

HSBC Private Bank (Luxembourg) SA

Data Privacy Notice

Version: April 2018



Data Privacy Notice

How we collect and use your personal data

As you are a client of HSBC Private Bank (Luxembourg) SA, we will naturally collect personal data about you.

This notice explains how we will use that data, who we might share it with, and what steps we'll take to make sure it stays private and secure. The information sets-out in this notice will continue to apply even after the termination of your agreement with us for banking or other products and services.

This notice applies to personal data (ie data by which you may be directly or indirectly identified such as the data referred to in **Appendix 1** to this notice) processed by HSBC Private Bank (Luxembourg) SA. If we've provided you with separate or further information about how we collect and use your personal data for a particular product or service, those terms will also apply. If you interact with us in a different context, e.g. as a non-private banking client or in a country outside Luxembourg separate terms might apply to that interaction.

Before we begin

Wherever we've said 'you' or 'your', this means you or any person connected to you namely any authorised person on your account, anyone who does your banking or deals with us for you (e.g. trustees or executors, attorneys under a Power of Attorney, external asset managers under a Power of Administration) and other related people (including authorised signatories, partners, members, directors, person who benefits from a right of inspection over your account, beneficial owners of accounts, beneficiaries of trusts holding assets with us).

Wherever we've said 'we' or 'our', this means HSBC Private Bank (Luxembourg) SA (16 Bd d'Avranches 1160 Luxembourg, Luxembourg) the entity which acts as the data controller in relation to your data (i.e. the entity which is responsible for the processing of your personal data).

What data we collect

The personal data we collect or have about you might come from different sources. It may include information relating to any of our products or services you may have applied for or held previously. Some of it will come directly from you or from your an independent asset manager, another external advisor or a business introducer. Some of it might come from other HSBC group companies, (i.e. companies which are under the direct or indirect control of HSBC Holdings plc). Some of it we might find from publicly available sources (e.g. debtor registers, electoral registers, land registers, press and the internet), which we have lawfully accessed. Some of it might come from other organisations (e.g. credit reference agencies). Some data may be the result of combining

different sets of data (e.g. Knowledge Research Center in the context of the Bank's Global Advisory Program if you have a mobile app, where you have switched on your location permissions). This data may include:

◆ Data that you provide to us.

This includes:

- Data about you that you give us by filling in forms or by communicating with us, whether face-to-face, by phone, e-mail, on-line or otherwise;
- Contact details (name, address and other contact details such as date and place of birth, and nationality);
- Data concerning your identity (eg passport data).

◆ Data we collect or generate about you.

This includes:

- Client relationship data, payment and trade transactions data and other financial data;
- Data regarding your financial situation (e.g. data regarding your creditworthiness);
- Data we collect to comply with our anti-money laundering obligations and reporting obligations (including tax reporting);
- Authentication data (e.g. template signature, official national identification number);
- Data included in relevant client documentation (e.g. record of advice) and other comparable data;
- Marketing and sales data, such as details of the services you receive;
- Cookie data. We use 'cookies' and similar technologies on websites and in emails to recognise you, remember your preferences and show you content we think you're interested in and this may include collecting data about you. Please see our cookie policy <http://www.hsbc.lu/en-gb/cookie-policy> for more details about how we use cookies.

◆ Data we obtain from other sources.

This includes:

- Communications data (e.g. email data, third party data, chat data, instant messages, corporate and media broadcasts, disputes/litigation, correspondence between legal advisers and stakeholders and transcripts or minutes); and
- Combined data from external sources (e.g. data pertaining to social interactions between individuals, organizations, prospects and other stakeholders acquired from companies that collect

combined data and data from fraud avoidance systems).

See Appendix 1 for additional details on the data we collect and process about you.

How we'll use your data

We will collect data about you for various purposes as set out in this data privacy notice, including for/to:

- ◆ The provision of our products and services, or process your transactions;
- ◆ Verify your identity;
- ◆ Gather insights from data through data analytics;
- ◆ Carry out your instructions;
- ◆ Improve our products and services;
- ◆ Keep records of our conversations with you (by phone, in person, by email or any kind of communication) ;
- ◆ Manage our relationship with you – including (if you agree or unless you tell us otherwise) telling you about our products, or carrying out market research;
- ◆ Prevent or detect crime including fraud and financial crime;
- ◆ Corresponding with legal advisers and third party intermediaries;
- ◆ Manage our internal operational requirements for credit and risk management, system or product development and planning, insurance, audit and administrative purposes.

Processing for any of the above purposes is necessary to enable us to pursue our legitimate business interests (or the legitimate interests of one or more of our affiliates). It may also be necessary for other reasons, as outlined below.

We will only use your data where we have a lawful basis for using it. These lawful bases include where:

- ◆ We need to pursue our legitimate business interests;
- ◆ We need to process the data to perform our contract with you;
- ◆ We need to process the data to comply with a legal obligation;
- ◆ The use of your data as described is in the public interest, such as for the purpose of preventing or detecting crime; and
- ◆ We have your consent.

See Appendix 2 for additional details on how we use the data.

Even if you ask us not to use your data, we may continue to use your personal data in circumstances where (a) the law says we have to; (b) we need to for the purposes of performing a contract; (c) we have a public interest to do so; or (d) we have a legitimate business reason for doing so (which may, in exceptional circumstances, override your interest that we no longer process your personal data).

Automated Decision Making

We reserve our right to analyze and evaluate personal data in an automated manner in the future, so as to identify significant personal characteristics of yourself or to predict developments and to create client profiles. These may in particular be used for business-related checks, individual management, advisory or financial services and the provision of offers and information that we, or our affiliates, may make available to you.

When providing you with our services, in view of entering into a contract with you, including where we provide you with a mortgage, credit card or personal loans, we may make decisions about you by automated means. For example, we use technology that helps us identify the level of risk involved in client or account activity (e.g. for credit, fraud or financial crime reasons). For example, we may use this data to identify if someone else is using your card without your permission).

You have a right to certain information about how we make these decisions; you may also have a right to request human intervention and to express a view on any automated individual decision where such opportunity to express a view is required by law. Please refer to 'Your rights' section below, for more information.

Tracking or recording what you say or do

We may record and keep track of conversations you have with us – including phone calls, face-to-face meetings, letters, emails, live chats, video chats and any other kinds of messaging in order to use these recordings to check your instructions to us, assess, analyse and improve our service, train our people, manage risk or to prevent and detect fraud and other crimes. We use closed circuit television (CCTV) in and around our branches and offices for security purposes and so we may collect photos or videos of you, or record your voice through various telephony system such as CCTV.

Compliance with laws and regulatory compliance obligations

We'll use your data to meet our compliance obligations, to comply with other laws and regulations and to share with regulators and other authorities that HSBC Group companies are subject to. This may include using it to help detect or prevent crime (including terrorism financing, money laundering and other financial crimes). We'll only do this on the basis that it's needed to comply with a legal obligation or it's in our legitimate interests and that of others.

Marketing and market research

We may use your data for marketing purposes and we will do this on the basis that it is in our legitimate interest. With your permission, we may send you marketing messages by email, text, phone, sms or secure messages with information about our products and services. You can tell us at any time if you would like or no longer like to receive marketing messages by updating your marketing preferences by contacting us using the contact details set out in 'More details about your data' section below, or whenever you apply for products and services. If you ask us not to send you marketing, it may take

us a short period of time to update our systems and records to reflect your request, during which time you may continue to receive marketing messages. Even if you tell us not to send you marketing messages, we will continue to use your contact information to provide you with important service information, such as changes to your terms and conditions and account statements, or where we're required to do so by law.

We may use your data for market research and statistical purposes.

Who we might share your data with

We may share your data with our affiliates or with entities external to HSBC group where:

- ◆ We need to for the purposes of providing you with products or services you have requested e.g. opening an account for you, or performing our contract with you, e.g. to execute a payment instruction;
- ◆ We have a public or legal duty to do so e.g. to assist with detecting fraud and tax evasion, financial crime prevention, regulatory reporting, litigation or defending legal rights;
- ◆ We have a legitimate reason for doing so e.g. to manage risk, verify your identity, or assess your suitability for products and services; or
- ◆ We have asked you for your permission to share it, and you've agreed.

We may transfer and disclose your data to:

- ◆ Other HSBC group companies and any sub-contractors, agents or service providers who work for, or provide services to us, or other HSBC group companies (including their employees, sub-contractors, directors and officers);
- ◆ Any joint account holders, trustees, beneficiaries or executors where appropriate for trust accounts, the people who do your banking for you, the people you make payments to, your beneficiaries, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, and any companies you hold securities in through us (e.g. stocks, bonds or options).
- ◆ Other financial institutions, fraud prevention agencies, tax authorities, trade associations, credit reference agencies and debt recovery agents;
- ◆ Any independent asset manager who provide asset management or advisory services to you and any brokers who introduce you to us or deal with us for you;
- ◆ Any person, company or other entity that has an interest in or takes on the risk in relation to or in connection with the products or services that we provide to you;
- ◆ Any prospective or new HSBC companies (e.g. if we restructure, or acquire or merge with other companies)

– or any businesses that buy part or all of any HSBC company;

- ◆ Auditors, regulators or dispute resolution bodies and to comply with their requests;
- ◆ Other companies who do marketing or market research for us (but not without your prior permission);
- ◆ If there's a dispute over a transaction, anyone else who's involved;
- ◆ Law enforcement, government, courts, or our regulators;
- ◆ Fraud prevention agencies who will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment;
- ◆ Our card processing supplier(s) to process your payments, issue and manage your card.

Contractors are third parties that process personal data on our behalf. If personal data is disclosed to contractors, they are only permitted to process the data received to the extent that we are permitted to do so. We select our contractors carefully and contractually require them to guarantee confidentiality, bank-client confidentiality and the security of personal data. Depending on the kind of product or service that is used, personal data may also be disclosed to contractors located outside of Luxembourg. Please refer to the section "Transferring your data outside of Luxembourg" below for further data on this topic.

Sharing Aggregated or Anonymised Data

We may share aggregated or anonymised data outside of HSBC with partners such as research groups, universities or advertisers. For example, we may share such data publicly to show trends about the general use of our services. However, you won't be able to be individually identified from this data.

How long we'll keep your data

We will keep your data for as long as you have a relationship with us and use our platforms (e.g. our website and mobile apps). We will continue to keep data after you stop banking with us or stop using our platforms, for instance, to respond to enquiries and complaints, as required by law and regulations or to protect our interests. When we no longer need the data we will securely destroy it, or fully anonymise it, in accordance with our policies.

More precisely, we are subject to various retention and documentation obligations which are, inter alia, applicable pursuant to the provisions of the commerce code (Code de Commerce) and the anti-money laundering laws. The retention periods provided by those laws vary from five to ten years. Finally, the retention period will also be determined by the legal limitation periods that can be, for example as set forth by the civil code (Code Civil) or the code of commerce, three years or even in some cases thirty years.

Transferring your data outside of Luxembourg

Your data may be transferred to, and stored at, a destination outside the European Economic Area (“EEA”) including to locations which may not have the same level of protection for personal data as Luxembourg. We may need to transfer your data in this way to perform our contract with you, to fulfil a legal obligation, to protect the public interest and/or for our legitimate business interests, for example in the context of an outsourcing project. The recipient of your data outside of Luxembourg may be an HSBC group affiliate or a third party.

Where we transfer your data outside the EEA, we will ensure that it is protected by us in a manner that is consistent with how your data will be protected by us in Luxembourg. We will always do this in a way that is permissible under data protection law.

You can obtain more details of the protection given to your data when it is transferred outside of the EEA, including a copy of the safeguards put in place by us, by contacting us in accordance with the “More details about your data” section below.

Your rights

You have a number of rights in relation to the data that we hold about you. These rights include:

- ◆ The right to obtain information regarding the processing of your data and access to the data which we hold about you;
- ◆ In certain circumstances, the right to withdraw your consent to our processing of your data at any time;
- ◆ In some circumstances, the right to receive some information electronically and/or request that we transmit the information to a third party where this is technically feasible. Please note that this right only applies to data which you have provided to us;
- ◆ The right to request that we rectify your data if it is inaccurate or incomplete;
- ◆ The right to request that we erase your data in certain circumstances. Please note that there may be circumstances where you ask us to erase your data but we are legally entitled to retain it;
- ◆ The right to object to, and the right to request that we restrict, our processing of your data in certain circumstances. Again, there may be circumstances where you object to, or ask us to restrict, our processing of your data but we are legally entitled to continue processing your data and/or to refuse that request; and
- ◆ The right to lodge a complaint with a European data protection regulator including the Luxembourg regulator (details of which are provided below) or the regulator of the country in which you live if you think that any of your rights have been infringed by us.

You can exercise your rights by contacting us using the details set out in the “More details about your data” section below. You can find out more data about your rights by

contacting the Luxembourg Commission Nationale pour la Protection des Données, or by visiting the website at <https://www.cnpd.lu/>.

If you provide personal data to us about someone else (such as one of your directors or employees, or someone with whom you have business dealings) you must ensure that you are entitled to disclose that personal data to us and that, without our taking any further steps, we may collect, use and disclose that personal data as described in this Data Privacy Notice. In particular, you must ensure the individual concerned is aware of the various matters detailed in this Data Privacy Notice, as those matters relate to that individual, including our identity, how to contact us, our purposes of collection, our personal data disclosure practices (including disclosure to overseas recipients), the individual's right to obtain access to the personal data and make complaints about the handling of the personal data, and the consequences if the personal data is not provided (such as our inability to provide services).

How we keep your data secure

We implement internal technical and organisational measures to keep your data safe and secure which may include encryption, anonymisation and physical security measures. We require our staff and any third parties who carry out any work on our behalf to comply with appropriate compliance standards including obligations to protect any data and applying appropriate measures for the use and transfer of data.

Updates to this Data Privacy Notice

This Data Privacy Notice was last updated in April 2018.

We may change this Data Privacy Notice from time to time in order to reflect any changes to the way in which we process your personal data or changing legal requirements. We will inform you about any such changes by appropriate measures. The changes will become effective as soon as they are posted on our website but at the latest 30 days after they have been brought to your attention.

More details about your data

If you would like further information on any of the information above, please address questions, comments and requests to your usual contact person at HSBC Private Bank (Luxembourg) SA at 16 Bd d'Avranches, L1160 Luxembourg or to <http://www.hsbc.lu/>.

Our data protection officer can be reached at the following address

HSBC France

Data Protection Officer – *Délégué à la protection des données*

103 Avenue des Champs Elysées -75008 Paris, France

This Data Privacy Notice may be updated from time to time, please see the latest version here <http://www.hsbc.lu/>

Version Published Date/Last Updated: April 2018

Appendix 1 – Data we collect about you

A. Personal identification data

- ◆ **Contact details** such as your name, date and place of birth, and nationality, postal address, telephone number, email address;
- ◆ **Identification data** such as passport ID, date of birth, picture, paper copy of identification documents, official national identification number;
- ◆ **Sensitive identification:** We may also collect and process personal identification data about prospective clients (which may (or may not) include persons who have a link with you e.g., family or business relationship). This data includes:
 - Personal identification data listed in the three bullet points above (Contact details/Identification data/ Sensitive personal data);
 - Data on potentially applicable products or services, client acquisition likelihood and lifecycle, as well as sales pipeline data, and
 - Personal data necessary to perform background checks and other verifications before initiating a business relationship with a prospective client, as required in particular pursuant to the anti-money laundering regulatory framework applicable to us.

B. Transactional data

Transactional data means:

- ◆ **Client Relationship Data** such as products held and services rendered (including pricing data), channels and modes of interaction, interactions with HSBC (e.g. call history, digital communications, visits, feedback etc.), individual client arrears, including delinquency status and history, individual impairments and history, individual credit application history, allocated credit lines, credit account arrangements and credit mitigants (e.g., collateral agreements), client accounts, branch and location data;
- ◆ **Payment Transactions Data** such as records from our payments processing systems that contain the data about executed transactions and includes order data (e.g. payment order), payment data and other data from the fulfilment of our contractual and legal obligations (e.g. sales data in payments processing);
- ◆ **Securities transaction Data** such as records from securities transaction systems that contain the data about executed transactions and includes order data (e.g., a purchase or a sell order), payment data and other data deriving from the fulfilment of contractual obligations, information about exchanges in ownership of cash, securities or financial instruments between individuals or organizations through an exchange (e.g. an organized market) or over the counter (OTC), which

results in one or more transaction(s) recorded in the account(s);

- ◆ **Credit data** such as data regarding creditworthiness, individual credit application history, credit decision variables and assumptions, credit scoring/ratings, likelihood estimates that you cannot meet the commitment you have entered into, calculated exposures, allocated credit lines and loan products, credit account arrangements and credit mitigants (e.g. collateral agreements and posted collateral).

C. Risk Management Data

Risk management data means:

- ◆ **General risk data:**
 - Such as predicted transactional behaviour, client due diligence and periodic review results, Financial Crime Risk Management (FCRM) rating (high/medium/low), screening alerts (e.g., transaction screening, name screening, anti-money laundering data);
 - Such as data collected and processed to assess the suitability/appropriateness of certain financial products, your client investment profile (recording in particular your investment objectives, your investment knowledge and experience, as well as your risk appetite and your ability to absorb losses), your possible characterization as a qualified investor (or similar characterization).
- ◆ **Tax data** such as data regarding the source and tax status of assets held on the account(s) or transiting through the account(s) and data on your proper tax status;
- ◆ **Credit risk data** such as credit risk ratings and risk identification data, risk and investment profiles, individual credit impairments;
- ◆ Data collected to fulfil our duties under the anti-money laundering regulatory framework, such as data regarding your personal/ educational/ professional background (including your possible characterization as a Politically Exposed Person (PEP), data requested to clarify certain transactions, your client profile (which is established to comply with the applicable Know Your Customer (KYC) rules);
- ◆ Data pertaining to known or suspected risk associated with clients, such as data acquired from external watch lists or intelligence reports and internal risk intelligence systems;
- ◆ **Investigation Data** such as data pertaining to results from investigations on our business practices, processes and operations, as well as content and meta-data related to exchanges of data between and

among employees, service providers, other stakeholders or entities of the HSBC Group

- ◆ **Complaint data** such as data connected to disputes/litigation/complaints (e.g. legal case and matter data, document productions, depositions and court transcripts, legal billing and time booking data, correspondence between legal advisors and stakeholders, minutes of face-to-face meetings).

D. **Communication data**

Communication data means:

- ◆ Data regarding our interactions with you, such as data collected and processed through the channels and modes of interaction with us (e.g. recorded telephone conversations, call history, emails, chat messages, digital communications, visits and face-to-face meetings);
- ◆ Data regarding interactions about you, such as data collected and processed through the channels and

modes of interaction (e.g. recorded telephone conversations, call history, emails, chat messages, digital communications, visits and face-to-face meetings) between our employees (as well as employees of other entities of the HSBC Group) and our service providers (as well as service providers of other entities of the HSBC Group) about you.

E. **Marketing data**

- ◆ **General Marketing Data** such as data on your needs, wishes and preferences;
- ◆ **Social data** such as data acquired from external data aggregators. The data is typically user-generated and/or provided by and includes data from sources such as LinkedIn, Facebook, Google Plus or Twitter;
- ◆ **Technical Data** such as internal and external identifiers, business numbers, IP addresses, records of access or records of changes.

Appendix 2 – How we use the data

We will use your data for the following purposes:

- 1. Deliver our products and services, or process your transaction:** We will use your data to provide you with our products and services and to process your transactions. We will do this in line with our legitimate interests, legal obligations and in order to perform our contract with you.
- 2. Banking operations support:** We will use your data to enable and facilitate the provision and productivity of our banking services in line with regulation, laws and client rights and interests, e.g. complaints management and exit management. We will use your data to carry out administration services, accounting, vendor management, IT Operations and infrastructure management, inventory/asset management and analytics, provide you with services, accounting, and assess the performance of these services in line with regulation, laws and client rights and interests. The lawful bases for processing these are legitimate interest, legal obligation and the performance of our contract with you.
- 3. Online Banking and other Online product platforms:** When using HSBC online platforms and we use your data to allow us to provide you with these platforms. The platform may allow you to directly or indirectly communicate with us such as online banking, online products and services. The lawful basis for using your data for this purpose is to perform our contract with you.
- 4. Compliance with Laws and Regulations:** comply with the law, or any relevant rules or regulations. This may include to help detect or prevent crime (including terrorism, money laundering and other financial crimes), filing of relevant reports to regulators, disclosing data to authorities, regulators or government agencies to fulfil our legal obligations. This is carried out to comply with legal obligations, because it is in the public interest, and because it is in our legitimate interest to do.
- 5. Preventing and Detecting Crime:** We will use your data to take measures to prevent crime including fraud monitoring and mitigation and fraud risk management, carrying out client due diligence, name screening, transaction screening and client risk identification, in order to comply with our legal obligations, because this is in the public interest to carry out and assess risk in our legitimate interest. We may share your data with fraud agencies, law enforcement and other third parties where the law allows us to for the purpose of preventing or detecting crime. Additionally we may take steps along with other financial institutions to help prevent financial crime and manage risk where we have a legitimate business interest or public interest to do so, such as where it is important to prevent or detect crime. We may be required to use your data to do this, even if you have asked us to stop using your data. That could include (among other things):
 - ◆ Screening, intercepting and investigating any payments, instructions or communications you send or receive (including drawdown requests and application forms);
 - ◆ Investigating who you're paying or who's paying you e.g. checks on payments in and out of your account;
 - ◆ Combining the data we have about you with data from other HSBC companies
 - ◆ Checking whether the people or organisations you're paying or receiving payments from are who they say they are, and aren't subject to any sanctions.
- 6. Risk Management:** We will use your data to measure, detect and prevent the likelihood of financial, reputational, legal, compliance or client loss. This includes credit risk, traded risk, operational risk & insurance risk. We will do this to fulfil our legal obligation and also because we have a legitimate interest in using your data for these purposes.
- 7. Security and Business Continuity:** We take measures to ensure business continuity, data security and we undertake physical security activities in order to fulfil our legal obligations and for internal risk strategy purposes as required in our legitimate interest.
- 8. Product & Service Improvement:** We will use your data to identify possible service and product improvements (including profitability) by analysing data. The lawful basis for processing your data for this purpose is our legitimate interests.
- 9. Marketing:** We will use your data to provide you with data about HSBC products and services; and also products and services from our partners and other relevant third parties. The lawful basis for this is our legitimate interest. If you are an existing client, or we have interacted with you before, we may send you marketing messages by email, fax, telephone, text or secure messages. Otherwise, we will get your permission to send you any marketing messages. We will always give you an opportunity to opt-out of receiving such marketing messages whenever you interact with us and whenever we send you any messages. Please refer to our 'Marketing' section of this policy for more information on marketing and your rights in relation to marketing.
- 10. Cookies:** When using any web-based applications, we will ask for your consent to our use of cookies. The

lawful basis for processing your data for this purpose is consent.

11. **Data as a product:** Where we collect your data for another purpose, e.g. for client on boarding, we may share such data or analytics results with third parties including other HSBC entities where it is in our legitimate interest to do so. The data may be presented as research whitepapers, the delivery of client-specific information or insights back to same client, credit checks, and anonymisation of data for the wider market. If we need to process your data for any other

purpose, we will notify you with details of the new purpose (and obtain consent, if required) prior to that further processing.

12. **Protecting our legal rights:** We may need to use your data to protect our legal rights such as in the case of defending or the protection of legal rights and interests (e.g. collecting money owed; defending rights of intellectual property); court action; managing complaints or disputes; in the event of a restructuring of companies or other mergers or acquisition. We would use this on the basis of legitimate business interests.

