Shareholder information

Contents

This section gives important information for our shareholders, including contact information. It also includes an overview of key abbreviations and terminology used throughout the Annual Report and Accounts.

A glossary of terms used in the Annual Report and Accounts can be found in the Investors section of www.hsbc.com.

Fourth interim dividend for 2024

The Directors have approved a fourth interim dividend for 2024 of $0.36 per ordinary share. Information on the currencies in which shareholders may elect to have the cash dividend paid can be viewed at www.hsbc.com/investors. The interim dividend will be paid in cash. The timetable for the interim dividend is:

Announcement	**19 February 2025**
Shares quoted ex-dividend in London, Hong Kong and Bermuda	**6 March 2025**
American Depositary Shares ('ADS') quoted ex-dividend in New York	**7 March 2025**
Record date – London, Hong Kong, New York, Bermuda[1]	**7 March 2025**
Mailing of Annual Report and Accounts 2024 and/or Strategic Report 2024	**21 March 2025**
Final date for dividend election changes including Investor Centre electronic instructions and revocations of standing instructions for dividend elections	**10 April 2025**
Exchange rate determined for payment of dividends in pounds sterling and Hong Kong dollars	**14 April 2025**
Payment date	**25 April 2025**

1 Removals to and from the Overseas Branch register of shareholders in Hong Kong or Bermuda will not be permitted on this date.

Interim dividends for 2025

As previously communicated, we established and achieved a target dividend payout ratio of 50% of earnings per ordinary share ('EPS') for 2023 and 2024, excluding the special dividend. EPS for this purpose excludes material notable items and related impacts. Material notable items in 2023 and 2024 included the sale of our businesses in Canada and Argentina, the sale of our retail banking operations in France, the gain following the acquisition of SVB UK and the impairment of our investment in BoCom. We also exclude HSBC Bank Canada's financial results from the 30 June 2022 net asset reference date until completion on 29 March 2024, as the gain on sale recognised through a combination of the consolidation of HSBC Bank Canada's results in the Group's results since this date, and the remaining gain on sale was recognised at completion, inclusive of the recycling of related reserves and fair value gains on related hedges.

The Board has adopted a dividend policy designed to provide sustainable cash dividends, while retaining the flexibility to invest and grow the business in the future, supplemented by additional shareholder distributions, if appropriate. The Board has established a target dividend payout ratio of 50% for 2025, subject to meeting capital requirements.

Dividends are approved in US dollars and, at the election of the shareholder, paid in cash in one of, or in a combination of, US dollars, pounds sterling and Hong Kong dollars.

Other equity instruments

Additional tier 1 capital – contingent convertible securities

HSBC continues to issue contingent convertible securities that are included in its capital base as fully CRR II-compliant additional tier 1 capital securities. For further details on these securities, see Note 32 on the financial statements.

HSBC Holdings issued SGD1,500m 5.250% perpetual subordinated contingent convertible securities on 14 June 2024. In addition, HSBC Holdings issued US$1,350m 6.875% and US$1,150m 6.950% perpetual subordinated contingent convertible securities on 11 September 2024.

2024 Annual General Meeting

With the exception of the shareholder requisitioned Resolution 17, which the Board recommended that shareholders vote against, all resolutions considered at the 2024 AGM held at 11:00am on 3 May 2024 at InterContinental London O2, 1 Waterview Drive, London SE10 0TW, UK, were passed on a poll.

Earnings releases and interim results

First and third quarter results for 2025 will be released on 29 April 2025 and 28 October 2025, respectively. The interim results for the six months to 30 June 2025 will be issued on 30 July 2025.

Shareholder enquiries and communications

Enquiries

Any enquiries relating to shareholdings on the share register (for example, transfers of shares, changes of name or address, lost share certificates or dividend cheques) should be sent to the Registrars at the address given below. The Registrars offer an online facility, Investor Centre, which enables shareholders to manage their shareholding electronically.

Principal Register:	Computershare Investor Services PLC The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ, United Kingdom	Telephone: +44 (0) 370 702 0137 www.investorcentre.co.uk/contactus Investor Centre: www.investorcentre.co.uk
Hong Kong Overseas Branch Register:	Computershare Hong Kong Investor Services Limited Rooms 1712–1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Hong Kong	Telephone: +852 2862 8555 hsbc.ecom@computershare.com.hk Investor Centre: www.investorcentre.com/hk
Bermuda Overseas Branch Register:	Investor Relations Team HSBC Bank Bermuda Limited, 37 Front Street, Hamilton, HM 11, Bermuda	hbbm.shareholder.services@hsbc.bm Investor Centre: www.investorcentre.com/bm
ADS Depositary:	The Bank of New York Mellon Shareowner Services, P.O. Box 43006, Providence RI 02940-3078, USA	Telephone (US): +1 877 283 5786 Telephone (International): +1 201 680 6825 shrrelations@cpushareownerservices.com

If your shareholding is not recorded directly on the share register, it is important to remember that your main contact for all matters relating to your investment remains the registered shareholder, or custodian or broker, who administers the investment on your behalf. This is the case even if you have elected to receive information rights directly from HSBC Holdings. Any changes or queries relating to your personal details and holding (including any administration of it) should be directed to your existing contact at your investment manager or custodian or broker. HSBC Holdings cannot guarantee dealing with matters directed to it in error.

Shareholders who wish to receive a hard copy of the Annual Report and Accounts 2024 should contact HSBC's Registrars. Please visit www.hsbc.com/investors/investor-contacts for further information. You can also download an online version of the report from www.hsbc.com.

Electronic communications

Shareholders may at any time choose to receive corporate communications in printed form or to receive notifications of their availability on HSBC's website. To receive notifications of the availability of a corporate communication on HSBC's website by email, or revoke or amend an instruction to receive such notifications by email, go to www.hsbc.com/investors/shareholder-information/manage-your-shareholding. If you received a notification of the availability of this document on HSBC's website and would like to receive a printed copy, or if you would like to receive future corporate communications in printed form, please write or send an email (quoting your shareholder reference number) to the appropriate Registrars at the address given above. Printed copies will be provided without charge.

Chinese translation

A Chinese translation of the Annual Report and Accounts 2024 will be available upon request after 21 March 2025 from the Registrars (contact details above). Please also contact the Registrars if you wish to receive Chinese translations of future documents, or if you have received a Chinese translation of this document and do not wish to receive them in future.

《2024 年報及賬目》備有中譯本，各界人士可於2025年3月21日之後，向上列股份登記處索閱。

閣下如欲於日後收取相關文件的中譯本，或已收到本文件的中譯本但不希望繼續收取有關譯本，均請聯絡股份登記處。

Stock symbols

HSBC Holdings ordinary shares trade under the following stock symbols:

London Stock Exchange	HSBA*	New York Stock Exchange (ADS)	HSBC
Hong Kong Stock Exchange	5	Bermuda Stock Exchange	HSBC.BH

* HSBC's Primary market

Investor relations

Enquiries relating to HSBC's strategy or operations may be directed to:

Neil Sankoff, Global Head of Investor Relations	Yafei Tian, Head of Investor Relations, Asia-Pacific
HSBC Holdings plc	The Hongkong and Shanghai Banking
8 Canada Square	Corporation Limited
London E14 5HQ	1 Queen's Road Central
United Kingdom	Hong Kong
Telephone: +44 (0) 20 7991 5072	Telephone: +852 2899 8909
Email: investorrelations@hsbc.com	Email: investorrelations@hsbc.com.hk

Where more information about HSBC is available

The Annual Report and Accounts 2024 and other information on HSBC may be downloaded from HSBC's website: www.hsbc.com.

Reports, statements and information that HSBC Holdings files with the Securities and Exchange Commission are available at www.sec.gov. Investors can also request hard copies of these documents upon payment of a duplicating fee by writing to the SEC at the Office of Investor Education and Advocacy, 100 F Street N.E., Washington, DC 20549-0213 or by emailing PublicInfo@sec.gov. Investors should call the Commission at (1) 202 551 8090 if they require further assistance. Investors may also obtain the reports and other information that HSBC Holdings files at www.nyse.com (telephone number (1) 212 656 3000).

HM Treasury has transposed the requirements set out under CRD IV and issued the Capital Requirements Country-by-Country Reporting Regulations 2013. The legislation requires HSBC Holdings to publish additional information in respect of the year ended 31 December 2024 by 31 December 2025. This information will be available on HSBC's website: www.hsbc.com/tax.

Taxation of shares and dividends

Taxation – UK residents

The following is a summary, under current law (unless otherwise noted) and the current published practice of HM Revenue and Customs ('HMRC'), of certain UK tax considerations that are likely to be material to the ownership and disposition of HSBC Holdings ordinary shares. The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a holder of shares. In particular, the summary deals with shareholders who are resident solely in the UK for UK tax purposes and only with holders who hold the shares as investments and who are the beneficial owners of the shares, and does not address the tax treatment of certain classes of holders such as dealers in securities. Holders and prospective purchasers should consult their own advisers regarding the tax consequences of an investment in shares in light of their particular circumstances, including the effect of any national, state or local laws.

Taxation of dividends

Currently, no tax is withheld from dividends paid by HSBC Holdings.

UK resident individuals

UK resident individuals are generally entitled to a tax-free annual allowance in respect of dividends received. The amount of the allowance for the tax year beginning 6 April 2024 is £500. To the extent that dividend income received by an individual in the relevant tax year does not exceed the allowance, a nil tax rate will apply. Dividend income in excess of this allowance will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers and 39.35% for additional rate taxpayers.

UK resident companies

Shareholders that are within the charge to UK corporation tax should generally be entitled to an exemption from UK corporation tax on any dividends received from HSBC Holdings. However, the exemptions are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or a shareholder within the charge to UK corporation tax elects for an otherwise exempt dividend to be taxable, the shareholder will be subject to UK corporation tax on dividends received from HSBC Holdings at the rate of corporation tax applicable to that shareholder.

Taxation of capital gains

The computation of the capital gains tax liability arising on disposals of shares in HSBC Holdings by shareholders subject to UK tax on capital gains can be complex, partly depending on whether, for example, the shares were purchased since April 1991, acquired in 1991 in exchange for shares in The Hongkong and Shanghai Banking Corporation Limited, or acquired subsequent to 1991 in exchange for shares in other companies.

For capital gains tax purposes, the acquisition cost for ordinary shares is adjusted to take account of subsequent rights and capitalisation issues. Any capital gain arising on a disposal of shares in HSBC Holdings by a UK company may also be adjusted to take account of indexation allowance if the shares were acquired before 1 January 2018, although the level of indexation allowance that is given in calculating the gain would be frozen at the value that would have been applied to a disposal of those shares in December 2017. If in doubt, shareholders are recommended to consult their professional advisers.

Stamp duty and stamp duty reserve tax

Transfers of shares by a written instrument of transfer generally will be subject to UK stamp duty at the rate of 0.5% of the consideration paid for the transfer (rounded up to the next £5), and such stamp duty is generally payable by the transferee. An agreement to transfer shares, or any interest therein, normally will give rise to a charge to stamp duty reserve tax at the rate of 0.5% of the consideration. However, provided an instrument of transfer of the shares is executed pursuant to the agreement and duly stamped before the date on which the stamp duty reserve tax becomes payable, under the current published practice of HMRC it will not be necessary to pay the stamp duty reserve tax, nor to apply for such tax to be cancelled. Stamp duty reserve tax is generally payable by the transferee.

Paperless transfers of shares within CREST, the UK's paperless share transfer system, are liable to stamp duty reserve tax at the rate of 0.5% of the consideration. In CREST transactions, the tax is calculated and payment made automatically. Deposits of shares into CREST generally will not be subject to stamp duty reserve tax, unless the transfer into CREST is itself for consideration.

Taxation – US residents

The following is a summary, under current law, of the principal UK tax and US federal income tax considerations that are likely to be material to the ownership and disposition of shares or American Depositary Shares ('ADSs') by a holder that is a US holder, as defined below, and who is not resident in the UK for UK tax purposes.

The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a holder of shares or ADSs. In particular, the summary deals only with US holders that hold shares or ADSs as capital assets, and does not address the tax treatment of holders that are subject to special tax rules. These include banks, tax-exempt entities, insurance companies, dealers in securities or currencies, persons that hold shares or ADSs as part of an integrated investment (including a 'straddle' or 'hedge') comprised of a share or ADS and one or more other positions, and persons that own directly or indirectly 10% or more (by vote or value) of the stock of HSBC Holdings. This discussion is based on laws, treaties, judicial decisions and regulatory interpretations in effect on the date hereof, all of which are subject to change.

For the purposes of this discussion, a 'US holder' is a beneficial holder that is a citizen or resident of the United States, a US domestic corporation or otherwise is subject to US federal income taxes on a net income basis in respect thereof.

Holders and prospective purchasers should consult their own advisers regarding the tax consequences of an investment in shares or ADSs in light of their particular circumstances, including the effect of any national, state or local laws.

Any US federal tax advice included in the Annual Report and Accounts 2024 is for informational purposes only. It was not intended or written to be used, and cannot be used, for the purpose of avoiding US federal tax penalties.

Taxation of dividends

Currently, no tax is withheld from dividends paid by HSBC Holdings. For US tax purposes, a US holder must include cash dividends paid on the shares or ADSs in ordinary income on the date that such holder or the ADS depositary receives them, translating dividends paid in UK pounds sterling into US dollars using the exchange rate in effect on the date of receipt. A US holder that elects to receive shares in lieu of a cash dividend must include in ordinary income the fair market value of such shares on the dividend payment date, and the tax basis of those shares will equal such fair market value.

Subject to certain exceptions for positions that are held for less than 61 days, and subject to a foreign corporation being considered a 'qualified foreign corporation' (which includes not being classified for US federal income tax purposes as a passive foreign investment company), certain dividends ('qualified dividends') received by an individual US holder generally will be subject to US taxation at preferential rates.

Based on the company's audited financial statements and relevant market and shareholder data, HSBC Holdings does not believe that it was a passive investment company for its 2024 taxable year and does not anticipate becoming a passive foreign investment company in 2025 or the foreseeable future. Accordingly, dividends paid on the shares or ADSs generally should be eligible for qualified dividends treatment.

Taxation of capital gains

Gains realised by a US holder on the sale or other disposition of shares or ADSs normally will not be subject to UK taxation unless at the time of the sale or other disposition the holder carries on a trade, profession or vocation in the UK through a branch or agency or permanent establishment and the shares or ADSs are or have been used, held or acquired for the purposes of such trade, profession, vocation, branch or agency or permanent establishment. Such gains will be included in income for US tax purposes, and will be long-term capital gains if the shares or ADSs were held for more than one year. A long-term capital gain realised by an individual US holder generally will be subject to US tax at preferential rates.

Inheritance tax

Shares or ADSs held by an individual whose domicile is determined to be the US for the purposes of the United States–United Kingdom Double Taxation Convention relating to estate and gift taxes (the 'Estate Tax Treaty') and who is not for such purposes a national of the UK will not, provided any US federal estate or gift tax chargeable has been paid, be subject to UK inheritance tax on the individual's death or on a lifetime transfer of shares or ADSs except in certain cases where the shares or ADSs (i) are comprised in a settlement (unless, at the time of the settlement, the settlor was domiciled in the US and was not a national of the UK), (ii) are part of the business property of a UK permanent establishment of an enterprise, or (iii) pertain to a UK fixed base of an individual used for the performance of independent personal services. In such cases, the Estate Tax Treaty generally provides a credit against US federal tax liability for the amount of any tax paid in the UK in a case where the shares or ADSs are subject to both UK inheritance tax and to US federal estate or gift tax.

Stamp duty and stamp duty reserve tax – ADSs

If shares are transferred to a clearance service or American Depositary Receipt ('ADR') issuer (which will include a transfer of shares to the depositary) UK stamp duty and/or stamp duty reserve tax will be payable unless the transfer is, or is treated as being, in the course of a capital raising arrangement. The stamp duty or stamp duty reserve tax is generally payable on the consideration for the transfer (or, if there is no consideration in money or money's worth, the value of the shares being transferred) and is payable at the aggregate rate of 1.5%.

The amount of stamp duty reserve tax payable on such a transfer will be reduced by any stamp duty paid in connection with the same transfer.

No stamp duty will be payable on the transfer of, or agreement to transfer, an ADS, provided that the ADR and any separate instrument of transfer or written agreement to transfer remain at all times outside the UK, and provided further that any such transfer or written agreement to transfer is not executed in the UK. No stamp duty reserve tax will be payable on a transfer of, or agreement to transfer, an ADS effected by the transfer of an ADR.

US information reporting and backup withholding tax

Distributions made on shares or ADSs and proceeds from the sale of shares or ADSs that are paid within the US, or through certain financial intermediaries to US holders, are subject to US information reporting and may be subject to a US 'backup' withholding tax. General exceptions to this rule happen when the US holder: establishes that it is a corporation (other than an S corporation) or other exempt holder; or provides a correct taxpayer identification number, certifies that no loss of exemption from backup withholding has occurred and otherwise complies with the applicable requirements of the backup withholding rules. Holders that are not US persons (as defined in the US Internal Revenue Code of 1986, as amended) generally are not subject to US information reporting or backup withholding tax, but may be required to comply with applicable certification procedures to establish that they are not US persons in order to avoid the application of such US information reporting requirements or backup withholding tax to payments received within the US or through certain financial intermediaries.

Approach to ESG reporting

The information set out in the ESG review on pages 41 to 84, taken together with other information relating to ESG issues included in this Annual Report and Accounts 2024, aims to provide key ESG information and data relevant to our operations for the year ended 31 December 2024. The data is compiled for the financial year 1 January to 31 December 2024 unless otherwise specified. Measurement techniques and calculations are explained next to data tables where necessary. There are no significant changes from the previous reporting period in terms of scope, boundary or measurement of our reporting of ESG matters. Where relevant, rationale is provided for any restatement of information or data that has been previously published.

How we decide what to measure

We listen to our stakeholders in a number of different ways, which we set out in more detail within the 'ESG overview' on page 16. We use the information they provide us to identify the issues that are most important to them and consequently also matter to our own business. Our ESG Committee and other relevant governance bodies regularly discuss the new and existing themes and issues that matter to our stakeholders. Our management team then uses this insight, alongside the framework of the ESG Guide (which refers to our obligations under the Environmental, Social and Governance Reporting Guide contained in Appendix C2 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited), and the UKLR 6.6.6R(8) of the Financial Conduct Authority's ('FCA') Listing Rules, Sections 414CA and 414CB of the UK Companies Act 2006, and other applicable laws and regulations to choose what we measure and publicly report in our ESG review. We will continue to develop and refine our reporting and disclosures on ESG matters in line with feedback received from our investors and other stakeholders, and in view of our obligations under the ESG Guide and the FCA's Listing Rules.

Under the ESG Guide, 'materiality' is considered to be the threshold at which ESG issues become sufficiently important to our investors and other stakeholders that they should be publicly reported. Our approach to materiality also considers disclosure standards and other applicable rules and regulations as part of our materiality assessment for specific ESG topics and relevant disclosures.

Given ongoing developments in the ESG regulatory environment across various jurisdictions in which we operate, combined with the relative immaturity of processes, systems, data quality and controls, our focus remains on supporting a globally consistent set of mandatory sustainability standards. We aim to continue to evolve our reporting to recognise market developments, such as the International Sustainability Standards Board ('ISSB') or the Corporate Sustainability Reporting Directive ('CSRD'), and support the efforts to harmonise the disclosures. In this Annual Report and Accounts 2024, we continue to report against the core World Economic Forum ('WEF'), Stakeholder Capitalism Metrics and Sustainability Accounting Standards Board ('SASB') metrics, and will continue to review our approach as the regulatory landscape evolves.

Consistent with the scope of financial information presented in our Annual Report and Accounts, the ESG review covers the operations of HSBC Holdings plc and its subsidiaries. Given the relative immaturity of ESG-related data and methodologies in general, we are on a journey towards improving completeness and robustness.

For further details of our material ESG topics, see 'Engaging with our stakeholders and our material ESG topics' on page 16.

Our reporting around ESG

We report on ESG matters throughout our Annual Report and Accounts 2024, including the 'ESG overview' section of the Strategic Report (pages 15 to 19), ESG review (pages 41 to 84), and the 'Climate risk' and 'Insights from climate scenario analysis' sections of the Risk review (pages 219 to 228). In addition, we have other supplementary materials, including our ESG Data Pack, which provides a more granular breakdown of ESG information.

Detailed data	Additional reports
ESG Data Pack 2024, including SASB Index 2024 and WEF Index 2024	UK Pay Gap Report 2024 Modern Slavery and Human Trafficking Statement 2024 Green Bond Report 2024 HSBC UN Sustainable Development Goals Bond Report 2024

For further details of our supplementary materials, see our ESG reporting centre at www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre.

ESG Guide

We comply with the 'comply or explain' provisions in the ESG Guide, save for certain items, which we describe in more detail below:

– A1(b) on relevant laws/regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, and on emissions: taking into account the nature of our business, we do not believe that there are relevant laws and regulations in these areas that have significant impacts on our operations. Nevertheless, we are fully compliant with our publication of information regarding scope 1 and 2 carbon emissions, while we only partially publish information on scope 3 carbon emissions, as the data required for that publication is not yet fully available.

– A1.3 on total hazardous waste produced, A1.4 on total non-hazardous waste produced: Taking into account the nature of our business, we do not consider hazardous waste to be a material issue for our stakeholders. As such, we report only on total waste produced, which includes hazardous and non-hazardous waste.

– A1.6 on handling hazardous and non-hazardous waste: Taking into account the nature of our business, we do not consider this to be a material issue for our stakeholders. Notwithstanding this, we continue to focus on the reduction and recycling of all waste. Building on the success of our previous operational environmental strategy, we are continuing to seek to identify key opportunities where we can lessen our wider environmental impact, including waste management. For further details, please see our ESG review on page 58.

– A2.4 on sourcing water issue and water efficiency target: Taking into account the nature of our business, we do not consider this to be a material issue for our stakeholders. Notwithstanding this, we have implemented measures to further reduce water consumption through the installation of flow restrictors, auto-taps and low or zero flush sanitary fittings and continue to track our water consumption.

– A2.5 on packaging material, B6(b) on issues related to health and safety and labelling relating to products and services provided, B6.1 on percentage of total products sold or shipped subject to recalls for safety and health reasons and B6.4 in recall procedures: Taking into account the nature of our business, we do not consider these to be material issues for our stakeholders.

This is aligned with the materiality reporting principle that is set out in the ESG Guide. See 'How we decide what to measure' for further information on how we determine what matters are material to our stakeholders.

Task Force on Climate-related Financial Disclosures (‘TCFD’) TCFD

As noted on page 18, we have considered our ‘comply or explain’ obligation under both UKLR 6.6.6(8) of the Financial Conduct Authority’s (‘FCA’) Listing Rules and Sections 414CA and 414CB of the UK Companies Act 2006. We perform an assessment to ascertain the appropriate level of detail to be included in the climate-related financial disclosures that are set out in our Annual Report and Accounts, as part of considering what to measure and publicly report. Our assessment takes into account factors such as the level of our exposure to climate-related risks and opportunities, the scope and objectives of our climate-related strategy, transitional challenges, and the nature, size and complexity of our business. See ‘How we decide what to measure’ for further information.

We confirm that we have made disclosures consistent with 11 TCFD Recommendations and Recommended Disclosures, including its annexes and supplemental guidance, which we summarise in the table below:

Recommendation	Response	Disclosure location
Governance		
a) Describe the Board’s oversight of climate-related risks and opportunities (Companies Act 2006 - Sections 414CA and 414CB 2A (a))		
Process, frequency and training	– The Board takes overall responsibility for ESG strategy, overseeing executive management in developing the approach, execution and associated reporting. ESG strategies were considered at eight Board meetings during the year.	Pages 74 and 253
	– Board members receive ESG-related training as part of their induction and ongoing development, and seek out further opportunities to build their skills and experience in this area.	Page 74
Sub-committee accountability, processes and frequency	– The Group Audit Committee (‘GAC’) considered ESG and climate reporting matters at six meetings during 2024. Furthermore, as an area of expanded assurance, the GAC, supported by the executive-level ESG Committee, provided close oversight of the disclosure risks in relation to sustainability and climate reporting, amid rising stakeholder expectations. The work will continue throughout 2025 in partnership with the Sustainability Working Group.	Page 264
	– The Group Risk Committee (‘GRC’) remained focused on climate risk and greenwashing risk. The GRC received reports on climate risk management and sustainability risk policies, while maintaining oversight of delivery plans and risk appetite breaches to help ensure that the Group continues to develop and maintains robust climate risk management capabilities. Reputation risk considerations have also formed part of these discussions. It considered climate risk at four meetings in 2024.	Pages 272 and 275
	– The diagram on page 74 provides an illustration of our ESG governance process, including how the Board’s strategy on climate is cascaded and implemented throughout the organisation. It identifies examples of forums that manage both climate-related opportunities and risks, along with their responsibilities and the responsible chair.	Page 74
Examples of the Board and relevant Board committees taking climate into account	– The Board has overall responsibility for ESG strategy, overseeing executive management in developing the approach, execution, and associated reporting.	Page 251
	– We enhanced our ESG governance with the establishment of a new Sustainability Working Group (‘SWG’) of the HSBC Holdings Board. This working group has an initial remit to provide oversight and guidance in relation to the Group’s sustainability activities, including the targets and timelines set out in the net zero transition plan, key sustainability risk policies and communication with key stakeholder groups.	Pages 22 and 74
	– In 2024, the Board oversaw the implementation of ESG strategy through regular dashboard reports and detailed updates including: review and approval of the net zero transition plan; deep dives on the sustainability execution programme; and updates on human rights.	Page 251
b) Describe management’s role in assessing and managing climate-related risks and opportunities (Companies Act 2006 - Sections 414CA and 414CB 2A (a))		
Who manages climate-related risks and opportunities	– The Sustainability Working Group, established in 4Q24, oversees and provides guidance on the Group-wide medium and longer-term sustainability strategy. The ESG Committee has oversight of ESG strategy, policy, material commitments and external disclosure. It is co-chaired by the Group CEO and the Group Chief Sustainability Officer.	Page 220
	– The Group Chief Risk and Compliance Officer is the senior manager responsible for the management of climate risk under the UK Senior Managers Regime, holding overall accountability for the Group’s climate risk programme.	Page 220
How management reports to the Board	– The Board delegates day-to-day management of the business and implementation of strategy to the Group CEO. During the year, the incumbent Group CEO was supported in his management of the Group by recommendations and advice from the Group Executive Committee (‘GEC’), an executive forum comprising members of senior management that include chief executive officers of the global businesses and regions, as well as functional heads.	Page 247
	– During the year, the Board also oversaw the rationalisation of the ESG Committee and Sustainability Execution Committee into a single governance body (named the ESG Committee). These Board and executive level governance forums support senior management in the operationalisation of the Group’s sustainability strategy, through the oversight of the sustainability execution programme. For further details see page 74.	Page 251
Processes used to inform management	– The Group Risk Management Meeting oversees the enterprise-wide management of all risks, including updates relating to the Group’s climate risk profile and risk appetite, top and emerging climate risks, and key climate initiatives.	Page 74
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term (Companies Act 2006 - Sections 414CA and 414CB 2A (d))		
Processes used to determine material risks and opportunities	– When assessing our long-term scenarios, climate-related losses are expected to remain minimal in the short term and likely to increase in the medium and longer time horizon, driven by the transition to a net zero economy and greater physical risk impacts.	Page 224
	– Our models continue to incorporate a range of climate-specific metrics that could potentially impact our customers, including expected production volumes, revenue, costs and capital expenditure.	Page 224
Relevant short-, medium-, and long-term time horizons	– Our annual climate risk materiality assessment helps us to understand how climate risk may impact HSBC’s risk taxonomy. The assessment considers short-term (up to 2026), medium-term (2027-2035) and long-term (2036-2050) periods.	Page 219

Task Force on Climate-related Financial Disclosures (‘TCFD’) continued

Recommendation	Response	Disclosure location
Transition or physical climate-related issues identified	– We aim to help our customers transition to net zero and a sustainable future by providing and facilitating between $750bn and $1tn of sustainable finance and investment by 2030. Our Sustainable Finance and Investment Data Dictionary 2024 includes a detailed definition of contributing activities.	Page 45
	– For transition risk, we have metrics in place to monitor the exposure of our wholesale corporate lending portfolio to six high transition risk sectors. As at 31 December 2024, the overall exposure to six high transition risk sectors was 18% of total gross carrying amount of wholesale loans and advances. Our relationship managers engage with our key wholesale customers, including those in higher transition risk sectors, through a transition engagement questionnaire (‘TEQ’). In 2024, the TEQ was expanded to cover all geographies. The TEQ helps to gather information and assess our wholesale customers’ business model alignment to a net zero transition and their exposure to physical and transition risks.	Page 221
	– The impact on our wholesale portfolios is demonstrated by the table on page 225 which shows the size of exposures by sector in 2024 and the cumulative change in ECL compared with a counterfactual scenario (expressed as a multiple). The size of our exposure in each sector is represented by our exposure at default (‘EAD’) relative to one another.	Page 225
	– The table on page 227 demonstrates the impact on our commercial real estate (‘CRE’) portfolio for specific markets, including the three biggest markets – Hong Kong, the UK and the US. This shows the increase in cumulative ECL over different time horizons, under each scenario, compared with a counterfactual scenario (expressed as a multiple).	Page 227
	– We measure the impacts of climate and weather events on our buildings on an ongoing basis using historical, current and scenario-modelled forecast data. In 2024, there were 40 major storms that had a minor impact on three of our buildings.	Page 228
Risks and opportunities by sector and/or geography	– For transition risk, we have metrics in place to monitor the exposure of our wholesale corporate lending portfolio to six high transition risk sectors. These are automotive, chemicals, construction, contracting & building materials, metals and mining, oil and gas, and power and utilities.	Page 221
	– Within our mortgage portfolios, properties or areas with potentially heightened physical risk are identified and assessed locally with exposure monitored using risk indicators. A reduction in property value, higher insurance costs and insurance availability are potential future negative financial impacts for properties with higher physical risk. Geographically, for the UK lending balances, our highest flood risk exposures are the Greater London and South-East regions.	Page 221
	– Development of clean power generation is critical to achieving net zero. We supported Abu Dhabi Future Energy Company (Masdar) towards its equity commitments on new greenfield projects in renewable energy and energy efficiency, by acting as joint lead manager and bookrunner in raising $1bn through its second green bond issuance.	Page 46
	– We aim to help our customers transition to net zero and a sustainable future by providing and facilitating between $750bn and $1tn of sustainable finance and investment by 2030. Additional detailed information on our sustainable finance and investment progress can be found in the ESG Data Pack.	Page 45
Concentrations of credit exposure to carbon-related assets (supplemental guidance for banks)	– We report our exposure to the six high transition risk sectors in the wholesale portfolio, which are automotive, chemicals, construction, contracting & building materials, metals and mining, oil and gas, and power and utilities. For details, see the ESG Data Pack.	Page 221
	– We monitor the energy performance certificate (‘EPC’) ratings of individual properties from A (highest efficiency) through to G (least efficient) as EPCs are commonly used as an indicator of transition risk in the UK mortgage book.	Page 221
Climate-related risks (transition and physical) in lending and other financial intermediary business activities (supplemental guidance for banks)	– Our material exposure to climate risk relates to wholesale and retail client financing activity within our banking portfolio.	Page 60
	– We are also exposed to climate risk in relation to asset ownership by our insurance business and employee pension plans.	Page 60
	– HSBC Asset Management recognises that climate-related risks may impact the operational and financial performance of investee companies. The impact of these risks will vary depending on characteristics such as asset class, sector, business model and geography. HSBC Asset Management continues to integrate climate analysis into its actively managed product offerings and seeks to assess climate-related risks that could impact investment performance, where applicable and relevant.	Page 60
	– Our relationship managers engage with our key wholesale customers, including those in higher transition risk sectors, through a transition engagement questionnaire (‘TEQ’). In 2024, the TEQ was expanded to cover all geographies. The TEQ helps to gather information and assess our wholesale customers’ business model alignment to a net zero transition and their exposure to physical and transition risks. We use the responses to the questionnaire to risk-assess our key wholesale customers.	Page 221
	– Under the Current Commitments scenario, our modelled outputs predict that ECL will not be more than 25% higher than the counterfactual scenario for any of the assessed sectors. The highest impacts are seen in the chemicals, construction and building materials, power and utilities and agriculture and soft commodities sectors. Greater climate risks would crystallise in the Below 2 Degrees scenario with its gradually increasing transition to net zero, driven by pockets of customers in higher-emitting sectors that are continuously exposed to larger climate-related losses.	Page 225
	– The UK is our largest mortgage market, and as of November 2024, made up 46.7% of our global mortgage portfolio. Our ESG Data Pack includes our climate risk exposures for this portfolio across regions. The maturity profile of the UK mortgage book shows that the average remaining contractual term in the UK is 21.8 years. This means our strategic approach to climate risk considers both present day risk and long-term forward-looking risk, given that customers may choose to remain with us over the lifespan of the loan. For the UK mortgage book, flood data is available for 93.7% of the mortgage book of which 0.9% is at a very high risk of flooding, with 2.7% of the book at a high risk of flooding.	Page 221

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Recommendation	Response	Disclosure location
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning (Companies Act 2006 - Sections 414CA and 414CB 2A (e))		
Impact on strategy, business, and financial planning	– We aim to help our customers transition to net zero and a sustainable future by providing and facilitating between $750bn and $1tn of sustainable finance and investment by 2030.	Page 42
	– Climate scenario analysis supports our strategy by assessing our potential exposures to risks and vulnerabilities under a range of climate scenarios. It is one of the key tools used to support the evaluation of portfolios in line with our net zero ambition. Our 2024 scenarios considered the key regions in which we operate and were designed to assess the impact on our balance sheet across three distinct periods: short term up to 2026; medium term from 2027 to 2035; and long term from 2036 to 2050.	Page 223
	– From a financial and capital planning perspective, we use climate scenario analysis to support the Group's internal capital adequacy assessment process ('ICAAP') to understand the amount of capital the Group should hold to meet identified climate risks, including integration of climate impacts into the Group's internal stress testing exercises.	Page 223
	– We have assessed the impact of climate risk on our balance sheet and have concluded that no incremental adjustments were needed to capture climate impacts in our financial statements for the year ended 31 December 2024.	Page 43
	– We have used climate scenarios to inform our organisation's business, strategy and financial planning. In 2024, we continued to incorporate certain aspects of sustainable finance within our financial planning process.	
	– We do not fully disclose impacts from climate-related opportunities on financial planning and performance including on revenue, costs and the balance sheet, quantitative scenario analysis, detailed climate risk exposures for all sectors and geographies or physical risk metrics. This is due to transitional challenges in relation to data limitations, although nascent work is ongoing in these areas. We expect these data limitations to be addressed in the medium term as more reliable data becomes available and technology solutions are implemented.	
Impact on products and services	– We aim to help our customers transition to net zero and a sustainable future by providing and facilitating between $750bn and $1tn of sustainable finance and investment by 2030.	Page 45
	– Thermal coal mining: In 2021, absolute on-balance sheet financed emissions decreased by 71% to 1.38 Mt CO_2e relative to the re-baselined 2020 figure. In 2022, the absolute on-balance sheet financed emissions of our portfolio decreased by 69% to 1.44 Mt CO_2e relative to the re-baselined 2020 figure, and they rose by 4% from 2021 to 2022. The reduction from the 2020 re-baselined figure was due to strategic decisions and temporary factors, such as low loan drawdown levels.	Page 56
Impact on supply chain and/or value chain	– In 2024 we incorporated an additional supply chain data source to complement data from CDP (formerly the Carbon Disclosure Project). We continue to improve the measurement, quality and reporting of our supply chain emissions data to generate insights to drive targeted reduction activities.	Page 58
	– Our supply chain contributes c.81% of our operational emissions and is the area in which we face the most significant decarbonisation challenge. Many suppliers are still in the early phase of their decarbonisation journey. We have stepped up targeted efforts to support decarbonisation across our supply chain.	Page 58
	– We focus on building strategic partnerships that can help to create an enabling environment for mobilising finance, and support development and scaling-up of solutions for the net zero transition. In 2024 we donated approximately $9m in grant funding to help establish a portfolio of partnerships aligned to the strategic focus areas set out in our net zero transition plan: transitioning industry, catalysing the new economy, and decarbonising trade and supply chains. We are also supporting initiatives focused on driving progress on cross-cutting issues, such as nature and the just transition.	Page 47
	– As part of its stewardship activities, HSBC Asset Management engages on climate change issues with investee companies on a priority list, as defined in its Stewardship Plan.	Page 60
Impact on adaptation and mitigation activities	– In 2024 we achieved a 30.5% reduction in our energy consumption compared with 2019 (2023: 26.3%). This has been achieved through optimising the use of our real estate portfolio and carrying out a reduction in our office space and data centres. We continue to optimise our assets to ensure greater efficiency and capitalise on new energy technologies. In 2024 we increased our purchase of electricity from renewable sources to 75.4% from 58.4% in 2023. This included increasing our coverage of green tariffs in India and mainland China. Renewable electricity can help unlock our emissions reduction potential, and we aim to achieve 100% renewable electricity across our own operations by 2030.	Page 58
	– This forward-looking data along with historical data helps inform real estate planning. We will continue to enhance our understanding of how extreme weather events impact our buildings portfolio as climate risk assessment tools improve and evolve. We buy insurance for property damage and business interruption and consider insurance as a loss-mitigation strategy depending on its availability and price. We regularly review and enhance our building selection process and global engineering standards and will continue to assess historical claims data to help ensure our building selection and design standards address the potential impacts of climate change.	Page 228
Impact on operations	– We measure the impacts of climate and weather events on our buildings on an ongoing basis using historical, current and scenario-modelled forecast data. In 2024, there were 40 major storms that had a minor impact on three of our buildings. We use stress testing to evaluate the potential impact on our owned or leased premises. Our 2024 scenario stress test analysed how nine climate change-related hazards – comprising coastal flooding, fluvial flooding, pluvial flooding, soil movement due to drought, temperature extremes, water stress, wildfires, landslides and tropical cyclones – could impact 2,719 of our properties.	Page 228
Impact on investment in research and development	– Our five-year Climate Solutions Partnership with the World Resources Institute, WWF and over 50 local partners, continues to support nature-based solutions and energy transition in Asia. Since 2020, $105m in funding has been deployed to our NGO partners. The energy programmes have engaged companies across Asia to help set new standards in climate commitments for their industries and mobilised finance to support the uptake of renewables. The nature programmes supported the Asia Sustainable Palm Oil Links programme, focused on promoting sustainable palm oil production, consumption and trade across Asia, and the Nature-based Solutions Accelerator, which supported projects to reach investment readiness.	Page 47
	– We are a founding funder of the Just Transition Finance Lab, hosted at the LSE's Grantham Research Institute, which aims to accelerate solutions to achieve progress on climate and wider environmental goals through a people-centred approach. Since its launch in early 2024, the Lab has produced a range of outputs including: mapping just transition policies to a set of metrics, exploration of the role investors can play in facilitating a just transition in India, a case study of the coal-to-clean shift in Chile, and a detailed examination of the financial path to a just transition in the critical minerals sector.	Page 47

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Recommendation	Response	Disclosure location
Impact on acquisitions or divestments	– Our mergers and acquisitions process considers potential climate and sustainability-related targets, net zero transition plans and climate strategy, and how this relates to HSBC.	Page 219
Impact on access to capital	– We have considered the impact of climate-related issues on our businesses, strategy and financial planning. Our access to capital may be impacted by reputational concerns as a result of climate action or inaction. In addition, if we are perceived to mislead stakeholders on our business activities or if we fail to achieve our stated net zero ambitions, we could potentially face reputational damage, impacting our revenue-generating ability and our access to capital markets. We expect to make the disclosure in the medium term as more data becomes available. To manage these risks we have integrated climate risk into our existing risk taxonomy, and incorporated it within the risk management framework through the policies and controls for the existing risks where appropriate.	
Transition plan to a low-carbon economy	– In 2020, we set an ambition to become a net zero bank by 2050. Since then, we have taken various actions across our organisation to support implementation as set out in our net zero transition plan. We continue to review both our transition plan and associated GHG targets to, where possible, ensure they remain consistent with assumptions used in our financial planning, including related financial approach for the implementation of the transition plan in the medium term (e.g. amount of capital and other expenditures supporting our decarbonisation strategy). The reference pathways we consider are global and we do not currently set GHG targets for individual countries or entities; however, we continue to explore the use of multiple climate-related scenarios to test achievability of the financed emissions targets and own operations ambition.	
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario (Companies Act 2006 - Sections 414CA and 414CB 2A (f))		
Embedding climate into scenario analysis	– Climate scenario analysis supports our strategy by assessing our potential exposures to risks and vulnerabilities under a range of climate scenarios. It is one of the key tools used to support the evaluation of portfolios in line with our net zero ambition.	Page 223
	– Our 2024 scenarios considered the key regions in which we operate and were designed to assess the impact on our balance sheet across three distinct periods: short term up to 2026; medium term from 2027 to 2035; and long term from 2036 to 2050.	Page 223
Key drivers of performance and how these have been taken into account	– The 2024 climate scenario analysis exercise was designed to examine the climate risks and vulnerabilities of corporate counterparties, across high transition risk sectors under climate scenarios of varying severity. Specifically, we measured the modelled effect on our projected ECL change over the short-, medium- and long-term horizons under each scenario. This was compared to a counterfactual scenario that excludes climate change impacts to isolate the climate only changes in ECL. Our analysis shows that over the longer term, we expect minimal losses to materialise when considering the Current Commitments scenario.	Pages 225 and 226
	– From a financial and capital planning perspective, we use climate scenario analysis to support the Group's internal capital adequacy assessment process ('ICAAP') to understand the amount of capital the Group should hold to meet identified climate risks, including integration of climate impacts into the Group's internal stress testing exercises.	Page 223
	– Climate scenario analysis also informs strategic planning by providing insights on the size and timing of financial impacts, and IFRS 9 loss provisioning to ensure climate risks are adequately provisioned for in our balance sheet, such as expected credit losses ('ECL').	Page 223
Scenarios used and how they factored in government policies	– Our scenarios are: Downside Physical Risk scenario, Severe Climate Stress scenario, Current Commitments scenario, Below 2 Degrees scenario and Delayed Transition Risk scenario.	Page 223
	– Our 2024 scenarios considered the key regions in which we operate and were designed to assess the impact on our balance sheet across three distinct periods: short term up to 2026; medium term from 2027 to 2035; and long term from 2036 to 2050.	Page 223
	– We have chosen these scenarios to provide a holistic view that supplements the Group's current and future strategic thinking. The 2024 climate scenarios are underpinned by well-established industry bodies such as Network for Greening Finance Phase IV, the Intergovernmental Panel on Climate Change ('IPCC') and International Energy Agency ('IEA'), which are further enriched for additional granularity, ensuring consistency with industry-recognised work, and reflecting the latest climate policy and economic outlook.	Page 223
	– The scenarios developed for climate scenario analysis are designed to examine HSBC's financial performance and capital resilience across a wide range of potential climate outcomes. They are sufficiently diverse to enable HSBC's key physical and transition risk vulnerabilities to be explored. To meet our global regulatory needs, we produced several climate stress tests for regulators around the world, including the Hong Kong Monetary Authority ('HKMA').	Page 223
How our strategies may change and adapt	– The analysis supports our approach to supporting our clients in the transition to net zero through assessing, where available, client level financial and credit risk metrics, and identifying where further analysis and climate risk focus is required.	Page 223
	– In our net zero transition plan published in January 2024 we committed to continually calibrate our approach to take into consideration the latest scientific methodologies, climate-related policies and developments in the real world given that our sector portfolios reflect progress in the regional economies where we operate. See page 15 for details.	Page 42
	– Our target-setting approach to date for on-balance sheet financed emissions and facilitated emissions, has been to utilise a single reference scenario – IEA's NZE 2021 – to underpin both energy supply-related sectors (oil and gas; power and utilities; and thermal coal mining), and our published targets for demand-side sectors in transport (aviation and automotive) and heavy industry (cement; and iron, steel and aluminium).	Page 48
	– We do not currently fully disclose the impacts of transition and physical risk quantitatively, due to transitional challenges including data limitations and evolving science and methodologies. In 2024, we disclosed the potential impairment impacts for our wholesale and commercial real estate portfolios in different climate scenarios. We also disclose our exposure to flooding in our retail mortgage book for specific markets. For our wholesale book, we disclose potential implications on our expected credit losses for 11 sectors under two scenarios. These are accompanied with a heat map, illustrating how we expect the potential risks to evolve over time under a variety of scenarios.	

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Recommendation	Response	Disclosure location
Risk management		
a) Describe the organisation's processes for identifying and assessing climate-related risks (Companies Act 2006 - Sections 414CA and 414CB 2A (b))		
Process	– The scenarios developed for climate scenario analysis are designed to examine HSBC's financial performance and capital resilience across a wide range of potential climate outcomes. They are sufficiently diverse to enable HSBC's key physical and transition risk vulnerabilities to be explored. We continue to enhance our climate scenario analysis exercises so that we can have a more comprehensive understanding of climate headwinds, risks and opportunities to support our strategic planning, actions and risk management.	Page 223
	– We continue to review policy implementation as we apply our sustainability risk policies in practice, and our operationalisation of such policies continues to be enhanced. We take a risk-based approach when identifying transactions and clients to which our sustainability risk policies apply and, where relevant, when reporting on relevant exposures, adopting approaches proportionate to risk and materiality.	Page 61
Integration into policies and procedures	– We continue to integrate climate risk into policies, processes and controls across many areas of our organisation, and we will continue to update these as our climate risk management capabilities mature over time.	Page 220
Consider climate-related risks in traditional banking industry risk categories (supplementary guidance for banks)	– We provide further details of how we have embedded the management of climate risk across key risk types, including wholesale credit risk, retail credit risk, treasury risk, traded risk, reputational risk, regulatory compliance risk, resilience risk, model risk, and financial reporting risk.	Page 221
b) Describe the organisation's processes for managing climate-related risks (Companies Act 2006 - Sections 414CA and 414CB 2A (b))		
Process and how we make decisions	– The Group Risk Management Meeting and the Group Risk Committee receive regular updates on our climate risk profile and the progress of our climate risk programme.	Page 220
	– The Environmental Risk Steering Meeting (formerly the Environmental Risk Oversight Forum) provides oversight of environmental risk and the risk of greenwashing. Equivalent forums have been established at a regional level.	Page 220
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management framework (Companies Act 2006 - Sections 414CA and 414CB 2A (c))		
How we have aligned and integrated our approach	– Our climate risk approach is aligned to our Group-wide risk management framework and three lines of defence model, which sets out how we identify, assess and manage our risks.	Page 219
	– We continue to develop our approach and climate risk capabilities across our businesses, by prioritising sectors, portfolios and counterparties with the highest impacts, and recognise that this is a long-term iterative process.	Page 219
	– Our annual climate risk materiality assessment helps us to understand how climate risk may impact HSBC's risk taxonomy.	Page 219
	– In addition to this assessment, we also consider climate risk in our emerging risk reporting and scenario analysis.	Page 219
How we take into account interconnections between entities and functions	– Our climate risk approach is aligned to our Group-wide risk management framework and three lines of defence model, which sets out how we identify, assess and manage our risks.	Page 219
	– Through our climate risk programme, we have made progress on embedding climate considerations throughout our organisation. We also developed risk metrics to monitor and manage exposures, and further enhanced our internal climate scenario analysis. We continue to implement our climate risk programme to complete our annual materiality assessment and make changes to our policies, processes and capabilities to better embed climate considerations throughout our organisation.	Page 130
	– This includes increasing coverage and incorporating more mature data, climate analytics, frameworks and tools, and responding to emerging industry best practice and climate-related regulations. This also necessitates reflecting on how climate risk continues to evolve in the real world, and improving how we embed climate risk factors into strategic planning, transactions and decision making across our businesses.	Page 219

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Recommendation	Response	Disclosure location
Metrics and targets		
a) Disclose the metrics used by the organisation to assess climate-related risk and opportunities in line with its strategy and risk management process (Companies Act 2006 - Sections 414CA and 414CB 2A (h))		
Metrics used to assess the impact of climate-related risks on our loan portfolio	– We have metrics in place to monitor the exposure of our wholesale corporate lending portfolio to six high transition risk sectors. As at 31 December 2024, the overall exposure to the six high transition risk sectors was 18% of total gross carrying amount of wholesale loans and advances.	Page 221
	– The UK is our largest mortgage market, and as of November 2024, made up 46.7% of our global mortgage portfolio. Our ESG Data Pack includes our climate risk exposures for this portfolio across regions. The maturity profile of the UK mortgage book shows that the average remaining contractual term in the UK is 21.8 years. However, with some customers undertaking refinancing options during this term, the average term of the mortgage can be reduced to between five and eight years. For the UK mortgage book, flood data is available for 93.7% of the mortgage book of which 0.9% is at a very high risk of flooding, with 2.7% of the book at a high risk of flooding. We monitor the energy performance certificate ('EPC') ratings of individual properties from A (highest efficiency) through to G (least efficient) as EPCs are commonly used as an indicator of transition risk in the UK mortgage book.	Page 221
	– We have started to enhance our approach to managing net zero alignment risk in our wholesale portfolio, through developing portfolio steering capabilities and revenue assessments. While we have made progress, further work remains, including the need to develop additional metrics and tools to measure our exposure to climate-related risks.	Page 220
Metrics used to assess progress against opportunities	– Since 1 January 2020, we have provided and facilitated a cumulative $352.5bn of sustainable finance and $41.1bn of ESG and sustainable investing, as defined in our Sustainable Finance and Investment Data Dictionary 2024. This included 39% where the use of proceeds was dedicated to green financing, 12% to social financing, and 15% to other sustainable financing. It also included 24% of sustainability-linked financing and 10% of net new investment flows managed and distributed on behalf of investors.	Page 45
	– We do not currently fully disclose the proportion of revenue or proportion of assets, capital deployment or other business activities aligned with climate-related opportunities, including revenue from products and services designed for a low-carbon economy, forward-looking metrics consistent with our business or strategic planning time horizons. In relation to sustainable finance revenue and assets, we are disclosing certain elements. We expect the data and system limitations related to financial planning and performance, and climate-related opportunities metrics to be addressed in the medium term as more reliable data becomes available and technology solutions are implemented. We expect to further enhance this disclosure in the medium term.	
Board or senior management incentives	– To help us achieve our ESG ambitions, a number of measures are included in the annual incentive and long-term incentive scorecards of the Group CEO, Group CFO and Group Executives that underpin the ESG metrics in the table on page 17.	Page 17
Internal carbon price	– We do not currently disclose internal carbon prices due to transitional challenges, such as data challenges. However, we considered carbon prices as an input for our climate scenario analysis exercise. We expect to further enhance this disclosure in the medium term.	
Metrics used to assess the impact of climate risk on lending and financial intermediary business (supplemental guidance for banks)	– As part of our 2024 climate scenario analysis exercise, we completed a detailed retail mortgage risk assessment for the UK, US, Singapore and Malaysia. In our 2023 exercise we also assessed Hong Kong, Australia and mainland China. Our coverage represented 91% of the balances in our global retail mortgage portfolio, across the two exercises. For our Hong Kong portfolio, we completed a short- and long-term scenario analysis exercise during late 2023 and early 2024 at the request of the HKMA. Our analysis shows that over the longer term, we expect minimal losses to materialise when considering the Current Commitments scenario.	Page 226
	– The impact on our wholesale portfolios is demonstrated by the table on page 225 which shows the size of exposures by sector in 2024 and the cumulative change in ECL compared with a counterfactual scenario (expressed as a multiple). The size of our exposure in each sector is represented by our exposure at default ('EAD') relative to one another.	Page 225
	– We do not fully disclose metrics used to assess the impact of climate-related physical (chronic) and transition (policy and legal, technology and market) risks on retail lending, parts of wholesale lending and other financial intermediary business activities (specifically credit exposure, equity and debt holdings, or trading positions, broken down by industry, geography, credit quality and average tenor). We are aiming to develop the appropriate systems, data and processes to provide these disclosures in future years. We disclose the exposure to six, high-transition risk wholesale sectors as a proportion of total wholesale loans and advances and the flood risk exposure and Energy Performance Certificate ('EPC') breakdown for the UK retail mortgage portfolio.	

Task Force on Climate-related Financial Disclosures ('TCFD') continued

Recommendation	Response	Disclosure location
b) Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas emissions and the related risks (Companies Act 2006 - Sections 414CA and 414CB 2A (h))		
Our own operations	– Our supply chain contributes c.81% of our operational emissions and is the area in which we face the most significant decarbonisation challenge. Many suppliers are still in the early phase of their decarbonisation journey. We have stepped up targeted efforts to support decarbonisation across our supply chain.	Page 58
	– We report GHG emissions associated with the energy used in our premises and employees' business travel and our supply chain in tonnes of CO2 equivalent. As more of our suppliers report their emissions, we should be able to include more accurate data and fewer industry averages in the calculation. We have applied a data quality score to the sources of data we used to determine counterparty emissions.	Page 59
Greenhouse gas emissions for lending and financial intermediary business (supplemental guidance for banks)	– Our analysis of financed emissions comprises 'on-balance sheet financed emissions' and 'facilitated emissions', which we distinguish where necessary in our reporting. Our on-balance sheet financed emissions include emissions related to on-balance sheet lending, such as project finance and direct lending. Our facilitated emissions include emissions related to financing we help clients to raise through capital markets activities. Our analysis covers financing from Global Banking and Markets, and Commercial Banking.	Page 48
	– HSBC Asset Management recognises that climate-related risks may impact the operational and financial performance of investee companies. The impact of these risks will vary depending on characteristics such as asset class, sector, business model and geography. HSBC Asset Management continues to integrate climate analysis into its actively managed product offerings and seeks to assess climate-related risks that could impact investment performance, where applicable and relevant.	Page 60
	– We currently disclose partial scope 3 greenhouse gas emissions. We currently focus on disclosing only four out of fifteen categories of scope 3 greenhouse gas emissions, including business travel, supply chain and financed emissions, following our internal materiality assessment. In relation to financed emissions, we publish on-balance sheet financed emissions for a number of sectors, covering 2.7% of our loans and advances to customers at 31 December 2023, as detailed on page 56. We also publish facilitated emissions for the oil and gas, and power and utilities sectors. Data quality of future disclosures on financed emissions and related risks are reliant on our customers publicly disclosing their greenhouse gas emissions, targets and plans, and related risks. We recognise the need to provide early transparency on climate disclosures but balance this with the recognition that existing data and reporting processes continue to require significant enhancements.	
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets (Companies Act 2006 - Sections 414CA and 414CB 2A (g))		
Details of targets set and whether they are absolute or intensity based	– We aim to help our customers transition to net zero and a sustainable future by providing and facilitating between \$750bn and \$1tn of sustainable finance and investment by 2030.	Page 45
	– We set interim 2030 financed emissions targets. However, we use different time horizons for climate risk management. For climate risk, we define short term as time periods up to 2026; medium term is between 2027 and 2035; and long term is between 2036 and 2050. For financed emissions we do not plan to set 2026 targets. In 2024, we disclose interim 2030 financed emissions targets for seven sectors comprising five on-balance sheet and two combined financed emissions targets, as we outline on page 52. We have set combined on-balance sheet financed emissions and facilitated emissions targets for two emissions-intensive sectors: oil and gas; and power and utilities; and report the combined progress for both sectors. In 2025, we plan to review our targets to consider the latest net zero-aligned scenarios available. For further details on the restatements and targets and progress of financed emissions, see 'Our approach to emissions re-baselines and restatements' and 'Targets and progress' on pages 51 and 52 respectively.	
	– We do not currently disclose a target for capital deployment. In relation to capital deployment, since 2015, we have issued more than \$2bn of our own green bonds and structured green bonds with the capital invested into a variety of green projects, including: green buildings; and renewable energy and clean transportation projects. Following extensive internal and external review of HSBC's green issuance framework, we published the updated HSBC Green Financing Framework in October 2024. This Green Financing Framework forms part of our sustainability strategy and sets out our approach to allocating amounts equivalent to the net proceeds raised through certain instruments and transactions against financing for businesses and projects that meet certain eligibility criteria. See the HSBC Green Financing Framework at www.hsbc.com/investors/fixed-income-investors/green-financing-framework for further information.	
	– We do not currently disclose an internal carbon pricing target due to transitional challenges, such as developing the appropriate systems and processes, but we considered carbon prices as an input for our climate scenario analysis exercise. We expect to further enhance the disclosure in the medium term as more data becomes available.	
	– We do not currently disclose targets used to measure and manage physical risk. This is due to transitional challenges, including the data limitations of physical risk metrics. For retail, we do not use targets to measure and manage physical risk. In 2024, we continued to use an internally developed global 'soft trigger' monitoring and review process for physical risk exposure where a market reaches or exceeds a set threshold, as this ensures markets are actively considering their balance sheet risk exposure to peril events. We also consider physical and transition risk as an input for our climate scenario analysis exercise. We expect to further enhance our disclosures as our data, quantitative scenario analysis, risk metrics and physical risk targets evolve, and technology solutions are implemented in the medium term.	
	– We have described the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. However, taking into account the nature of our business, we do not consider water usage to be a material target for our business and, therefore, we have not included a target in this year's disclosure.	
Other key performance indicators used	– In 2024 we achieved a 30.5% reduction in our energy consumption compared with 2019 (2023: 26.3%).	Page 58
	– In 2024 we increased our purchase of electricity from renewable sources to 75.4% from 58.4% in 2023. This included increasing our coverage of green tariffs in India and mainland China. Renewable electricity can help unlock our emissions reduction potential, and we aim to achieve 100% renewable electricity across our own operations by 2030.	Page 58

Cautionary statement regarding forward-looking statements

This Annual Report and Accounts 2024 contains certain forward-looking statements with respect to HSBC's financial condition; results of operations and business, including the strategic priorities; financial, investment and capital targets; and ESG ambitions, targets and commitments described herein.

Statements that are not historical facts, including statements about HSBC's beliefs and expectations, are forward-looking statements. Words such as 'may', 'will', 'should', 'expects', 'targets', 'anticipates', 'intends', 'plans', 'believes', 'seeks', 'estimates', 'potential' and 'reasonably possible', or the negative thereof, other variations thereon or similar expressions are intended to identify forward-looking statements. These statements are based on current plans, information, data, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. HSBC makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statements. Written and/or oral forward-looking statements may also be made in the periodic reports to the US Securities and Exchange Commission, summary financial statements to shareholders, offering circulars and prospectuses, press releases and other written materials, and in oral statements made by HSBC's directors, officers or employees to third parties, including financial analysts. Forward-looking statements involve inherent risks and uncertainties. Readers are cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement. These include, but are not limited to:

– changes in general economic conditions in the markets in which we operate, such as new, continuing or deepening recessions, prolonged inflationary pressures and fluctuations in employment levels and the creditworthiness of customers beyond those factored into consensus forecasts; the Russia-Ukraine war and the conflict in the Middle East and their impact on global economies and the markets where HSBC operates, which could have a material adverse effect on (among other things) our financial condition, results of operations, prospects, liquidity, capital position and credit ratings; deviations from the market and economic assumptions that form the basis for our ECL measurements (including, without limitation, as a result of the Russia-Ukraine war and the conflict in the Middle East, inflationary pressures, commodity price changes, and ongoing developments in the commercial real estate sector in mainland China); potential changes in HSBC's dividend policy; changes and volatility in foreign exchange rates and interest rates levels, including the accounting impact resulting from financial reporting in respect of hyperinflationary economies; volatility in equity markets; lack of liquidity in wholesale funding or capital markets, which may affect our ability to meet our obligations under financing facilities or to fund new loans, investments and businesses; geopolitical tensions or diplomatic developments producing social instability or legal uncertainty, such as the Russia-Ukraine war or the conflict in the Middle East (including the resurgence, continuation or escalation thereof) and the related imposition of sanctions and trade restrictions, supply chain restrictions and disruptions, sustained increases in energy prices and key commodity prices, claims of human rights violations, diplomatic tensions between China and the US, which may extend to and involve other countries, and developments in Hong Kong and Taiwan, alongside other potential areas of tension, which may adversely affect HSBC by creating regulatory, reputational and market risks; the efficacy of government, customer, and HSBC's actions in managing and mitigating ESG risks, in particular climate risk, nature-related risks and human rights risks, and in supporting the global transition to net zero carbon emissions, each of which can impact HSBC both directly and indirectly through our customers and which may result in potential financial and non-financial impacts; illiquidity and downward price pressure in national real estate markets; adverse changes in central banks' policies with respect to the provision of liquidity support to financial markets; heightened market concerns over sovereign creditworthiness in over-indebted countries; adverse changes in the funding status of public or private defined benefit pensions; societal shifts in customer financing and investment needs, including consumer perception as to the continuing availability of credit; exposure to counterparty risk, including third parties using us as a conduit for illegal activities without our knowledge; the discontinuation of certain key Ibors and the transition of the remaining legacy Ibor contracts to near risk-free benchmark rates, which continues to expose HSBC to some financial and non-financial risks; and price competition in the market segments we serve;

– changes in government policy and regulation, including trade and tariff policies, as well as monetary, interest rate and other policies of central banks and other regulatory authorities in the principal markets in which we operate and the consequences thereof (including, without limitation, actions taken as a result of changes in government following national elections in the markets where the Group operates); initiatives to change the size, scope of activities and interconnectedness of financial institutions in connection with the implementation of stricter regulation of financial institutions in key markets worldwide; revised capital and liquidity benchmarks, which could serve to deleverage bank balance sheets and lower returns available from the current business model and portfolio mix; changes to tax laws and tax rates applicable to HSBC, including the imposition of levies or taxes designed to change business mix and risk appetite; the practices, pricing or responsibilities of financial institutions serving their consumer markets; expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; the UK's relationship with the EU, particularly with respect to the potential divergence of UK and EU law on the regulation of financial services; changes in government approach and regulatory treatment in relation to ESG disclosures and reporting requirements, and the current lack of a single standardised regulatory approach to ESG across all sectors and markets; changes in UK macroeconomic and fiscal policy, which may result in fluctuations in the value of the pound sterling; general changes in government policy (including, without limitation, actions taken as a result of changes in government following national elections in the markets where the Group operates) that may significantly influence investor decisions; the costs, effects and outcomes of regulatory reviews, actions or litigation, including any additional compliance requirements; and the effects of competition in the markets where we operate including increased competition from non-bank financial services companies; and

– factors specific to HSBC, including our success in adequately identifying the risks we face, such as the incidence of loan losses or delinquency, and managing those risks (through account management, hedging and other techniques); our ability to achieve our financial, investment, capital and ESG ambitions, targets and commitments (including the positions set forth in our thermal coal phase-out policy and our energy policy and our targets to reduce our on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors), which may result in our failure to achieve any of the expected outcomes of our strategic priorities; evolving regulatory requirements and the development of new technologies, including artificial intelligence, affecting how we manage model risk; model limitations or failure, including, without limitation, the impact that high inflationary pressures and rising interest rates have had on the performance and usage of financial models, which may require us to hold additional capital, incur losses and/or use compensating controls, such as judgemental post-model adjustments, to address model limitations; changes to the judgements, estimates and assumptions we base our financial statements on; changes in our ability to meet the requirements of regulatory stress tests; a reduction in the credit ratings assigned to us or any of our subsidiaries, which could increase the cost or decrease the availability of our funding and affect our liquidity position and net interest margin; changes to the reliability and security of our data management, data privacy, information and technology infrastructure, including threats from cyber-attacks, which may impact our ability to service clients and may result in financial loss, business disruption and/or loss of customer services and data; the accuracy and effective use of data, including internal management information that may not have been independently verified; changes in insurance customer behaviour and insurance claim rates; our dependence on loan payments and dividends from subsidiaries to meet our obligations; changes in our reporting frameworks and accounting standards, which have had and may continue to have a material impact on the way we prepare our financial statements; our ability to successfully execute planned strategic acquisitions and disposals; our success in adequately integrating acquired businesses into our business; our ability to successfully execute and implement the announced strategic reorganisation of the Group; changes in our ability to manage third-party, fraud, financial crime and reputational risks inherent in our operations; employee misconduct, which may result in regulatory sanctions and/or reputational or financial harm; changes in skill requirements, ways of working and talent shortages, which may affect our ability to recruit and retain senior management and an inclusive and skilled workforce; and changes in our ability to develop sustainable finance and ESG-related products consistent with the evolving expectations of our regulators, and our capacity to measure the environmental and social impacts from our financing activity (including as a result of data limitations and changes in methodologies), which may affect our ability to achieve our ESG ambitions, targets and commitments, including our net zero ambition, our targets to reduce on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors and the positions set forth in our thermal coal phase-out policy and our energy policy, and increase the risk of greenwashing. Effective risk management depends on, among other things, our ability through stress testing and other techniques to prepare for events that cannot be captured by the statistical models it uses; our success in addressing operational, legal and regulatory, and litigation challenges; and other risks and uncertainties we identify in 'Top and emerging risks' on pages 131 to 136.

This Annual Report and Accounts 2024 contains a number of images, graphics, infographics, text boxes and illustrative case studies and credentials which aim to give a high-level overview of certain elements of our disclosures and to improve accessibility for readers. These images, graphics, infographics, text boxes and illustrative case studies and credentials are designed to be read within the context of the Annual Report and Accounts 2024 as a whole.

Additional cautionary statement regarding ESG data, metrics and forward-looking statements

The Annual Report and Accounts 2024 contains a number of forward-looking statements (as defined above) with respect to HSBC's ESG ambitions, targets, commitments, climate-related pathways, processes and plans, and the methodologies and scenarios we use, or intend to use, to assess our progress in relation to these ('ESG-related forward-looking statements').

In preparing the ESG-related information contained in the Annual Report and Accounts 2024, HSBC has made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. We have used ESG (including climate) data, models and methodologies that we consider, as of the date on which they were used, to be appropriate and suitable to understand and assess climate change risk and its impact, to analyse financed emissions - and operational and supply chain emissions, to set ESG-related targets and to evaluate the classification of sustainable finance and investments. However, these data, models and methodologies are often new, are rapidly evolving and are not of the same standard as those available in the context of other financial information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. In particular, it is not possible to rely on historical data as a strong indicator of future trajectories in the case of climate change and its evolution. Outputs of models, processed data and methodologies are also likely to be affected by underlying data quality, which can be hard to assess and we expect industry guidance, market practice, and regulations in this field to continue to change. We also face challenges in relation to our ability to access data on a timely basis, lack of consistency and comparability between data that is available and our ability to collect and process relevant data. Consequently, the ESG-related forward-looking statements and ESG metrics disclosed in the Annual Report and Accounts 2024 carry an additional degree of inherent risk and uncertainty.

Due to the unpredictable evolution of climate change and its future impact and the uncertainty of future policy and market response to ESG-related issues and the effectiveness of any such response, HSBC may have to re-evaluate its progress towards its ESG ambitions, targets and commitments in the future, update the methodologies it uses or alter its approach to ESG (including climate) analysis and may be required to amend, update and recalculate its ESG disclosures and assessments in the future, as market practice and data quality and availability develop.

No assurance can be given by or on behalf of HSBC as to the likelihood of the achievement or reasonableness of any projections, estimates, forecasts, ambitions, targets, commitments, prospects or returns contained herein. Readers are cautioned that a number of factors, both external and those specific to HSBC, could cause actual achievements, results, performance or other future events or conditions to differ, in some cases materially, from those stated, implied and/or reflected in any ESG-related forward-looking statement or metric due to a variety of risks, uncertainties and other factors (including without limitation those referred to below):

- Climate change projection risk: this includes, for example, the evolution of climate change and its impacts, changes in the scientific assessment of climate change impacts, transition pathways and future risk exposure and limitations of climate scenario forecasts;
- ESG projection risk: ESG metrics are complex and are still subject to development. In addition, the scenarios employed in relation to them, and the models that analyse them have limitations that are sensitive to key assumptions and parameters, which are themselves subject to some uncertainty, and cannot fully capture all of the potential effects of climate, policy and technology-driven outcomes;
- Changes in the ESG regulatory landscape: this involves changes in government approach and regulatory treatment in relation to ESG disclosures and reporting requirements, and the current lack of a single standardised regulatory approach to ESG across all sectors and markets;
- Variation in reporting standards: ESG reporting standards are still developing and are not standardised or comparable across all sectors and markets, new reporting standards in relation to different ESG metrics are still emerging;
- Data availability, accuracy, verifiability and data gaps: our disclosures are limited by the availability of high quality data in some areas and our own ability to timely collect and process such data as required. Where data is not available for all sectors or consistently year on year, there may be an impact to our data quality scores. While we expect our data quality scores to improve over time, as companies continue to expand their disclosures to meet growing regulatory and stakeholder expectations, there may be unexpected fluctuations within sectors year on year, and/or differences between the data quality scores between sectors. Any such changes in the availability and quality of data over time, or our ability to collect and process such data, could result in revisions to reported data going forward, including on financed emissions, meaning that such data may not be reconcilable or comparable year-on year;

- Developing methodologies and scenarios: the methodologies and scenarios HSBC uses to assess financed emissions and set ESG-related targets may develop over time in line with market practice, regulation and/or developments in science, where applicable. Such developments could result in revisions to reported data, including on financed emissions or the classification of sustainable finance and investments, meaning that data outputs may not be reconcilable or comparable year-on year; and
- Risk management capabilities: global actions, including HSBC's own actions, may not be effective in transitioning to net zero and in managing relevant ESG risks, including in particular climate, nature-related and human rights risks, each of which can impact HSBC both directly and indirectly through our customers, and which may result in potential financial and non-financial impacts to HSBC. In particular:
- we may not be able to achieve our ESG ambitions, targets and commitments (including with respect to the positions set forth in our thermal coal phase-out policy and our energy policy, and our targets to reduce our on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors), which may result in our failure to achieve some or all of the expected outcomes of our strategic priorities; and
- we may not be able to develop sustainable finance and ESG-related products consistent with the evolving expectations of our regulators, and our capacity to measure the environmental and social impacts from our financing activity may diminish (including as a result of data and model limitations and changes in methodologies), which may affect our ability to achieve our ESG ambitions, targets and commitments, including our net zero ambition, our targets to reduce our on-balance sheet financed emissions and, where applicable, facilitated emissions in our portfolio of selected high-emitting sectors and the positions set forth in our thermal coal phase-out policy and energy policy, and increase the risk of greenwashing.

Any forward-looking statements made by or on behalf of HSBC speak only as of the date they are made. HSBC expressly disclaims any obligation to revise or update these ESG forward-looking statements, other than as expressly required by applicable law.

Written and/or oral ESG-related forward-looking statements may also be made in our periodic reports to the US Securities and Exchange Commission, summary financial statements to shareholders, proxy statements, offering circulars and prospectuses, press releases and other written materials, and in oral statements made by HSBC's Directors, officers or employees to third parties, including financial analysts.

Our data dictionaries and methodologies for preparing the above ESG-related metrics and third-party limited assurance reports can be found on: www.hsbc.com/who-we-are/esg-and-responsible-business/esg-reporting-centre.

Certain defined terms

Unless the context requires otherwise, 'HSBC Holdings' means HSBC Holdings plc and 'HSBC', the 'Group', 'we', 'us' and 'our' refer to HSBC Holdings together with its subsidiaries. Within this document the Hong Kong Special Administrative Region of the People's Republic of China is referred to as 'Hong Kong'.

When used in the terms 'shareholders' equity' and 'total shareholders' equity', 'shareholders' means holders of HSBC Holdings ordinary shares and those preference shares and capital securities issued by HSBC Holdings classified as equity. The abbreviations '$m', '$bn' and '$tn' represent millions, billions (thousands of millions) and trillions of US dollars, respectively.

Abbreviations

Currencies	
£	British pound sterling
CA$	Canadian dollar
€	Euro
HK$	Hong Kong dollar
MXN	Mexican peso
RMB	Chinese renminbi
SGD	Singapore dollar
$	United States dollar
Abbreviations	
1H24	First half of 2024
1Q24	First quarter of 2024
2Q24	Second quarter of 2024
3Q24	Third quarter of 2024
4Q24	Fourth quarter of 2024
9M24	Nine months of 2024
A	
ABS[1]	Asset-backed security
ADR	American Depositary Receipt
ADS	American Depositary Share
AGM	Annual General Meeting
AI	Artificial intelligence
AIBL	Average interest-bearing liabilities
AIEA	Average interest-earning assets
ALCO	Asset and Liability Management Committee
AML	Anti-money laundering
AML DPA	Five-year deferred prosecution agreement with the US Department of Justice, entered into in December 2012
ANP	Annualised new business premium
ASEAN	Association of Southeast Asian Nations
AT1	Additional tier 1
B	
Banking NII	Banking net interest income
Basel Committee	Basel Committee on Banking Supervision
Basel II[1]	2006 Basel Capital Accord
Basel III[1]	Basel Committee's reforms to strengthen global capital and liquidity rules
Basel 3.1	Outstanding measures to be implemented from the Basel III reforms
BEPS	Base Erosion and Profit Shifting
BGF	Business Growth Fund, an investment firm that provides growth capital for small and mid-sized businesses in the UK and Ireland
BoCom	Bank of Communications Co., Limited, one of China's largest banks
BoE	Bank of England
Bps[1]	Basis points. One basis point is equal to one-hundredth of a percentage point
BVI	British Virgin Islands
C	
CAPM	Capital asset pricing model
CDS[1]	Credit default swap
CEA	Commodity Exchange Act (US)
CET1[1]	Common equity tier 1
CGUs	Cash-generating units
CIB	Corporate and Institutional Banking
CMB	Commercial Banking, a global business
CMC	Capital maintenance charge
CODM	Chief Operating Decision Maker
COSO	2013 Committee of Sponsoring Organizations of the Treadway Commission (US)
Corporate Centre	Corporate Centre comprises Central Treasury, our legacy businesses, interests in our associates and joint ventures, central stewardship costs and consolidation adjustments
CP[1]	Commercial paper
CRD IV[1]	Capital Requirements Regulation and Directive
CRR[1]	Customer risk rating
CRR II[1]	The regulatory requirements of the Capital Requirements Regulation and Directive, the CRR II regulation and the PRA Rulebook
CSA	Credit support annex
CSM	Contractual service margin
CVA[1]	Credit valuation adjustment
D	
DECL	Disclosures about Expected Credit Losses
Deferred shares	Awards of deferred shares define the number of HSBC Holdings ordinary shares to which the employee will become entitled, generally between one and seven years from the date of the award, and normally subject to the individual remaining in employment
DPD	Days past due
DPF	Discretionary participation feature of insurance and investment contracts
DVA[1]	Debit valuation adjustment
E	
EAD[1]	Exposure at default
EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank
ECL	Expected credit losses. In the income statement, ECL is recorded as a change in expected credit losses and other credit impairment charges. In the balance sheet, ECL is recorded as an allowance for financial instruments to which only the impairment requirements in IFRS 9 are applied
EEA	European Economic Area
Eonia	Euro Overnight Index Average
EPC	Energy performance certificate
EPS	Earnings per ordinary share
ESG	Environmental, social and governance
EU	European Union
Euribor	Euro interbank offered rate
EVE	Economic value of equity
F	
FAST-Infra	Finance to Accelerate the Sustainable Transition-Infrastructure
FCA	Financial Conduct Authority (UK)
FDIC	Federal Deposit Insurance Corporation
FFVA	Funding fair value adjustment estimation methodology on derivative contracts
FPA	Fixed pay allowance
FRB	Federal Reserve Board (US)
FRC	Financial Reporting Council
FSCS	Financial Services Compensation Scheme
FTE	Full-time equivalent staff
FTSE	Financial Times Stock Exchange index
FVOCI[1]	Fair value through other comprehensive income
FX	Foreign exchange
G	
GAAP	Generally accepted accounting principles
GAC	Group Audit Committee
GBM	Global Banking and Markets, a global business
GDP	Gross domestic product
GEC	Group Executive Committee
GHG	Greenhouse Gas
GMP	Guaranteed minimum pension
GPS	Global Payments Solutions, the business formerly known as Global Liquidity and Cash Management
GPSP	Group Performance Share Plan
GRC	Group Risk Committee

Group	HSBC Holdings together with its subsidiary undertakings
GTS	Global Trade Solutions, the business formerly known as Global Trade and Receivables Finance

H

Hang Seng Bank	Hang Seng Bank Limited, one of Hong Kong's largest banks
HKEx	The Stock Exchange of Hong Kong Limited
HKMA	Hong Kong Monetary Authority
HMRC	HM Revenue and Customs
Holdings ALCO	HSBC Holdings Asset and Liability Management Committee
Hong Kong	Hong Kong Special Administrative Region of the People's Republic of China
HQLA	High-quality liquid assets
HSBC	HSBC Holdings together with its subsidiary undertakings
HSBC Bank plc	HSBC Bank plc, also known as the non-ring-fenced bank
HSBC Bank Middle East	HSBC Bank Middle East Limited
HSBC Bank USA	HSBC Bank USA, N.A., HSBC's retail bank in the US
HSBC Canada	The sub-group, HSBC Bank Canada, HSBC Trust Company Canada, HSBC Mortgage Corporation Canada and HSBC Securities Canada, consolidated for liquidity purposes
HSBC Continental Europe	HSBC Continental Europe
HSBC Finance	HSBC Finance Corporation, the US consumer finance company (formerly Household International, Inc.)
HSBC Holdings	HSBC Holdings plc, the parent company of HSBC
HSBC Private Bank (Suisse)	HSBC Private Bank (Suisse) SA, HSBC's private bank in Switzerland
HSBC UK	HSBC UK Bank plc, also known as the ring-fenced bank
HSBC USA	The sub-group, HSBC USA Inc (the holding company of HSBC Bank USA) and HSBC Bank USA, consolidated for liquidity purposes
HSI	HSBC Securities (USA) Inc.
HSSL	HSBC Securities Services (Luxembourg)

I

IAS	International Accounting Standards
IASB	International Accounting Standards Board
IBE	Independent Board Evaluation
Ibor	Interbank offered rate
ICAAP	Internal capital adequacy assessment process
ICMA	International Capital Market Association
IEA	International Energy Agency
IFRS Accounting Standards	International Financial Reporting Standards as issued by the International Accounting Standards Board
ILAAP	Internal liquidity adequacy assessment process
IMA	Internal model approach
IMM	Internal model method
IRB[1]	Internal ratings-based
ISDA	International Swaps and Derivatives Association
ISSB	International Sustainability Standard Board
IVB	HSBC Innovation Banking
IWPB	International Wealth and Premier Banking

J

JV	Joint venture

K

KMP	Key Management Personnel

L

LCR	Liquidity coverage ratio
LGBTQ+	Lesbian, gay, bisexual, transgender and queer. The plus sign denotes other non-mainstream groups on the spectrums of sexual orientation and gender identity
LGD[1]	Loss given default
Libor	London interbank offered rate
Long term	For our financial targets, we define long term as five to six years, commencing 1 January 2025
LTI	Long-term incentive
LTV[1]	Loan to value

M

Mainland China	People's Republic of China excluding Hong Kong and Macau
Medium term	For our financial targets, we define medium term as three to four years, commencing 1 January 2025
MENAT	Middle East, North Africa and Türkiye
MREL	Minimum requirement for own funds and eligible liabilities
MRT[1]	Material Risk Taker
MSS	Markets and Securities Services, HSBC's capital markets and securities services businesses in Global Banking and Markets

N

Net operating income	Net operating income before change in expected credit losses and other credit impairment charges
NGO	Non-governmental organisation
NII	Net interest income
NIM	Net interest margin
NPS	Net promoter score
NSFR	Net stable funding ratio
NYSE	New York Stock Exchange

O

OCI	Other comprehensive income
OECD	Organisation of Economic Co-operation and Development
OTC[1]	Over-the-counter

P

PBT	Profit before tax
PCAF	Partnership for Carbon Accounting Financials
PD[1]	Probability of default
Performance shares[1]	Awards of HSBC Holdings ordinary shares under employee share plans that are subject to corporate performance conditions
Ping An	Ping An Insurance (Group) Company of China, Ltd, the second-largest life insurer in the PRC
POCI	Purchased or originated credit-impaired financial assets
PRA	Prudential Regulation Authority (UK)
PRC	People's Republic of China
Principal plan	HSBC Bank (UK) Pension Scheme
PVIF	Present value of in-force long-term insurance business and long-term investment contracts with DPF
PwC	The member firms of the PwC network, including PricewaterhouseCoopers LLP

R

RAS	Risk appetite statement
Repo[1]	Sale and repurchase transaction
Revenue	Net operating income before ECL
Reverse repo	Security purchased under commitments to sell
RNIV	Risk not in VaR
RoE	Return on average ordinary shareholders' equity
RoTE	Return on average tangible equity
RWA[1]	Risk-weighted asset

S

SAB	Saudi Awwal Bank
SAPS	Self-administered pension scheme
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG	United Nation's Sustainable Development Goals
SEC	Securities and Exchange Commission (US)
ServCo group	Separately incorporated group of service companies established in response to UK ring-fencing requirements
Sibor	Singapore interbank offered rate
SIC	Securities investment conduit
SME	Small and medium-sized enterprise
Solitaire	Solitaire Funding Limited, a special purpose entity managed by HSBC
SPE[1]	Special purpose entity
SVB UK	Silicon Valley Bank UK Limited, now HSBC Innovation Bank Limited

T

TCFD[1]	Task Force on Climate-related Financial Disclosures
THBFIX	Thai Baht Interest Rate Fixing
TNFD	Taskforce on Nature-related Financial Disclosures
TSR[1]	Total shareholder return

U

UAE	United Arab Emirates
UK	United Kingdom

UN	United Nations
US	United States of America
V	
VaR[1]	Value at risk
VIU	Value in use
W	
WEF	World Economic Forum
WPB	Wealth and Personal Banking, a global business

1 A full definition is included in the glossary to the Annual Report and Accounts 2024 which is available at www.hsbc.com/investors.

HSBC Holdings plc
Incorporated in England and Wales on 1 January 1959 with limited liability under the UK Companies Act
Registration number 617987

Registered Office and Group Head Office

8 Canada Square
London E14 5HQ
United Kingdom

Telephone: 44 020 7991 8888
Facsimile: 44 020 7992 4880
Web: www.hsbc.com

Corporate Brokers

Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA
United Kingdom

Bank of America Securities
2 King Edward Street
London EC1A 1HQ
United Kingdom

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Published by Global Finance, HSBC Holdings plc, London

Designed by Global Finance, HSBC Holdings plc with Design Bridge and Partners, London

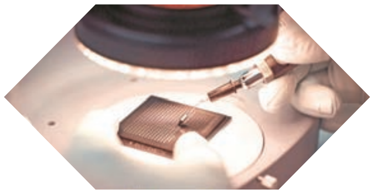
Printed by Park Communications Limited, London, on Nautilus SuperWhite board and paper using vegetable oil-based inks. Made in Austria, the stocks comprise 100% de-inked post-consumer waste. Pulps used are totally chlorine-free.

The FSC® recycled logo identifies a paper that contains 100% post-consumer recycled fibre certified in accordance with the rules of the Forest Stewardship Council®.

FSC
www.fsc.org
RECYCLED
Paper made from recycled material
FSC® C001785















HSBC Holdings plc
8 Canada Square
London E14 5HQ
United Kingdom
T: +44 (0)20 7991 8888

www.hsbc.com