

Annex 1 – Country Specific Terms

For the purpose of this Annex, the following terms shall have the following meanings:

Agreement: the Framework Agreement and/or the relevant Local Service Agreement (as appropriate).

HSBC: the relevant HSBC Group Member executing the Framework Agreement and/or receiving the relevant Local Service under the relevant Local Service Agreement (as appropriate).

Supplier: the relevant supplier entity executing the Framework Agreement and/or providing the relevant Local Service under the relevant Local Service Agreement (as appropriate).

PART 1 - Terms applicable for UK

1. DEFINITIONS

GDPR: Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.

ITEPA: the Income Tax (Earnings and Pensions) Act 2003

Living Wage: the real living wage or for Qualifying Employees inside Greater London the London Living Wage each as set by the Centre for Civil Society Limited, a company registered in England with company number 07333734 and whose registered office is at 112 Cavell Street, London, E1 2JA or any successor body

Qualifying Employee: any Supplier Personnel (excluding apprentices, interns or any person under age 18) who (i) works in the United Kingdom; and (ii) provides services to or on behalf of HSBC for 2 or more consecutive hours per week and for 8 or more consecutive weeks in any calendar year on or in premises occupied by any HSBC Group Member or land for which any HSBC Group Member is responsible

2. DATA PROTECTION LEGISLATION

The definition of Data Protection Legislation includes the GDPR.

3. INCOME TAX PAYMENTS

3.1 UK tax resident Supplier Personnel engaged in the supply of Services, or any Supplier Personnel engaged in the supply of Services in the UK, who have access to HSBC systems via the generation of a staff ID, or who are granted access to HSBC premises under anything other than a visitor pass, shall not be contracted (whether directly or indirectly) through an “intermediary” as defined in the ITEPA and shall have PAYE and national insurance contributions applied to their earnings (whether by Supplier an agency or a third party);

3.2 Supplier warrants that it is not an “intermediary” as defined in the ITEPA, and will notify HSBC within 40 days if it subsequently meets the definition.

3.3 Supplier shall indemnify each HSBC Group Member against all claims and Losses arising out of or in connection with paragraphs 3.1 and 3.2 above. To the extent that the recovery of such sums is stated in any agreement as being contingent upon Supplier taking control of the relevant claim (**IR35 Claim**) then such IR35 Claim shall not be passed to Supplier and control of such IR35 Claim shall remain with the relevant HSBC Group Member;

3.4 All Supplier Personnel covered by this paragraph 3 are subject to the right of supervision, direction and control by Supplier for the purposes of s.339A of the ITEPA.

3.5 Paragraphs 3.1 to 3.3 shall not apply to the extent HSBC determines that the provision of Services is not subject to the IR35 legislation governing “intermediaries” as defined in ITEPA.

4. LIVING WAGE

4.1 Supplier shall pay Qualifying Employees at least the Living Wage.

4.2 Where the Living Wage is increased, Supplier shall increase its hourly rate accordingly within 6 months of the official increase announcement.

PART 2 - Terms applicable for Hong Kong SAR

1. DEFINITIONS AND INTERPRETATION

1.1 Any reference to the words “holding companies” and “subsidiary” shall have the meanings set out in sections 13 and 15 of the Companies Ordinance (Cap.622 of the laws of Hong Kong SAR)

2. SUPPLIER PERSONNEL

2.1 Where the Agreement relates to the provision of Services in Hong Kong SAR, the Supplier shall not perform criminal records checks on Supplier Personnel who are based in Hong Kong SAR.

3. DATA PROTECTION.

3.1 The definition of Data Protection Legislation shall include the Personal Data (Privacy) Ordinance (Cap. 486 of Laws of Hong Kong SAR).

4. GOVERNING LAW

4.1 Where the Agreement relates to the provision of Services in Hong Kong SAR only and the Supplier is based in Hong Kong SAR, the Agreement and any dispute or claim arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws in force in Hong Kong SAR and, subject to the governance and disputes resolution procedures in the Agreement, the parties submit and irrevocably agree to the exclusive jurisdiction of the Hong Kong SAR courts in respect of the same.