

FX Global Code: Liquidity Provider Disclosure Cover Sheet

SCOPE:

Liquidity Provider / Entity Name: HSBC Holdings Plc

Most Recent Date Completed: June 2024

Liquidity Provider to confirm the entity / business area(s) to which this Cover Sheet applies:

Markets Foreign Exchange

KEY DISCLOSURES:

1. Capacity (Principle 8)

I. Liquidity Provider acts as (check one):

Agent

Principal

Both

II. If 'Both', briefly describe when Liquidity Provider acts in each capacity:

N/A

III. Liquidity Provider's disclosure regarding capacity is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 1**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

2. Pre-Hedging (Principle 11)

I. Liquidity Provider ever pre-hedges (check one):

Yes

No

II. If yes, Liquidity Provider ever offers clients, upon request, the option of placing an individual order specifying no pre-hedging (check one):

Yes

No

III. Liquidity Provider's disclosure regarding pre-hedging is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Pre-Hedging**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

3. Last Look (Principle 17)

I. Liquidity Provider ever employs Last Look (as defined in the FX Global Code) (check one):

Yes

No

II. Liquidity Provider's use of Last Look is (check all that apply):

Symmetrical

Asymmetrical

If Asymmetrical is used, briefly describe the circumstances:

HSBC offers price improvement where the electronic trading system used for a client's transaction is capable. This renders the last look process asymmetric in the client favour. HSBC does not apply any system enforced additional holding periods.

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 4 – Appendix A: Information about Last Look in Electronic Trading; Price Checks**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

III. Liquidity Provider's Last Look window maximum and minimum length (in m/s)

All Last Look checks are initiated and completed as soon as technologically practicable, after receiving a trade request and without applying any additional system-enforced holding periods. The HSBC Last Look window ranges from 0ms to 6ms at the 99th percentile with a median of 1ms, based on trade data from Jun-23 to May-24.

Liquidity Provider may briefly describe the circumstances under which Last Look window times may change

N/A – see responses (I) to (III) above

Liquidity Provider ever trades during the Last Look window:

No

When sourcing liquidity under a "Cover and Deal" arrangement that meets all of the characteristics set out in Principle 17 of the Code.

IV. Liquidity Provider's disclosure regarding Last Look is located here:

Information about HSBC's Foreign Exchange and Metals Terms of Dealing: Page 4 – Appendix A: Information about Last Look in Electronic Trading

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

V. Liquidity Provider may include free form text regarding any of the above Last Look key topics, if it would like to highlight anything referenced in the main body of its disclosure attached

All Last Look checks are initiated and completed as soon as technologically practicable, after receiving a trade request and without applying any additional system-enforced holding periods. HSBC will only engage in risk management activities in relation to the trade request once the Validity and Price Checks are completed and the trade request has been accepted.

Where a trade request is rejected on the basis of Last Look, the Client Information obtained will not be used in HSBC's pricing and risk management activities.

DISCLOSURES INDEX:

Order Handling

Order Aggregation (Principle 9)

- I. Liquidity Provider's disclosure regarding order aggregation is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Execution of Client Orders**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Discretion (Principle 9)

- I. Liquidity Provider's disclosure regarding use of discretion is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Execution of Client Orders**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Time-Stamping (Principle 9)

- I. Liquidity Provider's disclosure regarding time-stamping is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Execution of Client Orders**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Stop-Loss Orders (Principle 10)

- I. Liquidity Provider's disclosure regarding stop-loss orders is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 1 – Potential Conflicts of Interest**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Partial Fills (Principle 10)

- I. Liquidity Provider's disclosure regarding use of partial fills is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Execution of Client Orders**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Additional Disclosures

Use of Reference Prices (Principle 13)

- I. Liquidity Provider's disclosure regarding use of reference prices is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 5 – Appendix B: Information about Benchmark and Algorithmic Orders; Page
6 – Appendix C: Information about Determining Market Highs and Lows**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Markup / Fair Pricing Standards (Principle 14)

- I. Liquidity Provider's disclosure regarding use of mark-up is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Basis for Pricing and Order Execution**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Aggregation Services (Principle 18)

I. Liquidity Provider uses aggregation services:

Yes

No

II. If 'Yes', Liquidity Provider's disclosure describing its aggregation services is located here:

N/A

III. Liquidity Provider's disclosure regarding use of liquidity sources is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 2 – Execution of Client Orders**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Internal sharing of Confidential FX Trading Information (Principle 19)

I. Liquidity Provider's high level disclosure regarding internal sharing of confidential FX Trading Information is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 1 – Client Information**

<https://www.gbm.hsbc.com/-/media/media/gbm-global/gbm-refresh/gbm-solution/attachments/terms-of-dealing/foreign-exchange-and-metals-terms-of-dealing.pdf>

Market Colour (Principle 20)

I. Liquidity Provider's disclosure regarding use of Market Colour is located here:

**Information about HSBC's Foreign Exchange and Metals Terms of Dealing:
Page 1 – Client Information**

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