

## PRICING SUPPLEMENT

Pricing Supplement dated 28 September 2015

Series No: 2

Tranche No: 1

**HSBC Holdings plc**

**USD 50,000,000,000**

**Programme for Issuance of Perpetual Subordinated Contingent Convertible Securities**

**Issue of EUR 1,000,000,000**

**6.00% Perpetual Subordinated Contingent Convertible Securities**

### PART A - CONTRACTUAL TERMS

The Offering Memorandum referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (as amended by Directive 2010/73/EU, the "**Prospectus Directive**") (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of the Securities may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. The Issuer has not authorised, nor does it authorise, the making of any offer of Securities in any other circumstances.

**Warning: Neither this Pricing Supplement nor the Offering Memorandum referred to below constitutes a "prospectus" for the purposes of Article 5.4 of the Prospectus Directive, and this Pricing Supplement and the Offering Memorandum have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to the offer and sale of any Securities.**

*The Securities are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Securities to retail investors.*

*In particular, in August 2014, the United Kingdom Financial Conduct Authority (the "FCA") published the Temporary Marketing Restriction (Contingent Convertible Securities) Instrument 2014 (the "TMR"), which took effect on 1 October 2014, and, in June 2015, published the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015, which will replace the TMR from 1 October 2015 (the "PI").*

*Under the rules set out in the TMR (as amended or replaced from time to time, the "TMR Rules") and in the PI (as amended or replaced from time to time, the "PI Rules" and, together with the TMR Rules, the "MR Rules"), (i) certain contingent write-down or convertible securities (including any beneficial interests therein), such as the Securities, must not be sold to retail clients in the EEA and (ii)(a) until 1 October 2015, nothing may be done that would or might result in the buying of such securities (or the holding of a beneficial interest in such securities) by a retail client in the EEA (in each case within the meaning of the TMR Rules), or (b) from 1 October 2015, there must not be any communication or approval of an invitation or inducement to participate in, acquire or underwrite such securities (or the beneficial interest in such securities) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA (in each case, within the meaning of the PI Rules), other than in accordance with the limited exemptions set out in the applicable MR Rules.*

*The Dealers are required to comply with the applicable MR Rules. By purchasing, or making or accepting an offer to purchase, any Securities (or a beneficial interest in such Securities) from the Issuer and/or the Dealers, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Dealers that:*

- (i) *it is not a retail client in the EEA (as defined in the applicable MR Rules);*

- (ii) *whether or not it is subject to the MR Rules, it will not (A) sell or offer the Securities (or any beneficial interests therein) to retail clients in the EEA or (B) either (x) until 1 October 2015, do anything (including the distribution of the Offering Memorandum) that would or might result in the buying of the Securities or the holding of a beneficial interest in the Securities by a retail client in the EEA (in each case within the meaning of the TMR Rules) or (y) from 1 October 2015, communicate (including the distribution of the Offering Memorandum) or approve an invitation or inducement to participate in, acquire or underwrite the Securities (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA (in each case within the meaning of the PI Rules), in any such case, other than (1) in relation to any sale of or offer to sell Securities (or any beneficial interests therein) to a retail client in or resident in the United Kingdom, in circumstances that do not and will not give rise to a contravention of the applicable MR Rules by any person and/or (2) in relation to any sale of or offer to sell Securities (or such beneficial interests therein) to a retail client in any EEA member state other than the United Kingdom, where (a) it has conducted an assessment and concluded that the relevant retail client understands the risks of an investment in the Securities (or such beneficial interests therein) and is able to bear the potential losses involved in an investment in the Securities (or any beneficial interests therein) and (b) it has at all times acted in relation to such sale or offer in compliance with MiFID to the extent it applies to it or, to the extent MiFID does not apply to it, in a manner which would be in compliance with MiFID if it were to apply to it; and*
- (iii) *it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA) relating to the promotion, offering, distribution and/or sale of the Securities (or any beneficial interests therein), including (without limitation) any such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Securities (or any beneficial interests therein) by investors in any relevant jurisdiction.*

*Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Securities (or any beneficial interests therein) from the Issuer and/or the Dealers the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.*

This document constitutes the Pricing Supplement relating to the issue of the Tranche of Securities described herein for the purposes of listing on the Official List of the Irish Stock Exchange. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the Offering Memorandum dated 8 September 2015 in relation to the above Programme (incorporating the Registration Document) (the "**Offering Memorandum**"). This document must be read in conjunction with such Offering Memorandum. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. The Offering Memorandum is available for viewing at [www.hsbc.com](http://www.hsbc.com) (please follow links to 'Investor relations', 'Fixed income securities', 'Issuance programmes') and at HSBC Holdings plc, 8 Canada Square, London E14 5HQ during normal business hours and copies may be obtained from HSBC Bank plc, 8 Canada Square, London E14 5HQ.

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|----|------|---|--|
| 1. | (i)  | Issuer:   | HSBC Holdings plc                        |
| 2. | (i)  | Series number:  | 2  |
|    | (ii) | Tranche number:   | 1  |
| 3. |      | Specified Currency:   | EUR                                      |
| 4. |      | Aggregate Principal Amount of Securities admitted to trading: |  |
|    | (i)  | Series:   | EUR 1,000,000,000                        |
|    | (ii) | Tranche:  | EUR 1,000,000,000                        |
| 5. |      | Issue Price:  | 100 per cent. of the Aggregate Principal |

		Amount.
6.	(i) Specified Denomination(s) <i>Condition 1(d)</i>	EUR 200,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 399,000.
	(ii) Calculation Amount:	EUR 1,000
7.	(i) Issue Date:	29 September 2015
	(ii) Interest Commencement Date:	Issue Date
8.	Interest basis: <i>Conditions 3 and 4</i>	6.00 per cent. Resetable Securities
9.	Redemption basis: <i>Condition 6</i>	Redemption at par
10.	Put/Call options:	Issuer Call
		Further particulars as specified in Condition 6(c) will apply.

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

11.	<b>Fixed Rate Securities provisions:</b> <i>Condition 3(a)</i>	Not Applicable
12.	<b>Resetable Security provisions:</b> <i>Condition 3(b)</i>	Applicable
	(i) Initial Rate of Interest:	6.00 per cent. per annum payable semi-annually in arrear
	(ii) Resetable Coupon Amounts:	In relation to all Resetable Security Interest Payment Dates up to (and including) the Resetable Security Interest Payment Date falling in September 2023, EUR 30.00 per Calculation Amount.
	(iii) Resetable Security Margin:	+ 5.338 per cent. per annum
	(iv) Resetable Security Interest Payment Dates:	29 March and 29 September in each year commencing on 29 March 2016
	(v) First Resetable Security Reset Date:	The Resetable Security Interest Payment Date falling in September 2023
	(vi) Second Resetable Security Reset Date:	The Resetable Security Interest Payment Date falling in September 2028
	(vii) Subsequent Resetable Security Reset Dates:	The Resetable Security Interest Payment Date falling in September 2033 and thereafter each Resetable Security Interest Payment Date falling in September in each year falling 5 years after the immediately preceding Subsequent Resetable Security Reset Date

(viii)	Day Count Fraction:	Actual/Actual(ICMA)
(ix)	Determination Date(s):	29 March and 29 September in each year
(x)	Business Day Centre(s):	TARGET2 and London
(xi)	Business Day Convention:	No Adjustment
(xii)	Resettable Security Reference Rate:	Mid-Swap Rate
(xiii)	Relevant Screen Page:	Reuters ISDAFIX2
(xiv)	Mid-Swap Rate:	Single Mid-Swap Rate
(xv)	Mid-Swap Maturity:	5 years
(xvi)	Fixed Leg Swap Duration:	Annual
(xvii)	Benchmark:	Not Applicable
(xviii)	Relevant Period:	Not Applicable
13.	<b>Floating Rate Security provisions:</b> <i>Condition 4</i>	Not Applicable

#### PROVISIONS RELATING TO REDEMPTION

14.	Issuer's optional redemption (Call): <i>Condition 6(c)</i>	Applicable
(i)	Redemption amount (Call):	EUR 1,000 per Calculation Amount
(ii)	Series redeemable in part:	No
(iii)	Call Option Date(s):	Each Resettable Security Reset Date
(iv)	Call Option Period:	Not Applicable
15.	<b>Redemption for taxation reasons – non-deductibility</b> <i>Condition 6(b)(iii)</i>	Applicable
16.	<b>Redemption upon Capital Disqualification Event</b> <i>Condition 6(e)</i>	Applicable
17.	<b>Early redemption amount</b>	
(i)	Early redemption amount upon redemption for taxation reasons: <i>Condition 6(b)</i>	As per Condition 6(b)
(ii)	Capital Disqualification Event Early Redemption Price: <i>Condition 6(e)</i>	100 per cent.

#### PROVISIONS RELATING TO CONVERSION

18.	Conversion Price (per Ordinary Share): <i>Condition 10(a)</i>	EUR 3.73559
19.	(i) Conversion Shares Offer Price (per Ordinary Share) as of the Issue Date:	GBP 2.70

*Condition 10(f)*

- |      |   |  |
|------|---|--|
| (ii) | Conversion Shares Offer Price Currency:<br><i>Condition 10(f)</i>       | GBP  |
| 20.  | Specified FX Rate:  | GBP 1.00 = EUR 1.38355   |
| 21.  | Applicable Adjustment Event:<br><i>Condition 10(i)</i>                  | Alteration to Nominal Value Event<br>Bonus Issue Event<br>Extraordinary Dividend Event<br>Rights Issue Event |
| 22.  | Conversion Shares Offer:<br><i>Condition 10(f)</i>                      | Applicable   |
| 23.  | Form of Ordinary Share:<br><i>Condition 10(m)</i>                       | Uncertificated   |
| 24.  | Latest Conversion Shares Offer Election Date:<br><i>Condition 10(f)</i> | 10 <sup>th</sup> London Business Day following the<br>Conversion Date  |
| 25.  | Relevant Exchange in respect of the Ordinary<br>Shares:                 | London Stock Exchange  |

**GENERAL PROVISIONS APPLICABLE TO THE SECURITIES**

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|-------|---|--|
| 26.   | <b>Form of Securities:</b><br><i>Condition 1(a)</i>   |  |
|       | Form of Securities:   | Bearer   |
| 27.   | If issued in bearer form:   |  |
| (i)   | Initially represented by a Temporary<br>Global Security or Permanent Global<br>Security:                                | The Securities are initially represented<br>by a Temporary Global Security   |
| (ii)  | Temporary Global Security exchangeable<br>for Permanent Global Security and/or<br>Bearer Securities in definitive form: | The Temporary Global Security is<br>exchangeable for a Permanent Global<br>Security  |
| (iii) | Permanent Global Security exchangeable<br>for Bearer Securities in definitive form:                                     | Yes. The Issuer waives its right to elect<br>to exchange Permanent Global Security<br>for Bearer Securities in definitive form<br>in the circumstances described in<br>paragraph (d) of the Permanent Global<br>Security |
| (iv)  | Coupons to be attached to Bearer<br>Securities in definitive form:  | Yes  |
| (v)   | Talons for future Coupons to be attached<br>to Bearer Securities in definitive form:                                    | Yes  |
| (vi)  | Bearer Securities in definitive form to be<br>security printed:   | Yes  |
| (vii) | Bearer Securities in definitive form to be<br>in ICMA or successor's format:  | Yes  |
| 28.   | If issued in registered form:   |  |

	(i) Global Registered Security exchangeable for Definitive Registered Securities:	Not Applicable
29.	Exchange Date for exchange of Temporary Global Security:	Not earlier than 40 days following the Issue Date
30.	Payments <i>Condition 8</i>	
	Relevant Financial Centre Day:	As specified in the Conditions
31.	Redenomination: <i>Condition 9</i>	
	(i) Redenomination:	Not Applicable
	(ii) Exchange:	Not Applicable
32.	U.S. Selling restrictions:	TEFRA D Regulation S Compliance: Category 2

**CONFIRMED**

**HSBC HOLDINGS PLC**

By: .....  
*Authorised Signatory*

Date: .....

## PART B - OTHER INFORMATION

### 1. LISTING

- (i) Listing: Application will be made to admit the Securities to listing on the Official List of Irish Stock Exchange on or around the Issue Date. No assurance can be given as to whether or not, or when, such application will be granted.
- (ii) Admission to trading: Application will be made for the Securities to be admitted to trading on the Global Exchange Market with effect from the Issue Date. No assurance can be given as to whether or not, or when, such application will be granted.

### 2. RATINGS

- Ratings: Moody's Investor Service Limited: Baa3  
Fitch Ratings Limited: BBB

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the issue.

### 4. ESTIMATE OF THE TOTAL EXPENSES RELATED TO THE ADMISSION TO TRADING

It is estimated that the total expenses to be incurred in relation to the admission to trading of the Securities will be: EUR 600.

### DISTRIBUTION INFORMATION

5. Method of distribution: Syndicated
6. (i) If syndicated, name of Relevant Dealer: HSBC Bank plc
- (ii) If syndicated, names of other managers: Banca IMI S.p.A.  
Banco Santander, S.A.  
ING Bank NV  
Landesbank Baden-Württemberg  
Natixis  
Skandinaviska Enskilda Banken AB (publ)  
SMBC Nikko Capital Markets Limited  
Standard Chartered Bank  
UniCredit Bank AG  
Wells Fargo Securities International Limited  
Westpac Banking Corporation ABN 33 007 457 141  
(the "**Joint Lead Managers**")
- Bank of Montreal, London Branch  
Bayerische Landesbank  
CIBC World Markets plc  
Citigroup Global Markets Limited



Commerzbank Aktiengesellschaft  
 Credit Agricole Corporate and  
 Investment Bank  
 Emirates NBD Bank PJSC  
 KBC Bank NV  
 Lloyds Bank plc  
 Mitsubishi UFJ Securities International  
 plc  
 Mizuho International plc  
 Morgan Stanley & Co International plc  
 RBC Europe Limited  
 Société Générale  
 The Royal Bank of Scotland plc  
 (the "**Co-Managers**")

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|-------|---|--|
| (iii) | Date of Subscription Agreement:                         | 25 September 2015  |
| (iv)  | Stabilising Manager(s) (if any):                        | Not Applicable   |
| 7.    | If non-syndicated, name and address of Relevant Dealer: | Not Applicable   |
| 8.    | Additional selling restrictions:                        | Not Applicable   |
| 9.    | Use of Proceeds   | The Issuer will use the net proceeds from the sale of the Securities for general corporate purposes and to further strengthen the Issuer's capital base pursuant to requirements under CRD IV. |

## OPERATIONAL INFORMATION

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|-----|--|----------------|
| 10. | ISIN Code:   | XS1298431104   |
| 11. | Common Code:   | 129843110      |
| 12. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| 13. | Settlement procedures:   | Eurobond       |
| 14. | Name and Address of Initial Paying Agent(s):   | HSBC Bank plc  |
| 15. | Additional Paying Agent(s) (if any):   | None           |
| 16. | Agent Bank:  | HSBC Bank plc  |
| 17. | Calculation Agent:   | HSBC Bank plc  |
| 18. | City in which specified office of Registrar to be maintained:<br><i>Condition 13</i>                               | Not Applicable |