

# **HSBC HOLDINGS PLC**

## **G-SIB INDICATORS DISCLOSURE**

**31 December 2015**

## G-SIB indicators disclosures

### The disclosure

The 'HSBC Holdings plc G-SIB Indicators Disclosure end-2015 template' sets out data to be used by the Financial Stability Board and the Basel Committee on Banking Supervision in determining HSBC's 2016 global systemically important bank ('G-SIB') ranking and which will ultimately inform the G-SIB capital buffer to be applied in 2018. The data is at 31 December 2015 and has been prepared in accordance with instructions for the end-2015 data collection exercise of the Basel Macroprudential Supervision Group, and conforms to the European Banking Authority ('EBA') Implementing Technical Standards. As instructed, we have used the regulatory consolidation scope unless otherwise required.

### Basis of preparation

1. Cross-jurisdictional assets and liabilities for the purpose of this exercise include local claims and liabilities of offices outside of our UK home market (such offices, generally, are represented by locally incorporated, capitalised, funded and regulated subsidiaries) as well as actual cross border exposures.
2. In accordance with the regulatory consolidation basis used, associates have been proportionately consolidated to the extent data is available.

### The G-SIB assessment methodology

Under the Basel Committee's G-SIB ranking and capital charge assessment methodology, which the EBA's methodology reflects, a group of the largest banks, as a proxy for the global banking sector, is scored under twelve indicators.

The score for each indicator is calculated by dividing a bank's reported value by the aggregate of the values for that indicator reported by the reference group. This amount is then expressed in basis points. For example: if a bank's reported 'Size' indicator made up 3% of the aggregate value reported, its basis point score for this indicator would be 300.

The score in each of the five main categories is then determined as a simple average of the indicator scores within that category (subject to a cap on the score for Substitutability), and the bank's overall score as a simple average of the five category scores.

It is important to note that a bank's ranking for the purpose of allocation of a capital charge on the scale 0% to 3.5% will therefore be driven by its relative complexity, substitutability, etc. compared with the entire reference group of banks, materially influenced by those of the largest banks in the group.

Thus, if a bank were significantly to shrink its size, simplify operations and reduce complexity, but others were to take even greater steps in this regard, then that bank might nevertheless rise in the overall ranking and potentially incur an increased capital buffer.

## End-2015 G-SIB Assessment Exercise

General Bank Data		
<b>Section 1 - General Information</b>		
	GSIB	Response
a. General information provided by the relevant supervisory authority:		
(1) Country code	1001	GB
(2) Bank name	1002	HSBC Holdings plc
(3) Reporting date (yyyy-mm-dd)	1003	2015-12-31
(4) Reporting currency	1004	USD
(5) Euro conversion rate	1005	0.918526683
(6) Submission date (yyyy-mm-dd)	1006	2016-07-19
b. General Information provided by the reporting institution:		
(1) Reporting unit	1007	1,000,000
(2) Accounting standard	1008	IFRS
(3) Date of public disclosure (yyyy-mm-dd)	1009	2016-08-09
(4) Language of public disclosure	1010	English
(5) Web address of public disclosure	1011	<a href="http://www.hsbc.com/investor-relations/financial-and-regulatory-reports">http://www.hsbc.com/investor-relations/financial-and-regulatory-reports</a>
<b>Size Indicator</b>		
<b>Section 2 - Total Exposures</b>		
	GSIB	Amount in million USD
a. Derivatives		
(1) Counterparty exposure of derivatives contracts	1012	30,989
(2) Capped notional amount of credit derivatives	1201	20,409
(3) Potential future exposure of derivative contracts	1018	121,532
b. Securities financing transactions (SFTs)		
(1) Adjusted gross value of SFTs	1013	166,314
(2) Counterparty exposure of SFTs	1014	8,285
c. Other assets		
(1) Adjusted gross value of SFTs	1015	2,075,907
d. Gross notional amount of off-balance sheet items		
(1) Items subject to a 0% credit conversion factor (CCF)	1019	514,228
(2) Items subject to a 20% CCF	1022	4,039
(3) Items subject to a 50% CCF	1023	58,630
(4) Items subject to a 100% CCF	1024	329,571
e. Regulatory adjustments		
(1) Net positive fair value	1031	31,604
f. Total exposures indicator (Total exposures prior to regulatory adjustments) (sum of items 2.a.(1) through 2.c, 0.1 times 2.d.(1), 0.2 times 2.d.(2), 0.5 times 2.d.(3), and 2.d.(4))		
	1103	2,834,553
<b>Interconnectedness Indicators</b>		
<b>Section 3 - Intra-Financial System Assets</b>		
	GSIB	Amount in million USD
a. Funds deposited with or lent to other financial institutions		
(1) Certificates of deposit	1033	134,751
(2) Deposits due to depository institutions	1034	1,863
(3) Loans obtained from other financial institutions	1035	3,631
b. Unused portion of committed lines extended to other financial institutions		
c. Holdings of securities issued by other financial institutions:		
(1) Secured debt securities	1036	22,358
(2) Senior unsecured debt securities	1037	14,534
(3) Subordinated debt securities	1038	506
(4) Commercial paper	1039	1,532
(5) Equity securities	1040	21,622
(6) Offsetting short positions in relation to the specific equity securities included in item 3.c.(5)	1041	10,730
d. Net positive current exposure of securities financing transactions with other financial institutions		
e. Over-the-counter derivatives with other financial institutions that have a net positive fair value:		
(1) Net positive fair value	1043	6,301
(2) Potential future exposure	1044	43,879
f. Intra-financial system assets indicator (sum of items 3.a, 3.b through 3.c.(5), 3.d, 3.e.(1), and 3.e.(2), minus 3.c.(6))		
	1045	245,976
<b>Section 4 - Intra-Financial System Liabilities</b>		
	GSIB	Amount in million USD
a. Funds deposited by or borrowed from other financial institutions:		
(1) Deposits due to depository institutions	1046	87,722
(2) Deposits due to non-depository financial institutions	1047	146,167
(3) Loans obtained from other financial institutions	1105	8,779
b. Unused portion of committed lines obtained from other financial institutions		
c. Net negative current exposure of securities financing transactions with other financial institutions		
d. Over-the-counter derivatives with other financial institutions that have a net negative fair value:		
(1) Net negative fair value	1050	6,764
(2) Potential future exposure	1051	39,802
e. Intra-financial system liabilities indicator (sum of items 4.a.(1) through 4.d.(2))		
	1052	297,995
<b>Section 5 - Securities Outstanding</b>		
	GSIB	Amount in million USD
a. Secured debt securities		
(1) Deposits due to depository institutions	1053	11,908
(2) Deposits due to non-depository financial institutions	1054	103,678
(3) Loans obtained from other financial institutions	1055	44,048
b. Senior unsecured debt securities		
(1) Deposits due to depository institutions	1056	13,696
(2) Deposits due to non-depository financial institutions	1057	21,209
c. Subordinated debt securities		
(1) Deposits due to depository institutions	1058	170,903
(2) Deposits due to non-depository financial institutions	1059	21,910
d. Commercial paper		
(1) Deposits due to depository institutions	1060	387,352
e. Certificates of deposit		
(1) Deposits due to depository institutions	1061	11,908
f. Common equity		
(1) Deposits due to depository institutions	1062	103,678
g. Preferred shares and any other forms of subordinated funding not captured in item 5.c.		
(1) Deposits due to depository institutions	1063	44,048
h. Securities outstanding indicator (sum of items 5.a through 5.g)		
	1060	387,352

**Substitutability/Financial Institution Infrastructure Indicators**

<b>Section 6 - Payments made in the reporting year (excluding intragroup payments)</b>	<b>GSIB</b>	<b>Amount in million USD</b>
a. Australian dollars (AUD)	1061	1,620,474
b. Brazilian real (BRL)	1062	153,817
c. Canadian dollars (CAD)	1063	831,499
d. Swiss francs (CHF)	1064	1,462,196
e. Chinese yuan (CNY)	1065	3,854,398
f. Euros (EUR)	1066	16,511,589
g. British pounds (GBP)	1067	26,456,914
h. Hong Kong dollars (HKD)	1068	4,881,438
i. Indian rupee (INR)	1069	291,444
j. Japanese yen (JPY)	1070	2,249,752
k. Swedish krona (SEK)	1071	290,264
l. United States dollars (USD)	1072	31,044,249
<b>m. Payments activity indicator (sum of items 6.a through 6.l)</b>	<b>1073</b>	<b>89,648,033</b>

<b>Section 7 - Assets Under Custody</b>	<b>GSIB</b>	<b>Amount in million USD</b>
<b>a. Assets under custody indicator</b>	<b>1074</b>	<b>6,183,542</b>

<b>Section 8 - Underwritten Transactions in Debt and Equity Markets</b>	<b>GSIB</b>	<b>Amount in million USD</b>
a. Equity underwriting activity	1075	10,657
b. Debt underwriting activity	1076	203,824
<b>c. Underwriting activity indicator (sum of items 8.a and 8.b)</b>	<b>1077</b>	<b>214,481</b>

**Complexity indicators**

<b>Section 9 - Notional Amount of Over-the-Counter (OTC) Derivatives</b>	<b>GSIB</b>	<b>Amount in million USD</b>
a. OTC derivatives cleared through a central counterparty	1078	8,989,376
b. OTC derivatives settled bilaterally	1079	10,758,686
<b>c. OTC derivatives indicator (sum of items 9.a and 9.b)</b>	<b>1080</b>	<b>19,748,062</b>

<b>Section 10 - Trading and Available-for-Sale Securities</b>	<b>GSIB</b>	<b>Amount in million USD</b>
a. Held-for-trading securities (HFT)	1081	179,217
b. Available-for-sale securities (AFS)	1082	376,388
c. Trading and AFS securities that meet the definition of Level 1 assets	1083	393,952
d. Trading and AFS securities that meet the definition of Level 2 assets, with haircuts	1084	28,845
<b>e. Trading and AFS securities indicator (sum of items 10.a and 10.b, minus the sum of 10.c and 10.d)</b>	<b>1085</b>	<b>132,808</b>

<b>Section 11 - Level 3 Assets</b>	<b>GSIB</b>	<b>Amount in million USD</b>
<b>a. Level 3 assets indicator (Assets valued for accounting purposes using Level 3 measurement inputs)</b>	<b>1086</b>	<b>16,357</b>

**Cross-Jurisdictional Activity Indicators**

<b>Section 12 - Cross-Jurisdictional Claims</b>	<b>GSIB</b>	<b>Amount in million USD</b>
<b>a. Cross-jurisdictional claims indicator (Total foreign claims on an ultimate risk basis)</b>	<b>1087</b>	<b>1,481,728</b>

<b>Section 13 - Cross-Jurisdictional Liabilities</b>	<b>GSIB</b>	<b>Amount in million USD</b>
a. Foreign liabilities (excluding derivatives and local liabilities in local currency)	1088	612,128
(1) Any foreign liabilities to related offices included in item 13.a.	1089	54,436
b. Local liabilities in local currency (excluding derivatives activity)	1090	660,708
<b>c. Cross-jurisdictional liabilities indicator (sum of items 13.a and 13.b, minus 13.a.(1))</b>	<b>1091</b>	<b>1,218,400</b>