

# News Release

5 February, 2016

## **HSBC SINGAPORE TO TRANSFER ITS RETAIL BANKING AND WEALTH MANAGEMENT BUSINESS TO LOCALLY INCORPORATED SUBSIDIARY BY 9 MAY 2016**

- *HSBC Singapore Branch's Retail Banking and Wealth Management business to be transferred to, and operated by, a locally incorporated subsidiary, HSBC Bank (Singapore) Limited.*
- *All other businesses and functions of HSBC in Singapore will continue to be overseen by the existing Singapore Branch of The Hongkong and Shanghai Banking Corporation Limited.*
  - *Customers to enjoy same high-level quality services and facilities after subsidiarisation.*

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch ("HSBC Singapore Branch") today announced its intention to subsidiarise its Retail Banking and Wealth Management business in Singapore (the "RBWM Business").

The subsidiarisation involves the transfer of the RBWM Business under the current HSBC Singapore Branch to a locally incorporated subsidiary, HSBC Bank (Singapore) Limited (the "Subsidiary"). The Subsidiary will thereafter oversee the running of all operations of the RBWM Business in Singapore.

The transfer of the RBWM Business is expected to take effect on 9 May 2016, subject to the receipt of regulatory and court approvals. The Subsidiary will hold a full bank license in Singapore with qualifying full bank privileges under Chapter 19 of the Banking Act of Singapore.

### **Transfer of RBWM Business to a locally incorporated subsidiary a demonstration of HSBC's commitment to Singapore**

Mr Guy Harvey-Samuel, HSBC's Chief Executive Officer for Singapore, said: "The transfer of our Retail Banking and Wealth Management business in Singapore to a locally incorporated subsidiary reflects the success, scale of growth and significance of our retail business in this market."

"More importantly, this move demonstrates HSBC's strong and long-term commitment to the Singapore market."

"Singapore is a top-seven priority country for the HSBC Group globally and we will continue to invest in our business here. We are excited about new opportunities to further expand our presence."

### **Subsidiarisation follows HSBC being deemed systemically important to Singapore's financial system**

HSBC Singapore Branch's move to subsidiarise its RBWM Business follows the announcement by the Monetary Authority of Singapore ("MAS") in April 2015 that HSBC is considered one of seven domestic systemically important banks ("D-SIBs") in Singapore.<sup>1</sup>

D-SIBs are assessed by the MAS to have the potential to have a significant impact on the Singapore financial system's stability and the proper functioning of Singapore's broader economy. All banks in Singapore have to undergo an assessment of their systemic importance each year.

Banks that have a significant retail presence in Singapore are required to locally incorporate their retail operations. In line with this, the Subsidiary will be subject to additional MAS regulatory requirements

<sup>1</sup> The Monetary Authority of Singapore. News and Publications: MAS Publishes Framework for Domestic Systemically Important Banks in Singapore. <http://www.mas.gov.sg/News-and-Publications/Media-Releases/2015/MAS-Publishes-Framework-for-Domestic-Systemically-Important-Banks-in-Singapore.aspx>. April 30, 2015.

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*Incorporated in the Hong Kong SAR with limited liability.*



aimed at strengthening the resilience of Singapore's banking system and enhancing the protection of the Bank's retail customers.

### **Subsidiarisation to have limited impact on customers of the RBWM Business**

Post subsidiarisation, it will be business-as-usual and customers will continue to enjoy the same high-level quality services and facilities as they currently do.

Today, HSBC will be communicating with its customers to explain the changes. HSBC will continue to communicate with its customers in the lead-up to the effective date of the transfer.

Mr Matthew Colebrook, Head of RBWM for HSBC in Singapore, said: "Our customers remain central to HSBC and we will ensure that the transfer of customer accounts to the Subsidiary is a seamless and largely behind-the-scenes process."

"More broadly, HSBC aims to be a primary bank for affluent and aspirant Singaporeans and those with international needs."

"We believe our business is uniquely positioned in the retail banking and wealth space in Singapore. We are a relationship-led bank – where employees are remunerated on identifying and meeting needs rather than sales – and we offer the full suite of banking and wealth solutions as well as an unparalleled global network to support it."

"Our RBWM strategy for Singapore and product-agnostic approach to our customers will remain unchanged after the transfer of the RBWM Business to a locally incorporated subsidiary."

The transfer of the RBWM Business to the Subsidiary will be done via a scheme of transfer under Sections 55B and 55C of Part VIIA, Division 1 of the Banking Act, Chapter 19 of Singapore.

All other lines of business of HSBC in Singapore, which includes Commercial Banking, Global Banking and Markets and Private Banking businesses, will continue to operate under the existing HSBC Singapore Branch. Support functions, including Human Resources, Legal, Risk and Finance, will also remain within the existing HSBC Singapore Branch.

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### **Notes to editors**

More information, including an FAQ guide for HSBC retail customers, can be found on our website at [www.hsbc.com.sg/retailbank](http://www.hsbc.com.sg/retailbank). Customers may also call the HSBC Hotline 1800-HSBC NOW (4722 669) in Singapore or (65) 6-HSBC NOW (4722 669) from overseas, if they have further queries.

### **About HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,100 offices in 72 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,549 billion as at 30 September 2015, HSBC is one of the world's largest banking and financial services organisations.

### **About HSBC's recent investment in its RBWM Business in Singapore**

- Opened and upgraded eight branches in the past two years.
- Investment in digital technology, which includes integrating e-banking Digital Hubs into HSBC's branch network.
- Launched NETS-enabled functionality in June 2015 for customer debit cash cards, giving customers access to 87,000 payment points across Singapore.

*- Ends/All -*