

HSBC HOLDINGS PLC

BOARD DIVERSITY AND INCLUSION POLICY

The objective of the HSBC Holdings plc ('HSBC') Board Diversity and Inclusion Policy (the 'Policy') is to ensure that diversity and inclusion are given serious consideration in the succession planning, selection, nomination, operation and evaluation of the HSBC Board.

The HSBC Board remains committed to an inclusive culture in the Boardroom where Directors are confident that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination, bullying and harassment on any matter are not tolerated.

In line with our Purpose and Values, *we value difference* and believe that a diverse and inclusive Board, reflective of the communities we serve, is a critical component of effective decision-making and of developing a sustainable and successful business for HSBC.

We ensure that the search for Board candidates, Board appointments, nominations and succession plans are based on merit and objective criteria which promote and consider various aspects. These include but are not limited to, characteristics such as gender, ethnicity, age, geographical provenance and social, educational and professional backgrounds.

This ensures that the Board is equipped to discharge its responsibilities effectively and to fulfil HSBC's purpose of *opening up a world of opportunity*. This aligns with the Group's deep roots in many geographical regions and our global approach.

The responsibilities of the Nomination & Corporate Governance Committee (the 'Committee') in relation to the implementation of this Policy are outlined in its Terms of Reference.

Aspirational Targets

As a UK headquartered company, HSBC is expected to comply with laws, regulation and market practice, including in relation to diversity targets expected of UK listed boards.

The Board supports the recommendations set out in the FTSE Women Leaders (formerly Hampton-Alexander) and Parker Reviews and the Board's aspirational targets detailed below are reflective of the recommendations from these reviews.

Gender Representation

- The Board's current target for gender representation is to:
 - achieve a minimum of 40% female representation on the Board of Directors by the end of 2023.
 - appoint a female to at least one of the senior board positions of Chair, Chief Executive Officer, Senior Independent Director or Chief Financial Officer by the end of 2025.

Ethnic Representation

- The Board's current target is to maintain or improve the current ethnic heritage mix.

The Board will report on the application of this Policy in the HSBC Annual Report and Accounts, including progress made against aspirational targets.

27 July 2022