



Standard Chartered Bank
(Hong Kong) Limited

Unaudited Quarterly
Regulatory Disclosure

For the quarter ended
30 September 2023

Standard Chartered Bank (Hong Kong) Limited

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1 Introduction

This unaudited quarterly regulatory disclosure complies with the Banking (Disclosure) Rules (“Rules”) under section 60A of the Banking Ordinance and the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements - Banking Sector) Rules (“LAC Rules”) under section 19(1) of the Financial Institutions (Resolution) Ordinance (“FIRO”).

References to “the Group” within this document means Standard Chartered Bank (Hong Kong) Limited (“the Bank”) and its subsidiaries.

These banking disclosures are governed by the Group’s disclosure policy, which has been approved by the Board of Directors. The disclosure policy sets out the approach to determine the content, appropriateness and frequency of the disclosures, the approach to ensure the relevance and adequacy of the disclosures, and the internal control over the process for making the disclosures. The disclosures have been subject to independent review in accordance to the disclosure policy.

According to the Rules and the LAC Rules, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Prior period disclosures can be found in the Regulatory Disclosure section of our website, www.sc.com/hk.

Basis of preparation

The consolidated capital ratios were calculated in accordance with the Banking (Capital) Rules of the Hong Kong Banking Ordinance. The basis and scope of consolidation for regulatory purposes is different from the basis and scope of consolidation for accounting purposes.

The Group uses the advanced internal ratings based (“IRB”) approach for both the measurement of credit risk capital requirements and the management of credit risk for the majority of its portfolios. The Group also uses the standardized (credit risk) approach for certain insignificant portfolios exempted from IRB. For counterparty credit risk, the Group uses the standardized (counterparty credit risk) approach (“SA-CCR”) to calculate its default risk exposures. For securitization exposures, the group uses the securitization internal ratings-based approach (“SEC-IRBA”), securitization external ratings-based approach (“SEC-ERBA”), securitization standardised approach (“SEC-SA”) or securitization fallback approach (“SEC-FBA”) to determine credit risk for its banking book securitization exposures.

For market risk, the Group uses the internal models approach (“IMM approach”) to calculate majority of its general market risk capital charge in respect of the risk categories of interest rates and foreign exchange (including gold) and uses the standardized (market risk) approach to calculate the general market risk capital charge for its equity exposures and commodity exposures, market risk capital charge on exempted foreign exchange exposures and the specific risk capital charge for its interest rate exposures and equity exposures. The Group also uses a stochastic asset-liability model approach for two guaranteed retirement funds. In addition, the Group adopts the standardized (operational risk) approach for operational risk.

Loss-absorbing Capacity Disclosures

Hong Kong LAC Rules came into operation on 14 December 2018. Following classification by the HKMA (as resolution authority), in scope entities are required under these rules to issue LAC instruments that can be written down or converted in the event of failure, and maintain minimum LAC resources.

The Group was notified by HKMA of its classification as a material subsidiary under the LAC rules with effect from 1 April 2019, with Standard Chartered PLC (“SC PLC”) as the non-HK resolution entity. Following this classification, the Group has met its minimum LAC requirements since 1 July 2019, and is now publishing LAC disclosures for the period ended 30 September 2023. The basis of calculating the Group’s LAC and RWAs is in accordance with the LAC Rules, with disclosures made using standard templates issued by the HKMA on 31 October 2019.

The Group’s LAC disclosures are included as part of this regulatory disclosure, while SC PLC’s LAC disclosures are included as part of its disclosures which can be found in the Investors section of SC PLC’s website, <https://www.sc.com>.

2 Key prudential ratios and metrics

a. Key prudential ratios (KM1)

The following table sets out an overview of the Group's key prudential ratios.

	(a)	(b)	(c)	(d)	(e)	
	At 30 September 2023 HK\$'M	At 30 June 2023 HK\$'M	At 31 March 2023 HK\$'M	At 31 December 2022 HK\$'M	At 30 September 2022 HK\$'M	
Regulatory capital (amount)						
1	Common Equity Tier 1 (CET1)	146,825	145,147	143,900	141,259	137,789
2	Tier 1	167,513	165,830	164,583	161,939	158,453
3	Total capital	181,125	179,557	178,391	175,443	171,411
RWA (amount)						
4	Total RWA	877,931	875,103	867,207	846,074	872,225
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	16.7%	16.6%	16.6%	16.7%	15.8%
6	Tier 1 ratio (%)	19.1%	18.9%	19.0%	19.1%	18.2%
7	Total capital ratio (%)	20.6%	20.5%	20.6%	20.7%	19.7%
Additional CET1 buffer requirements (as a percentage of RWA)						
8	Capital conservation buffer requirement (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical capital buffer requirement (%)	0.5%	0.5%	0.4%	0.5%	0.5%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	1.5%	1.5%	1.5%	1.5%	1.5%
11	Total AI-specific CET1 buffer requirements (%)	4.5%	4.5%	4.4%	4.5%	4.5%
12	CET1 available after meeting the AI's minimum capital requirements (%)	12.2%	12.1%	12.1%	12.2%	11.3%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	2,616,503	2,611,722	2,620,875	2,655,994	2,680,079
14	LR (%)	6.4%	6.3%	6.3%	6.1%	5.9%
Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)						
Applicable to category 1 institution only:						
15	Total high quality liquid assets (HQLA)	459,443	457,161	482,997	465,501	458,535
16	Total net cash outflows	211,733	205,381	277,630	287,153	300,400
17	LCR (%) ¹	220%	225%	176%	163%	154%
Applicable to category 2 institution only:						
17a	LMR (%)	NA	NA	NA	NA	NA
Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)						
Applicable to category 1 institution only:						
18	Total available stable funding	1,406,726	1,397,506	1,387,959	1,382,091	1,322,171
19	Total required stable funding	1,042,507	1,066,609	1,046,427	1,044,154	1,090,821
20	NSFR (%)	135%	131%	133%	132%	121%
Applicable to category 2A institution only:						
20a	CFR (%)	NA	NA	NA	NA	NA

¹ Please refer to note 6 for the key drivers of LCR% changes.

2 Key prudential ratios and metrics (continued)

b. Key metrics – LAC requirements for the Group (at LAC consolidation group level) (KM2(A))

The following table sets out a summary information on internal loss-absorbing capacity available, at LAC consolidation group level, of the Group.

	(a)	(b)	(c)	(d)	(e)	
	At 30 September 2023 HK\$'M	At 30 June 2023 HK\$'M	At 31 March 2023 HK\$'M	At 31 December 2022 HK\$'M	At 30 September 2022 HK\$'M	
Of the material entity at LAC consolidation group level						
1	Internal loss-absorbing capacity available	201,322	199,792	198,836	195,548	196,321
2	Risk-weighted amount under the LAC Rules	877,931	875,103	867,207	846,074	872,225
3	Internal LAC risk-weighted ratio	22.9%	22.8%	22.9%	23.1%	22.5%
4	Exposure measure under the LAC Rules	2,616,503	2,611,722	2,620,875	2,655,994	2,680,079
5	Internal LAC leverage ratio	7.7%	7.6%	7.6%	7.4%	7.3%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? ¹	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? ¹	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied ¹	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

¹ The subordination exemptions in the antepenultimate and penultimate paragraphs of Section 11 of the FSB TLAC Term Sheet does not apply in Hong Kong under the LAC Rules.

2 Key prudential ratios and metrics (continued)

c. Key metrics – TLAC requirements for non-HK resolution entity (at resolution group level) (KM2(B))

The following table shows information about SC PLC's total loss-absorbing capacity (TLAC) available, and TLAC requirements, applied at the resolution group level under a Single Point of Entry resolution strategy.

The numbers are disclosed in the functional currency of SC PLC which is US Dollars.

		At 30 September 2023 US\$'M	At 30 June 2023 US\$'M	At 31 March 2023 US\$'M	At 31 December 2022 US\$'M	At 30 September 2022 US\$'M
Of the non-HK resolution entity at resolution group level						
1	External loss-absorbing capacity available	80,460	79,847	78,424	78,480	76,135
2	Total risk-weighted amount under the relevant non-HK LAC regime	241,506	249,117	250,893	244,711	252,293
3	External loss-absorbing capacity as a percentage of risk-weighted amount	33.3%	32.1%	31.3%	32.1%	30.2%
4	Leverage ratio exposure measure under the relevant non-HK LAC regime	823,546	844,979	857,214	854,311	860,504
5	External loss-absorbing capacity as a percentage of leverage ratio exposure measure	9.8%	9.4%	9.1%	9.2%	8.8%
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	Yes	Yes	Yes	Yes	Yes
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?	No	No	No	No	No
6c	If the capped subordination exemption applies, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognised as external loss-absorbing capacity, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognised as external loss-absorbing capacity if no cap was applied	N/A	N/A	N/A	N/A	N/A

3 Overview of risk-weighted amount (“RWA”) (OV1)

The following table sets out an overview of capital requirements in terms of a detailed breakdowns of RWAs for various risks.

	(a)	(b)	(c)
	Consolidated RWA ¹ At 30 September 2023 HK\$'M	At 30 June 2023 HK\$'M	Minimum capital requirements ² At 30 September 2023 HK\$'M
1 Credit risk for non-securitization exposures	583,740	593,004	49,314
2 Of which STC approach	39,024	41,774	3,122
2a Of which BSC approach	-	-	-
3 Of which foundation IRB approach	-	-	-
4 Of which supervisory slotting criteria approach	30,177	31,165	2,559
5 Of which advanced IRB approach	514,539	520,065	43,633
6 Counterparty default risk and default fund contributions	47,070	44,416	3,988
7 Of which SA-CCR	42,166	40,796	3,574
7a Of which CEM	-	-	-
8 Of which IMM(CCR) approach	-	-	-
9 Of which others	4,904	3,620	414
10 CVA risk	18,427	20,078	1,474
11 Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12 Collective investment scheme (“CIS”) exposures – LTA	571	573	46
13 CIS exposures – MBA	-	-	-
14 CIS exposures – FBA	-	-	-
14a CIS exposures – combination of approaches	-	-	-
15 Settlement risk	120	622	10
16 Securitization exposures in banking book	7,018	7,866	562
17 Of which SEC-IRBA	1,112	1,082	89
18 Of which SEC-ERBA (including IAA)	5,647	6,623	452
19 Of which SEC-SA	259	161	21
19a Of which SEC-FBA	-	-	-
20 Market risk	75,648	65,958	6,052
21 Of which STM approach	37,691	36,817	3,015
22 Of which IMM approach	37,957	29,141	3,037
23 Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)*	N/A	N/A	N/A
24 Operational risk	93,205	89,827	7,456
24a Sovereign concentration risk	-	-	-
25 Amounts below the thresholds for deduction (subject to 250% RW)	16,753	17,139	1,340
26 Capital floor adjustment	-	-	-
26a Deduction to RWA	102	111	8
26b Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	102	111	8
27 Total	842,450	839,372	70,234

* Items marked with * will be applicable only after their respective policy frameworks takes effect. Until then, “Not applicable” should be reported in the rows.

¹ RWAs in this table are before the application of the 1.06 scaling factor, where applicable.

² Minimum capital requirement represents the Pillar 1 capital charge at 8% of the RWAs after application of the 1.06 scaling factor, where applicable.

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A))

The following is a summary of the Group's CET1 capital, Additional Tier 1 capital, Tier 2 capital and non-capital LAC debt instruments.

	At 30 September 2023		
	Total amount	Amount recognised in regulatory capital HK\$'M	Amount recognised in loss-absorbing capacity HK\$'M
(i) Both regulatory capital and LAC requirements			
CET1 capital instruments			
Ordinary shares:			
5,289 million issued and fully paid ordinary shares	HK\$65,025m	65,025	65,025
AT1 capital instruments			
Perpetual non-cumulative capital securities	US\$250m	1,952	1,952
US\$900 million Floating Rate Undated Additional Tier 1 Capital Securities	US\$900m	7,031	7,031
US\$1,000 million Fixed Rate Undated Additional Tier 1 Capital Securities	US\$1,000m	7,750	7,750
US\$250 million Floating rate Undated Additional Tier 1 Capital Securities	US\$250m	1,957	1,957
US\$250 million Fixed rate Undated Additional Tier 1 Capital Securities	US\$250m	1,962	1,962
Tier 2 capital instruments			
Floating rate Tier 2 Notes due 2029, callable from 2024	US\$450m	3,523	3,523
Floating rate Tier 2 Notes due 2031, callable from 2025	US\$250m	1,957	1,957
Fixed rate (1.20%) Tier 2 Notes due 2031, callable from 2026	EUR1,000m	7,408	7,408
(ii) Only LAC (but not regulatory capital) requirements			
Non-capital LAC Debt Instruments			
US\$1,500 million 1.456 per cent Notes due 2027	US\$1,500m	Nil	11,370
US\$1,250 million 2.608 per cent Notes due 2028	US\$1,250m	Nil	8,827

The full terms and conditions of the Group's capital instruments can be found in the Regulatory Disclosures section of our website, www.sc.com/hk.

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements

Ordinary Shares

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Common Equity Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares (Class A, B, C and D)
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD65,025 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD65,025 Million
9	Par value of instrument	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	28 June 2004 (706 Million Class A shares) 1 July 2004 (780 Million Class B shares) 29 June 2005 (451 Million Class B shares) 1 June 2019 (342 Million Class C shares) 1 October 2019 (3,010 Million Class D shares) 30 December 2020 (USD500 Million redeemed preference shares)
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Ordinary Shares (continued)

23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Preference Shares are immediately senior to Ordinary Shares (Class B, C and D) Ordinary Shares (Class B, C and D) are immediately senior to Ordinary Shares (Class A)
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Perpetual non-cumulative capital securities

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Additional Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 1,952 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 1,952 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD250 Million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	13 December 2017
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	First Call Date: 13 December 2024 Included tax and regulatory redemption options Redemption at 100% of the Capital Securities at their outstanding principal amount together with the distribution accrued but unpaid to the date fixed for redemption
16	Subsequent call dates, if applicable	Each dividend payment date after the First Call Date
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	5.00 per cent per annum
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Full discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Perpetual non-cumulative capital securities (continued)

25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	If a Non-Viability Event occurs and is continuing, “Non-Viability Event” means the earlier of: (a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and (b) the Monetary Authority notifying the Bank in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable
32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The Dated Subordinated Notes are immediately senior to Capital Securities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$900 million Floating Rate Undated Additional Tier 1 Capital Securities

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Additional Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 7,031 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 7,031 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD900 Million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	24 June 2019
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 12 April 2026 Early redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	SOFR + 0.26161 per cent + 4.48 per cent per annum
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Full discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$900 million Floating Rate Undated Additional Tier 1 Capital Securities (continued)

29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Securities issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$900 million Floating Rate Undated Additional Tier 1 Capital Securities (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The Dated Subordinated Notes are immediately senior to Capital Securities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$1,000 million Fixed Rate Undated Additional Tier 1 Capital Securities

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Additional Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 7,750 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 7,750 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD1,000 Million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	30 June 2020
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 26 July 2025 to first reset date Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable <i>Coupons / dividends</i>	Any reset date thereafter
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	6.00 per cent per annum
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Full discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$1,000 million Fixed Rate Undated Additional Tier 1 Capital Securities (continued)

27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event.

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Securities issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$1,000 million Fixed Rate Undated Additional Tier 1 Capital Securities (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The Dated Subordinated Notes are immediately senior to Capital Securities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

- ¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- ² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- ³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Floating rate Undated Additional Tier 1 Capital Securities

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Additional Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD1,957 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD1,957 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD250 Million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	31 March 2022
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 30 Jun 2031 Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default. US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	Each distribution payment date thereafter
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	SOFR+ 4.2 per cent per annum payable quarterly in arrears
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Full discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Floating rate Undated Additional Tier 1 Capital Securities (continued)

27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event.

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Securities issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Floating rate Undated Additional Tier 1 Capital Securities (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The Dated Subordinated Notes are immediately senior to Capital Securities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Fixed rate Undated Additional Tier 1 Capital Securities

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Additional Tier 1
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD1,962 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD1,962 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD250 Million
10	Accounting classification	Shareholders' equity
11	Original date of issuance	26 August 2022
12	Perpetual or dated	Perpetual
13	Original maturity date	Undated
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional Call Date: 27 August 2027 Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default. US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	Each reset date thereafter
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	7.75 per cent per annum
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Full discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Fixed rate Undated Additional Tier 1 Capital Securities (continued)

27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event.

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Securities issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

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³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

US\$250 million Fixed rate Undated Additional Tier 1 Capital Securities (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The Dated Subordinated Notes are immediately senior to Capital Securities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2029, callable from 2024

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Tier 2
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 3,523 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 3,523 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD450 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 June 2019
12	Perpetual or dated	Dated
13	Original maturity date	19 November 2029
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 19 November 2024 Early redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	SOFR + 0.26161 per cent + 2.08 per cent per annum
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2029, callable from 2024 (continued)

29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>Upon a Loss Absorption Event or Non-Viability Event</p> <p>“Loss Absorption Event” means:</p> <p>(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and</p> <p>(ii) for Notes issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:</p> <p>(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and</p> <p>(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;</p> <p>“Non-Viability Event” means the earlier of:</p> <p>(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and</p> <p>(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable</p>

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2029, callable from 2024 (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Loss Absorbing Non-Preferred Notes or any instrument ranking pari passu to Loss Absorbing Non-Preferred Notes are immediately senior to the Dated Subordinated Notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2031, callable from 2025

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Tier 2
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 1,957 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 1,957 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD250 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 June 2019
12	Perpetual or dated	Dated
13	Original maturity date	17 April 2031
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 17 April 2025 Early redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	SOFR + 0.26161 per cent + 2.12 per cent per annum
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2031, callable from 2025 (continued)

29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Notes issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Floating rate Tier 2 Notes due 2031, callable from 2025 (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Loss Absorbing Non-Preferred Notes or any instrument ranking pari passu to Loss Absorbing Non-Preferred Notes are immediately senior to the Dated Subordinated Notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

- ¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- ² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
- ³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Fixed rate (1.20%) Tier 2 Notes due 2031, callable from 2026

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Tier 2
6	Eligible at solo ³ /group/group & solo	Group & solo
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HKD 7,408 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 7,408 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of EUR1,000 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	23 March 2021
12	Perpetual or dated	Dated
13	Original maturity date	23 September 2031
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 23 September 2026 Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default. EUR 1,000 per Calculation amount
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	1.2 per cent per annum
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Fixed rate (1.20%) Tier 2 Notes due 2031, callable from 2026 (continued)

28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event or Non-Viability Event.

“Loss Absorption Event” means:

(i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and

(ii) for Notes issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that:

(A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and

(B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer;

“Non-Viability Event” means the earlier of:

(a) the Monetary Authority notifying the Bank in writing that the Monetary Authority is of the opinion that a write-off or conversion is necessary, without which the Bank would become non-viable; and

(b) the Monetary Authority notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(i) Both regulatory capital and LAC requirements (continued)

Fixed rate (1.20%) Tier 2 Notes due 2031, callable from 2026 (continued)

32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Loss Absorbing Non-Preferred Notes or any instrument ranking pari passu to Loss Absorbing Non-Preferred Notes are immediately senior to the Dated Subordinated Notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(ii) Only LAC (but not regulatory capital) requirements

US\$1,500 million 1.456 per cent Notes due 2027

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Ineligible
6	Eligible at solo ³ /group/group & solo	Ineligible
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Non-capital LAC debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 11,370 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD 1,500 Million
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	14 January 2021
12	Perpetual or dated	Dated
13	Original maturity date	14 January 2027
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 14 January 2026 Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default. US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable <i>Coupons / dividends</i>	N/A
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	1.456 per cent per annum
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(ii) Only LAC (but not regulatory capital) requirements (continued)

US\$1,500 million 1.456 per cent Notes due 2027 (continued)

28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event. “Loss Absorption Event” means: (i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and (ii) for Notes issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that: (A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and (B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer
32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All unsubordinated creditors of the Issuer (including its depositors) are immediately senior to the Loss Absorbing Non-preferred Notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(ii) Only LAC (but not regulatory capital) requirements (continued)

US\$1,250 million 2.608 per cent Notes due 2028

1	Issuer	Standard Chartered Bank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Hong Kong Law
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for non-capital LAC debt instruments governed by non-Hong Kong law)	N/A
<i>Regulatory treatment</i>		
4	Transitional Basel III rules ¹	N/A
5	Post-transitional Basel III rules ²	Ineligible
6	Eligible at solo ³ /group/group & solo	Ineligible
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Non-capital LAC debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 8,827 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD1,250 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	19 January 2022
12	Perpetual or dated	Dated
13	Original maturity date	12 January 2028
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 12 January 2027 Early redemption amount(s) per calculation amount payable on redemption for taxation reasons, due to Regulatory Capital Event or due to Loss Absorption Disqualification Event or on event of default US\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	N/A
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	2.608 per cent per annum
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

4 Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A)) (continued)

(ii) Only LAC (but not regulatory capital) requirements (continued)

US\$1,250 million 2.608 per cent Notes due 2028 (continued)

28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	Upon a Loss Absorption Event “Loss Absorption Event” means: (i) the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that the Relevant Hong Kong Resolution Authority is satisfied that the Issuer has ceased, or is likely to cease, to be viable and there is no reasonable prospect that private sector action (outside of resolution) would result in it again becoming viable within a reasonable period (in both cases, without taking into account the write-down or conversion into ordinary shares on any LAC debt instruments); and (ii) for Notes issued directly to a group company in a non-Hong Kong jurisdiction, as specified in the applicable Final Terms, the Relevant Hong Kong Resolution Authority notifying the Issuer in writing that: (A) the Relevant Hong Kong Resolution Authority has notified the Home Authority of the Relevant Hong Kong Resolution Authority’s intention to notify the issuer under paragraph (i) above; and (B) the Home Authority (x) has consented to the write-down or conversion of the relevant Securities issued by the Issuer or (y) has not, within 24 hours after receiving notice under subparagraph (ii)(A) above, objected to the write-down or conversion of the relevant Securities issued by the Issuer
32	If write-down, full or partial	Full or Partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All unsubordinated creditors of the Issuer (including its depositors) are immediately senior to the Loss Absorbing Non-preferred Notes
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Include solo-consolidated

5 Leverage ratio (LR2)

The following table sets out a detailed breakdown of the components of the LR denominator.

	(a)	(b)	
	At 30 September 2023 HK\$'M	At 30 June 2023 HK\$'M	
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and SFTs, but including collateral)	2,095,198	2,123,839
2	Less: Asset amounts deducted in determining Basel III Tier 1 capital	(15,930)	(16,582)
3	Total on-balance sheet exposures (excluding derivatives and SFTs)	2,079,268	2,107,257
Exposure arising from derivative contracts			
4	Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and / or with bilateral netting)	41,928	44,902
5	Add-on amounts for PFE associated with all derivatives contracts	92,276	92,434
6	Gross-up for collateral provided in respect of derivative contracts where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivatives contracts	(8,354)	(10,262)
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit-related derivative contracts	2,791	2,791
10	Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	-	-
11	Total exposures arising from derivative contract	128,641	129,865
Exposure arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	206,554	169,009
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	17,108	17,232
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	223,662	186,241
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	1,006,804	1,051,696
18	Less: Adjustments for conversion to credit equivalent amounts	(808,049)	(851,138)
19	Off-balance sheet items	198,755	200,558
Capital and total exposures			
20	Tier 1 capital	167,513	165,830
20a	Total exposures before adjustments for specific and collective provisions	2,630,326	2,623,921
20b	Adjustments for specific and collective provisions	(13,823)	(12,199)
21	Total exposures after adjustments for specific and collective provisions	2,616,503	2,611,722
Leverage ratio			
22	Leverage ratio	6.40%	6.35%

6 Liquidity Coverage Ratio – for category 1 institution (LIQ1)

The following table sets out the details of LCR, high quality liquid assets (“HQLA”), and a breakdown of cash outflows and inflows.

Number of data points used in calculating the average value of the Liquidity Coverage Ratio (LCR) and related components set out in this Template for the quarter ending on 30 June 2023 and 30 September 2023 are 71 and 77.

		Q3 2023 Currency: (HK\$mil)		Q2 2023 Currency: (HK\$mil)	
Basis of disclosure: Consolidated		UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)	UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)
A. HIGH QUALITY LIQUID ASSETS					
1	Total high quality liquid assets (HQLA)		459,443		457,161
B. CASH OUTFLOWS					
2	Retail deposits and small business funding, of which:	844,651	64,301	823,421	63,173
3	Stable retail deposits and stable small business funding	205,102	10,255	209,151	10,458
4	Less stable retail deposits and less stable small business funding	441,385	44,138	440,044	44,004
4a	Retail term deposits and small business term funding	198,164	9,908	174,226	8,711
5	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the institution, of which:	825,753	361,334	818,085	346,101
6	Operational deposits	411,414	102,298	419,475	104,300
7	Unsecured wholesale funding (other than small business funding) not covered in Row 6	409,432	254,129	392,350	235,541
8	Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period	4,907	4,907	6,260	6,260
9	Secured funding transactions (including securities swap transactions)		976		550
10	Additional requirements, of which:	353,746	65,170	350,898	62,574
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	29,615	29,615	26,918	26,918
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	89	89	441	441
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	324,042	35,466	323,539	35,215
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	42,783	42,783	45,310	45,310
15	Other contingent funding obligations (whether contractual or non-contractual)	678,250	2,381	690,479	2,423
16	TOTAL CASH OUTFLOWS		536,945		520,131
C. CASH INFLOWS					
17	Secured lending transactions (including securities swap transactions)	91,493	19,051	94,268	21,183
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	340,287	231,240	322,477	210,941
19	Other cash inflows	81,793	74,921	90,770	82,626
20	TOTAL CASH INFLOWS	513,573	325,212	507,515	314,750
D. LIQUIDITY COVERAGE RATIO					
21	TOTAL HQLA		459,443		457,161
22	TOTAL NET CASH OUTFLOWS		211,733		205,381
23	LCR (%)		220%		225%

6 Liquidity Coverage Ratio – for category 1 institution (LIQ1) (continued)

Key Drivers

Liquidity Coverage Ratio (LCR) measures the short-term resilience of the Group's liquidity risk profile, and is sensitive to balance sheet movement and composition. The Group has maintained a strong liquidity position well above the regulatory requirement of 100% throughout Q3 of 2023. The average LCR remained stable at 220% for the quarter ending 30 September 2023 (30 June 2023: 225%).

Composition of High Quality Liquid Asset ("HQLA")

The Group holds significant levels of high quality unencumbered liquid assets that can be liquefied, repo-ed or used as collateral in the event of a liquidity stress.

The liquid assets consist predominately of Level 1 assets, including mainly cash and central bank reserves, Hong Kong exchange fund bills and notes, US treasuries and other marketable debt securities issued or guaranteed by other central banks and governments. In addition, the Group also holds level 2 assets such as high quality covered bonds, corporate bonds and bonds issued by public sector entities.

Concentration of Funding Sources

Our assets are primarily funded by customer deposits, largely made up of low cost and stable current and savings accounts. This forms a stable base for the Group's funding requirement. In addition, wholesale funding is widely diversified by client type and maturity which helps managing liquidity mismatches as required. The Group has various internal quantitative limits and metrics in place to monitor deposit concentrations, as well as HQLA Issuer concentrations.

The Regional Asset and Liability Committee ("RALCO") and the Country Asset and Liability Committee ("ALCO") monitor trends in the balance sheet and ensure that any concerns that might impact the stability of deposits are addressed in an effective and timely manner. RALCO and ALCO also review balance sheet plans to ensure that projected asset growth is matched by growth in customer deposits.

Derivatives Exposure

The use of derivatives for hedging and sale to customers as risk management products is an important part of the Group's business activities. These instruments are also used to manage the Group's own exposures to market risk. The principal derivative instruments used by the Group are foreign exchange related and interest rate related contracts. Derivative positions are mark-to-market on a daily basis.

Currency Mismatch on LCR

Customer assets are as far as possible funded in the same currency. Where mismatches arise, they are controlled by limits on the amount of foreign currency that can be swapped to local currency and vice versa. Such limits are therefore a means of controlling reliance on foreign exchange markets, which minimizes the risk that obligations could not be met in the required currency in the event that access to foreign exchange markets becomes restricted.

Majority of the Group's customer deposits are denominated in HKD, USD, CNY and KRW. The Group holds higher USD denominated HQLA due to its significant market depth and ease of conversion in the event of liquidity stress. This is in line with the Alternative Liquidity Approach option prescribed by HKMA. During this period, the Group maintained an amount of HKD-denominated level 1 assets well above the regulatory requirement of 20% of its HKD-denominated total net cash outflows.

Liquidity management

Treasury Markets is responsible for managing the Group's liquidity position within the approved liquidity and funding risk limits and thresholds. Oversight under the liquidity and funding framework resides with RALCO and ALCO, supported by Treasury Markets. RALCO and ALCO also ensure the Group remains in compliance with liquidity policies and practices, as well as local regulatory requirements.

It is the Group's policy to manage liquidity without presumption of the Group's parent support. RALCO and ALCO are responsible for ensuring that the Group is able to maintain adequate liquidity at all times and be in a position to meet all obligations as they fall due; repay depositors and fulfil all commitments to lend.

7 RWA flow statements of credit risk exposures under IRB approach (CR8)

The following table sets out a flow statement explaining variations in the RWA for credit risk determined under the IRB approach.

	(a) Amount HK\$'M
1 RWA as at end of previous reporting period (30 June 2023)	551,229
2 Asset size	(2,629)
3 Asset quality	(943)
4 Model updates	-
5 Methodology and policy	-
6 Acquisitions and disposals	-
7 Foreign exchange movements	(2,940)
8 Other	-
9 RWA as at end of reporting period (30 September 2023)	544,717

The decrease in RWA during the quarter were mainly due to the following items:

- RWA decrease from asset size which is in line with balance sheet movement,
- RWA decrease from asset quality mainly due to improvement in asset quality on certain portfolios during the period,
- RWA decrease from foreign exchange rate movement mainly due to the depreciation of KRW, CNY and TWD in relation to HKD during the period.

8 Market risk

a. RWA flow statements of market risk exposures under IMM approach (MR2)

The table below shows the RWA under IMM model as of September 2023.

	(a) VaR HK\$'M	(b) Stressed VaR HK\$'M	(c) IRC HK\$'M	(d) CRC HK\$'M	(e) Other HK\$'M	(f) Total RWA HK\$'M
1 RWA as at end of previous reporting period	12,667	16,474	N/A	N/A	N/A	29,141
2 Movement in risk levels	(760)	5,737	N/A	N/A	N/A	4,977
3 Model updates/changes ¹	-	3,868	N/A	N/A	N/A	3,868
4 Methodology and policy	-	-	N/A	N/A	N/A	-
5 Acquisitions and disposals	-	-	N/A	N/A	N/A	-
6 Foreign exchange movements	(9)	(20)	N/A	N/A	N/A	(29)
7 Other	-	-	N/A	N/A	N/A	-
8 RWA as at end of reporting period	11,898	26,059	N/A	N/A	N/A	37,957

¹ A new capital add-on monitoring the maximum stressed VaR period has been implemented this quarter.

b. Market risk exposures on guaranteed retirement funds

The capital requirement for the Group's guaranteed retirement funds is calculated based on the potential shortfall between the estimated returns from the funds and the guaranteed returns after considering accounting provisions. The projected returns are estimated using a simulation approach with a 99% confidence level. The model is back-tested against actual results. As of 30 September 2023, the potential shortfalls marginally exceeds accounting provisions.