

WRITTEN NOTICE

FX HEDGING PERMISSION

To: HSBC Holdings PLC (FRN 203795)
HSBC Bank PLC (FRN 114216)
HSBC UK Bank PLC (FRN 765112)
(collectively the "addressees")

Of: 8 Canada Square, London, E14 5HQ (HSBC Holdings PLC, HSBC Bank PLC);
1 Centenary Square, Birmingham, B1 1HQ (HSBC UK Bank PLC)

Ref: 00006001 (HSBC Bank PLC); 00006002 (HSBC UK Bank PLC)

Date: 7 March 2023

DECISIONS

1. In accordance with the discretions afforded to the PRA by Article 352(2) of Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "CRR"), the PRA has decided to grant HSBC Holdings PLC on a consolidated basis, HSBC Bank plc on a solo basis and HSBC UK Bank plc on a solo and sub-consolidated basis the permission to exclude positions which have been deliberately taken to hedge against the adverse effect of the exchange rate on their ratios in accordance with Article 92(1) from the calculation of net open currency positions on the terms and conditions set out in Annex 1 (the "FX Hedging Permission").
2. If the addressees cease to comply with the conditions for granting of this FX Hedging Permission set out in Article 352(2) of the CRR, the terms and conditions of the FX Hedging Permission set out in Annex 1, the PRA will re-consider the terms and conditions of the FX Hedging Permission and the requirements relevant to it, including a revocation of the FX Hedging Permission in whole or in part.



3. The FX Hedging Permission takes effect on 6 March 2023. This written notice replaced written notice reference number 00003215/3216.

Simon Dixon, Head of Division, GSIBs
For and on behalf of The Prudential Regulation Authority

PROCEDURAL MATTERS

4. If you wish to challenge the decisions taken by the PRA in relation to the FX Hedging Permission, you may refer the matter to the Upper Tribunal.
5. Details of the FX Hedging Permission will be published on the Financial Services Register and Bank of England website. The full text of this Written Notice will not be published.
6. For more information concerning this matter generally, the addressees should contact their usual supervisory contact.