

# **HSBC Malaysia**

## **Financial Fair Treatment Charter**

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HSBC approach to conduct is designed to ensure that through our actions and behaviours we deliver fair outcomes for our customers and do not disrupt the orderly and transparent operation of financial markets. Conduct is the critical component within all business activities including, for example, the Group's strategy, business models and planning, our culture and behaviours including staff recruitment/performance management, our interaction with customers, our products and services, our financial markets operations, and our governance and oversight process.

Our approach to conduct is key to winning and retaining our customers' trust and loyalty. Focus on product is integral to HSBC's values and business principles and supports the Group strategy for sustainable growth and streamlining of business processes and procedures.

HSBC has defined global outcomes relating to conduct which must be delivered by global businesses, global functions, and HSBC Operations, Services and Technology. Our global businesses, global functions, and HSBC Operations, Services and Technology are each responsible for conduct within the scope of their activities, and must develop and maintain approaches, tailored to their markets and operations, which deliver the required global outcomes.

In alignment with both our global policy and BNM Malaysia's Financial Fair Treatment of Financial Consumers policy, we are committed to the following spirit of fair treatment:

## **1. We commit to embed fair dealing into our institution's corporate culture and core values**

- i. We will set minimum standards on fair business practices in all dealings with our customers. This includes providing financial services or products suitable to our customers' financial circumstances and preserving the confidentiality of our customers' information;
- ii. We will train all staff attending to customer to provide quality advice and recommendation;
- iii. We will take customers' feedback seriously and provide immediate constructive feedback to our staff.

## **2. We commit to ensure that customers are provided with fair terms**

- i. We will ensure that the terms in our contracts or agreements are fair, transparent, and well communicated to customer;
- ii. We will ensure that terms and conditions set out the respective rights, liabilities and obligations clearly and as far as possible in plain language; and
- iii. We will ensure that terms and conditions in contracts or agreements are not altered without prior reasonable notification to customers, if necessary.

## **3. We commit to ensure that customers are provided with clear, relevant and timely information on financial services and products**

- i. We will provide customers with relevant and timely information in a product disclosure sheet;
- ii. We will disclose key product features, fees and charges, risks and benefits in a clear and concise manner; and
- iii. We will ensure critical terms are brought to customers' attention and explained to the customers.

**4. We commit to ensure that our staff, representatives and agents exercise due care, skill and diligence when dealing with customers**

- i. We will conduct sales, advertising and marketing of our financial services and products with integrity and will not make false exaggerated claims;
- ii. We will avoid or clearly disclose actual or potential conflicts of interest; and
- iii. We will ensure staff remuneration takes into consideration whether key performance indicators relating to fair treatment of customers have been achieved.

**5. We commit to ensure that customers receive suitable advice and recommendations that take into account their financial needs and circumstances**

- i. We will provide clear, relevant and quality advice or recommendations based on adequate consideration of customers' financial objectives, needs, circumstances, financial situation and risk appetite so that customers can make informed decisions;
- ii. We will ensure advice or recommendations are substantiated with a reasonable basis and in the best interest of customers; and
- iii. We will ensure that our customers' data and privacy are safeguarded.

**6. We commit to ensure that customers' complaint and claims are handled in a prompt, fair and effective manner**

- i. We will have in place proper and well documented complaints handling process and provide clear redress options should customers decide to further escalate their complaints;
- ii. We will ensure that our staff, representatives and agents are properly trained to handle, investigate and resolve complaints in an effective and timely manner;
- iii. We will provide appropriate training to our staff on our complaint processes, emphasizing the need for empathy with customers;
- iv. We will ensure customers are aware of how to make complaint via a variety of channels (for example via relationship managers, face to face, telephone, on-line, in writing);
- v. We will resolve complaints at first point of contact wherever possible, and where this is not possible, provide acknowledgement to the customers clearly setting out next steps and keep them regularly informed of progress to resolve the complaint;
- vi. We will provide responses to customers upon completion of an investigation, clearly detailing the outcome and including, where appropriate, details of remedial action and any redress;
- vii. We will notify customers of any available rights of referral or appeal if the customer is dissatisfied with the handling of, or response to, the complaint; and
- viii. We will monitor and evaluate the nature and trend of complaints received through effective root cause analysis and thereafter take adequate measures to rectify weaknesses identified.

**7. We commit to ensure that vulnerable consumers are treated fairly and equitably by our staff, representatives and agents**

- i. We will ensure that we assess the needs of vulnerable consumers in our customer base and target market and implement appropriate policies to meet these needs;
- ii. We will ensure that our staff, representatives and agents are well trained to recognise, assess and respond appropriately to the needs of vulnerable customers; and
- iii. We will have in place sufficient monitoring and evaluation mechanisms to ensure that our staff, representatives and agents are responding to the needs of vulnerable customers and make necessary improvements to ensure vulnerable consumers continue to receive fair and equitable treatment.