each week. Also referred to as 'part-time'.

HSBC Group or the Group: refers to HSBC Holdings plc and any holding company, subsidiary or subsidiary of a holding company of HSBC Holdings plc (as defined in sections 736 and 736A Companies Act 1985) and/or an associated employer of HSBC Holdings plc (as defined in section 231 of the Employment Rights Act 1996).

HRDirect: the HR intranet portal which holds all HR content including HR policies and procedures indicated in this handbook. They do not form part of your contract of employment unless we expressly state that they do.

mandatory reading: mandatory reading notices are published daily through the UK intranet under 'Mandatory Reading'.

offer letter/contract: refers to any letter or document (other than this guide) that we have issued to you as an expressly stated part of your terms and conditions of employment and/or employment contract. Note that 'offer letter/contract' includes any subsequent amendments we may have made or may make.

red-circled: Red circled terms mean that you have an agreed enhanced employment condition in the role that you are currently undertaking, where the role does not normally attract this enhanced condition.

Regulators/regulated roles: Before 1 April 2013 the Bank was regulated by the Financial Services Authority (FSA), which has been demised and replaced with two separate regulatory authorities:

- the Prudential Regulation Authority (PRA) has been set up to ensure the financial stability of larger financial services firms.
- the Financial Conduct Authority (FCA) will take on the responsibilities for business and market conduct, competition and consumer protection issues.

References to 'regulators' or 'regulated roles' contained in this handbook are meaning the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA).

salary sacrifice: salary sacrifice is not a tax term but a contractual arrangement between an employer and employee, whereby the employee gives up the right to receive part of the cash pay due under the employment contract. The sacrifice is made in return for the employer's agreement to provide the employee with some form of non-cash benefit, such as childcare vouchers or contributions to a pension scheme.

this handbook: the *Life at HSBC* handbook replaces all earlier versions of the employee handbook, including 'Let's work together'. It does *not* apply to employees in other parts of the HSBC Group within the UK, eg HSBC Treasury and Capital Markets, first direct and those employees working on the Channel Islands or the Isle of Man, nor to employees of the parent company of the Group, HSBC Holdings plc.

through the UK Intranet: this will either be through Mandatory reading notices published daily through the UK Intranet under 'Mandatory Reading' or UK intranet stories published daily on the home page of the UK Intranet.

unauthorised software: any software not on the Group's IT list of approved software or which the Purchasing Department (or future equivalent) has not procured. This includes any unsolicited software or demonstration software that Group IT Security has not previously checked and any software delivered in such a way that it may have been tampered with.