

# News Release

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## **HSBC GUIDE HELPS CHARITIES AND NOT-FOR-PROFITS PROTECT THEMSELVES FROM FINANCIAL CRIME**

*Launches “Managing Financial Crime Risk: A Primer for Charities and Not-For-Profits”*

HSBC today announced the launch of “Managing Financial Crime Risk: A Primer for Charities and Not-For-Profits”, a guide which aims to help managers keep these organisations safe from financial crime.

Daniel Chan, Head of Business Banking, Commercial Banking, Hong Kong, HSBC, said: “HSBC serves a wide variety of not-for-profit customers in Hong Kong, from small organisations supporting a particular cause in the community, to regional bodies working across Asia and multinational charities delivering aid to emergencies around the world. We are honoured to support these special customers, who do so much to improve lives, communities and the environment in Hong Kong and beyond. This new guide is intended to help these organisations protect themselves and their vital work from the real and complex risks posed by financial criminals such as fraudsters or money launderers.”

The guide outlines the financial responsibilities of trustees and responsible officers in charities and not-for-profits. It focuses on the importance of knowing an organisation’s donors and beneficiaries, the key financial risks organisations of this kind face and the most effective controls they can put in place against these risks.

HSBC is committed to meeting the highest standards in its own controls against financial crime. The actions of criminals who seek to access the financial system harm lives and communities everywhere through activities such as human trafficking and the trade in illegal drugs, as well as fraud and identity theft. The Bank is determined to work with all its customers to fight against these criminals.

According to the new HSBC guide, financial crime affects all types and sizes of charities and not-for-profits. The most common types of financial crimes to be aware of include money laundering, fraud and theft, and bribery and corruption. The guide stresses the importance of raising suspicious or unclear activity in management meetings. If a responsible officer

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believes his or her organisation has been victim of a financial crime, he or she should report the case to the police immediately, based on the guide, which also recommends that a list of all banks accounts should be kept and reviewed on regular basis and that trustees, management, volunteers or other members of staff should never use accounts and funds of a particular not-for-profit for any personal activity.

The guide includes top ten tips for these organisations in protecting themselves against financial crime.

1. Comply with the governing document and make sure important documents such as insurance policies and licences are up-to-date and in one place.
2. Understand the organisation's record keeping processes.
3. Make sure there are processes to identify large donors and the corresponding beneficiaries, and manage any potential reputational and financial crime risk.
4. Appoint trustees or responsible officers in line with the organisation's constitution. Make sure they understand their roles and obligations.
5. Consider taking minutes in all meetings and ensuring that this documentation is kept safely.
6. Keep up-to-date with the paperwork and make sure lodge all your filings in a timely manner.
7. Review the financial health of the organisation regularly.
8. Volunteers are selected, trained and managed formally.
9. Observe all applicable data protection and privacy laws.
10. Engage with the range of departments in Hong Kong involved in the oversight and management of charities and not-for-profits.

Please visit [www.business.hsbc.com.hk](http://www.business.hsbc.com.hk) to download "Managing Financial Crime Risk: A Primer for Charities and Not-For-Profits".

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**Notes to editors:**

**The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves more than 37 million customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from around 4,000 offices in 70 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,416bn at 31 March 2017, HSBC is one of the world's largest banking and financial services organisations.

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