



HSBC Holdings plc

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at the Barbican Hall, Barbican Centre, London EC2 on Friday 30 May 2008 at 11.00 am to transact the following ordinary business:

- 1 to receive and consider the Annual Accounts and Reports of the Directors and of the Auditor for the year ended 31 December 2007;
- 2 to approve the Directors' Remuneration Report for the year ended 31 December 2007;
- 3 to re-elect Directors;

Separate resolutions will be proposed for the re-election of:

- (a) S A Catz;
 - (b) V H C Cheng;
 - (c) J D Coombe;
 - (d) J L Durán;
 - (e) D J Flint;
 - (f) A A Flockhart;
 - (g) W K L Fung;
 - (h) S T Gulliver;
 - (i) J W J Hughes-Hallett;
 - (j) W S H Laidlaw;
 - (k) N R N Murthy; and
 - (l) S W Newton;
- 4 to reappoint KPMG Audit Plc as Auditor at remuneration to be determined by the Group Audit Committee;

and by way of special business to consider and (if thought fit) pass the following Resolutions of which Resolutions 5, 7 and 10 will be proposed as Ordinary Resolutions and Resolutions 6, 8 and 9 will be proposed as Special Resolutions:

- 5 THAT the Directors be and they are hereby generally and unconditionally authorised pursuant to and for the purposes of section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £100,000 and €100,000 (in each such case in the form of 10,000,000 non-cumulative preference shares), US\$85,500 (in the form of 8,550,000 non-cumulative preference shares) and US\$1,186,700,000 (in the form of Ordinary Shares of US\$0.50 each ("Ordinary Shares")) provided that this authority shall be limited so that, otherwise than pursuant to:
 - (a) a rights issue or other issue the subject of an offer or invitation, open for acceptance for a period fixed by the Directors, to:
 - (i) Ordinary Shareholders where the relevant securities respectively attributable to the interests of all Ordinary Shareholders are proportionate (or as nearly as may be) to the respective number of Ordinary Shares held by them; and

- (ii) holders of securities, bonds, debentures or warrants which, in accordance with the rights attaching thereto, are entitled to participate in such a rights issue or other issue, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or securities represented by depositary receipts or having regard to any restrictions, obligations or legal problems under the laws of or the requirements of any regulatory body or stock exchange in any territory or otherwise howsoever; or
- (b) the terms of any share plan for employees of the Company or any of its subsidiary undertakings; or
- (c) any scrip dividend scheme or similar arrangements implemented in accordance with the Articles of Association of the Company; or
- (d) the allotment of up to 10,000,000 non-cumulative preference shares of £0.01 each, 10,000,000 non-cumulative preference shares of €0.01 each and 8,550,000 non-cumulative preference shares of US\$0.01 each in the capital of the Company,

the nominal amount of relevant securities to be allotted by the Directors pursuant to this authority wholly for cash shall not in aggregate, together with any allotment of other equity securities authorised by sub-paragraph (b) of Resolution 6 set out in the Notice convening this Meeting, exceed US\$296,675,000 (being equal to approximately 5 per cent of the nominal amount of Ordinary Shares of the Company in issue at the latest practicable date prior to the printing of the Notice of this Meeting) and such authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2009 save that this authority shall allow the Company before the expiry of this authority to make offers or agreements which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

- 6 THAT the Directors be and are hereby empowered pursuant to section 95 of the Companies Act 1985 ("the Act"):
 - (a) subject to the passing of Resolution 5 set out in the Notice convening this Meeting, to allot equity securities (as defined by section 94 of the Act) the subject of the authority granted by Resolution 5; and
 - (b) to allot any other equity securities (as defined by section 94 of the Act) which are held by the Company in treasury,

in each case as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2009 save that this power shall enable the Company before the expiry of this power to make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

- 7 THAT the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 163 of the Companies Act 1985) of Ordinary Shares of US\$0.50 each in the capital of the Company ("Ordinary Shares") and the Directors are authorised to exercise such authority provided that:
 - (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 1,186,700,000 Ordinary Shares;
 - (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is US\$0.50 (or the equivalent in the relevant currency in which the purchase is effected calculated by reference to the spot rate of exchange for the purchase of United States dollars with such other currency as quoted by HSBC Bank plc in the London Foreign Exchange Market at or about 11.00 am (London time) on the business day (being a day on which banks are ordinarily open for the transaction of normal banking business in London) prior to the date on which the Ordinary Share is contracted to be purchased, in each case such rate to be the rate as conclusively certified by an officer of HSBC Bank plc);

- (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is the lower of (i) 105 per cent of the average of the middle market quotations for the Ordinary Shares (as derived from the Daily Official List of London Stock Exchange plc) for the five dealing days immediately preceding the day on which the Ordinary Share is contracted to be purchased or (ii) 105 per cent of the average of the closing prices of the Ordinary Shares on The Stock Exchange of Hong Kong Limited for the five dealing days immediately preceding the day on which the Ordinary Share is contracted to be purchased, in each case converted (where relevant) into the relevant currency in which the purchase is effected calculated by reference to the spot rate of exchange for the purchase of such currency with the currency in which the quotation and/or price is given as quoted by HSBC Bank plc in the London Foreign Exchange Market at or about 11.00 am (London time) on the business day prior to the date on which the Ordinary Share is contracted to be purchased, in each case such rate to be the rate as conclusively certified by an officer of HSBC Bank plc;
 - (d) unless previously revoked or varied this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2009; and
 - (e) the Company may prior to the expiry of this authority make a contract to purchase Ordinary Shares under this authority which will or may be executed wholly or partly after such expiry and may make a purchase of Ordinary Shares pursuant to any such contract.
- 8 THAT the Articles of Association of the Company be and are hereby altered as follows:
- (a) by deleting from the definition of “recognised person” in Article 2.1 the words “section 185(4) of the Act” and substituting therefor the words “section 778(2) of the 2006 Act”;
 - (b) by inserting at the end of the definition of “Principal Register” in Article 2.1 the words “and sections 121 and 128 of the 2006 Act” so that Article 2.1 reads as follows:
“Principal Register the register of members of the Company to be kept pursuant to section 352 of the Act and sections 121 and 128 of the 2006 Act”;
 - (c) by inserting into the definition of “Secretary” in Article 2.1 before the word “Act” the word “2006”;
 - (d) by deleting from Article 2.5 the words “or an extraordinary resolution shall also be effective, and where an extraordinary resolution is required a special resolution” so that Article 2.5 reads as follows:
“Where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.”;
 - (e) by deleting from Article 35.1 the words “and without giving any reason”;
 - (f) by inserting into Article 36.1 the words “, together with the reasons for the refusal,” so that Article 36.1 reads as follows:
“36.1 If the Board refuses to register a transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company send notice of the refusal, together with the reasons for the refusal, to the transferee. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it. All instruments of transfer which are registered may be retained by the Company.”;
 - (g) by deleting from each of Articles 48.1, 49.1 and 166.2 the words “an extraordinary” and substituting therefor the words “a special”;
 - (h) by inserting into in each of Articles 52.1, 55.2, 66.1, 71.1, 80.1, 92.1, 96.1, 97.1(b), 117.1, 141.1, 142.1, 143.1, 154.1, 168.1, 169.1 and 170.2(j) the word “2006” before the word “Act”;
 - (i) by deleting from Article 54.1 the words “section 368 of the Act” and substituting therefor the words “sections 303-305 of the 2006 Act”;

- (j) by deleting the existing Article 55.1 and substituting therefor the following new Article 55.1:

“55.1 An annual general meeting shall be convened by not less than 21 clear days’ notice in writing. An extraordinary general meeting shall be convened by not less than 14 clear days’ notice in writing or such longer period as may be required by law from time to time.”;
- (k) by deleting from each of Articles 55.3(d) and 69.1 the words “or extraordinary”;
- (l) by inserting into Article 55.4 the words “and to any other person who may be entitled to receive it” so that Article 55.4 reads as follows:

“55.4 The notice shall be given to the members (other than any who, under the provisions of these Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Directors, to the Auditors and to any other person who may be entitled to receive it.”;
- (m) by deleting from Article 55.5 the words “section 376(2)(b) of the Act” and substituting therefor the words “sections 314(2)(b) and 338(3)(b) of the 2006 Act”;
- (n) by deleting from Article 66.1 the words “at the meeting” wherever they appear and substituting therefor the words “on the resolution”, by inserting the words “(excluding any voting rights attached to any shares in the Company held as treasury shares)” into Article 66.1(c) and by inserting the words “(excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares)” into Article 66.1(d) so that Article 66.1 reads as follows:

“66.1 At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands) a poll is duly demanded. Subject to the provisions of the 2006 Act, a poll may be demanded by:

 - (a) the Chairman of the meeting; or
 - (b) by at least five members present in person or by proxy and entitled to vote on the resolution; or
 - (c) a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares in the Company held as treasury shares); or
 - (d) a member or members present in person or by proxy holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).”;
- (o) by deleting from Article 79.1 the words “at least 48 hours before the commencement of the meeting or adjourned meeting or the taking of the poll at which the appointment of proxy is used” and substituting therefor the words “in the case of a meeting or adjourned meeting at which the appointment of proxy is used, at least 48 hours before the time for holding the meeting or adjourned meeting and, in the case of a poll taken more than 48 hours after it was demanded at which the appointment of proxy is used, at least 24 hours before the time appointed for the taking of the poll” so that Article 79.1 reads as follows:

“79.1 A vote given or poll demanded in accordance with the terms of an appointment of proxy shall be valid notwithstanding the death or mental disorder of the principal or the revocation of the appointment of proxy, or of the authority under which the appointment of proxy was executed or submitted, or the transfer of the share in respect of which the appointment of proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office, or at such other place or places or

address as has or have been appointed for the deposit or receipt of appointments of proxy, in the case of a meeting or adjourned meeting at which the appointment of proxy is used, at least 48 hours before the time for holding the meeting or adjourned meeting and, in the case of a poll taken more than 48 hours after it was demanded at which the appointment of proxy is used, at least 24 hours before the time appointed for the taking of the poll.”;

- (p) by inserting into each of Articles 87.1, 109.1, 115.1 and 119.1 the words “and the 2006 Act” after the words “the Act” wherever they appear;
- (q) by inserting into Article 117.1 the words “(other than directors, former directors or shadow directors)” so that Article 117.1 reads as follows:

“117.1 The Board may exercise any power conferred on the Company by the 2006 Act to make provision for the benefit of persons (other than directors, former directors or shadow directors) employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.”;
- (r) by inserting into Article 137.1(a) before the word “Act”, wherever it appears, the word “2006” and deleting the words “section 346” and substituting therefor the words “sections 252-256” so that the Article 137.1(a) reads as follows:

“(a) an interest of a person who is for the purposes of the 2006 Act connected (which word shall have the meaning given thereto by sections 252-256 of the 2006 Act) with a Director shall be treated as an interest of the Director.”;
- (s) by inserting into Article 137.1(c) before the word “Act”, wherever it appears, the word “2006” and deleting the words “section 346” and substituting therefor the words “sections 252-256” so that the Article 137.1(c) reads as follows:

“(c) an “associate” of a Director shall mean any person who is for the purposes of the 2006 Act connected (which word shall have the meaning given thereto by sections 252-256 of the 2006 Act) with a Director and any person who is an associate of a Director within the meaning of rule 1.01 of the rules governing the listing of securities on The Hong Kong Stock Exchange.”;
- (t) by inserting into Article 138.1 after the words “the Act” the words “, the 2006 Act.”;
- (u) by inserting into Article 139.1 the words “or by a Director in the presence of a witness who attests the signature” so that Article 139.1 reads as follows:

“139.1 A document signed by a Director and by the Secretary or by two Directors or by a Director in the presence of a witness who attests the signature and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if it were executed under the Seal, provided that no instrument shall be so signed which makes it clear on its face that it is intended by the person or persons making it to have effect as a deed without the authority of a resolution of the Board or of a committee of the Board authorised in that behalf. An instrument or document which is executed by the Company as a deed shall not be deemed to be delivered by the Company solely as a result of it having been executed by the Company.”;
- (v) by inserting into Article 155.1 the words “and the 2006 Act (as appropriate)” so that Article 155.1 reads as follows:

“155.1 The Board shall cause accounting records to be kept in accordance with the Act and the 2006 Act (as appropriate).”;
- (w) by deleting the existing Article 157.1 and substituting therefor the following new Article 157.1:

“157.1 Except as provided in Article 158, the Directors’ and Auditors’ reports, together with copies of the balance sheet and every document required by the Act or the 2006 Act (as appropriate) to be annexed to the balance sheet and copies of the

profit and loss account or income and expenditure account (subject to the provisions of section 230 of the Act or section 408 of the 2006 Act, as appropriate) shall, not less than 21 clear days before the annual general meeting before which they are to be laid, be delivered, sent by post or made available on the Company's website to every member and holder of debentures of the Company, to the Auditors and to any other person who may be entitled to receive them. However, this Article shall not require a copy of those documents to be sent to any person who under the provisions of these Articles is not entitled to receive notices from the Company or of whose address the Company is unaware or to any holder of debentures of whose address the Company is unaware or to more than one of the joint holders of any shares or debentures. If all or any of the shares in or debentures of the Company are listed or dealt in on any stock exchange, there shall at the same time be forwarded to the secretary of that stock exchange such number of copies of each of those documents as the regulations of that stock exchange may require.”;

- (x) by deleting the existing Article 158.1 and substituting therefor the following new Article 158.1:

“158.1 The Company may, in accordance with section 251 of the Act or sections 426-429 and sections 434-435 of the 2006 Act (as appropriate) and any regulations made under the Act or the 2006 Act (as appropriate) send a summary financial statement to any member, holder of debentures of the Company or other person who is entitled to receive notice of general meetings instead of or in addition to the documents referred to in Article 157. Where it does so, the statement shall be delivered, sent by post or made available on the Company's website to the member, holder of debentures of the Company or other person entitled to receive notice not less than 21 clear days before the annual general meeting before which those documents are to be laid.”; and

- (y) by inserting into Article 170.2(l) the words “or the 2006 Act (as appropriate)” so that Article 170.2(l) reads as follows:

“(l) the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Act or the 2006 Act (as appropriate) or these Articles or otherwise in effecting any actions”.

- 9 THAT, with effect from 1 October 2008, the Articles of Association of the Company be and are hereby altered as follows:

- (a) by inserting into Article 130.1 the word “2006” before the word “Act” and deleting the words “Article 131 is” and substituting therefor the words “Articles 130A, if appropriate, and 131 are” so that the introductory words of Article 130.1 begin as follows:

“130.1 Subject to the provisions of the 2006 Act and provided that Articles 130A, if appropriate, and 131 are complied with, a Director, notwithstanding his office:”;

- (b) by deleting the existing Article 130.1(d) and substituting therefor the following new Article 130.1(d):

“(d) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement, transaction or proposal or from any interest in any body corporate and no such contract, arrangement, transaction, proposal or interest shall be avoided on the grounds of any such interest or benefit nor shall the receipt of any such profit, remuneration or any other benefit constitute a breach of his duty under the 2006 Act not to accept benefits from third parties.”;

- (c) by inserting a new Article 130A as follows:

“130A Power of the Board to authorise conflicts of interest

130A.1 The Board may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, involve a breach by a Director of

his duty to avoid conflicts of interest under section 175 of the 2006 Act, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interest of the Company (including the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). The provisions of this Article do not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.

130A.2 Any such authorisation will be effective only if:

- (a) the matter arose on or after 1 October 2008;
- (b) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- (c) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

130A.3 The Board may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions it expressly imposes but such authorisation is otherwise given to the fullest extent permitted.

130A.4 The Board may vary or terminate any such authorisation at any time.”;

(d) by deleting the existing Article 131 and substituting therefor the following new Articles 131, 131A, 131B and 131C:

“131 Declaration of interests

131.1 A Director shall declare the nature and extent of his interest in a matter within Article 130A to the other Directors.

131.2 A Director who is aware that he is in any way interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other Directors.

131.3 A Director who is aware that he is in any way interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of his interest to the other Directors, unless the interest has already been declared under Article 131.2.

131.4 The declaration of interest must (in the case of Article 131.3) and may, but need not (in the case of Article 131.1 or 131.2), be made:

- (a) at a meeting of the Directors; or
- (b) by general or specific notice to the Directors in accordance with the 2006 Act.

131.5 If a declaration of interest, or deemed declaration of interest, proves to be, or becomes, inaccurate or incomplete, a further disclosure must be made.

131.6 Any declaration of interest required by Article 131.1 above must be made as soon as reasonably practicable.

131.7 Any declaration of interest required by Article 131.2 above must be made before the Company enters into the transaction or arrangement or, in the case of an interest which arose before 1 October 2008, at the first meeting of the Directors at which the question of entering into the proposed transaction or arrangement is first taken into consideration.

131.8 Any declaration of interest under Article 131.3 above must be made as soon as reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.

131.9 For the purposes of Articles 131.1, 131.2 and 131.3, a Director need not declare an interest which arose on or after 1 October 2008:

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) if, or to the extent that, the other Directors are already aware of it; or
- (c) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered:
 - (i) by a meeting of the Directors; or
 - (ii) by a committee of the Directors appointed for the purpose under these Articles.

131A Entitlement to keep information confidential

131A.1 Subject to Article 131A.2, a Director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he has a duty of confidentiality to another person. In particular, the Director shall not be in breach of the general duties he owes to the Company under sections 171-177 of the 2006 Act because he fails:

- (a) to disclose any such information to the Board or to any Director or other officer or employee of the Company; and/or
- (b) to use or apply any such information in performing his duties as a Director of the Company.

131A.2 To the extent that the relationship between a Director and a person to whom he owes a duty of confidentiality gives rise to a conflict of interest or possible conflict of interest, Article 131A.1 applies only if the existence of that relationship has been authorised by the Board pursuant to Article 130A.

131B Avoiding conflicts of interest

131B.1 Where the existence of a Director's relationship with another person has been authorised by the Board pursuant to Article 130A (and subject to any limits or conditions imposed pursuant to Article 130A.3) and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties he owes to the Company under sections 171-177 of the 2006 Act because he:

- (a) absents himself from meetings of the Board at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or makes arrangements for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

131C Overriding principles

131C.1 The provisions of Articles 131A and 131B are without prejudice to any equitable principle or rule of law which may excuse the Director from:

- (a) disclosing information in circumstances where disclosure would otherwise be required under these Articles; or
- (b) attending meetings or discussions or receiving documents and information as referred to in Article 131B, in circumstances where such

attendance or receiving such documents and information would otherwise be required under these Articles.”;

- (e) by deleting the word “or” from the end of Article 132.1(e) and inserting into the end of Article 132.1(f) the word “; or” and inserting into Article 132.1 the following new Article 132.1(g):

“(g) the giving of any other indemnity or any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against him or them, or doing anything to enable such Director or Directors to avoid incurring such expenditure, where all other Directors are also being offered indemnities or funding on substantially the same terms.”; and

- (f) by deleting the existing Article 137.1 and substituting therefor the following new Article 137.1:

“137.1 For the purposes of Articles 130 to 137:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) an interest means a direct or an indirect interest, and for these purposes an interest of a person who is for the purposes of the 2006 Act connected (which word shall have the meaning given thereto by sections 252-256 of the 2006 Act) with a Director shall be treated as an interest of the Director;
- (c) an interest, transaction, arrangement or proposal of which a Director is aware includes an interest, transaction, arrangement or proposal of which that Director ought reasonably to be aware;
- (d) in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director in addition to any interest which the alternate Director otherwise has; and
- (e) an “associate” of a Director shall mean any person who is for the purposes of the 2006 Act connected (which word shall have the meaning given thereto by sections 252-256 of the 2006 Act) with a Director and any person who is an associate of a Director within the meaning of rule 1.01 of the rules governing the listing of securities on The Hong Kong Stock Exchange.”.

- 10 THAT the amended rules of the HSBC Share Plan (the main features of which are summarised in Appendix III to the Chairman’s letter to Shareholders dated 3 April 2008 and a copy of which has been signed for the purposes of identification by the Chairman of the Meeting) are hereby approved and that the Directors are hereby authorised to do whatever may be necessary or expedient to carry the amended HSBC Share Plan into effect.

By Order of the Board

R G Barber
Group Company Secretary

3 April 2008

HSBC Holdings plc

*Incorporated in England with limited liability. Registered in England: number 617987
Registered Office and Group Head Office:
8 Canada Square, London E14 5HQ, United Kingdom*

Notes:

- (1) Voting at the Meeting may be decided on a show of hands, unless a poll is directed by the Chairman of the Meeting or a poll is demanded by:
 - (a) at least five members present in person or by proxy and entitled to vote at the Meeting; or
 - (b) a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the Meeting (excluding any voting rights attached to any shares in the Company held as treasury shares); or
 - (c) a member or members present in person or by proxy holding shares conferring a right to vote at the Meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote at the Meeting which are held as treasury shares).

It is again intended that a poll will be conducted on each resolution referred to in this Notice of Annual General Meeting.

The issued share capital of the Company with voting rights on 27 March 2008, being the latest practicable date prior to the printing of this document, was 11,867,422,018 ordinary shares of US\$0.50.

- (2) A member entitled to attend, speak and vote at the Meeting is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote instead of the member. A member may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member. A proxy need not be a member. Completion and submission of an instrument appointing a proxy will not preclude a member from attending and voting in person at the Meeting. If a member wishes to appoint more than one proxy and so requires additional proxy forms, the original proxy form may be photocopied or additional forms can be obtained from Computershare Investor Services PLC, PO Box 1064, The Pavilions, Bridgwater Road, Bristol, BS99 3FA, United Kingdom; Computershare Hong Kong Investor Services Limited, Hopewell Centre, Rooms 1806-1807, 18th Floor, 183 Queen's Road East, Hong Kong SAR; or Corporate Shareholder Services, The Bank of Bermuda Limited, 6 Front Street, Hamilton HM 11, Bermuda.

The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from HSBC in accordance with section 146 of the UK Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy for the Meeting. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights at the Meeting.

The main point of contact for nominated persons remains the registered shareholder (for example your stockbroker, investment manager, custodian or other person who manages the investment on your behalf). Any changes or queries relating to nominated persons' personal details and holdings (including any administration thereof) must continue to be directed to the registered shareholder and not HSBC's Registrars. The only exception is where HSBC, in exercising one of its powers under the UK Companies Act 2006, writes to nominated persons directly for a response.

- (3) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of such authority certified notarially or in some other way approved by the Board, must be deposited not less than 48 hours before the time of the holding of the Meeting (or any adjourned meeting) at: the offices of Computershare Investor Services PLC, PO Box 1064, The Pavilions, Bridgwater Road, Bristol, BS99 3FA, United Kingdom; the offices of Computershare Hong Kong Investor Services Limited, Hopewell Centre, Rooms 1806-1807, 18th Floor, 183 Queen's Road East, Hong Kong SAR; or the offices of Corporate Shareholder Services, The Bank of Bermuda Limited, 6 Front Street, Hamilton HM 11, Bermuda. In the case of an appointment of a proxy submitted in electronic form, such appointment must be received not less than 48 hours before the time of the holding of the Meeting (or any adjourned meeting). It should be noted,

however, that any power of attorney or other authority relating to an appointment of a proxy cannot be submitted electronically and must be deposited as referred to above for the appointment to be valid.

- (4) Pursuant to the Uncertificated Securities Regulations 2001, changes to entries on the principal register of members of the Company maintained in England (the “Principal Register”) after 12.01 a.m. (London time) on the day immediately before the day of the Meeting or any adjourned meeting (as the case may be) shall be disregarded in determining the rights of a member to attend or vote at the Meeting or any adjourned meeting (as the case may be). Accordingly, a member entered on the Principal Register at 12.01 a.m. on the day immediately before the day of the Meeting or any adjourned meeting (as the case may be) shall be entitled to attend and vote at the Meeting or any adjourned meeting (as the case may be) in respect of the number of such shares entered against the member’s name at that time.
- (5) CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so for the Meeting or any adjourned meeting by following the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer’s agent (ID 3RA50) by the latest time for receipt of proxy appointments specified in Note (3) above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsor or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

Pursuant to Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 the Company may treat as invalid a CREST Proxy Instruction if the Company has actual notice that:

- the information in the instruction is incorrect;
 - the person expressed to have sent the instruction did not in fact send it; or
 - the person sending the instruction on behalf of the relevant shareholder did not have the authority to do so.
- (6) In the case of joint registered holders of any share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose seniority shall be determined by the order in which the names of the holders stand in the Principal Register or either the Hong Kong or Bermuda Overseas Branch Registers of the Company, as appropriate.
- (7) In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the Meeting so that (i) if a corporate shareholder has appointed the Chairman of the Meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the Meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the

same corporate shareholder attends the Meeting but the corporate shareholder has not appointed the Chairman of the Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend (normally being the first to register at the Meeting unless otherwise decided at the Meeting) who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icsa.org.uk – for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

- (8) The Directors are Lord Butler* (who will retire as a Director on 30 May 2008), S A Catz (who will be appointed a Director on 1 May 2008), V H C Cheng, J D Coombe†, Baroness Dunn* (who will retire as a Director on 30 May 2008), J L Durán†, R A Fairhead†, D J Flint, A A Flockhart (who will be appointed a Director on 1 May 2008), W K L Fung*, M F Geoghegan, S K Green, S T Gulliver (who will be appointed a Director on 1 May 2008), J W J Hughes-Hallett†, W S H Laidlaw†, Sir Brian Moffat* (who will retire as a Director on 30 May 2008), Sir Mark Moody-Stuart†, G Morgan†, N R N Murthy (who will be appointed a Director on 1 May 2008), S W Newton†, S M Robertson†, and Sir Brian Williamson†. The Group Chairman has confirmed that, following performance evaluation, the non-executive Directors standing for re-election continue to perform effectively and demonstrate commitment to their roles. The particulars required to be disclosed, pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, of the Directors standing for re-election are:

† Safra Ada Catz, BS, JD

Age 46. A non-executive Director of HSBC Holdings plc with effect from 1 May 2008. President and Chief Financial Officer of Oracle Corporation. Managing Director of Donaldson, Lufkin & Jenrette from 1997 to 1999. Joined Oracle in 1999 and was appointed to the Board of Directors in 2001.

S A Catz brings to the board as a non-executive director a background in international business leadership, having helped transform Oracle into the second biggest producer of management software and the world's leading supplier of software for information management. It is the belief of the Board that S A Catz is fully able to discharge her duties as an independent non-executive Director.

Vincent Cheng Hoi Chuen, MPhil, BSocSc

Age 59. An executive Director of HSBC Holdings plc since 1 February 2008. Chairman of The Hongkong and Shanghai Banking Corporation Limited. Chairman of HSBC Bank (China) Company Limited and HSBC Investments (Hong Kong) Limited and a Director of HSBC Bank Australia Limited. Joined HSBC in 1978. Appointed a Group General Manager in 1995 and a Group Managing Director in 2005. A Director of Great Eagle Holdings Limited and a Member of the Exchange Fund Advisory Committee of the Hong Kong Monetary Authority. Vice Chairman of the China Banking Association from 10 December 2007. Appointed a member of the National Committee of the 11th Chinese People's Political Consultative Conference (CPPCC), and a senior adviser to the 11th Beijing Municipal Committee of the CPPCC. Deputy Chairman and Chief Executive Officer of Hang Seng Bank Limited from 1998 to 2005. A Director of Swire Pacific Limited from 2005 to January 2008.

V H C Cheng brings to the board, as an executive director, extensive experience in Asia. He is Chairman of HSBC's Asia operations and has 30 years' business experience, particularly in mainland China and Hong Kong. He is also an expert public policy adviser and economist.

† John David Coombe, FCA, FCT

Age 62. A non-executive Director of HSBC Holdings plc since 2005. A member of the Group Audit Committee and of the Remuneration Committee. Chairman of Hogg Robinson plc. A non-executive Director of Home Retail Group plc and a trustee of the Royal Academy Trust. Former executive Director and Chief Financial Officer of GlaxoSmithKline plc and a former member of the Supervisory Board of Siemens AG. A former Chairman of The Hundred Group of Finance Directors and a former member of the Accounting Standards Board.

† José Luis Durán

Age 43. A non-executive Director of HSBC Holdings plc since 1 January 2008. Chief Executive of Carrefour SA and Chairman of its Management Board of Directors. Joined Carrefour SA in 1991. Chief Financial Officer and Managing Director, Organisation and Systems of Carrefour SA from 2001 to 2005.

J L Durán brings to the board as a non-executive director a background in both developed and emerging markets. He has held a number of positions within Carrefour's businesses in Spain, southern Europe and the Americas, and was appointed Chief Financial Officer and Managing Director, Organisation and Systems in 2001. In 2005 he became Chief Executive and was appointed Chairman of the Management Board. It is the belief of the Board that J L Durán is fully able to discharge his duties as an independent non-executive Director.

Douglas Jardine Flint, CBE, BAcc (Hons), CA, FCMA, PMD (Harvard), Group Finance Director

Age 52. Joined HSBC Holdings plc as an executive Director in 1995. Non-executive Chairman of HSBC Finance Corporation. A non-executive Director of BP p.l.c. and a member of the Consultative Committee of the Large Business Advisory Board of HM Revenue & Customs. Chaired the Financial Reporting Council's review of the Turnbull Guidance on Internal Control. Served on the Accounting Standards Board and the Standards Advisory Council of the International Accounting Standards Board from 2001 to 2004. A former partner in KPMG.

Alexander Andrew Flockhart, CBE

Age 56. An executive Director of HSBC Holdings plc with effect from 1 May 2008. Chief Executive Officer of The Hongkong and Shanghai Banking Corporation Limited and Global Head of Commercial Banking. Joined HSBC in 1974. A Director of Hang Seng Bank Limited, HSBC Bank Australia Limited, HSBC Bank (China) Company Limited, and Chairman of HSBC Bank Malaysia Berhad. Managing Director of The Saudi British Bank from 1997 to 1999 and Senior Executive Vice-President, Commercial Banking, HSBC Bank USA, N.A. from 1999 to 2002. Chief Executive Officer, Mexico from 2002 to October 2006. President and Group Managing Director Latin America and the Caribbean from October 2006 to 20 July 2007. Appointed a Group General Manager in 2002 and a Group Managing Director in 2006.

A A Flockhart brings to the board as an executive Director an international background with over 30 years' experience at HSBC. He has oversight of HSBC's Asia operations in 19 countries and territories and is also Global Head of Commercial Banking.

A A Flockhart is often referred to in communications by the Company as Sandy Flockhart.

* Dr William Kwok Lun Fung, OBE, BSE, MBA

Age 59. A non-executive Director of HSBC Holdings plc since 1998. A member of the Corporate Sustainability Committee. Deputy Chairman of The Hongkong and Shanghai Banking Corporation Limited. Group Managing Director of Li & Fung Limited. A non-executive Director of CLP Holdings Limited, Integrated Distribution Services Group Limited, Convenience Retail Asia Limited, Shui On Land Limited and VTech Holdings Limited. A member of the Hong Kong Trade Development Council. A former non-executive Director of Bank of Communications Co. Ltd. Former Chairman of the Hong Kong General Chamber of Commerce, the Hong Kong Exporters' Association and the Hong Kong Committee for the Pacific Economic Co-operation Council.

Stuart Thomson Gulliver, M.A. Oxon

Age 49. An executive Director of HSBC Holdings plc with effect from 1 May 2008. Chief Executive of Global Banking and Markets and HSBC Global Asset Management. Joined HSBC in 1980. A Director of HSBC Bank plc, HSBC Private Banking Holdings (Suisse) SA, HSBC USA Inc. and The Hongkong and Shanghai Banking Corporation Limited. A member of the Supervisory Board of HSBC Trinkaus & Burkhardt AG. Head of Treasury and Capital Markets in Asia-Pacific from 1996 to 2002. Head of Global Markets from 2002 to 2003 and Co-Head of Global Banking and Markets from 2003 to May 2006. Appointed a Group General Manager in 2000 and a Group Managing Director in 2004.

S T Gulliver brings to the board as an executive director an international background with over 28 years' experience at HSBC, particularly in Asia. Global Banking and Markets, is the wholesale banking division of the Group with operations in more than 60 countries and territories.

† James Wyndham John Hughes-Hallett, FCA

Age 58. A non-executive Director of HSBC Holdings plc since 2005. A member of the Group Audit Committee and of the Nomination Committee. Chairman of John Swire & Sons Limited. A non-executive Director of The Hongkong and Shanghai Banking Corporation Limited from 1999 to 2004. A non-executive Director and formerly Chairman of Cathay Pacific Airways Limited and Swire Pacific Limited. A Director of China Festival 2008. A trustee of the Dulwich Picture Gallery and the Esmée Fairbairn Foundation. A member of The Hong Kong Association and of the Governing Body of the School of Oriental and African Studies, University of London.

† William Samuel Hugh Laidlaw, MA, MBA

Age 51. A non-executive Director of HSBC Holdings plc since 1 January 2008. Chief Executive Officer of Centrica plc. A Trustee of RAFT, a medical charity for burns and reconstructive surgery. A member of the Business Council for International Understanding. President and Chief Operating Officer of Amerada Hess Corporation from 1995 to 2001. Chief Executive Officer of Enterprise Oil plc from 2001 to 2002. Executive Vice President of Chevron Corporation from 2003 to 2006, and a non-executive Director of Hanson PLC from 2003 to August 2007.

W S H Laidlaw brings to the board as a non-executive director significant international experience, having had responsibility for businesses on four continents. It is the belief of the Board that W S H Laidlaw is fully able to discharge his duties as an independent non-executive Director.

† Narayana Ramarao Nagavara Murthy, CBE

Age 61. A non-executive Director of HSBC Holdings plc with effect from 1 May 2008. Chairman and Chief Mentor of Infosys Technologies Limited, and former Chief Executive Officer. An independent non-executive Director of Unilever plc and New Delhi Television Limited and a Director of the United Nations Foundation. An independent non-executive Director of DBS Bank Limited until 2 April 2008.

N R N Murthy brings to the board a background in India. He founded Infosys Technologies Limited in India in 1981 and was CEO for 21 years. Under his leadership, Infosys was listed on NASDAQ in 1999 and today has offices in 23 countries and territories, employing over 80,000 staff covering 66 nationalities. It is the belief of the Board that N R N Murthy is fully able to discharge his duties as an independent non-executive Director.

† Stewart Worth Newton, FCA

Age 66. A non-executive Director of HSBC Holdings plc since 2002. A member of the Group Audit Committee. Chairman of The Real Return Group Limited. A Member of the Investment Committee of The Wellcome Trust, and the Investment Board of Cambridge University. A Council Member of Imperial College, London and Chairman of the committee advising the Council on the College Fund. An adviser to the Investment Committee of the Royal Marsden NHS Foundation Trust.

** Non-executive Director*

† Independent non-executive Director

None of the Directors standing for re-election has any material relationship with another Director, member of Senior Management or substantial or controlling shareholder.

V H C Cheng, A A Flockhart and S T Gulliver are members of the Group Management Board of HSBC Holdings plc. The Group Management Board is chaired by M F Geoghegan, the Group Chief Executive of HSBC Holdings plc and D J Flint, the Group Finance Director of HSBC Holdings plc, is a member. Baroness Dunn, W K L Fung, M F Geoghegan, S K Green and J W J Hughes-Hallett are Directors of HSBC Holdings plc who are, or previously served

as, Directors of The Hongkong and Shanghai Banking Corporation Limited, of which Mr Cheng, Mr Flockhart and Mr Gulliver are also Directors. Baroness Dunn and J W J Hughes-Hallett are Directors of Swire Pacific Limited, of which Mr Cheng was also a Director from 2005 to 31 January 2008.

Mr Flockhart serves on the boards of Hang Seng Bank Limited and HSBC Bank (China) Company Limited with other Directors and members of the senior management of HSBC Holdings plc.

Mr Gulliver serves on the boards of HSBC Bank plc, HSBC Bank USA, National Association, HSBC National Bank USA, HSBC Private Banking Holdings (Suisse) SA, HSBC USA Inc. and HSBC Trinkaus & Burkhardt AG with other Directors and members of the senior management of HSBC Holdings plc.

J D Coombe, an independent non-executive Director of HSBC Holdings plc, served with D J Flint, the Group Finance Director of HSBC Holdings plc, on the Accounting Standards Board and on the Financial Reporting Council's review of the Turnbull guidance on internal control. HSBC provides banking services to his former employer, GlaxoSmithKline plc, from which he retired as a director in March 2005. Mr Coombe is a Director of Home Retail Group plc and, until January 2008, was a Director of Siemens AG both of which have banking relationships with HSBC. He is Chairman of Hogg Robinson plc who provides travel services to, and has banking relationships with, HSBC.

J W J Hughes-Hallett, an independent non-executive Director of HSBC Holdings plc, is Chairman of John Swire & Sons Limited and a Director of Swire Pacific Ltd. Baroness Dunn, a non-executive Director of HSBC Holdings plc, serves as a Director of both companies. They both serve as Trustees of The Swire Educational Trust. V H C Cheng, an executive Director of HSBC Holdings plc, was a Director of Swire Pacific Limited until January 2008. Mr Hughes-Hallett is a Director of The Hong Kong Association with S K Green, the Group Chairman of HSBC Holdings plc, and Baroness Dunn. He is also a Director of China Festival 2008 with S K Green. A non-wholly owned subsidiary of John Swire & Sons Limited, Hong Kong Aircraft Engineering Company Limited (HAECO), owns 45 per cent of Hong Kong Aero Engine Services Limited (HAESL). Another 45 per cent of HAESL is owned by Rolls Royce Group plc, of which S M Robertson, an independent non-executive Director of HSBC Holdings plc, is non-executive Chairman. HAECO also provides management services to HAESL.

W S H Laidlaw, an independent non-executive Director of HSBC Holdings plc, was Chief Executive Officer of Enterprise Oil plc from 2001 to 2002. During this time, Sir Brian Moffat, a non-executive Director of HSBC Holdings plc, also served as a non-executive Director of Enterprise Oil plc.

According to the register of Directors' interests maintained by HSBC Holdings plc pursuant to section 352 of the Securities and Futures Ordinance of Hong Kong, the Directors standing for re-election had the following interests in the shares and loan capital of HSBC at 3 March 2008 (the date of the Report of the Directors), all beneficial unless otherwise stated. J L Durán, had no interests in the shares and loan capital of HSBC at 3 March 2008. Changes in Directors' interests since approval of the Report of the Directors on 3 March 2008 are shown in note (14) below.

HSBC Holdings ordinary shares of US\$0.50	Beneficial owner	Trustee	Controlled corporation	Equity derivatives	Total interests	Percentage of ordinary shares in issue
V H C Cheng	241,469	—	—	3,070 ¹	244,539	0.00
J D Coombe	12,655	33,799 ²	—	—	46,454	0.00
D J Flint	84,349	29,610 ³	—	2,310 ¹	116,269	0.00
W K L Fung	328,000	—	—	—	328,000	0.00
J W J Hughes- Hallett	—	554,435 ²	—	—	554,435	0.00
W S H Laidlaw	20,000	4,500 ²	—	—	24,500	0.00
S W Newton	5,963	—	51,464	—	57,427	0.00

1 Savings-related share options

2 Non-beneficial

3 Non-beneficial interest in 9,870 HSBC Holdings ordinary shares of US\$0.50.

At 3 March 2008, V H C Cheng and D J Flint had additional interests, which are categorised as the interests of a beneficiary of a trust under the Securities and Futures Ordinance of Hong Kong, in 408,022 and 770,018 HSBC Holdings ordinary shares of US\$0.50 respectively arising from conditional awards of Performance Shares under the HSBC Holdings Restricted Share Plan 2000 and the HSBC Share Plan, subject to the vesting arrangements summarised on pages 36 to 37 of the *Annual Review* and set out on pages 325 to 327 and pages 331 to 332 of the *Annual Report and Accounts*. The aggregate interests of V H C Cheng and D J Flint in HSBC Holdings ordinary shares of US\$0.50 including interests arising through conditional awards of Performance Shares and awards of Restricted Shares were 652,561 and 886,287 shares respectively (less than 0.01 per cent of the shares in issue).

At 3 March 2008, when their appointments as Directors with effect from 1 May 2008 were announced, A A Flockhart and S T Gulliver had beneficial interests in 131,571 and 2,022,961 HSBC Holdings ordinary shares of US\$0.50 respectively. At 3 March 2008, A A Flockhart and S T Gulliver had additional interests, which are categorised as the interests of a beneficiary of a trust under the Securities and Futures Ordinance of Hong Kong, in 274,502 and 424,601 HSBC Holdings ordinary shares of US\$0.50 respectively arising from conditional awards of Performance Shares under the HSBC Holdings Restricted Share Plan 2000 and the HSBC Share Plan, subject to the vesting arrangements summarised on pages 36 to 37 of the *Annual Review* and set out on pages 325 to 327 and pages 331 to 332 of the *Annual Report and Accounts*, and in 51,167 and 743,796 HSBC Holdings ordinary shares of US\$0.50 respectively arising from awards of Restricted Shares under the HSBC Share Plan. Mr Flockhart also had interests in options over 1,332 HSBC Holdings ordinary shares of US\$0.50 granted under the HSBC Holdings Savings-Related Share Option Plan: International and options over 22,500 HSBC Holdings ordinary shares of US\$0.50 granted under the HSBC Holdings Executive Share Option Scheme. The aggregate interests of A A Flockhart and S T Gulliver in HSBC Holdings ordinary shares of US\$0.50 including interest arising through conditional awards of Performance Shares and awards of Restricted Shares were 481,072 and 3,191,358 shares (less than 0.01 and 0.03 per cent of the shares in issue) respectively.

S A Catz and N R N Murthy had no interests in the shares and loan capital of HSBC at 3 March 2008, the date on which their appointments as Directors with effect from 1 May 2008 were announced.

S A Catz, J D Coombe, J L Durán, W K L Fung, J W J Hughes-Hallett, W S H Laidlaw, N R N Murthy and S W Newton, non-executive Directors who are standing for re-election, each receive a Director's fee of £65,000 per annum. Non-executive Directors' fees, which are regularly reviewed and compared with other large international companies, were authorised by Shareholders at the 2006 Annual General Meeting, following a comprehensive review of fees paid in other major UK companies. In addition, J D Coombe receives fees totalling £40,000 per annum as a member of the Group Audit Committee and the Remuneration Committee. W K L Fung receives fees totalling £20,000 per annum as a member of the Corporate Sustainability Committee. Mr Fung also receives a fee of HK\$450,000 (£28,816) per annum as a director of The Hongkong and Shanghai Banking Corporation Limited. J W J Hughes-Hallett receives fees totalling £40,000 per annum as a member of the Group Audit Committee and the Nomination Committee. S W Newton receives a fee of £20,000 per annum as a member of the Group Audit Committee. Committee fees are determined by the Board. Those Directors to whom fees are payable do not participate in that determination.

Non-executive Directors do not have service contracts with HSBC Holdings plc. Subject to their re-election by shareholders, the terms of appointment for the non-executive Directors standing for re-election will expire: in 2009 in respect of W K L Fung and S W Newton; and in 2011 in respect of S A Catz, J D Coombe, J L Durán, J W J Hughes-Hallett, W S H Laidlaw and N R N Murthy. The terms of appointment for the non-executive Directors are available for inspection at the registered office of the Company in London and at 1 Queen's Road Central, Hong Kong SAR during usual business hours and will be available for inspection at the place and on the date of the Meeting from at least 15 minutes before the Meeting begins until the conclusion of the Meeting.

V H C Cheng and A A Flockhart are employed on rolling contracts dated 1 October 1978 and 6 July 1974 respectively, which require three months' notice to be given by either party. D J Flint is employed on a rolling contract dated 29 September 1995 which requires 12 months' notice to be given by the Company and nine months' notice to be given by Mr Flint.

S T Gulliver is employed on a rolling contract dated 8 December 2005 which requires twelve months' notice to be given by either party. Under each of their terms of employment, V H C Cheng, D J Flint, A A Flockhart and S T Gulliver receive a basic salary and are eligible for a discretionary annual bonus and long term incentive award. The basic salaries of V H C Cheng, D J Flint, A A Flockhart and S T Gulliver are HK\$7,500,000, £700,000, HK\$4,494,384 and £600,000 per annum respectively. The performance factors to determine the discretionary annual bonuses are explained on page 35 of the *Annual Review* and on pages 323 to 324 of the *Annual Report and Accounts*. From 2008, remuneration policy for executive Directors is intended to provide competitive rates of base salary targeted at the market median of the remuneration comparator group whilst providing an opportunity for top quartile total compensation for higher levels of performance with a greater proportion of total compensation being share-based. Copies of the service contracts of the executive Directors will be available for inspection at the registered office of the Company in London and at 1 Queen's Road Central, Hong Kong during usual business hours on any business day from the date of this Notice until the date of Meeting and at the place and on the date of the Meeting from at least 15 minutes before the Meeting begins until the conclusion of the Meeting.

Save as disclosed above there are no further matters or particulars required to be disclosed pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

- (9) The general purpose of the authorities to be conferred on the Directors by Resolutions 5 and 6 is to enable the Directors to allot shares (or sell shares held by the Company in treasury following an own share purchase) up to a specified number without having first to obtain the consent of Ordinary Shareholders in general meeting. The Directors have undertaken that no capital will be issued which would effectively change the control of the Company or the nature of its business without the prior approval of Ordinary Shareholders in general meeting.
- (10) The purpose of the authority to be conferred by Resolution 7 is to enable the Company to make market purchases of its own shares. The total number of options to subscribe for Ordinary Shares outstanding on 27 March 2008 (the latest practicable date prior to printing of this document) was 281,045,726 which represented 2.37 per cent of the issued ordinary share capital as at that date. If the Company were to purchase the maximum number of Ordinary Shares permitted by this Resolution, the options outstanding on 27 March 2008 would represent 2.63 per cent of the issued ordinary share capital.
- (11) The purpose of Resolutions 8 and 9 are to make alterations to the Articles of Association to reflect certain of the provisions of the UK Companies Act 2006 which have come into force on 1 October 2007 and which will come into force on 6 April 2008 and 1 October 2008 and other related matters, further details of which are contained in Appendix II.

Copies of the Articles of Association of the Company and the Articles of Association of the Company as proposed to be amended by the provisions of Resolutions 8 and 9 will be available for inspection at the registered office of the Company in London and at 1 Queen's Road Central, Hong Kong SAR during usual business hours from the date of this Notice until the date of the Meeting and at the place and on the date of the Meeting from at least 15 minutes before the Meeting begins until the conclusion of the Meeting.

- (12) The purpose of Resolution 10 is to amend the rules of the HSBC Share Plan. A copy of the rules as proposed to be amended by Resolution 10 and a copy of the current rules will be available for inspection at the registered office of the Company in London and at 1 Queen's Road Central, Hong Kong SAR during usual business hours from the date of this Notice until the date of the Meeting and at the place and on the date of the Meeting from at least 15 minutes before the Meeting begins until the conclusion of the Meeting.
- (13) For safety reasons, security checks will be carried out on entry to the Meeting. Shareholders are reminded that briefcases, cameras and tape-recorders will not be allowed in the Meeting and that all mobile telephones must be switched off.
- (14) The following changes in the interests of Directors and of the Directors to be appointed with effect from 1 May 2008, all beneficial unless otherwise stated, in the shares and loan capital of HSBC Holdings plc and its subsidiaries or associated corporations have been notified to the Company during the period from approval of the Report of the Directors and of the announcements of the appointments of S A Catz, A A Flockhart, S T Gulliver and

N R N Murthy as Directors with effect from 1 May 2008 on 3 March 2008 to 27 March 2008 (the latest practicable date prior to the printing of this document):

(a) A A Flockhart acquired a beneficial interest in 22,500 HSBC Holdings ordinary shares of US\$0.50 by the exercise of an option and sold 18,515 HSBC Holdings ordinary shares of US\$0.50;

(b) The undernamed Directors were awarded Restricted Shares under the HSBC Share Plan which give rise to additional interests as beneficiaries of a trust in the number of HSBC Holdings ordinary shares of US\$0.50 shown below:

V H C Cheng	82,295
S T Gulliver	458,708
A A Flockhart	11,929

(c) Upon the release of a Restricted Share award under the HSBC Share Plan, S T Gulliver's interests categorised as a beneficiary of a trust under the Securities and Futures Ordinance of Hong Kong were reduced by 294,528 HSBC Holdings ordinary shares of US\$0.50. 120,755 HSBC Holdings ordinary shares of US\$0.50 were sold by the trustees of the Plan to meet the tax liability. S T Gulliver retained 88,804 HSBC Holdings ordinary shares of US\$0.50 and transferred 84,969 HSBC Holdings ordinary shares of US\$0.50 to his spouse.

(15) The following notifications of major shareholdings have been received by the Company pursuant to the requirements of UK Financial Services Authority Disclosure and Transparency Rule 5:

- Singularis Holdings Limited; AWAL Trust Company Limited; and Maan Abdulwahed Al Sanea gave notice on 16 April 2007 of an indirect interest on 16 April 2007 in 360,055,575 HSBC Holdings ordinary shares, representing 3.11 per cent of the ordinary shares in issue at that date.
- Barclays PLC gave notice on 17 April 2007 of an indirect interest on 16 April 2007 in 518,233,657 HSBC Holdings ordinary shares, representing 4.47 per cent of the ordinary shares in issue at that date.
- Legal and General Group Plc gave notice on 27 March 2008 of a direct interest on 26 March 2008 in 543,241,591 HSBC Holdings ordinary shares, representing 4.57 per cent of the ordinary shares in issue at that date.

(16) In the event of a conflict between any translation and the English text hereof, the English text will prevail.