

HSBC North America Holdings Inc

Capital and Other TLAC-eligible Instruments Main Features

30 June 2024



This document is a disclosure document published to provide a description of the main features of HSBC North America Holdings Inc's regulatory capital instruments and Total Loss Absorbing Capacity ('TLAC') eligible instruments.

The information contained in this document has been compiled in accordance with the final United States (US) TLAC rules, as published in December of 2016 (12 CFR 252, as part of Regulation YY). Assumptions on the regulatory treatment of the capital instruments and eligible liabilities described herein reflect the HSBC Group's interpretation of current rules. "HSBC Group" means HSBC Holdings plc, together with its consolidated subsidiaries. These disclosures are made in advance of relevant TLAC reporting requirements coming in to effect in the US. The format of these disclosures have been made in accordance with Template CCA, as per the Basel Committee on Banking Supervision ('BCBS') "Pillar 3 disclosure requirements - consolidated and enhanced framework", issued March 2017.

Disclosure in the required format has resulted in simplification and abbreviation of the features of the capital instruments described herein. The information contained in this document is not intended to be a comprehensive description of such capital instruments. No investor or prospective investor in any such capital instruments should rely upon the description contained in this document and none of HSBC North America Holdings Inc or any member of the HSBC Group shall be liable for any inaccuracy or misstatement contained in this document.

All capital instruments issued by HSBC North America Holdings Inc. are held by HSBC Overseas Holdings (UK) Limited. As such no external investors hold an interest in the securities, however the full terms and conditions for all instruments are available on request via HSBC Group Investor Relations (investorrelations@hsbc.com).

Common Equity Tier 1

| | | |
|---------------------|--|--|
| 1 | Issuer | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance |
| 3 | Governing law(s) of the instrument | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | N/A |
| 4 | Transitional CRR rules | Common Equity Tier 1 |
| 5 | Post-transitional CRR rules | Common Equity Tier 1 |
| 6 | Eligible at solo/group/solo and group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Ordinary Shares |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) ¹ | USD 7,828m |
| 9 | Par value of instrument | USD 0m |
| 10 | Accounting classification | Shareholder's Equity |
| 11 | Original date of issuance | 01 Feb 2016 |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | - |
| 14 | Issuer call subject to prior supervisory approval | - |
| 15 | Optional call date, contingent call dates and redemption amount | - |
| 16 | Subsequent call dates, if applicable | - |
| Coupons / dividends | | |
| 17 | Fixed or floating dividend/coupon | - |
| 18 | Coupon rate and any related index | - |
| 19 | Existence of a dividend stopper | - |
| 20 | Fully discretionary, partially discretionary or mandatory | - |
| 21 | Existence of step up or other incentive to redeem | - |
| 22 | Non-cumulative or cumulative | Non-cumulative |
| 23 | Convertible or non-convertible | Non-convertible |
| 24 | If convertible, conversion trigger(s) | - |
| 25 | If convertible, fully or partially | - |
| 26 | If convertible, conversion rate | - |
| 27 | If convertible, mandatory or optional conversion | - |
| 28 | If convertible, specify instrument type convertible into | - |
| 29 | If convertible, specify issuer of instrument it converts into | - |
| 30 | Write-down features | - |
| 31 | If write-down, write-down trigger(s) | - |
| 32 | If write-down, full or partial | - |
| 33 | If write-down, permanent or temporary | - |
| 34 | If temporary write-down, description of write-up mechanism | - |
| 34a | Type of subordination | - |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Immediately subordinate to Additional Tier 1 |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | - |

¹ Represents the portion of ordinary share capital plus share premium which is held outside of the US Resolution Group.

Additional Tier 1

| | | |
|-----|--|---|
| 1 | Issuer | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance [Series C Preferred Stock] |
| 3 | Governing law(s) of the instrument | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | N/A |
| 4 | Transitional CRR rules | Additional Tier 1 |
| 5 | Post-transitional CRR rules | Additional Tier 1 |
| 6 | Eligible at solo/group/solo and group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Preferred Stock |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) | USD 1,640m |
| 9 | Par value of instrument | USD 1,640m |
| 10 | Accounting classification | Shareholder's Equity |
| 11 | Original date of issuance | 31 May 2016 |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | - |
| 14 | Issuer call subject to prior supervisory approval | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | 31 May 2021 / Capital event at any time / Par |
| 16 | Subsequent call dates, if applicable | - |
| | Coupons / dividends | |
| 17 | Fixed or floating dividend/coupon | Fixed |
| 18 | Coupon rate and any related index | 6.000% |
| 19 | Existence of a dividend stopper | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully Discretionary |
| 21 | Existence of step up or other incentive to redeem | No |
| 22 | Non-cumulative or cumulative | Non-cumulative |
| 23 | Convertible or non-convertible | Non-convertible |
| 24 | If convertible, conversion trigger(s) | - |
| 25 | If convertible, fully or partially | - |
| 26 | If convertible, conversion rate | - |
| 27 | If convertible, mandatory or optional conversion | - |
| 28 | If convertible, specify instrument type convertible into | - |
| 29 | If convertible, specify issuer of instrument if converts into | - |
| 30 | Write-down features | No |
| 31 | If write-down, write-down trigger(s) | - |
| 32 | If write-down, full or partial | - |
| 33 | If write-down, permanent or temporary | - |
| 34 | If temporary write-down, description of write-up mechanism | - |
| 34a | Type of subordination | N/A |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Immediately subordinate to Tier 2 Instruments |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | - |

Eligible Liabilities

| | | | |
|-----|--|---|---|
| 1 | Issuer | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance [9530] | N/A - Internal issuance [9406] |
| 3 | Governing law(s) of the instrument | Laws of the State of New York | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | Contractual | Contractual |
| 4 | Transitional CRR rules | N/A | N/A |
| 5 | Post-transitional CRR rules | N/A | N/A |
| 6 | Eligible at solo/group/solo and group | Solo and Group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Loan | Loan |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) | N/A – amount eligible for TLAC only. | N/A – amount eligible for TLAC only. |
| 9 | Par value of instrument | USD 2,000m | USD 1,000m |
| 10 | Accounting classification | Financial liabilities measured at amortized cost | Financial liabilities measured at amortized cost |
| 11 | Original date of issuance | 25 May 2021 | 06 Dec 2018 |
| 12 | Perpetual or dated | Dated | Dated |
| 13 | Original maturity date | 04 Jun 2027 | 12 Sep 2027 |
| 14 | Issuer call subject to prior supervisory approval | Yes | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | 04 Jun 2025 | 12 September 2025/ Tax event at any time / Par |
| 16 | Subsequent call dates, if applicable | N/A | N/A |
| | Coupons / dividends | | |
| 17 | Fixed or floating dividend/coupon | Fixed to Floating | Floating |
| 18 | Coupon rate and any related index | From 04 June 2025 rate changes from fixed 1.506% to SOFR + 0.99676% | 3-month USD SOFR (90 day average) + 2.239% |
| 19 | Existence of a dividend stopper | No | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No | No |
| 22 | Non-cumulative or cumulative | Cumulative | Cumulative |
| 23 | Convertible or non-convertible | Convertible | Convertible |
| 24 | If convertible, conversion trigger(s) | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. |
| 25 | If convertible, fully or partially | May convert fully or partially | May convert fully or partially |
| 26 | If convertible, conversion rate | To be determined at conversion | To be determined at conversion |
| 27 | If convertible, mandatory or optional conversion | Mandatory | Mandatory |
| 28 | If convertible, specify instrument type convertible into | Common Equity Tier 1 | Common Equity Tier 1 |
| 29 | If convertible, specify issuer of instrument it converts into | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 30 | Write-down features | - | - |
| 31 | If write-down, write-down trigger(s) | - | - |
| 32 | If write-down, full or partial | - | - |
| 33 | If write-down, permanent or temporary | - | - |
| 34 | If temporary write-down, description of write-up mechanism | - | - |
| 34a | Type of subordination | Structural | Structural |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | N/A | N/A |
| 36 | Non-compliant transitioned features | No | No |
| 37 | If yes, specify non-compliant features | - | - |

Eligible Liabilities

| | | | |
|-----|--|---|---|
| 1 | Issuer | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance [9408] | N/A - Internal issuance [9518] |
| 3 | Governing law(s) of the instrument | Laws of the State of New York | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | Contractual | Contractual |
| 4 | Transitional CRR rules | N/A | N/A |
| 5 | Post-transitional CRR rules | N/A | N/A |
| 6 | Eligible at solo/group/solo and group | Solo and Group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Loan | Loan |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) | N/A – amount eligible for TLAC only. | N/A – amount eligible for TLAC only. |
| 9 | Par value of instrument | USD 2,000m | USD 1,500m |
| 10 | Accounting classification | Financial liabilities measured at amortized cost | Financial liabilities measured at amortized cost |
| 11 | Original date of issuance | 06 Dec 2018 | 08 Mar 2021 |
| 12 | Perpetual or dated | Dated | Dated |
| 13 | Original maturity date | 12 Sep 2027 | 04 Jun 2032 |
| 14 | Issuer call subject to prior supervisory approval | Yes | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | 12 September 2025/ Tax event at any time / Par | 4 June 2030/ Tax event at any time / Par |
| 16 | Subsequent call dates, if applicable | N/A | N/A |
| | Coupons / dividends | | |
| 17 | Fixed or floating dividend/coupon | Fixed to Floating | Fixed to Floating |
| 18 | Coupon rate and any related index | From 12 September 2025 rate changes from fixed 4.95% to 3 month USD LIBOR + 1.932% | From 04 June 2030 rate changes from fixed 2.6250% to SOFR + 1.3396% |
| 19 | Existence of a dividend stopper | No | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No | No |
| 22 | Non-cumulative or cumulative | Cumulative | Cumulative |
| 23 | Convertible or non-convertible | Convertible | Convertible |
| 24 | If convertible, conversion trigger(s) | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. |
| 25 | If convertible, fully or partially | May convert fully or partially | May convert fully or partially |
| 26 | If convertible, conversion rate | To be determined at conversion | To be determined at conversion |
| 27 | If convertible, mandatory or optional conversion | Mandatory | Mandatory |
| 28 | If convertible, specify instrument type convertible into | Common Equity Tier 1 | Common Equity Tier 1 |
| 29 | If convertible, specify issuer of instrument it converts into | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 30 | Write-down features | - | - |
| 31 | If write-down, write-down trigger(s) | - | - |
| 32 | If write-down, full or partial | - | - |
| 33 | If write-down, permanent or temporary | - | - |
| 34 | If temporary write-down, description of write-up mechanism | - | - |
| 34a | Type of subordination | Structural | Structural |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | N/A | N/A |
| 36 | Non-compliant transitioned features | No | No |
| 37 | If yes, specify non-compliant features | - | - |

Eligible Liabilities

| | | | |
|-----|--|---|---|
| 1 | Issuer | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance [9413] | N/A - Internal issuance [9579] |
| 3 | Governing law(s) of the instrument | Laws of the State of New York | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | Contractual | Contractual |
| 4 | Transitional CRR rules | N/A | N/A |
| 5 | Post-transitional CRR rules | N/A | N/A |
| 6 | Eligible at solo/group/solo and group | Solo and Group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Loan | Loan |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) | N/A – amount eligible for TLAC only. | N/A – amount eligible for TLAC only. |
| 9 | Par value of instrument | USD 1,500m | USD 500m |
| 10 | Accounting classification | Financial liabilities measured at amortized cost | Financial liabilities measured at amortized cost |
| 11 | Original date of issuance | 13 Dec 2018 | 09 Dec 2022 |
| 12 | Perpetual or dated | Dated | Dated |
| 13 | Original maturity date | 08 Mar 2028 | 09 Dec 2029 |
| 14 | Issuer call subject to prior supervisory approval | Yes | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | 8 March 2026/ Tax event at any time / Par | 9 December 2027/ Tax event at any time / Par |
| 16 | Subsequent call dates, if applicable | N/A | N/A |
| | Coupons / dividends | | |
| 17 | Fixed or floating dividend/coupon | Fixed to Floating | Fixed to Floating |
| 18 | Coupon rate and any related index | From 8 March 2026 rate changes from fixed to 4.968% to 3 month USD LIBOR + 2.118% | From 9 December 2027 rate changes from fixed 6.215% to SOFR + 2.680% |
| 19 | Existence of a dividend stopper | No | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No | No |
| 22 | Non-cumulative or cumulative | Cumulative | Cumulative |
| 23 | Convertible or non-convertible | Convertible | Convertible |
| 24 | If convertible, conversion trigger(s) | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. |
| 25 | If convertible, fully or partially | May convert fully or partially | May convert fully or partially |
| 26 | If convertible, conversion rate | To be determined at conversion | To be determined at conversion |
| 27 | If convertible, mandatory or optional conversion | Mandatory | Mandatory |
| 28 | If convertible, specify instrument type convertible into | Common Equity Tier 1 | Common Equity Tier 1 |
| 29 | If convertible, specify issuer of instrument it converts into | HSBC North America Holdings Inc | HSBC North America Holdings Inc |
| 30 | Write-down features | - | - |
| 31 | If write-down, write-down trigger(s) | - | - |
| 32 | If write-down, full or partial | - | - |
| 33 | If write-down, permanent or temporary | - | - |
| 34 | If temporary write-down, description of write-up mechanism | - | - |
| 34a | Type of subordination | Structural | Structural |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | N/A | N/A |
| 36 | Non-compliant transitioned features | No | No |
| 37 | If yes, specify non-compliant features | - | - |

Eligible Liabilities

| | | |
|-----|--|---|
| 1 | Issuer | HSBC North America Holdings Inc |
| 2 | Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement) | N/A - Internal issuance [9617] |
| 3 | Governing law(s) of the instrument | Laws of the State of New York |
| 3a | Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law) | Contractual |
| 4 | Transitional CRR rules | N/A |
| 5 | Post-transitional CRR rules | N/A |
| 6 | Eligible at solo/group/solo and group | Solo and Group |
| 7 | Instrument type (types to be specified by each jurisdiction) | Loan |
| 8 | Amount recognised in regulatory capital (currency in millions, as of most recent reporting date) | N/A – amount eligible for TLAC only. |
| 9 | Par value of instrument | USD 500m |
| 10 | Accounting classification | Financial liabilities measured at amortized cost |
| 11 | Original date of issuance | 07 Dec 2023 |
| 12 | Perpetual or dated | Dated |
| 13 | Original maturity date | 07 Dec 2030 |
| 14 | Issuer call subject to prior supervisory approval | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | 7 December 2028/ Tax event at any time / Par |
| 16 | Subsequent call dates, if applicable | N/A |
| | Coupons / dividends | |
| 17 | Fixed or floating dividend/coupon | Fixed to Floating |
| 18 | Coupon rate and any related index | From 7 December 2028 rate changes from fixed 5.870% to SOFR + 1.950% |
| 19 | Existence of a dividend stopper | No |
| 20 | Fully discretionary, partially discretionary or mandatory | Mandatory |
| 21 | Existence of step up or other incentive to redeem | No |
| 22 | Non-cumulative or cumulative | Cumulative |
| 23 | Convertible or non-convertible | Convertible |
| 24 | If convertible, conversion trigger(s) | Triggers to Federal Reserve debt conversion order authority under Sections 165 and 166 of the Dodd-Frank Act, as embodied in the Federal Reserve regulations at Subpart P of Regulation YY, 12 CFR Section 252.163. |
| 25 | If convertible, fully or partially | May convert fully or partially |
| 26 | If convertible, conversion rate | To be determined at conversion |
| 27 | If convertible, mandatory or optional conversion | Mandatory |
| 28 | If convertible, specify instrument type convertible into | Common Equity Tier 1 |
| 29 | If convertible, specify issuer of instrument it converts into | HSBC North America Holdings Inc |
| 30 | Write-down features | - |
| 31 | If write-down, write-down trigger(s) | - |
| 32 | If write-down, full or partial | - |
| 33 | If write-down, permanent or temporary | - |
| 34 | If temporary write-down, description of write-up mechanism | - |
| 34a | Type of subordination | Structural |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | N/A |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | - |