

2 July 2018

HSBC COMPLETES RING-FENCING SIX MONTHS AHEAD OF LEGAL DEADLINE

HSBC completed the process to set up its ring-fenced bank, HSBC UK Bank plc (HSBC UK), with the legal transfer of businesses and customer accounts from HSBC Bank plc to HSBC UK on 1 July 2018.

HSBC UK has been created as a separate ring-fenced bank in response to the Financial Services (Banking Reform) Act 2013. It will serve around 14.5 million personal and business customers in the UK, including all HSBC retail customers in the UK, M&S Bank and first direct customers, most HSBC commercial banking customers in the UK, and UK Private Bank clients. Marks & Spencer Financial Services plc and HSBC Private Bank (UK) Limited are subsidiaries of HSBC UK.

HSBC received approval for the transfer from the High Court on 21 May 2018. HSBC UK has assets of over £200bn and received its full banking license from the Prudential Regulation Authority on 27 June 2018.

The creation of HSBC UK has been one of the largest projects ever undertaken by HSBC and required the reconfiguration of core banking platforms and payments infrastructure, including the successful separation of over 250 IT systems from the rest of the Group. In addition, 400,000 bank accounts were transferred to new HSBC UK sort codes and all HSBC branches in the UK were rebranded HSBC UK.

HSBC UK is wholly owned by HSBC Holdings plc and has its own Board. The Board is led by Chairman Dame Clara Furse and composed of three executive directors – Ian Stuart, CEO; David Watts, CFO; and James Calladine, CRO; and seven non-executive directors – Jim Coyle; Mridul Hegde; Dame Denise Holt; Alan Keir; Rosemary Leith; David Lister; and Leslie Van de Walle. Mridul Hegde is Chair of the Risk Committee and Jim Coyle is Chair of the Audit Committee.

HSBC UK will be opening its new 210,000 sq. ft. head office in Birmingham later this year and has already successfully moved circa 1,000 head office roles from London to Birmingham. HSBC UK will employ around 22,000 people, supported by an additional 10,000 people working for HSBC's UK ServCo (HSBC Global Services UK).

Ian Stuart, CEO of HSBC UK, said: "We are delighted to complete the ring-fencing of HSBC UK six months ahead of the legal deadline. The creation of our ring-fenced bank and our move to Birmingham is a once in a lifetime opportunity to get closer to our customers, colleagues and communities across the UK."

Ends

Notes to editors:

More information about HSBC's ring-fencing programme can be found here – <https://www.hsbc.co.uk/1/2/ringfencedbank>

Media enquiries

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HSBC UK

HSBC UK serves around 14.5 million customers in the UK. HSBC UK offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and large corporates.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,652bn at 31 March 2018, HSBC is one of the world's largest banking and financial services organisations.