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HSBC PARTICIPATES IN HKMA'S GENA.I. SANDBOX

HSBC is selected to participate in the Generative Artificial Intelligence ("GenA.I.") Sandbox initiative, launched by the Hong Kong Monetary Authority ("HKMA") in collaboration with the Hong Kong Cyberport Management Company Limited ("Cyberport").

Through the GenA.I. Sandbox, HSBC will develop and experiment with potential GenA.I. use cases in a risk-controlled sandbox environment. These include:

- Delivering tailored financial market insights for sales staff
- Handling general customer inquiries with GenA.I.– powered chatbots
- Enhancing the fraud investigation process
- Supporting transaction monitoring through real-time analysis of calls

Bojan Obradović, Chief Digital Officer, Hong Kong, HSBC, said: "With ongoing advancements in artificial intelligence ('AI'), GenA.I. has become the theme of our times. We are pleased to participate in the HKMA's GenA.I. Sandbox, which provides a unique platform for the industry and our regulator to collaboratively explore the transformative potential of this technology in a way that benefits society while addressing new challenges and risks. The insights gathered will help shape GenA.I. advancements and contribute to the development of a regulatory framework that promotes responsible use of this transformative technology."

HSBC has been working with AI for over a decade and continues to invest significantly in this area. HSBC was one of the first banks to publish its AI and data ethics principles, supporting the ethical and responsible adoption of AI across its operations. Over the years, HSBC has developed hundreds of production use cases of AI and many more are in the proof-of-concept stage, covering areas such as fraud detection, transaction monitoring, customer service, and risk management.

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Note to editors:**The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 60 countries and territories. With assets of USD3,099bn at 30 September 2024, HSBC is one of the world's largest banking and financial services organisations.

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