



## Standard Chartered Bank (Hong Kong) Limited

### Unaudited Quarterly Regulatory Disclosure

For the quarter ended  
30 September 2021

**Standard Chartered Bank (Hong Kong) Limited**  
**Table of Contents**

	<i>Page</i>
1 <i>Introduction</i> .....	1
2 <i>Key prudential ratios and metrics</i> .....	2
a. <i>Key Prudential ratios (KM1)</i> .....	2
b. <i>Key metrics – LAC requirements for the Group (at LAC consolidation group level) (KM2(A))</i> .....	3
c. <i>Key metrics – TLAC requirements for non-HK resolution entity (at resolution group level) (KM2(B))</i> .....	4
3 <i>Overview of risk-weighted amount (“RWA”) (OV1)</i> .....	5
4 <i>Main features of regulatory capital instruments (CCA) and non-capital LAC debt instruments (CCA(A))</i> .....	6
5 <i>Leverage ratio (LR2)</i> .....	39
6 <i>Liquidity Coverage Ratio – for category 1 institution (LIQ1)</i> .....	40
7 <i>RWA flow statements of credit risk exposures under IRB approach (CR8)</i> .....	42
8 <i>Market risk exposures on guaranteed retirement funds.</i> .....	43

## 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 Bank’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](http://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. The Group adopts the securitization-external rating based approach (“SEC-ERBA”) to calculate its credit risk for securitization exposures.

For market risk, the Group uses a stochastic asset-liability model approach for two guaranteed retirement funds and the standardized (market risk) approach for other exposures. 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 2021. 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) At 30 September 2021 HK\$'M	(b) At 30 June 2021 HK\$'M	(c) At 31 March 2021 HK\$'M	(d) At 31 December 2020 HK\$'M	(e) At 30 September 2020 HK\$'M
<b>Regulatory capital (amount)</b>					
1 Common Equity Tier 1 (CET1)	142,303	141,162	138,668	135,911	136,413
2 Tier 1	159,038	157,896	155,401	152,645	157,025
3 Total capital	180,395	179,404	176,867	164,883	169,319
<b>RWA (amount)</b>					
4 Total RWA	976,793	974,962	924,003	924,779	902,354
<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5 CET1 ratio (%)	14.6%	14.5%	15.0%	14.7%	15.1%
6 Tier 1 ratio (%)	16.3%	16.2%	16.8%	16.5%	17.4%
7 Total capital ratio (%)	18.5%	18.4%	19.1%	17.8%	18.8%
<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>					
8 Capital conservation buffer requirement (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9 Countercyclical capital buffer requirement (%)	0.4%	0.4%	0.4%	0.4%	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 (%)	4.4%	4.4%	4.4%	4.4%	4.5%
12 CET1 available after meeting the AI's minimum capital requirements (%)	10.1%	10.0%	10.5%	9.8%	10.6%
<b>Basel III leverage ratio</b>					
13 Total leverage ratio (LR) exposure measure	2,686,851	2,658,272	2,630,556	2,599,481	2,433,487
14 LR (%)	5.9%	5.9%	5.9%	5.9%	6.5%
<b>Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)</b>					
<b>Applicable to category 1 institution only:</b>					
15 Total high quality liquid assets (HQLA)	472,099	472,697	449,784	457,047	424,111
16 Total net cash outflows	303,470	309,495	309,374	314,247	257,163
17 LCR (%) <sup>1</sup>	156%	154%	147%	147%	165%
<b>Applicable to category 2 institution only:</b>					
17a LMR (%)	NA	NA	NA	NA	NA
<b>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</b>					
<b>Applicable to category 1 institution only:</b>					
18 Total available stable funding	1,374,773	1,371,478	1,359,574	1,349,740	1,307,025
19 Total required stable funding	1,111,539	1,102,249	1,102,878	1,079,812	1,031,551
20 NSFR (%)	124%	124%	123%	125%	127%
<b>Applicable to category 2A institution only:</b>					
20a CFR (%)	NA	NA	NA	NA	NA

<sup>1</sup> 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) At 30 September 2021 HK\$'M	(b) At 30 June 2021 HK\$'M	(c) At 31 March 2021 HK\$'M	(d) At 31 December 2020 HK\$'M	(e) At 30 September 2020 HK\$'M
<b>Of the material entity at LAC consolidation group level</b>					
1 Internal loss-absorbing capacity available	203,993	202,944	200,492	189,220	189,000
2 Risk-weighted amount under the LAC Rules	976,793	974,962	924,003	924,779	902,354
3 Internal LAC risk-weighted ratio	20.9%	20.8%	21.7%	20.5%	20.9%
4 Exposure measure under the LAC Rules <sup>1</sup>	2,686,851	2,658,272	2,630,556	2,599,481	2,433,487
5 Internal LAC leverage ratio	7.6%	7.6%	7.6%	7.3%	7.8%
6a Does the subordination exemption in the antepenultimate paragraph of Section 11 of the FSB TLAC Term Sheet apply? <sup>2</sup>	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? <sup>2</sup>	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 <sup>2</sup>	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

<sup>1</sup> Increase in exposure measure under the LAC Rules was in line with the increase in RWA and Leverage exposures.

<sup>2</sup> 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 2021 US\$'M	At 30 June 2021 US\$'M	At 31 March 2021 US\$'M	At 31 December 2020 US\$'M	At 30 September 2020 US\$'M
<b>Of the non-HK resolution entity at resolution group level</b>					
1 External loss-absorbing capacity available	85,833	88,844	86,604	83,040	81,079
2 Total risk-weighted amount under the relevant non-HK LAC regime	267,555	280,227	276,670	268,834	266,664
3 External loss-absorbing capacity as a percentage of risk-weighted amount	32.1%	31.7%	31.3%	30.9%	30.4%
4 Leverage ratio exposure measure under the relevant non-HK LAC regime	890,419	866,832	865,644	834,765	819,300
5 External loss-absorbing capacity as a percentage of leverage ratio exposure measure	9.6%	10.2%	10.0%	9.9%	9.9%
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 breakdown of RWAs for various risks.

	(a) Consolidated RWA <sup>1</sup> At 30 September 2021 HK\$'M	(b) At 30 June 2021 HK\$'M	(c) Minimum capital requirements <sup>2</sup> At 30 September 2021 HK\$'M
<b>1 Credit risk for non-securitization exposures</b>	<b>639,684</b>	<b>634,366</b>	<b>53,997</b>
2 Of which STC approach	51,491	49,142	4,119
2a Of which BSC approach	–	–	–
3 Of which foundation IRB approach	–	–	–
4 Of which supervisory slotting criteria approach	21,456	21,457	1,819
5 Of which advanced IRB approach	566,737	563,767	48,059
<b>6 Counterparty default risk and default fund contributions</b>	<b>47,369</b>	<b>43,369</b>	<b>4,010</b>
7 Of which SA-CCR approach	44,269	39,295	3,748
7a Of which CEM	–	–	–
8 Of which IMM(CCR) approach	–	–	–
9 Of which others	3,100	4,074	262
<b>10 CVA risk</b>	<b>24,594</b>	<b>22,223</b>	<b>1,968</b>
11 Equity positions in banking book under the simple risk-weight method and internal models method	–	–	–
12 Collective investment scheme (“CIS”) exposures – LTA*	N/A	N/A	N/A
13 CIS exposures – MBA*	N/A	N/A	N/A
14 CIS exposures – FBA*	N/A	N/A	N/A
14a CIS exposures – combination of approaches*	N/A	N/A	N/A
<b>15 Settlement risk</b>	<b>255</b>	<b>49</b>	<b>22</b>
<b>16 Securitization exposures in banking book</b>	<b>5,895</b>	<b>6,181</b>	<b>472</b>
17 Of which SEC-IRBA	–	–	–
18 Of which SEC-ERBA (including IAA)	5,895	6,181	472
19 Of which SEC-SA	–	–	–
19a Of which SEC-FBA	–	–	–
<b>20 Market risk</b>	<b>120,893</b>	<b>130,032</b>	<b>9,671</b>
21 Of which STM approach	120,893	130,032	9,671
22 Of which IMM approach	–	–	–
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
<b>24 Operational risk</b>	<b>85,128</b>	<b>84,976</b>	<b>6,810</b>
<b>24a Sovereign concentration risk</b>	<b>1,218</b>	<b>2,436</b>	<b>97</b>
<b>25 Amounts below the thresholds for deduction (subject to 250% RW)</b>	<b>13,769</b>	<b>13,769</b>	<b>1,102</b>
<b>26 Capital floor adjustment</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>26a Deduction to RWA</b>	<b>75</b>	<b>43</b>	<b>6</b>
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	75	43	6
<b>27 Total</b>	<b>938,730</b>	<b>937,358</b>	<b>78,143</b>

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

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

<sup>2</sup> 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.

	<i>At 30 September 2021</i>		
	<i>Total amount</i>	<i>Amount recognised in regulatory capital HK\$'M</i>	<i>Amount recognised in loss-absorbing capacity HK\$'M</i>
<b>(i) Both regulatory capital and LAC requirements</b>			
<b>CET1 capital instruments</b>			
Ordinary shares:			
5,289 million issued and fully paid ordinary shares	HK\$65,025m	65,025	65,025
<b>AT1 capital instruments</b>			
Perpetual non-cumulative capital securities	US\$250m	1,952	1,952
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
<b>Tier 2 capital instruments</b>			
Fixed rate (4.30%) subordinated loan due 2026, callable from 2021	US\$800m	6,230	6,230
Floating rate Tier 2 Notes due 2029, callable from 2024	US\$450m	3,504	3,504
Floating rate Tier 2 Notes due 2031, callable from 2025	US\$250m	1,947	1,947
Fixed rate (1.20%) Tier 2 Notes due 2031, callable from 2026	EUR1,000m	8,972	8,972
<b>(ii) Only LAC (but not regulatory capital) requirements</b>			
<b>Non-capital LAC Debt Instruments</b>			
US\$600 million Floating Rate Notes due 2023	US\$600m	Nil	4,673
US\$200 million 3.15 per cent Notes due 2023	US\$200m	Nil	1,557
HK\$1,081 million Floating Rate Notes due 2023	HK\$1,081m	Nil	1,081
US\$600 million 1.319 per cent Notes due 2023	US\$600m	Nil	4,673
US\$1,500 million 1.456 per cent Notes due 2027	US\$1,500m	Nil	11,614

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](http://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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Common Equity Tier 1
6	Eligible at solo <sup>3</sup> /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 million, 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	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A

Footnote:

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

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

<sup>3</sup> 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)**

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:

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

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

<sup>3</sup> 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 <sup>1</sup>	N/A
5 Post-transitional Basel III rules <sup>2</sup>	Additional Tier 1
6 Eligible at solo <sup>3</sup> /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 million, 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 Noncumulative or cumulative	Non-cumulative
23 Convertible or non-convertible	Non-convertible
24 If convertible, conversion trigger (s)	N/A

###### **Footnote:**

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> 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 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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Additional Tier 1
6	Eligible at solo <sup>3</sup> /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 million, 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	Each dividend payment date
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3-month USD LIBOR + 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	Noncumulative 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:

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

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

<sup>3</sup> 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 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

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###### **Footnote:**

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

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

<sup>3</sup> 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 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:

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

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

<sup>3</sup> 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 <sup>1</sup>	N/A
5 Post-transitional Basel III rules <sup>2</sup>	Additional Tier 1
6 Eligible at solo <sup>3</sup> /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 million, 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	Each reset date
<i>Coupons / dividends</i>	
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 Noncumulative 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

###### Footnote:

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

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

<sup>3</sup> 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)**

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:

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> 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 (4.30%) subordinated loan due 2026, callable from 2021**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Tier 2
6	Eligible at solo <sup>3</sup> /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 million, as of most recent reporting date)	HKD 6,230 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 6,230 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD800 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	19 December 2016
12	Perpetual or dated	Dated
13	Original maturity date	19 December 2026
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	First Call Date: 20 December 2021  Included tax and regulatory redemption options
		Redemption at 100% of the Subordinated Notes at their outstanding principal amount together with interest accrued but unpaid to the date fixed for redemption
16	Subsequent call dates, if applicable	Each interest 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	4.30 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	Noncumulative 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

Footnote:

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

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

<sup>3</sup> 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 (4.30%) subordinated loan due 2026, callable from 2021 (continued)**

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)	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:

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

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

<sup>3</sup> 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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Tier 2
6	Eligible at solo <sup>3</sup> /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 million, as of most recent reporting date)	HKD 3,504 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 3,504 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	Each interest payment date
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3-month USD LIBOR + 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	Noncumulative 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:

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

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

<sup>3</sup> 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)	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:

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

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

<sup>3</sup> 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:**

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

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

<sup>3</sup> 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 <sup>1</sup>	N/A
5 Post-transitional Basel III rules <sup>2</sup>	Tier 2
6 Eligible at solo <sup>3</sup> /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 million, as of most recent reporting date)	HKD 1,947 Million
8a Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD 1,947 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	Each interest payment date
<i>Coupons / dividends</i>	
17 Fixed or floating dividend/coupon	Floating
18 Coupon rate and any related index	3-month USD LIBOR + 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 Noncumulative 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:

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> 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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Tier 2
6	Eligible at solo/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 million, as of most recent reporting date)	HKD8,972 Million
8a	Amount recognised in loss-absorbing capacity (currency in millions, as of most recent reporting date)	HKD8,972 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	Each interest payment date
<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	Noncumulative 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:

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

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

<sup>3</sup> 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)**

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

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###### Footnote:

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> 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\$600 million Floating Rate Notes due 2023**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Ineligible
6	Eligible at solo <sup>3</sup> /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 million, 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 4,673 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD600 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 June 2019
12	Perpetual or dated	Dated
13	Original maturity date	20 January 2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 20 January 2022  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>	Each interest payment date
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3-month USD LIBOR + 1.26 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	Noncumulative 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:

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

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

<sup>3</sup> 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\$600 million Floating Rate Notes due 2023 (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:

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

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

<sup>3</sup> 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\$200 million 3.15 per cent Notes due 2023**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Ineligible
6	Eligible at solo <sup>3</sup> /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 million, 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 1,557 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD200 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	24 June 2019
12	Perpetual or dated	Dated
13	Original maturity date	25 January 2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 25 January 2022  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
16	Subsequent call dates, if applicable	US\$ 1,000 per Calculation amount  Each interest payment date
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	3.15 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	Noncumulative 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:**

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

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

<sup>3</sup> 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\$200 million 3.15 per cent Notes due 2023 (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:

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

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

<sup>3</sup> 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)**

###### **HK\$1,081 million Floating Rate Notes due 2023**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Ineligible
6	Eligible at solo <sup>3</sup> /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 million, 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 1,081 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of HKD1,081 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	01 June 2020
12	Perpetual or dated	Dated
13	Original maturity date	01 June 2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 01 June 2022  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
		HK\$ 1,000 per Calculation amount
16	Subsequent call dates, if applicable	Each interest payment date
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	3-month HKD HIBOR + 1.48 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

Footnote:

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

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

<sup>3</sup> 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)**

###### **HK\$1,081 million Floating Rate Notes due 2023 (continued)**

22	Noncumulative 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
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

Footnote:

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

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

<sup>3</sup> 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)**

**HK\$1,081 million Floating Rate Notes due 2023 (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)	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:

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

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

<sup>3</sup> 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\$600 million 1.319 per cent Notes due 2023**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Ineligible
6	Eligible at solo <sup>3</sup> /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 million, 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 4,673 Million
9	Par value of instrument	Issue price at 100 per cent of the Aggregate Nominal Amount of USD600 Million
10	Accounting classification	Liability – amortised cost
11	Original date of issuance	21 October 2020
12	Perpetual or dated	Dated
13	Original maturity date	14 October 2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	Optional call date: 14 October 2022  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
16	Subsequent call dates, if applicable	US\$ 1,000 per Calculation amount  Each interest payment date
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	1.319 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	Noncumulative 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:**

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

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

<sup>3</sup> 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\$600 million 1.319 per cent Notes due 2023 (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:

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

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

<sup>3</sup> 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**

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 <sup>1</sup>	N/A
5	Post-transitional Basel III rules <sup>2</sup>	Ineligible
6	Eligible at solo <sup>3</sup> /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 million, 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 11,614 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	Each interest payment date
<i>Coupons / dividends</i>		
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	Noncumulative 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:

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

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

<sup>3</sup> 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:

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

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

<sup>3</sup> Include solo-consolidated

## 5 Leverage Ratio (LR2)

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

	(a) At 30 September 2021 HK\$'M	(b) At 30 June 2021 HK\$'M
<b>On-balance sheet exposures</b>		
1 On-balance sheet items (excluding derivatives and SFTs, but including collateral)	2,152,475	2,158,481
2 Less: Asset amounts deducted in determining Basel III Tier 1 capital	(16,084)	(16,292)
<b>3 Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>2,136,391</b>	<b>2,142,189</b>
<b>Exposure arising from derivative contracts</b>		
4 Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and / or with bilateral netting)	37,952	39,948
5 Add-on amounts for PFE associated with all derivatives contracts	100,296	103,163
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	(3,320)	(2,378)
8 Less: Exempted CCP leg of client-cleared trade exposures	–	–
9 Adjusted effective notional amount of written credit-related derivative contracts	1,622	388
10 Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	(234)	(233)
<b>11 Total exposures arising from derivative contract</b>	<b>136,316</b>	<b>140,888</b>
<b>Exposure arising from SFTs</b>		
12 Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	176,063	168,174
13 Less: Netted amounts of cash payables and cash receivables of gross SFT assets	–	–
14 CCR exposure for SFT assets	43,249	21,886
15 Agent transaction exposures	–	–
<b>16 Total exposures arising from SFTs</b>	<b>219,312</b>	<b>190,060</b>
<b>Other off-balance sheet exposures</b>		
17 Off-balance sheet exposure at gross notional amount	978,315	926,931
18 Less: Adjustments for conversion to credit equivalent amounts	(778,456)	(736,495)
<b>19 Off-balance sheet items</b>	<b>199,859</b>	<b>190,436</b>
<b>Capital and total exposures</b>		
20 Tier 1 capital	159,038	157,896
<b>20a Total exposures before adjustments for specific and collective provisions</b>	<b>2,691,878</b>	<b>2,663,573</b>
<b>20b Adjustments for specific and collective provisions</b>	<b>(5,027)</b>	<b>(5,301)</b>
<b>21 Total exposures after adjustments for specific and collective provisions</b>	<b>2,686,851</b>	<b>2,658,272</b>
<b>Leverage ratio</b>		
<b>22 Leverage ratio</b>	<b>5.92%</b>	<b>5.94%</b>

## 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 2021 and 30 September 2021 are 71 and 77.		Q3 2021		Q2 2021	
		Currency: (HK\$mil)		Currency: (HK\$mil)	
Basis of disclosure: Consolidated		UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)	UNWEIGHTED AMOUNT (Average Value)	WEIGHTED AMOUNT (Average Value)
<b>A. HIGH QUALITY LIQUID ASSETS</b>					
1	Total high quality liquid assets (HQLA)		472,099		472,697
<b>B. CASH OUTFLOWS</b>					
2	Retail deposits and small business funding, of which:	759,386	61,198	766,813	61,838
3	Stable retail deposits and stable small business funding	246,485	12,324	248,146	12,407
4	Less stable retail deposits and less stable small business funding	464,581	46,458	469,951	46,995
4a	Retail term deposits and small business term funding	48,320	2,416	48,716	2,436
5	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the institution, of which:	978,862	407,929	1,009,999	443,909
6	Operational deposits	508,536	125,752	498,134	123,040
7	Unsecured wholesale funding (other than small business funding) not covered in Row 6	468,176	280,027	507,649	316,653
8	Debt securities and prescribed instruments issued by the institution and redeemable within the LCR period	2,150	2,150	4,216	4,216
9	Secured funding transactions (including securities swap transactions)		5,547		1,008
10	Additional requirements, of which:	362,973	62,911	364,795	61,307
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	29,071	29,071	27,374	27,374
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	55	55	291	291
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	333,847	33,785	337,130	33,642
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	47,986	47,985	52,558	52,558
15	Other contingent funding obligations (whether contractual or non-contractual)	582,755	2,346	570,848	2,281
16	<b>TOTAL CASH OUTFLOWS</b>		587,916		622,901
<b>C. CASH INFLOWS</b>					
17	Secured lending transactions (including securities swap transactions)	83,763	5,626	84,365	4,567
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	332,295	210,542	361,331	238,270
19	Other cash inflows	74,052	68,278	76,157	70,569
20	<b>TOTAL CASH INFLOWS</b>	490,110	284,446	521,853	313,406
<b>D. LIQUIDITY COVERAGE RATIO</b>					
			ADJUSTED VALUE		ADJUSTED VALUE
21	<b>TOTAL HQLA</b>		472,099		472,697
22	<b>TOTAL NET CASH OUTFLOWS</b>		303,470		309,495
23	<b>LCR (%)</b>		156%		154%

## 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 2021. The quarterly average of LCR remained stable with a slight increase from 154% in Q2 to 156% in Q3 of 2021.

### 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.

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

### 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
<b>1 RWA as at end of previous reporting period (30 June 2021)</b>	<b>585,224</b>
2 Asset size	7,792
3 Asset quality	(634)
4 Model updates	(680)
5 Methodology and policy	–
6 Acquisitions and disposals	–
7 Foreign exchange movements	(3,509)
8 Other	–
<b>9 RWA as at end of reporting period (30 September 2021)</b>	<b>588,193</b>

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

- RWA increase from asset size due to balance sheet growth,
- RWA decrease from asset quality from improved asset quality during the period,
- RWA decrease from model update mainly due to the risk parameter refinements for bank counterparties,
- RWA decrease from foreign exchange rate movement mainly due to the depreciation of KRW in relation to HKD during the period.

## **8 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. 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 2021, the accounting provisions exceed the potential shortfalls, hence there are no additional capital requirements.