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15 March 2019

(Hong Kong Stock Code: 5)

**HSBC Holdings plc  
2019 DIRECTORS' REMUNERATION POLICY**

The attached announcement is being released to all the stock exchanges on which HSBC Holdings plc is listed.

For and on behalf of  
**HSBC Holdings plc**

Ben J S Mathews  
Group Company Secretary

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises: Mark Tucker\*, John Flint, Kathleen Casey†, Laura Cha†, Henri de Castries†, Lord Evans of Weardale†, Irene Lee†, José Meade†, Heidi Miller†, Marc Moses, David Nish†, Ewen Stevenson, Jonathan Symonds†, Jackson Tai† and Pauline van der Meer Mohr†.

\* Non-executive Group Chairman

† Independent non-executive Director

**HSBC Holdings plc**

*Registered Office and Group Head Office:*

8 Canada Square, London E14 5HQ, United Kingdom

Web: [www.hsbc.com](http://www.hsbc.com)

*Incorporated in England with limited liability. Registered in England: number 617987*



15 March 2019

## **HSBC HOLDINGS PLC** **2019 DIRECTORS' REMUNERATION POLICY (the '2019 Policy')**

In advance of its 2019 Annual General Meeting ('2019 AGM'), HSBC Holdings plc (the 'Company') wishes to clarify for shareholders certain aspects of the 2019 Policy, as set out in the 2018 Annual Report & Accounts, which will be subject to a binding shareholder vote at the 2019 AGM to be held on Friday, 12 April 2019.

The Group Remuneration Committee ('RemCo') has engaged with a number of its key shareholders regarding the remuneration policy for the executive directors. This dialogue has taken into account recent developments in market practice and shareholder expectations, with the aim of ensuring that the policy is considered by reference to the pension contribution available for the majority of the UK workforce.

The RemCo has carefully considered this feedback and wishes to now clarify that for any new executive director, the cash in lieu of pension allowance will reduce to 10% of base salary from its current level of 30%, as set out in the 2019 Policy. Although the current executive directors are compensated under the provisions of the directors' remuneration policy approved by shareholders in 2016, they have asked that their own arrangements in respect of the pension allowance are also brought into line with the level set out above.

The RemCo has therefore agreed to apply this change to the pension contribution element in respect of both the existing executive directors and any new executive director under the 2019 Policy. The Chair of the RemCo, Pauline van der Meer Mohr, commented: "Today we are announcing an important clarification of our new remuneration policy to reduce executive director pension contributions following consideration of emerging market practice. We have consulted closely with shareholders and listened to their views. Our guiding principle has been to create a policy that is simple, transparent and in the interests of all stakeholders. We believe this is the right thing to do for the business, for our employees and for our shareholders. I would like to express the Committee's appreciation for the engagement by our shareholders on this issue and, in particular, the request made by the current executive directors to conform their pension allowance with the new remuneration policy."

The 2018 Annual Report & Accounts and the 2019 AGM Notice are available on the Company's website at <https://www.hsbc.com>

Ben J S Mathews  
Group Company Secretary  
**HSBC Holdings plc**

### **Media enquiries to:**

Gillian James                      +44 (0)20 7992 0516                      [gillian.james@hsbcib.com](mailto:gillian.james@hsbcib.com)

### **Note to editors:**

#### **HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide across 66 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,558bn at 31 December 2018, HSBC is one of the world's largest banking and financial services organisations.

*ends/all*