

## WRITTEN NOTICE

### Permission to amend calculation of the Operational Risk own funds requirement

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To: HSBC Holdings Plc (FRN 203795) ("the firm")

Of: 8 Canada Square, London E14 5HQ

Reference Number: 00008137

Date: 14 June 2024

#### DECISIONS

- (1) In accordance with the discretions afforded to the Prudential Regulation Authority ("the PRA") by Article 317(4) of Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (as it forms part of retained EU law) (the "CRR"), the Prudential Regulation Authority ("the PRA") has decided to grant the firm the permission to amend the calculation of its own funds requirement for the Operational Risk capital requirement ("ORCR") to take into account the effects of an event of the type specified within Article 317(4) second paragraph of the CRR.
- (2) The firm is permitted to amend the calculation in the following manner:
  - (a) For the calculation of the relevant indicator for the own funds requirement for operational risk, the firm must use a three year average of its business, excluding the own funds requirement for operational risk for the business listed in the annex to this notice.



(3) If the firm ceases to comply with the conditions for granting of this permission to amend the ORCR set out in Article 317(4) of the CRR, the PRA may reconsider the terms of this permission or revoke this permission in whole or in part.

(4) The permission to amend the ORCR takes effect on 14 June 2024 and expires on 14 June 2027.

## **TERMS OF THE PERMISSION**

(5) The firm is granted the permission to amend the ORCR on the basis that it has demonstrated to the satisfaction of the PRA that it complies with the conditions of CRR article 317(4).

## **PROCEDURAL MATTERS**

### **Decision maker**

(6) The decision which gave rise to the obligation to give this Written Notice was made by Simon Dixon, Head of Division, G-SIBs Supervision.

### **Publication**

(7) Details of permission to amend the ORCR will be published in full on the PRA Register.

### **PRA contacts**

(8) For more information concerning this matter generally, the firm should contact their usual Supervisory contact.

### **Simon Dixon**

#### **Head of Division, G-SIBs Supervision**

#### **For and on behalf of the Prudential Regulation Authority**

### **Annex**

The business referred to in paragraph (2)(a) above is as follow:

HSBC Bank Oman SAOG (previously owned by HSBC Holdings Plc), disposed of in August 2023.