

How Your Credit Information is Used

This is designed to help you understand how your credit information is used by us in accordance with Article 31 of the Use and Protection of Credit Information Act and Article 27 of the Enforcement Decree of the Act.

Purpose of Use and Type of Credit Information

1. Purpose of Use

- To establish financial relationship (including but not limited to financial services requested by you) or decide whether to maintain such relationship
- Debt collection
- Marketing
- Other cases permitted by the Act or other applicable laws

2. Type of Credit Information

- **Personally Identifiable Information (PII):** any information that could potentially identify a specific individual

Name, Contact Number, Residence Registration Number (for foreigners, foreigner registration number, for compatriots with foreign nationality, domestic residence registration number, passport number, sex, nationality, etc.), Name of Corporation (including individual company and corporation), Business Registration Number, Corporation Registration Number, Name of Representative, etc.

- **Credit Transaction Information:** any information that could potentially show credit transactions of a specific individual

Type, period, amount, limit, etc, of commercial transactions including loan, guarantee, provision of collateral, current account transactions, credit card and installment financing

- Information used to determine credit rating

Information on default, bankruptcy, payment by subrogation^{Note 1}, substitute payment^{Note 2} arising out of commercial transactions activities disrupting credit order by fraud, deception and other dishonest means (amount, date when it took place or was resolved)

- **Credit Worthiness Information:** Information based on which you can determine an individual's credit limit

<Individual Customer>

Occupation, property, debt, income, tax payment records, etc.

<Corporate Customer>

Information on a corporate including history, purpose, business performance, shareholding, CEO and executive information, important deals such as sales record, order lists or business contracts, financial information including financial statements, auditor's opinion, tax payment records, etc.

- Record with Public Organization

Information on failure in tax (national tax, local tax, customs) and insurance premium

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(employment/industrial disaster insurance) payment, defaulter record, customers under debt workout program or credit recovery program, and customers exempted from liabilities due to bankruptcy, etc.

Note 1) One party to make a payment that is actually owed by another party

Note 2) Payment is made by a bank (or a government) providing payment guarantee in case where a debtor fails to make payment by due date

Purpose of Credit Information Provision, Party to Whom We Provide Credit Information, Type of Credit Information Provided

1. Purpose of provision and persons/institutions to whom information is provided

- **Collection of credit information to be provided to financial institutions:** Credit Information Collection Agency (Korea Federation of Banks, Credit Finance Association, etc.), Credit Reference Agency (Seoul Credit Information Service, Korea Credit Bureau, Nice Information Service, etc.)

- **Public organizations** requiring the information in accordance with the relevant laws and regulations: for the purpose set forth in the laws and regulations

-Counterparty to product/service purchase agreement

No.	Purpose of Provision	Provided to
1	Title Insurance for Real Estate Mortgage Mortgage Credit Insurance	First American Title Insurance Company, Seoul Guarantee Insurance
2	Registration of real estate provided as collateral and check on the household which moved in the real estate, Debt collection (lawsuit, attachment, auction, etc.)	Judicial Scrivener Chan-Guk Kim, Woo Young Judicial Scrivener Office, Judicial Scrivener Woong-Jun Lee, Judicial Scrivener Ho-Seoung Lee, Judicial Scrivener Ryun Jung
3	Appraisal of real estate provided as collateral	Serve Appraisal Co Ltd
4	Asset Management Report	Korea Securities Depository
5	SMS	Standard Networks
6	Receipt of Audit Confirmation and provision of requested information	Korea Financial Telecommunications and Clearings

- Foreign Regulatory Authorities, Head Office/ Affiliates

No.	Purpose of Provision	Provided to
1	Report, Approval, Audit, Examination, etc.	Hong Kong Monetary Authority, The Hongkong and Shanghai Banking Corporation Limited, and its affiliates
2	IT system operation, server management, supporting service, etc.	The Hongkong and Shanghai Banking Corporation Limited, and its affiliates

- Service providers to whom the Bank outsourced part of its businesses

No.	Purpose of Provision	Provided to
1	Use of HSBC Connect	HSBC Technology Service Asia Pacific
2	SCDM (Security and Compliance Data Matching)	The Hongkong and Shanghai Banking Corporation Limited

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3	OTC Derivatives CSA Collateral Margin Calculation	The Hongkong and Shanghai Banking Corporation Limited
4	Global Liquidity Management Service	HSBC Electronic Data Processing India Private Limited
5	CAMP (Customer Activity Monitoring Program)	HSBC Electronic Data Processing (Guandong) Ltd
6	HSBCnet Maintenance	HSBC Electronic Data Processing (Malaysia) Limited
7	Outsourcing of Nostro Account Reconciliation	HSBC Global Services (UK) Limited
8	Credit Risk Exposure Calculation	HSBC Electronic Data Processing India Private Limited
9	Back office affairs and Basic accounting service for Exotic OTC Derivatives	The Hongkong and Shanghai Banking Corporation Limited
10	Global Client Reporting	HSBC Electronic Data Processing (Malaysia) Limited
11	Electronic Financial Service	HSBC Electronic Data Processing India Private Limited
12	Collateral management under Regional CSA	The Hongkong and Shanghai Banking Corporation Limited
13	CVA Calculation	The Hongkong and Shanghai Banking Corporation Limited
14	Rate fixing	HSBC Global Services (UK) Limited
15	RID Off-shoring Project	HSBC Global Support Centre (Hyderabad Credit & Risk Centre of Excellence)
16	ORTT(Overseas Remittance Telegraphic Transfer)	HSBC Global Services (UK) Limited
17	IRTT CHARGE CLAIM	HSBC Global Services (UK) Limited
18	Part of Sub-Custody and Clearing	HSBC Electronic Data Processing (Philippines) Limited
19	Support for HSBC Group's FSU/ IFS/ IDQ system service for FATCA and Global Standard related purposes	The Hongkong and Shanghai Banking Corporation Limited
20	TREATS system upgrade	The Hongkong and Shanghai Banking Corporation Limited
21	Introduction of COAS	HSBC Global Services (UK) Limited
22	Trust service for foreign currency assets	HSBC Institutional Trust Services (Asia) Limited
23	CCR RWA related affairs reported to PRA and HKMA	HSBC Electronic Data Processing India Private Limited
24	Sanctions Screening to MT500 (inter-bank message on stock trading)	HSBC Global Operations Company Limited
25	KYC/CDD related information processing (Global Standard)	HSBC Bank PLC
26	CTCR(Customer Tax Compliance Reporting) system to automatically generate FATCA and CRS report	The Hongkong and Shanghai Banking Corporation Limited and HSBC Software Development India

27	Sanctions Screening to MT 100 (Customer Payments & Cheques) and MT200 (Financial Institution Transfers)	HSBC Electronic Data Processing India Private Limited
28	Import / Export related affairs (including loan)	HSBC Electronic Data Processing India Private Limited
29	Granting access to WhatIF in relation to CVA calculation	The Hongkong and Shanghai Banking Corporation Limited
30	Six GUI Monitoring	HSBC Global Services Limited
31	OTC derivatives related back office affairs	HSBC Electronic Data Processing (Malaysia) Limited HSBC Electronic Data Processing India Private Limited HSBC Electronic Data Processing (Philippines) Limited
32	HSBCnet maintenance	HSBC Electronic Data Processing India Private Ltd HSBC Electronic Data Processing (Guangdong) Limited
33	Debt collection	KTB Credit Information
34	Investigation for Unusual Activity Report	HSBC Electronic Data Processing (Guangdong) Limited
35	Sanctions Screening to MT 100 (Customer Payments & Cheques) and MT200 (Financial Institution Transfers)	HSBC Electronic Data Processing (Guangdong) Limited
36	Market price check on import/export related products	HSBC Singapore Branch
37	Credit Limit Monitoring and Maintenance	HSBC Electronic Data Processing (Philippines) Limited
38	Trade validation - Vanilla products	HSBC Hong Kong GM Ops
39	Traded Credit Risk Control Korea	-HSBC Electronic Data Processing India Private Limited (Bangalore) -HSBC Electronic Data Processing (Philippines) Limited (Manila)
40	CRS report material extracting system agreement	The Hongkong and Shanghai Banking Corporation Limited
41	Level 3 Anti Money Laundering Red Flag reviews for Trade Transaction	The Hongkong and Shanghai Banking Corporation Limited
42	- Determining customer screening alerts and verifying the validity on the results - Determining transaction screening (remittance, securities, trade) alerts and verifying the validity on the results	The Hongkong and Shanghai Banking Corporation Limited
43	Performance Level Agreement on outsourcing of early warning activity	HSBC Electronic Data Processing India Private Limited(Hyderabad II)

44	Outsourcing of overseas remittance, overseas deposit and deposit/withdrawal relating to domestic transfer of foreign currency	HSBC Electronic Data Processing (Guangdong) Limited
45	Data Processing Agreement-CAMP Retail	HSBC Global Services (UK) Limited(UK ServCo)
46	GEEU (Global Exit Execution Utility)	GSC Bangalore & GEEU UK
47	Preparing materials on CARM	HSBC Electronic Data Processing India Private Limited
48	Quality assessment of CDD profile	HSBC Electronic Data Processing India Private Limited
49	Account opening and report/change of corporate deposit customers, account closing of corporate/individual customers, FATCA/CRS information input	HSBC Electronic Data Processing (Guangdong) Limited
50	Korean HSBCnet help desk	HSBC Electronic Data Processing (Guangdong) Limited
51	Sending email to customers regarding deposits/remittances	HSBC Electronic Data Processing (Guangdong) Limited
52	Determining transaction screening (remittance, securities, trade) alerts	The Hongkong and Shanghai Banking Corporation Limited Hong Kong Office(Level 3 Sanctions Center of Excellence)
53	Outsourcing of loan document management and execution for corporate customers and report preparation	HSBC Electronic Data Processing(Guangdong) Limited
54	Storage of data to be submitted to Monitors by HSBC Seoul branch	Intralinks and Ernst & Young LLP(Relativity)
55	CAMP (Customer Activity Monitoring Program)	HSBC Electronic Data Processing (Guangdong) Limited
56	OWS(Oracle Watchlist Screening) PEP (Political Exposed Person) Level 3 Screening	HSBC Electronic Data Processing India Private Limited
57	Calculation of allowance for bad debts based on IFRS 9	HSBC Electronic Data Processing India Private Limited
58	Project FAME	HSBC Global Services (UK) Limited
59	Project Oceanus(2)	HSBC Electronic Data Processing India Private Limited(Bangalore)
60	Surveillance of staff's telecommunications (including emails sent or received via the Bank's email account, records of Bloomberg or Reuter communication, call history) and financial transactions with customers	The Hongkong and Shanghai Banking Corporation Limited (Head Office in Hong Kong) -HSBC Global Services (UK) Limited & its related entities
61	Utilisation of Exit system to adopt standardized Group Exit procedures	HSBC Electronic Data Processing India Private Limited – GSC India

62	Utilization of TradeNet system to screen Trade transactions	HSBC Financial Crime Threat Mitigation Team, Hong Kong
63	Sanctions related investigation on abnormal transactions	The Hongkong and Shanghai Banking Corporation Limited)
64	Fee claim for custody services rendered to foreign investors.	HSBC Electronic Data Processing (Malaysia) Sdn Bhd
65	Development and maintenance of Local Regulatory System (LRR)	HSBC Global Services (Hong Kong) Limited
66	OWS related alert level 3 (Material Screening Event)	HSBC Bank Middle East Limited (MENA SCoE or The MENA Sanctions Centre of Excellence)
67	Transfer of IT facilities from HBAP to HSBC Global Services Hong Kong Limited	HSBC Global Services Hong Kong Limited
68	Liquidity report	Google Ireland limited
69	Sub-Custody and Clearing for foreign investors	HSBC Electronic Data Processing (Philippines) Inc. (HDPP)
70	Sanctions related investigation on abnormal transactions	The Hongkong and Shanghai Banking Corporation Limited)
71	Fee claim for custody services rendered to foreign investors.	HSBC Electronic Data Processing (Malaysia) Sdn Bhd

2. Type of credit information to be provided

- Personally Identifiable Information (PII)
- Credit Transaction Information
- Credit Worthiness Information
- Public record, etc.

Retention, Use and Destruction of Credit Information

1. Retention of credit information: We use your credit information solely for the purpose of screening loan applications or following up loans provided, and we shall separately obtain your consent to use your credit information for other purposes. We use the information which may cause disadvantage to customers including but not limited to overdue payment record for the period of maximum 5 years from the date when the cause for such disadvantage is cleared up. When it comes to credit information provided by credit information companies, we use such information in compliance with the period prescribed in Credit Information Management Rule of the applicable credit information company.

2. Destruction of credit information: We shred or burn up paper copies containing credit information while deleting electronic files containing credit information by using technical means disabling restoration of the content.

Your Right to Credit Information

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1. Right to Request to Have Access to or Correct Your Credit Information

- You are entitled to request to have access to or provide your own credit information held by The Hongkong and Shanghai Banking Corporation Seoul Branch or details on the processing of the credit information. If there is any error in the credit information, you may request a correction on the information.

2. Right to Request to Notify Any Provision of Your Credit Information

- You are entitled to request to notify you of details on you credit information provided to credit information companies, etc. for the recent one (1) year.

3. Right to Withdraw Consent to Provision and Use of Your Credit Information

- You are entitled to withdraw consent to provision to and use of your credit information for marketing purposes by the partners of The Hongkong and Shanghai Banking Corporation Seoul Branch. You may refuse any phone call made by the partners for marketing purposes. However, the right to withdraw the consent to credit information collection agencies, credit information companies, outsourcing service providers, etc. may be limited if such withdrawal would do harm to the credit information infrastructure or business efficiency of financial companies. Also, a new customer is not allowed to apply for the consent withdrawal or the phone call rejection for three (3) years from the date when the financial transaction agreement with the Bank is entered into.

4. Right to Request Deletion of Your Credit Information

- The Hongkong and Shanghai Banking Corporation Seoul Branch shall delete credit information of an individual customer within five (5) years (if the purpose of information collection and use is accomplished, three (3) months from the date when the purpose is accomplished, unless in exceptional cases permitted by the relevant laws and regulations) from the date when the financial transaction agreement with the customer comes to an end. Also, you may request deletion of such credit information of your own.

※ How to Apply for the Aforementioned Rights

- Those who provided credit information of their own through events or campaigns may apply for the aforementioned rights via telephone.

- Existing customers using the phone banking service may apply for the rights via telephone or branch office visit. Other customers should visit HSBC Bank Seoul Branch and submit a written application.

-Request via Phone Call ☎ 080-860-1770, and push '02' to be connected to a staff

-Request in writing Please visit any branch of the Bank and submit "Report • Change • Issuance Request" with your ID card

Right to Request to Show Your Credit Information for Free

In addition to the aforementioned rights, you are entitled to request credit rating agencies below to show your credit information at no cost within a certain limit. For more information, please contact the credit rating agencies.

< Contact details >

* NICE (Inc.): ☎ 1588-2488 www.mycredit.co.kr

* Korea Information Service (Inc.): ☎ 02-3771-1004 www.creditbank.co.kr

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* Seoul Credit Rating & Information (Inc.): ☎ 02-846-5000 www.siren24.com

Credit Information Manager

- Name: Dong Jin Kim
- Department: Legal & Compliance, The Hongkong and Shanghai Banking Corporation Seoul Branch
- Contact: ☎ 02-2004-0200, HSBC Building #37, Chilpae-ro, Chung-Ku, Seoul