

Modern Slavery and Human Trafficking Statement 2021

Publication date: 22 February 2022

Introduction

This statement, for the financial year ending 31 December 2021, is the sixth statement issued by HSBC Holdings plc with respect to Modern Slavery and Human Trafficking ('Modern Slavery'). It covers the policies and procedures that are applied across the HSBC Group, under the provisions of the UK Modern Slavery Act 2015 ('the Act') and with reference to the [Transparency in Supply Chains](#) guidelines issued by the UK Home Office. The statement covers all HSBC Holdings plc subsidiary companies subject to the provisions of the Act – see Governance on page 13.

We report on the steps HSBC takes and has taken to guard against Modern Slavery taking place in its own operations, its supply chains, or through its lending or project financing. This statement also describes some of the ways in which HSBC works with the wider financial community, law enforcement agencies, governments and civil society, to act against Modern Slavery.

We welcome the increased focus on Modern Slavery of governments around the world. We acknowledge in particular [ongoing measures to strengthen reporting requirements under the Act](#), including the recent introduction of a public registry of Modern Slavery statements, and plans to mandate the areas that modern slavery statements must cover.

As a global firm, we would welcome greater consistency in international standards and associated reporting requirements. We believe this would further mobilise global efforts against Modern Slavery and ensure that good legislative intentions were not undermined by inconsistent approaches.

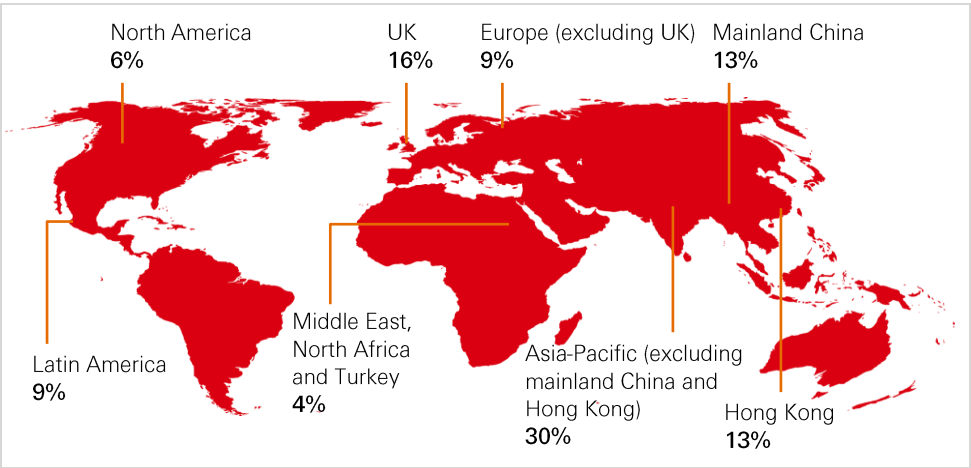
About HSBC

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. With total assets of \$3.0tn at 31 December 2021, HSBC is one of the largest banking and financial services organisations in the world.



Employees

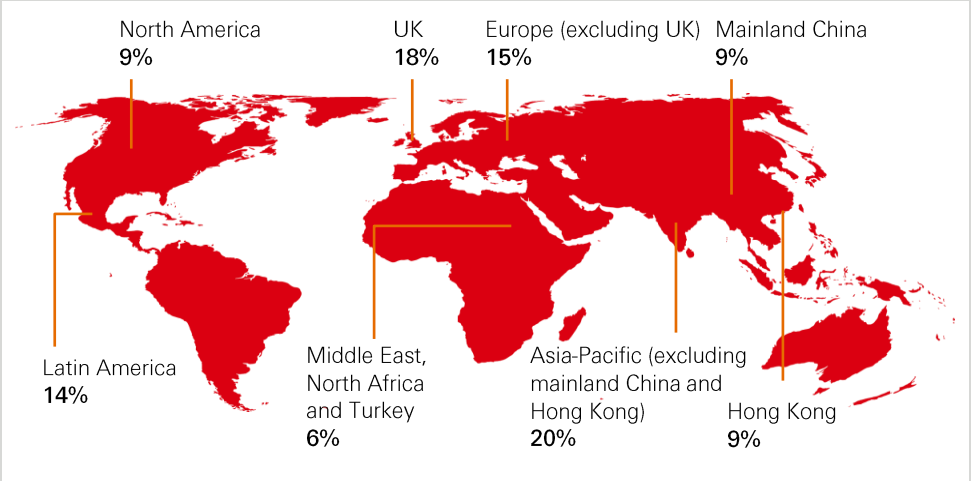
HSBC employs around 220,000 full-time equivalent staff from offices in 64 countries and territories across our geographical regions: Europe, Asia, North America, Latin America, and the Middle East and North Africa.





Suppliers

HSBC has around 9,600 contracted suppliers globally.

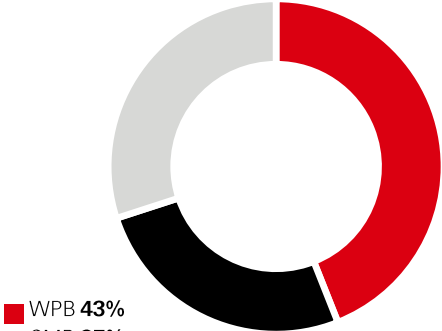




Customers

The Group has three global businesses: Wealth and Personal Banking ('WPB'); Commercial Banking ('CMB'); and Global Banking and Markets ('GBM'); supported by specialist global functions, and serving approximately 40 million customers worldwide.

Adjusted revenue by global business



Business	Percentage
WPB	43%
CMB	27%
GBM	30%

Further details of HSBC's structure and performance can be found in the Strategic Report section of [HSBC Holdings plc's Annual Report and Accounts 2021](#).

Our Approach

How we do business is as important as **what** we do. Our responsibilities to our customers, employees and shareholders, as well as to the countries, territories and communities in which we operate, go beyond being profitable. Continuing financial success depends, in part, on our ability to identify and address environmental, social and economic developments which present both risks and opportunities for our business. This is consistent with HSBC's [Group Values](#), which include taking responsibility for our impact on people's lives and communities.

In our refreshed [Human Rights Statement](#), we reiterate our commitment to the International Bill of Human Rights, the United Nations ('UN') Declaration of Human Rights and the principles on fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the Global Sullivan Principles, the UN Principles for Responsible Investment, and the UN Principles for Sustainable Insurance.

The sections below set out how we approach the issue of Modern Slavery, both in the wider human rights context, and in our commitment to protecting the integrity of the financial system.



Employees

HSBC's commitment to respect human rights in the workplace aligns with [our values](#) and is set out in global policy – see [our commitments and actions](#) on the HSBC Group website. HSBC requires that all our employees treat colleagues with dignity and respect, creating an inclusive environment. We do not tolerate unlawful discrimination, bullying, or harassment on any ground.

We actively encourage a Speak Up culture. We operate a number of Speak Up channels, and make them available to all employees via a dedicated intranet page. An employee or other staff member with concerns related to Modern Slavery can raise them via HSBC Confidential or as an Unusual Activity Report.

We respect our employees' right to freedom of association. We observe recognised agreements and local legal frameworks and work with recognised employee representative bodies in line with our internal industrial relations principles. We want our Employee Representative Bodies to feel secure in advocating for their members. We recognise that employees have a right to be treated with dignity and respect and in accordance with their service conditions and policies. During organisational change we consult our people as appropriate, and seek to redeploy impacted employees where practical. For example, in 2021 in the UK we met regularly with Unite, the National Council of Managers and the UK Employee Consultative Committee (respectively, our recognised trade union, our internal body representing management grades and our body representing all other UK employees). We regularly meet our European Works Council, and globally HSBC engages with Employee Representative Bodies in 29 territories.

Our remuneration policies are designed to pay our people fairly and to attract, retain and motivate the best people, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance or experience. We ensure that all our employees are paid at least at – but in most cases above – the legal minimum wage, where there is one.

A number of our sites offer mandatory annual pay increases as part of collective bargaining or union agreements, where we have an obligation to apply fixed pay increases across specific populations. In places where mandatory increases do not apply, we may apply adjustments for specific populations. These adjustments are based on an employee's location and take account of a variety of factors including, but not limited to, the market, the cost of living in the country of employment and the funding available. In the UK we have been formally accredited by the [Living Wage Foundation](#) for having adopted the 'Living Wage' and the 'London Living Wage' since 2014.

Our vetting policy applies to all new hires and some internal moves. We check, among other things, identity and legal right to work.



Suppliers

HSBC has had an [Ethical and Environmental Code of Conduct for Suppliers of Goods and Services](#) ('Code of Conduct') in place since 2005, and this was last updated in 2020. In 2016, the Code of Conduct was updated to take account of revised legislation on disability rights, Modern Slavery and human rights.

The Code of Conduct has sections covering Economic, Environmental and Social standards. Through these standards, HSBC expects suppliers to respect the human rights of their employees and of the communities in which they operate, and that they require the same of their own suppliers. Suppliers must comply with all relevant legislation, regulations and directives in their respective countries, and with the requirements of the Code of Conduct, where these go further and do not conflict with local law.

The Code of Conduct explicitly prohibits the use of forced labour and child labour, and requires that suppliers respect labour rights including non-discrimination and the right to freedom of association. Workers, whether local or migrant, must also have the right and ability to leave employment when they choose, to the extent possible under local law.

Under the Code of Conduct, HSBC has the right to review suppliers' policies and procedures, and to conduct audits of compliance with the Code. It also requires suppliers to provide evidence that they have implemented due diligence procedures to manage ethical issues within their own supply chains.

Suppliers are required to commit to comply with our Code of Conduct, or to provide an equivalent. Many of our suppliers have their own ethical codes of conduct which address Modern Slavery. Where we are satisfied that such policies are at least equivalent to the HSBC Code of Conduct, we will accept a supplier commitment to comply with their own policy.



Customers

HSBC seeks to ensure that the financial services we provide to our customers in support of economic development do not have an unacceptable impact on people or the environment.

For more than 15 years, we have been working with our business customers to help them understand and manage their environmental and social impact. HSBC has specific [Sustainability Risk policies](#) covering agricultural commodities, chemicals, defence, energy, forestry, mining and metals, thermal coal, and UNESCO World Heritage Sites and Ramsar-designated wetlands. We also apply the [Equator Principles](#) when financing projects.

Our [policies on anti-money laundering, sanctions, and anti-bribery and corruption](#) aim to ensure that financial crime risks identified by HSBC are appropriately mitigated.

Working in Partnership

HSBC is a strong proponent of public-private partnerships and information sharing initiatives. We play an active or founding member role in public-private partnerships in numerous jurisdictions around the world, and, where the law allows, work cooperatively with other participants in the global financial system to share both strategic and tactical-level information to combat financial crime, including that related to Modern Slavery.

In the UK, for example, HSBC continues to be a leading member of the Joint Money Laundering Intelligence Taskforce ('JMLIT'). One of JMLIT's key operational priorities is "understanding and disrupting the funding flows linked to organised immigration crime and human trafficking". Further information and reporting on JMLIT's work is available on the [UK National Crime Agency website](#).

HSBC is a founding member of the UK Home Office's Business Against Slavery Forum, which brings together senior business leaders in the UK, committed to pioneering industry action to eradicate Modern Slavery from supply chains.

In November 2021, HSBC joined the U.S. Department of the Treasury's 3rd Annual Partnership to Combat Human Rights Abuse and Corruption and delivered a presentation on forced labour risks in supply chains. HSBC will continue to engage the U.S. Treasury and U.S. law enforcement partners under the U.S. National Action Plan (NAP) to Combat Human Trafficking, announced in December 2021, which calls for enhanced cooperation between public and private sectors.

In Hong Kong, we leverage informative toolkits and reports by non-profit organisation partners, including the Mekong Club. We are an active member of the Mekong Club's financial services working group. These alliances are collaborative efforts focused on highlighting specific criminal typologies as they affect certain regions, as well as the unique sourcing, movement or exploitation of individuals within that region.

In March 2021, representatives from our Compliance team in Hong Kong took part in the UN Office on Drugs and Crime's Regional Expert Group Meeting on "Fostering Cooperation between the Public and Private Sector to Counter Trafficking in Persons in Asia-Pacific", along with representatives from technology, supply chain and financial services industries around the world. Our team contributed ideas on the benefits and challenges in forming public-private partnerships.

We also work collaboratively with non-governmental organisations ('NGOs'), think-tanks and research institutes and, in Europe, focus on Pan-European committees concerned with identifying and policing Modern Slavery risks. Throughout 2021, HSBC has participated in joint law enforcement and civil society conferences, including the UN Global Compact's UK Modern Slavery Working Group. We meet or exchange correspondence with NGOs and civil society groups when they raise concerns related to HSBC customers.

HSBC is a member of the Thun Group of banks, the main purpose of which is to deepen understanding of the UN Guiding Principles on Business and Human Rights within the context of banks, and to consider how those principles may be applied across the range of different banking activities.

Assessing Modern Slavery Risk

We have assessed our inherent risk of Modern Slavery, and determined that there is a heightened risk in some areas of our supply chain, and in the supply chains of our customers. See further details of our assessment in the Our Respect for Human Rights section of [HSBC Holdings plc's Annual Report and Accounts 2021](#).

Monitoring and Due Diligence



Employees

Preventing forced and compulsory labour in our workforce: All newly hired employees and contractors undergo background vetting checks. These can include – where legally permissible – identity, address, criminal record, fraud and anti-money laundering checks, as well as media searches. This enables us to confirm the candidate's identity, employment history and qualifications, and test their integrity in accordance with HSBC values, confirming there are no legal or regulatory barriers to employing them. It also validates that new hires have the right to work in their employing country and that they have no recorded criminal associations.

Fair pay: HSBC's pay framework provides clear and consistent guidance for pay decisions, and employees can access support, such as our financial well-being education programme, which is designed to help colleagues develop healthy financial habits and forms part of our global Future Skills Resilience curriculum.

Monitoring employee concerns: We have a minimum global standard on how employees can raise work-related complaints. But, we understand there are circumstances where people may feel the need to raise concerns more discreetly. HSBC Confidential, our global whistleblowing platform, allows our employees, past and present, to raise concerns in confidence and, where preferred, anonymously. HSBC Confidential can be accessed in various ways, including telephone hotlines, online portals and email. We monitor, and regularly report to management committees, on employee conduct and concerns, trends and themes, including instances of alleged discriminatory treatment.

We do not tolerate retaliation against anyone who raises concerns. Appropriate disciplinary action, which may include termination, is taken against those who engage in inappropriate conduct inconsistent with our Values. We check that disciplinary action taken against employees is in line with our global guidance and report alignment to our management committees.

Listening to employee feedback

- ◆ **Employee Voice:** We listen to feedback from our employees both through surveys and directly. We encourage all managers to hold regular Exchange meetings – meetings with no agenda designed to listen to employees and understand their views. Our Directors engage directly with employees to ensure that workforce engagement and the employee voice are considered at Board level.
- ◆ **Pay Survey:** We survey employees anonymously on an annual basis to assess whether they feel their pay is fair.
- ◆ **Speak Up Index:** Within our employee survey, we monitor our Speak Up Index, which reviews our employees' reported confidence in relation to the following three questions: "My company is genuine in its commitment to encourage colleagues to speak up", "I feel able to speak up when I see behaviour which I consider to be wrong" and "Where I work, people can state their opinion without the fear of negative consequences".
- ◆ **Confidence in HSBC's position on discrimination and harassment:** We ask, annually, how confident our employees feel about HSBC's commitment to preventing workplace harassment and discrimination.

Assurance: We undertake quality checking and assurance to ensure that employee vetting checks are conducted in accordance with the Bank's global requirements and local employment laws. Each year, we check that all our employees are paid at least at – but in most cases above – the legal minimum wage, where there is one. This data is verified with each geography and also centrally by Global Human Resources.



Suppliers

Third Party Risk Management: We use third parties to supply a wide range of goods and services, in common with other businesses. Risks arising from the use of third-party suppliers may be less obvious and therefore more challenging to manage or influence. It is therefore critical that we have appropriate risk management policies, processes and practices. These include adequate control over the choice, governance and oversight of third parties, particularly for key processes and controls that could affect our operational resilience.

We continue to enhance our third-party risk management processes to help ensure engagements comply with our third-party risk policy and required standards.

In 2021, we have continued with Environmental, Social and Governance ('ESG') news screening for new suppliers with a contract value greater than \$500,000, originally introduced in August 2020. Screening is conducted across 23 ESG risks including: human rights abuses and corporate complicity; forced labour; child labour; discrimination in employment; occupational health and safety issues; poor employment conditions; and corruption, bribery, extortion and money laundering. Issues identified as high risk are investigated to determine if they would prevent us from proceeding with a supplier, whether because of a negative impact on HSBC, or because the identified risks are incompatible with our Code of Conduct.

Each supplier is allocated a Third Party Engagement Manager ('TPEM'), who is an HSBC employee from the relevant global business or function responsible for managing the service received. TPEMs receive training on third party risk management topics.

Contract clauses: Since 2019, we have introduced clauses in supplier contracts that formalise commitment to the Code of Conduct, or to a supplier's own equivalent policy. The clauses support our right to audit and to take action if a breach of the Code of Conduct is discovered, including any indicators of the use of forced or child labour, or of any restrictions on the right or ability of a worker to leave employment when they choose. The clauses are included in contracts as they are re-tendered or renewed.

The Code of Conduct requires that suppliers pay wages that meet legally mandated minima and industry standards without unauthorised deductions. Our contracts with suppliers who have employees working at HSBC premises in the UK – including temporary and contract workers – include a clause mandating the payment of the 'Living Wage' or the 'London Living Wage' as applicable.



Customers

Protecting the financial system: We are committed to helping protect the financial system on which millions of people depend. Our Compliance function uses leads, investigations, analytics and technology, including via public and private partnerships, with the aim of identifying, mitigating and deterring financial crime and of providing valuable information to government partners. This enables HSBC proactively to identify gaps, trends and emerging risk issues, to protect our services from exploitation. Our regional teams analyse the inherent Modern Slavery risks in their markets, allowing more precise assessment of the variety of Modern Slavery risks across our markets and businesses. For example, our teams in Hong Kong are assessing key types of Modern Slavery in Asia – including the exploitation of adults, children and migrant workers through forced labour – by applying specific risk indicators across retail and commercial clients and all business product lines.

Identifying and disrupting illegal activity: Our Compliance function's analytical and investigative work helps enhance our ability to identify, monitor and disrupt the methods used in criminal activity, and in the resultant laundering of proceeds through the financial system. This includes using both traditional rules-based systems as well as our Intelligence-Led approach which deploys bespoke analytics capabilities to highlight unusual or suspicious activity, which could indicate instances of Modern Slavery, for further investigation.

These assessments help us enhance our control framework and help build up our central repository of financial crime typologies and risk indicators addressing Modern Slavery risks. We identify potential indicators of Modern Slavery through our own investigative and analytical activity, regular monitoring of open-source reporting and our engagement with industry and law enforcement partners.

Commercial customers: HSBC's relationship managers are the primary point of contact for our business customers, and are responsible for checking whether our customers meet applicable policies. They are supported by more than 75 Sustainability Risk Managers across the Group, who have local or regional responsibility for advising on, and overseeing, the management of environmental and social risks. Sustainability Risk Managers are supported by Group Sustainability Risk, a central team responsible for developing policies, guidance, training and overall policy compliance. We investigate credible allegations of human rights violations as reported to us via engagement with stakeholders, and through our own proactive analysis of high risk industries and sectors. Where required, individual customer relationships are subject to enhanced due diligence and reviewed on a case-by-case basis by Reputational Risk and Client Selection Committees. We may end banking relationships with customers when they are unwilling or unable to comply with our standards.

Identifying human trafficking

A Compliance team in our Asia region identified an active retail banking account in the name of a suspected member of a cross-border human trafficking syndicate, based on a negative news article.

According to news reports, the individual was part of a syndicate that trafficked approximately 90 sex workers every month during the Covid-19 pandemic.

The syndicate allegedly arranged accommodation for the sex workers, who would then advertise their services on social media platforms and adult entertainment websites which had servers hosted overseas.

Upon a review of the subject's transactional data, the team identified overlaps between the subject's transactional activity and details described in the article:

- ◆ Frequent cash deposits and withdrawals, which likely represented earnings from the sex workers.
- ◆ Credit card and mobile wallet transactions towards food delivery, hotels, transportation, beauty products and everyday transactions, which included payments to various unrelated individuals.

ESG Risk Screening

We have continued to screen customers for ESG risks within our Reputational Risk and Client Selection governance processes, introduced in 2020. We obtain independent ESG news data from a specialist vendor to give us a clearer picture of whether such customers are acting responsibly on ESG issues, including Modern Slavery.

During 2021, we broadened this approach by integrating ESG negative news monitoring into our refreshed sustainability risk assurance framework. ESG negative news monitoring is being rolled out across the sustainability risk policy customer portfolio.

Investments: HSBC Asset Management has formally integrated ESG factors into its investment decisions since signing the [Principles for Responsible Investment](#) ('PRI') at their launch in 2006. We were one of the first asset managers to do so. Our first responsible investment fund was launched in 2001.

For more than ten years, our commitment to the [UN Global Compact](#) and its principles in the areas of human rights, labour, environment and anti-corruption have helped shape our approach to sustainable business. As investors, we conduct enhanced due diligence when we have evidence that companies, held in our own actively managed equity and fixed income portfolios, may be in serious breach of the UN Global Compact's Ten Principles, which include the elimination of all forms of forced and compulsory labour, and the effective abolition of child labour.

Effectiveness



Employees

Training: In 2021, 98% of our employees completed our global mandatory anti-discrimination training, and 94% of employees in relevant roles completed Vulnerable and Potentially Vulnerable Customer training.

Speak up: Our employee survey captures employee sentiment on Speak Up. It asks whether employees feel that HSBC genuinely encourages a culture of Speak Up, and if they feel empowered to do so and without fear of reprisals. Our responses are also benchmarked against the Banking Standards Board (BSB) results. In the UK in 2021, we saw a positive trajectory of employee sentiment about confidence in speaking up, and doing so without fear of reprisal.

Vetting and Hiring: We assess the number of applicants vetted versus the number we decline and the reasons for decline. In 2021, 3.7% of candidates subject to vetting in the UK, Channel Islands and Isle of Man were declined.



Suppliers

In the last five years, 18,459 supplier engagements have resulted in confirmation of adherence to the [Code of Conduct](#), or of a supplier's own code of conduct being reviewed and accepted.

Enhancing supplier due diligence

We concluded a supplier sustainability risk pilot in 2020, to assess ethical and environmental risks for 50 suppliers in the UAE and Egypt. The suppliers were chosen from service sectors where labour, environmental, social, or ethical risks were assessed as particularly salient. We partnered with a third party specialist to conduct an assessment across four pillars: Labour; Health & Safety; Environmental; and Business Ethics, aligned to HSBC's Supplier Code. Of the original 50 suppliers, 33 were selected for an on-site audit, after a desk review phase based on a self-assessment questionnaire.

We did not find any indicators of modern slavery through this assessment. But we identified about 500 issues of varying severity, where our ethical and environmental standards were not fully met. Most of the issues identified were linked to Health and Safety procedures, or to the lack of written policies and procedures. This included a few cases where a supplier did not appear to comply with statutory requirements relating to working hours and overtime pay.

A remediation plan has been developed, requiring the most serious issues to be addressed first. We will ask suppliers to remediate the remaining issues over the remaining term of each contract, with results taken into account in renewal decisions.



Customers

Enhancing client due diligence

Several countries in our Middle East and North Africa region have historically had a significant expatriate workforce and, as with other emerging markets and regions, there may be unidentified risks related to Modern Slavery. But the data available to assess the level of human rights risk related to HSBC customers have been limited.

We have trained more than 100 front-line staff in human rights issues, and incorporated a Customer Integrity Due Diligence questionnaire into our annual credit reviews for customers in seven sectors considered higher risk – Shipping, Construction & Contracting, Manufacturing, Outsourcing, Hospitality, Logistics, and Textiles; covering both personnel and organisational issues.

In 2022, we plan to evaluate this pilot and consider its application to other markets.

Removing barriers to financial services for the most vulnerable in society

We have opened over 1,000 accounts for survivors of Modern Slavery in the UK since the launch of our pioneering [Survivor Bank programme](#) in 2018, which acts as a blueprint for the [UN's Finance Against Slavery and Trafficking \(FAST\) Survivor Inclusion Initiative](#).

The programme also provided the foundation for our No Fixed Address service, which we launched in the UK in 2019, in partnership with [Shelter](#) and allows individuals without a fixed home address to open a bank account. This service – through which we have opened more than 1,700 accounts – won the Charity Partnership Award (Banks and Financial Services) at the [UK Business Charity Awards](#) in May 2021. Having a bank account allows the most vulnerable in society – including those at potential risk of forced labour or debt bondage – to better safeguard their finances, save for the future and broaden their chances of finding employment. In 2021, HSBC UK also supported 150 Afghan settlers who arrived in the country as part of a resettlement scheme to open bank accounts, a crucial first step to moving their lives forward.

Since becoming the first bank in Hong Kong to offer a Hong Kong Dollar Statement Savings account for residents who do not have a fixed abode, or who are living in subdivided flats without access to postal services, we have opened 86 accounts. This service was recognised as Project of the Year (Early-stage) by the [Shared Value Awards for Hong Kong 2021](#). We also offer [basic banking services for refugees and Unified Screening Mechanism \('USM'\) Claimants](#) in Hong Kong, to allow them to receive support from family, friends or local NGOs in a safe and affordable way. 133 of these accounts have been opened to date.

Education and Awareness

Employees

HSBC employees are made aware of their employment rights through a variety of channels, including written employment contracts and policies, and procedures found in employee handbooks and staff websites.

Employees receive training on a variety of human rights related issues, including but not limited to: diversity and inclusion; bullying, harassment and racism; anti-money laundering; data privacy and bribery and corruption. This includes training on identifying vulnerable customers.

Preventing discrimination in the workplace: Training on harassment and racism is included in the mandatory training that all our employees are required to complete. We have trained 3,800 senior managers on identifying bullying and harassment in the workplace.

Suppliers

In 2021, our Strategic Procurement Services function produced awareness training material on Modern Slavery in supply chains. The training material was made available to everyone in Strategic Procurement Services globally. It is intended to increase awareness of the issue of Modern Slavery in supply chains, and does this through providing: an explanation of Modern Slavery and human rights, the relevance to HSBC's supply chain, and tackling Modern Slavery, as well as further reading.

Customers

We believe in continuous education and in ensuring that our front-line staff are equipped with the right tools and training to be effective in their roles. We offer a detailed course on Modern Slavery to new employees in the Global Risk Operations function, highlighting the importance of identification and reporting. To support continuous learning, we produce briefings based on global news and trends, and encourage our staff to pursue certifications from relevant organisations, such as [ACAMS](#).

In 2021, our Compliance team in Hong Kong developed and delivered a number of Modern Slavery risk briefings to Compliance representatives in our Asia region, to raise awareness of existing and emerging risks areas.

We work with a range of markets and standard setting bodies, including the Financial Action Task Force ('FATF'), to share our initiatives and findings around Modern Slavery.

HSBC is committed to providing enhanced care to customers who we know are, or suspect to be, vulnerable owing to a variety of personal circumstances, in order to mitigate or reduce the risk of financial detriment to such individuals. All customer-facing employees globally, and other employees involved in designing products and services, are trained to identify and treat vulnerable and potentially vulnerable customers as part of their induction training, and then again every two years. The training looks at a variety of factors that can make customers more vulnerable, and supports our colleagues in showing care and empathy in all interactions with them.

We also provide resources, procedures and additional training material to support colleagues who are opening accounts for customers who lack standard forms of identification, for example, individuals with no fixed address.

Global Risk Operations

Our Global Risk Operations function works with NGOs that aim to rehabilitate survivors of Modern Slavery, or to educate the world on its risks and relevance to all our lives. These strategic partnerships also help to develop the awareness and skills of our analysts.

Volunteering and engagement activities

- ◆ Management teams and senior leaders visit partner NGOs and take part in activities to support and build engagement. This already includes several key organisations in India.
- ◆ Volunteering activities, such as providing language classes, preparing individuals for the workplace, and creating educational content.
- ◆ Our objective in providing these opportunities is not only to help our teams to give back to society, but more importantly, to build an understanding of how they help to prevent the flow of money associated with societal injustice and crime, and how their work impacts real people in the real world.

Expert sessions

These sessions, with specialist speakers on Modern Slavery, involve discussing specific cases, incidents and situations, taking account of the local context and financial crime landscape.

Equipping low-income workers with financial literacy skills

Our Saving for Good partnership with Injaz Al-Arab aims to equip economically vulnerable workers in Bahrain, Egypt, Kuwait, Qatar and the UAE with financial literacy skills.

These individuals and their families are often highly vulnerable to social upheaval and economic shocks. For example, the Covid-19 pandemic resulted in many migrant workers being put on local unpaid leave while also unable to return home, highlighting a need for support and education that will strengthen their resilience to future shocks and stresses, without compromising their own welfare and ability to take care of their families.

In 2021, Injaz trained 55 HSBC employee volunteers to deliver a series of six two-hour workshops under the programme, which aims to reach a total of 1,950 migrant workers, and to encourage at least a third of the participants to open a savings account.

Governance

In 2021, we enhanced our governance arrangements on human rights by appointing key members of our Group Executive Committee to our Human Rights Steering Committee, with our Group Chief Risk and Compliance Officer as Chair.

HSBC's approach to reporting under the Act was developed by a working group coordinated by Global Corporate Sustainability, drawing on resources from all functions, businesses and geographies.

The Statement was considered and accepted by this working group, and by HSBC Holdings plc's ESG Steering Committee and Disclosure Committee, before approval by the Boards of other HSBC Group entities required to report under the Act, listed below, and the HSBC Holdings plc Board on 17 February 2022.

Executive responsibility rests with the Group Executive Committee, which has primary accountability for the businesses and functions relevant to particular human rights issues, including Modern Slavery.

The Statement is signed by the Group Chairman on behalf of the Board of Directors of HSBC Holdings plc and those HSBC Group entities listed below.

Mark Tucker

Group Chairman

17 February 2022

The HSBC Group entities required to report under the Act are:

HSBC Holdings plc	HSBC Group Management Services Limited
HSBC Alternative Investments Limited	HSBC Holdings BV
HSBC Asia Pacific Holdings (UK) Limited	HSBC Investment Bank Holdings Limited
HSBC Bank plc	HSBC Invoice Finance (UK) Limited
HSBC Equipment Finance (UK) Limited	HSBC Latin America Holdings (UK) Limited
HSBC Finance (Netherlands)	HSBC Life (UK) Limited
HSBC Global Asset Management (UK) Limited	HSBC Overseas Holdings UK Limited
HSBC Global Asset Management Limited	HSBC Securities (Japan) Limited
HSBC Global Services (UK) Limited	HSBC UK Bank plc
HSBC Global Services Limited	Marks and Spencer Financial Services plc

