恒生銀行
HANG SENG BANK

Banking Disclosure Statement

30 September 2026

(Unaudited)

恒生銀行有限公司 Hang Seng Bank Limited
香港中環德輔道中83號 83 Des Voeux Road Central Hong Kong
hangseng.com

滙豐集團成員 Member HSBC Group

Contents

	Page
Introduction	2
Purpose	2
Basis of preparation	2
Regulatory reporting processes and controls	2
The Banking Disclosure Statement	2
Key metrics	4
Capital and RWA	6
Leverage ratio	6
Overview of RWA and the minimum capital requirements	8
Comparison of modelled and standardised RWA	10
RWA flow statement	11
Main features of regulatory capital instruments and non-capital LAC debt instruments	12
Liquidity information	18
Other information	20
Abbreviations	20

Tables

Ref	Title	Page
1	KM1 – Key prudential ratios	4
2	KM2(A) – Key metrics – LAC requirements for material subsidiaries	5
3	LR2 – Leverage ratio	6
4	OV1 – Overview of RWA	8
5	CMS1 – Comparison of modelled and standardised RWA at risk level	10
6	CR8 – RWA flow statement of credit risk exposures under IRB approach	11
7	CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments	12
8	Average liquidity coverage ratio	18
9	Total weighted amount of high quality liquid assets	18
10	LIQ1 – Liquidity coverage ratio – for category 1 institution	19

Prefixes contained in the table names, where applicable, represent the reference codes of the standard disclosure templates and tables for the Revised Pillar 3 Framework issued by the Hong Kong Monetary Authority ('HKMA').

Introduction

Purpose

The information contained in this document is for Hang Seng Bank Limited ('the Bank') and its subsidiaries (together 'the Group') to comply with both the Banking (Disclosure) Rules ('BDR') made under section 60A of the Banking Ordinance and the Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements - Banking Sector) Rules ('LAC Rules') made under section 19(1) of the Financial Institutions (Resolution) Ordinance ('FIRO').

These banking disclosures are governed by the Group's disclosure policy, which is subject to regular and independent review and has been approved by the Group's senior management and Board of Directors. The disclosure policy sets out the governance, control and assurance requirements for publication of the document. While the Banking Disclosure Statement is not required to be externally audited, the document has been subject to independent review by the Group's Global Internal Audit team and has been approved by the Audit Committee as delegated by the Board.

Basis of preparation

Except where indicated otherwise, the financial information contained in this Banking Disclosure Statement has been prepared on a consolidated basis. The basis of consolidation for regulatory capital purposes is different from that for accounting purposes.

The approaches used in calculating the Group's regulatory capital and risk-weighted assets ('RWA') are in accordance with the Banking (Capital) Rules ('BCR'). The Group uses the advanced internal ratings-based ('AIRB') approach and the foundation internal ratings-based ('FIRB') approach to calculate its credit risk for the majority of its non-securitisation exposures. For collective investment scheme ('CIS') exposures, the Group uses the look-through approach ('LTA') to calculate the RWA. For counterparty credit risk ('CCR'), the Group uses the standardised (counterparty credit risk) ('SA-CCR') approach to calculate its default risk exposures for derivatives and the comprehensive approach for securities financing transactions ('SFTs'). For securitisation exposures, the group uses the securitisation internal ratings-based approach ('SEC-IRBA') to determine credit risk for its banking book securitisation exposures. For credit valuation adjustment ('CVA'), the Group uses reduced basic CVA approach ('BA-CVA') to calculate CVA risk capital charge. The Group uses the standardised (market risk) ('STM') approach to calculate its market risk capital charge and the standardised operational risk approach to calculate its operational risk capital charge.

For loss-absorbing capacity ('LAC') disclosures, the basis of calculating the Group's LAC and RWA is in accordance with the LAC Rules.

Regulatory reporting processes and controls

We have been advancing our programme aimed at strengthening our regulatory reporting processes and making them more sustainable, includes enhancing data, consistency and controls. While this programme continues, there may be further impacts on some of our regulatory ratios as we implement recommended changes and continue to enhance our controls across the process.

The Banking Disclosure Statement

The Group's Banking Disclosure Statement at 30 September 2026 comprises Pillar 3 information required under the framework of the Basel Committee on Banking Supervision ('BCBS'). The disclosures are made in accordance with the latest BDR and the LAC Rules issued by the HKMA.

According to the BDR 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 Disclosures section of our website, www.hangseng.com.

The Banking Disclosure Statement includes the majority of the information required under the BDR and the LAC Rules. The remainder of the disclosure requirements are covered in the Group's 2026 Interim Financial Report which can be found in the Credit Ratings & Financial Data section of our website, www.hangseng.com. On 8 January 2026, the proposal to privatise Hang Seng Bank Limited by The Hongkong and Shanghai Banking Corporation Limited through a scheme of arrangement was approved by the Bank’s shareholders. On 26 January 2026, the scheme became effective and the Bank was subsequently delisted from The Stock Exchange of Hong Kong on 27 January 2026. Consequentially, the Bank then became a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, and therefore HSBC Holdings plc. Despite the change in structure, there is no other substantial change in the Group’s operations in the third quarter of 2026.

BANKING DISCLOSURE STATEMENT (unaudited) (continued)

Disclosure requirements covered in the Group's 2026 Interim Financial Report:	Reference in Interim Financial Report
– BDR Section 16(1)(b) - Operations of the Group	Note 5 on pages 13 to 16

Key metrics

Table 1: KM1 – Key prudential ratios

		a	b	c	d	e
		At				
		30 Sep 2026	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025
	Regulatory capital (HK$m)[1]					
1 & 1a	Common Equity Tier 1 ('CET1')	**108,511**	111,516	123,107	123,744	119,159
2 & 2a	Tier 1 ('T1')	**120,098**	123,103	134,694	135,331	130,746
3 & 3a	Total capital	**128,821**	131,301	143,134	143,893	139,394
	RWA (HK$m)[1]					
4	Total RWA	**546,171**	527,461	524,504	531,515	538,164
4a	Total RWA (pre-floor)	**546,171**	527,461	524,504	531,515	538,164
	Risk-based regulatory capital ratios (as a percentage of RWA)[1]					
5 & 5a	CET1 ratio (%)	**19.9**	21.1	23.5	23.3	22.1
5b	CET1 ratio (%) (pre-floor ratio)	**19.9**	21.1	23.5	23.3	22.1
6 & 6a	T1 ratio (%)	**22.0**	23.3	25.7	25.5	24.3
6b	T1 ratio (%) (pre-floor ratio)	**22.0**	23.3	25.7	25.5	24.3
7 & 7a	Total capital ratio (%)	**23.6**	24.9	27.3	27.1	25.9
7b	Total capital ratio (%) (pre-floor ratio)	**23.6**	24.9	27.3	27.1	25.9
	Additional CET1 buffer requirements (as a percentage of RWA)[1]					
8	Capital conservation buffer requirement (%)	**2.500**	2.500	2.500	2.500	2.500
9	Countercyclical capital buffer ('CCyB') requirement (%)[2]	**0.466**	0.443	0.436	0.438	0.444
10	Higher loss absorbency requirement (%) (applicable only to Global systemically important authorised institution ('G-SIBs') or Domestic systemically important authorised institution ('D-SIBs'))	**1.000**	1.000	1.000	1.000	1.000
11	Total authorised institution ('AI')-specific CET1 buffer requirements (%)	**3.966**	3.943	3.936	3.938	3.944
12	CET1 available after meeting the AI's minimum capital requirements (%)	**15.4**	16.6	19.0	18.8	17.6
	Basel III leverage ratio ('LR')[3]					
13	Total LR exposure measure (HK$m)	**1,979,093**	1,761,149	1,707,727	1,639,012	1,626,246
13a	LR exposure measure based on mean values of gross assets of SFTs (HK$m)	**1,944,597**	1,744,938	1,694,505	1,614,469	1,631,011
14, 14a &14b	LR (%)	**6.1**	7.0	7.9	8.3	8.0
14c &14d	LR (%) based on mean values of gross assets of SFTs	**6.2**	7.1	7.9	8.4	8.0
	Liquidity Coverage Ratio ('LCR')[4]					
15	Total high quality liquid assets ('HQLA') (HK$m)	**461,355**	475,752	501,394	486,171	500,595
16	Total net cash outflows (HK$m)	**209,873**	193,269	165,101	159,086	151,525
17	LCR (%)	**220.5**	246.9	304.7	306.2	331.8
	Net Stable Funding Ratio ('NSFR')[5]					
18	Total available stable funding ('ASF') (HK$m)	**1,300,621**	1,250,831	1,283,533	1,244,861	1,221,262
19	Total required stable funding ('RSF') (HK$m)	**743,266**	726,015	726,563	700,337	692,326
20	NSFR (%)	**175.0**	172.3	176.7	177.8	176.4

1 The regulatory capital, RWA, risk-based regulatory capital ratios and additional CET1 buffer requirements above are based on or derived from the information as contained in the 'Capital Adequacy Ratio' return submitted to the HKMA on a consolidated basis under the requirements of section 3C(1) of the BCR.

2 The jurisdictional CCyB ('JCCyB') of Hong Kong used in the calculation of the CCyB buffer requirement is 0.5% with effect from October 2024 which was reduced from 1.0%. The JCCyB of other countries used in the calculation of the CCyB requirement ranged from 0% to 2.5% at 30 September 2026.

3 The Basel III LR are disclosed in accordance with the information contained in the 'Leverage Ratio' return submitted to the HKMA under the requirements specified in Part 1C of the BCR.
4 The LCRs shown are the simple average values of all working days in the reporting periods and are made in accordance with the requirements specified in the 'Liquidity Position' return submitted to the HKMA under rule 11(1) of the Banking (Liquidity) Rules ('BLR').
5 The NSFR disclosures are made in accordance with the information contained in the 'Stable Funding Position' return submitted to the HKMA under the requirements specified in rule 11(1) of the BLR.

Total capital ratio decreased by 1.3 percentage points ('p.p.') compared with the position as at June 2026 due to a decrease in total capital base and an increase in total RWA.

The decrease in total capital base of HKD2.5bn was mainly driven by:

• a decrease of HKD7.2bn due to dividends distributed and AT1 coupons paid; partially offset by

• an increase of HKD4.2bn from profit for the period.

The increase in total RWA of HK$18.7bn, primarily driven by an increase of HK$14.7bn in Securitisation exposures in banking book, an increase of HK$3.3bn in Credit risk RWA and an increase of HK$1.2bn in Market risk RWA.

Table 2: KM2(A) – Key metrics – LAC requirements for material subsidiaries

		a	b	c	d	e
		At				
		30 Sep 2026	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025
Of the material entity at LAC consolidation group level						
1	Internal loss-absorbing capacity available (HK$m)	**155,650**	155,130	164,465	165,141	160,639
2	RWA under the LAC Rules (HK$m)	**546,171**	527,461	524,504	531,515	538,164
3	Internal LAC risk-weighted ratio (%)	**28.5**	29.4	31.4	31.1	29.8
4	Exposure measure under the LAC Rules (HK$m)	**1,978,018**	1,760,084	1,706,674	1,637,967	1,625,201
5	Internal LAC leverage ratio (%)	**7.9**	8.8	9.6	10.1	9.9
6a	Does the subordination exemption in the antepenultimate paragraph of Section 11 of the Financial Stability Board ('FSB') Total Loss-absorbing Capacity ('TLAC') Term Sheet apply?[1]	**N/A**	N/A	N/A	N/A	N/A
6b	Does the subordination exemption in the penultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply?[1]	**N/A**	N/A	N/A	N/A	N/A
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]	**N/A**	N/A	N/A	N/A	N/A

1 The subordination exemptions under Section 11 of the FSB TLAC Term Sheet do not apply in Hong Kong under the LAC Rules.

Internal LAC leverage ratio decreased by 0.9 p.p. in the third quarter of 2026 mainly due to an increase in the total exposure.

Capital and RWA

Leverage ratio

The following table shows the LR, T1 capital and total exposure measure as contained in the 'Leverage Ratio' return submitted to the HKMA under the requirements specified in Part 1C of the BCR.

Table 3: LR2 – Leverage ratio

		a	b
		30 Sep 2026	30 Jun 2026
		HK$m	HK$m
	On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	**1,563,858**	1,491,334
2	Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	**–**	–
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	**(709)**	(403)
4	Less: Adjustment for assets other than money received under SFTs that are recognised as an asset	–	–
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from T1 capital	**(18,111)**	(17,552)
6	Less: Asset amounts deducted in determining T1 capital	**(23,760)**	(24,900)
7	**Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)**	**1,521,278**	1,448,479
	Exposures arising from derivative contracts		
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	**8,635**	8,989
9	Add-on amounts for potential future exposure ('PFE') associated with all derivative contracts	**26,273**	29,319
10	Less: Exempted Central counterparty ('CCP') leg of client-cleared trade exposures	**–**	–
11	Adjusted effective notional amount of written credit-related derivative contracts	**–**	–
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts	**–**	–
13	**Total exposures arising from derivative contracts (sum of rows 8 to 12)**	**34,908**	38,308
	Exposures arising from SFTs		
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	**290,476**	197,732
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	**(46,522)**	–
16	CCR exposure for SFT assets	**2,500**	971
17	Agent transaction exposures	**–**	–
18	**Total exposures arising from SFTs (sum of rows 14 to 17)**	**246,454**	198,703
	Other off-balance sheet ('OBS') exposures		
19	OBS exposure at gross notional amount	**615,685**	521,587
20	Less: Adjustments for conversion to credit equivalent amounts	**(439,158)**	(445,793)
21	Less: Specific and collective provisions associated with OBS exposures that are deducted from T1 capital	**(74)**	(135)
22	**OBS items (sum of rows 19 to 21)**	**176,453**	75,659
	Capital and total exposures		
23	**Tier 1 capital**	**120,098**	123,103
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	**1,979,093**	1,761,149
	LR		
25 & 25a	LR[1] (%)	**6.1**	7.0
26	Minimum LR requirement (%)	**3.0**	3.0

Table 3: LR2 – Leverage ratio (Continued)

		a	b
		30 Sep 2026 HK$m	30 Jun 2026 HK$m
27	Applicable leverage buffers	**N/A**	N/A
	Disclosure of mean values		
28	Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	**209,458**	181,521
29	Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	**243,954**	197,732
30 & 30a	Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	**1,944,597**	1,744,938
31 & 31a	LR based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables) (%)	**6.2**	7.1

1 LR is the ratio of T1 capital to the total exposures after adjustments for specific and collective provisions.

Leverage ratio decreased by 0.9 p.p. due to an increase in total exposures and a decrease in T1 capital. The increase in the exposure measure was mainly due to an increase in securitisation, loan, debt securities and SFT exposures. The mean value of gross amount of SFT assets was HK$34.5bn lower than the quarter-end value of gross amount of SFT assets, reflecting higher customer demand in Sep 2026.

Overview of RWA and the minimum capital requirements

Table 4: OV1 – Overview of RWA

		a	b	c
		RWA		Minimum capital requirements[1]
		30 Sep 2026	30 Jun 2026	**30 Sep 2026**
		HK$m	HK$m	**HK$m**
1	Credit risk for non-securitisation exposures	**433,511**	430,224	**34,681**
2	Of which: Standardised (credit risk) ('STC') approach	65,462	65,675	5,237
2a	Of which: Basic ('BSC') approach	–	–	–
3	Of which: FIRB approach	138,123	134,461	11,050
4	Of which: Supervisory slotting criteria approach	32,778	34,119	2,622
5	Of which: AIRB approach	86,749	83,442	6,940
5a	Of which: Retail (Internal ratings-based) ('IRB') approach	77,884	79,058	6,231
5b	Of which: Specific risk-weight approach	32,515	33,469	2,601
5c	Of which cryptoasset exposures to credit risk calculated in accordance with section 376 and Divisions 5, 6 and 8 of Part 12 of the BCR	–	–	–
6	Counterparty credit risk and default fund contributions	**8,721**	9,028	**698**
7	Of which: SA-CCR approach	6,515	7,300	521
7a	Of which: Current exposure method ('CEM')	–	–	–
8	Of which: Internal models (counterparty credit risk) ('IMM(CCR)') approach	–	–	–
8a	Of which method for group 2b cryptoasset derivative contracts	–	–	–
9	Of which: Others	2,206	1,728	176
10	CVA Risk	**9,352**	9,503	**748**
11	Equity positions in banking book under the simple risk-weight method and the internal models method	**N/A**	N/A	**N/A**
12	CIS exposures – LTA	**634**	609	**51**
13	CIS exposures – Mandated-based approach ('MBA')	**–**	–	**–**
14	CIS exposures – Fall-back approach ('FBA')	**–**	–	**–**
14a	CIS exposures – combination of approaches	**–**	–	**–**
15	Settlement risk	**–**	–	**–**
16	Securitisation exposures in banking book	**14,677**	–	**1,174**
17	Of which: SEC-IRBA	14,677	–	1,174
18	Of which: Securitisation external ratings-based approach ('SEC-ERBA') (including internal assessment approach ('IAA'))	–	–	–
19	Of which: Securitisation standardised approach ('SEC-SA')	–	–	–
19a	Of which: Securitisation fall-back approach ('SEC-FBA')	–	–	–
20	Market risk	**19,839**	18,677	**1,587**
21	Of which: STM approach	19,839	18,677	1,587
22	Of which: Internal models approach ('IMA')	–	–	–
22a	Of which: Simplified standardised ('SSTM") approach	–	–	–
23	Capital charge for moving exposures between trading book and banking book	**–**	–	**–**
24	Operational risk	**52,860**	53,014	**4,229**
24a	Sovereign concentration risk	**–**	–	**–**
25	Amounts below the thresholds for deduction (subject to 250% risk weight ('RW'))	**17,553**	17,553	**1,404**
26	Output floor level applied (%)	**55**	55	
27	Floor adjustment (before application of transitional cap)	**–**	–	**–**
28	Floor adjustment (after application of transitional cap)	**N/A**	N/A	**N/A**
28a	Deduction to RWA	**(10,976)**	(11,147)	**(878)**
28b	Of which: Portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 ('T2') Capital	–	–	–
28c	Of which: Portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in T2 Capital	(10,976)	(11,147)	(878)
29	Total	**546,171**	527,461	**43,694**

1 Minimum capital requirement represents the Pillar 1 capital charge at 8% of the RWA.

Total RWA increased by HK$18.7bn in the third quarter of 2026. Below are the key drivers:

Credit risk for non-securitisation exposures

RWA increased by HK$3.3bn, primarily driven by growth in corporate lending, partly offset by improved asset quality.

Securitisation exposures in banking book

RWA increased by HK$14.7bn, primarily reflecting a deemed exposure recognised by the Bank in the third quarter of 2026.

Market risk

RWA increased by HK$1.2bn. This was mainly attributable to increases in commodity risk and foreign exchange risk exposures, partially offset by reductions in residual risk add-on exposures.

Comparison of modelled and standardised RWA

Table 5: CMS1 – Comparison of modelled and standardised RWA at risk level

		(a)	(b)	(c)	(d)
		RWA			
		RWA calculated under model-based approaches that the AI has the MA's approval to use	**RWA for portfolios where standardised approaches are used**	**Total actual RWA (a + b) (i.e. RWA which the AI reports as current requirements)**	**RWA calculated using full standardised approach (i.e. used in the computation of the output floor)**
As at 30 Sep 2026		**HK$m**	**HK$m**	**HK$m**	**HK$m**
1	Credit risk for non-securitisation exposures	**368,049**	**65,462**	**433,511**	**629,064**
2	Counterparty credit risk and default fund contributions	**7,750**	**971**	**8,721**	**16,665**
3	CVA risk	**–**	**9,352**	**9,352**	**9,352**
4	Securitisation exposures in banking book	**14,677**	**–**	**14,677**	**14,677**
5	Market risk	**–**	**19,839**	**19,839**	**19,839**
6	Operational risk	**–**	**52,860**	**52,860**	**52,860**
7	Residual RWA	**634**	**17,553**	**18,187**	**18,187**
8	**Total**	**391,110**	**166,037**	**557,147**	**760,644**

The difference between the RWA calculated under the model-based approaches and the full standardised approach is mainly from credit risk for non-securitisation exposures.

RWA flow statement

RWA flow statement for credit risk

Table 6: CR8 – RWA flow statement of credit risk exposures[1] under IRB approach

		a
		Amount
		HK$m
1	RWA as at end of previous reporting period (30 Jun 2026)	**364,549**
2	Asset size	5,293
3	Asset quality	(5,151)
4	Model updates	–
5	Methodology and policy	2,707
6	Acquisitions and disposals	–
7	Foreign exchange movements	651
8	Other	–
9	**RWA as at end of reporting period (30 Sep 2026)**	**368,049**

1 Credit risk in this table represents the credit risk for non-securitisation exposures excluding CCR.

RWA increased by HK$3.5bn in the third quarter of 2026, mainly due to an increase in asset size from corporate lending, methodology change and data refinement, partly offset by the improvement of asset quality from retail exposures. This is primarily driven by lower average loan-to-value ratio on the mortgages and lower PD, supported by the decrease in the delinquency rate on qualifying revolving exposures.

Main features of regulatory capital instruments and non-capital LAC debt instruments

The following is a summary of CET1 capital, AT1 capital and non-capital LAC debt instruments that meet both regulatory capital and LAC requirements, or only LAC (but not regulatory capital) requirements.

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments

(i) Instruments that meet both regulatory capital and LAC requirements As at 30 Sep 2026		a Quantitative / qualitative information
		Ordinary shares
1	Issuer	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong
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
	Regulatory treatment	
4	Transitional Basel III rules	N/A
5	Basel III rules	CET1
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	Solo and Group
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
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK$ 9,658 million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HK$ 9,658 million
9	Par value of instrument	No par value (Total amount HK$ 9,658 million)
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption price	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend / coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	N/A
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
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 in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to AT1 instruments (columns b and c)
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
	Terms and conditions	Terms and conditions - Ordinary shares

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments (continued)

As at 30 Sep 2026		b	c
		Quantitative / qualitative information	
		Perpetual subordinated loan (US$ 600 million)	Perpetual subordinated loan (US$ 900 million)
1	Issuer	Hang Seng Bank Limited	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong	Laws of Hong Kong
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	N/A
	Regulatory treatment		
4	Transitional Basel III rules	N/A	N/A
5	Basel III rules	AT1	AT1
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	Solo and Group	Solo and Group
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Perpetual debt instrument	Perpetual debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	HK$ 4,640 million	HK$ 6,947 million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HK$ 4,640 million	HK$ 6,947 million
9	Par value of instrument	US$ 600 million	US$ 900 million
10	Accounting classification	Shareholders' equity	Shareholders' equity
11	Original date of issuance	18 June 2024	11 September 2024
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption price	18 June 2029 / Taxation reason or Capital disqualification or Loss Absorption disqualification Event / Par	11 September 2029 to 11 March 2030 / Taxation reason or Capital disqualification or Loss Absorption disqualification Event / Par
16	Subsequent call dates, if applicable	Callable on any interest payment date after first call date	Every 5 years after the first call date
	Coupons / dividends		
17	Fixed or floating dividend / coupon	Fixed until 18 June 2029 and thereafter floating	Fixed until 11 March 2030 and thereafter floating
18	Coupon rate and any related index	7.500% until 18 June 2029, and thereafter compounded SOFR +3.240%	6.875% until 11 March 2030, and thereafter U.S. Treasury Rate +3.298%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
31	If write-down, write-down trigger(s)	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO
32	If write-down, full or partial	May be written down partially	May be written down partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to non-capital LAC debt instruments (columns a to g under ii)	Immediately subordinate to non-capital LAC debt instruments (columns a to g under ii)
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
	Terms and conditions	Individual loan agreement[4]	Individual loan agreement[4]

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments (continued)

(ii) Instruments that meet only LAC (but not regulatory capital) requirements		a	b
As at 30 Sep 2026		Quantitative / qualitative information	
		Subordinated loan (HK$ 5,460 million)	Subordinated loan (HK$ 4,680 million)
1	Issuer	Hang Seng Bank Limited	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong	Laws of Hong Kong
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	N/A
	Regulatory treatment		
4	Transitional Basel III rules	N/A	N/A
5	Basel III rules	Ineligible	Ineligible
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	Ineligible	Ineligible
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Non-capital LAC debt instrument	Non-capital LAC debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A	N/A
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HK$ 5,481 million	HK$ 4,693 million
9	Par value of instrument	HK$ 5,460 million	HK$ 4,680 million
10	Accounting classification	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	30 May 2019	10 June 2019
12	Perpetual or dated	Dated	Dated
13	Original maturity date	Interest payment date falling in May 2028	Interest payment date falling in June 2029
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption price	Interest payment date falling in May 2027 / Taxation reason or Loss Absorption disqualification Event / Par	Interest payment date falling in June 2028 / Taxation reason or Loss Absorption disqualification Event / Par
16	Subsequent call dates, if applicable	Callable on any interest payment date after first call date	Callable on any interest payment date after first call date
	Coupons / dividends		
17	Fixed or floating dividend / coupon	Floating	Floating
18	Coupon rate and any related index	3-month HK$ HIBOR + 1.425%	3-month HK$ HIBOR + 1.564%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
31	If write-down, write-down trigger(s)	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO
32	If write-down, full or partial	May be written down partially	May be written down partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to the claims of all unsubordinated creditors	Immediately subordinate to the claims of all unsubordinated creditors
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
	Terms and conditions	Individual loan agreement[2]	Individual loan agreement[2]

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments (continued)

As at 30 Sep 2026		c	d
		Quantitative / qualitative information	
		Subordinated loan (US$ 400 million)	Subordinated loan (HK$ 5,000 million)
1	Issuer	Hang Seng Bank Limited	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong	Laws of Hong Kong
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	N/A
	Regulatory treatment		
4	Transitional Basel III rules	N/A	N/A
5	Basel III rules	Ineligible	Ineligible
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	Ineligible	Ineligible
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Non-capital LAC debt instrument	Non-capital LAC debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A	N/A
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HK$ 3,149 million	HK$ 5,018 million
9	Par value of instrument	US$ 400 million	HK$ 5,000 million
10	Accounting classification	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	10 June 2019	30 November 2021
12	Perpetual or dated	Dated	Dated
13	Original maturity date	Interest payment date falling in June 2030	Interest payment date falling in November 2027
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption price	Interest payment date falling in June 2029 / Taxation reason or Loss Absorption disqualification Event / Par	Interest payment date falling in November 2026 / Taxation reason or Loss Absorption disqualification Event / Par
16	Subsequent call dates, if applicable	Callable on any interest payment date after first call date	Callable on any interest payment date after first call date
	Coupons / dividends		
17	Fixed or floating dividend / coupon	Floating	Floating
18	Coupon rate and any related index	Compounded SOFR + 2.0478%	3-month HK$ HIBOR + 1.00%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
31	If write-down, write-down trigger(s)	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO
32	If write-down, full or partial	May be written down partially	May be written down partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to the claims of all unsubordinated creditors	Immediately subordinate to the claims of all unsubordinated creditors
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
	Terms and conditions	Amendment agreement[3]	Individual loan agreement[4]

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments (continued)

As at 30 Sep 2026		e	f
		Quantitative / qualitative information	
		Subordinated loan (HK$ 3,000 million)	Subordinated loan (HK$ 2,500 million)
1	Issuer	Hang Seng Bank Limited	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong	Laws of Hong Kong
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	N/A
	Regulatory treatment		
4	Transitional Basel III rules	N/A	N/A
5	Basel III rules	Ineligible	Ineligible
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	Ineligible	Ineligible
6a	Eligible at solo / LAC consolidation group / solo and LAC consolidation group (for LAC purposes)	Solo and LAC consolidation group	Solo and LAC consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Non-capital LAC debt instrument	Non-capital LAC debt instrument
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	N/A	N/A
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HK$ 3,000 million	HK$ 2,494 million
9	Par value of instrument	HK$ 3,000 million	HK$ 2,500 million
10	Accounting classification	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	27 June 2022	26 June 2026
12	Perpetual or dated	Dated	Dated
13	Original maturity date	Interest payment date falling in June 2028	Interest payment date falling in June 2032
14	Issuer call subject to prior supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption price	Interest payment date falling in June 2027 / Taxation reason or Loss Absorption disqualification Event / Par	Interest payment date falling in June 2031 / Taxation reason or Loss Absorption disqualification Event / Par
16	Subsequent call dates, if applicable	Callable on any interest payment date after first call date	Callable on any interest payment date after first call date
	Coupons / dividends		
17	Fixed or floating dividend / coupon	Floating	Floating
18	Coupon rate and any related index	3-month HK$ HIBOR + 1.68%	3-month HK$ HIBOR + 0.8%
19	Existence of a dividend stopper	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
31	If write-down, write-down trigger(s)	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO
32	If write-down, full or partial	May be written down partially	May be written down partially
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to the claims of all unsubordinated creditors	Immediately subordinate to the claims of all unsubordinated creditors
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
	Terms and conditions	Individual loan agreement[4]	Individual loan agreement[4]

Table 7: CCA(A) – Main features of regulatory capital instruments and non-capital LAC debt instruments (continued)

As at 30 Sep 2026		g Quantitative / qualitative information
		Subordinated loan (HK$ 3,000 million)
1	Issuer	Hang Seng Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Laws of Hong Kong
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
	Regulatory treatment	
4	Transitional Basel III rules	N/A
5	Basel III rules	Ineligible
6	Eligible at solo / group / solo and group (for regulatory capital purposes)	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)	HK$ 2,994 million
9	Par value of instrument	HK$ 3,000 million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 September 2026
12	Perpetual or dated	Dated
13	Original maturity date	Interest payment date falling in September 2030
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption price	Interest payment date falling in September 2029 / Taxation reason or Loss Absorption disqualification Event / Par
16	Subsequent call dates, if applicable	Callable on any interest payment date after first call date
	Coupons / dividends	
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	3-month HK$ HIBOR + 0.7%
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	Non-cumulative
23	Convertible or non-convertible	Non-convertible[1] (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
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	Yes (The terms and conditions contain a provision that the holder of the instrument acknowledges and agrees to be bound by the exercise of powers under the FIRO)
31	If write-down, write-down trigger(s)	Contractual write-down at point of non-viability of borrower. Contractual recognition of HKMA statutory powers under FIRO
32	If write-down, full or partial	May be written down partially
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 in the insolvency creditor hierarchy of the legal entity concerned)	Immediately subordinate to the claims of all unsubordinated creditors
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
	Terms and conditions	Individual loan agreement[4]

Footnote:

1. Subject to FIRO
2. Terms and conditions for loan issuance before 20 April 2022 to be read in conjunction with the Master terms and conditions (the 'Master terms and conditions')
3. On 20 April 2022, the interest rate benchmark of US$400m non-capital LAC debt instrument was transited to compounded SOFR from previous 3-month US$ LIBOR.
4. Terms and conditions for loan issuance after 20 April 2022 to be read in conjunction with the Amended Master terms agreement (the 'Amended Master terms agreement')

Liquidity information

The LCR aims to ensure that a bank has sufficient unencumbered HQLA to meet its liquidity needs in a 30 calendar day liquidity stress scenario.

The Group is required to calculate its LCR and NSFR on a consolidated basis in accordance with rule 11(1) of the BLR, and is required to maintain both LCR and NSFR of not less than 100%.

Table 8: Average liquidity coverage ratio

	Quarter ended
	30 Sep 2026
	%
Average LCR	**220.5**

The liquidity position of the Group remained strong and above the statutory requirement of 100%. The average LCR was 220.5% for the quarter ended 30 Sep 2026. The quarter-on-quarter movement in the average LCR was mainly driven by higher net cash outflows and lower HQLA, alongside an increase in commercial surplus that was redeployed into securities financing transactions.

The composition of the Group's HQLA as defined under Schedule 2 of the BLR is shown as below. The majority of the HQLA included in the LCR are Level 1 assets as defined in BLR, which consist mainly of government debt securities.

Table 9: Total weighted amount of high quality liquid assets

	Weighted value (average) for the quarter ended
	30 Sep 2026
	HK$m
Level 1 assets	**395,106**
Level 2A assets	**58,343**
Level 2B assets	**7,906**
Total weighted amount of HQLA	**461,355**

The following table sets out the required disclosure items under the Liquidity Coverage Ratio Standard Disclosure Template as specified by the HKMA. Number of data points used in calculating the average value of the LCR and related components set out in this table for the quarter ended on 30 Sep 2026 was 77.

Table 10: LIQ1 – Liquidity coverage ratio – for category 1 institution

		Quarter ended 30 Sep 2026	
		(77 data points)	
		a	b
Basis of disclosure: consolidated		Unweighted value (average) HK$m	Weighted value (average) HK$m
A	**HQLA**		
1	Total HQLA		**461,355**
B	**Cash outflows**		
2	Retail deposits and small business funding, of which:	**1,039,164**	**85,003**
3	Stable retail deposits and stable small business funding	270,192	8,106
4	Less stable retail deposits and less stable small business funding	768,972	76,897
4a	Retail term deposits and small business term funding		
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	**243,179**	**108,612**
6	Operational deposits	27,996	6,259
7	Unsecured wholesale funding (other than small business funding), not covered in Row	214,390	101,560
8	Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period	793	793
9	Secured funding transactions (including securities swap transactions)		**10,042**
10	Additional requirements, of which:	**210,746**	**40,464**
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	11,731	11,731
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	7,866	7,866
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	191,149	20,867
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	**32,000**	**32,000**
15	Other contingent funding obligations (whether contractual or non-contractual)	**322,424**	**1,927**
16	**Total cash outflows**		**278,048**
C	**Cash inflows**		
17	Secured lending transactions (including securities swap transactions)	**73,573**	**23,452**
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	**80,739**	**33,082**
19	Other cash inflows	**20,402**	**11,641**
20	**Total cash inflows**	**174,714**	**68,175**
D	**LCR (adjusted value)**		
21	Total HQLA		**461,355**
22	Total net cash outflows		**209,873**
23	LCR (%)		**220.5**

Other information

Abbreviations

A	
AI	Authorised institution
AIRB	Advanced internal ratings-based
ASF	Available stable funding
B	
Bank	Hang Seng Bank Limited
BA-CVA	Basic CVA approach
BCBS	Basel Committee on Banking Supervision
BCR	Banking (Capital) Rules
BDR	Banking (Disclosure) Rules
BLR	Banking (Liquidity) Rules
BSC	Basic
C	
CCP	Central counterparty
CCR	Counterparty credit risk
CCyB	Countercyclical capital buffer
CEM	Current exposure method
CET1	Common Equity Tier 1
CIS	Collective investment scheme
CVA	Credit valuation adjustment
D	
D-SIB	Domestic systemically important authorised institution
Dec	December
F	
FBA	Fall-back approach
FIRB	Foundation internal ratings-based
FIRO	Financial Institutions (Resolution) Ordinance
FSB	Financial Stability Board
G	
G-SIB	Global systemically important authorised institution
Group	Hang Seng Bank Limited together with its subsidiaries
H	
HK$bn	Billions (thousands of millions) of Hong Kong dollars
HK$m	Millions of Hong Kong dollars
HKMA	Hong Kong Monetary Authority
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China
HQLA	High quality liquid assets
I	
IAA	Internal assessment approach
IMA	Internal models approach
IMM(CCR)	Internal models (counterparty credit risk)
IRB	Internal ratings-based
J	
JCCyB	Jurisdictional CCyB
Jun	June
L	
LAC Rules	Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements - Banking Sector) Rules
LAC	Loss-absorbing Capacity
LCR	Liquidity coverage ratio
LR	Leverage ratio
LTA	Look-through approach
M	
MBA	Mandated-based approach
Mar	March
N	
N/A	Not applicable
NSFR	Net stable funding ratio
O	
OBS	Off-balance sheet
P	
PFE	Potential future exposure
R	
RSF	Required stable funding
RWA	Risk-weighted asset(s)/risk-weighted amount(s)
RW	Risk-Weight
S	
SA-CCR	Standardised (counterparty credit risk)
SEC-ERBA	Securitisation external ratings-based approach
SEC-FBA	Securitisation fall-back approach
SEC-IRBA	Securitisation internal ratings-based approach
SEC-SA	Securitisation standardised approach
Sep	September
SFTs	Securities financing transactions
SSTM	Simplified standardised
STC	Standardised (credit risk)
STM	Standardised (market risk)
T	
T1	Tier 1
T2	Tier 2
TLAC	Total Loss-absorbing Capacity