

HSBC HOLDINGS PLC

EMPLOYEE SHARE PLANS

31 December 2010

Employee Share Plans

In accordance with the terms of a waiver granted by the Hong Kong Stock Exchange on 24 December 2010, full details of options under Employee Share Plans required pursuant to Listing Rules 17.07 and 17.09 are disclosed below. These disclosures are also available on the Hong Kong Stock Exchange's website at www.hkex.com.hk and can be obtained upon request from the Group Company Secretary, 8 Canada Square, London E14 5HQ.

Employee share plans

To help align the interests of employees with those of shareholders, share options are granted under all-employee share plans and discretionary awards of Performance Shares and Restricted Shares are made under the HSBC Share Plan. There have been no awards of discretionary share options since 30 September 2005.

Set out on pages 3 to 8 are particulars of outstanding employee share options, including those held by employees working under employment contracts that are regarded as 'continuous contracts' for the purposes of the Hong Kong Employment Ordinance. The options were granted at nil consideration. No options have been granted to substantial shareholders, suppliers of goods or services, or in excess of the individual limit for each share plan. No options were cancelled by HSBC during the year.

Employee share plans are subject to the following limits on the number of HSBC Holdings ordinary shares that may be subscribed for. In any 10-year period not more than 10% of the HSBC Holdings ordinary shares in issue from time to time (approximately 1,771 million HSBC Holdings ordinary shares at 28 February 2011) may in aggregate become issuable pursuant to the grant of options or be issued other than pursuant to options under any other employee share plans. In any 10-year period not more than 5% of the HSBC Holdings ordinary shares in issue from time to time (approximately 885 million HSBC Holdings ordinary shares on 28 February 2011) may in aggregate be put under award by the HSBC Share Plan or be issuable pursuant to the HSBC Holdings Group Share Option Plan, the HSBC Holdings Restricted Share Plan 2000 or the HSBC Share Plan. The number of HSBC Holdings ordinary shares that may be issued on exercise of all options granted on or after 27 May 2005 under the HSBC Share Plan and any other plans must not exceed 1,585,250,000 (1,119,000,000 prior to adjustment for the rights issue) HSBC Holdings ordinary shares. Under the HSBC Holdings savings-related share option plans, the HSBC Share Plan and HSBC Holdings Group

Share Option Plan there were options outstanding over 310,699,783 HSBC Holdings ordinary shares at 31 December 2010 (1.8% of the issued ordinary shares). Particulars of options over HSBC Holdings shares held by Directors of HSBC Holdings are set out on page 232 of the Directors' Remuneration Report in the *Annual Report and Accounts 2010*.

The effect on earnings per share of granting share options and share awards is shown in diluted earnings per share on the face of the consolidated income statement, with further details disclosed in the Earnings per share Note 13 on the Financial Statements in the *Annual Report and Accounts 2010*.

All-employee share option plans

The HSBC Holdings Savings-Related Share Option Plan and the HSBC Holdings Savings-Related Share Option Plan: International are all-employee share plans under which eligible employees (those employed within the Group on the first working day of the year of grant) may be granted options to acquire HSBC Holdings ordinary shares. Employees may make contributions of up to £250 (or equivalent) each month over a period of one, three or five years which may be used on the first, third or fifth anniversary of the commencement of the relevant savings contract, at the employee's election, to exercise the options. Alternatively, the employee may elect to have the savings, plus (where applicable) any interest or bonus, repaid in cash. Options granted over a one-year period are only available under the HSBC Holdings Savings-Related Share Option Plan: International and will be exercisable within three months following the first anniversary of the commencement of the savings contract. Options granted over three or five-year periods will be exercisable within six months following the third or fifth anniversary of the commencement of the relevant savings contract. In the case of redundancy, retirement on grounds of injury or ill health, retirement at or after normal retirement age, the transfer of the employing business to another party, or a change of control of the employing company, options may be exercised before completion of the relevant savings contract.

Under the HSBC Holdings Savings-Related Share Option Plan and the HSBC Holdings Savings-Related Share Option Plan: International the option exercise price is determined by reference to the average market value of the ordinary shares on the five business days immediately preceding the invitation date, then applying a discount of 20% (except for the one-year options awarded under the US sub-plan where a 15% discount is applied). Where applicable, the US dollar, Hong Kong dollar

Employee Share Plans (continued)

and euro exercise prices are converted from the sterling exercise price at the applicable exchange rate on the working day preceding the relevant invitation date. The exercise period of the options awarded under all-employee share plans may be advanced to an earlier date in certain circumstances, for example on retirement, and may be extended in certain circumstances, for example on the death of a participant, the executors may exercise the option up to six months beyond the normal exercise period.

The closing price per HSBC Holdings ordinary share on 20 April 2010, the day before options were awarded in 2010 under the HSBC Holdings Savings-Related Share Option Plan and the HSBC Holdings Savings-Related Share Option Plan: International, was £6.917. The all-employee share option plans will terminate on 27 May 2015 unless the Directors resolve to terminate the plans at an earlier date.

HSBC Holdings Savings-Related Share Option Plan

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (£)	Exercisable		At 1 Jan 2010	Awarded during year	Exercised during year ¹	Lapsed during year	At 31 Dec 2010
		from	until					
21 Apr 2004	5.6399	1 Aug 2009	31 Jan 2010	1,699,603	–	380,256	1,319,347	–
24 May 2005	5.8205	1 Aug 2010	31 Jan 2011	2,298,128	–	1,997,898	52,263	247,967
26 Apr 2006	6.6870	1 Aug 2009	31 Jan 2010	2,217,423	–	237,630	1,979,793	–
26 Apr 2006	6.6870	1 Aug 2011	31 Jan 2012	1,162,904	–	18,925	127,990	1,015,989
25 Apr 2007	6.1760	1 Aug 2010	31 Jan 2011	1,625,920	–	936,979	127,113	561,828
25 Apr 2007	6.1760	1 Aug 2012	31 Jan 2013	1,350,019	–	24,961	142,627	1,182,431
30 Apr 2008	5.9397	1 Aug 2011	31 Jan 2012	2,034,844	–	59,370	303,353	1,672,121
30 Apr 2008	5.9397	1 Aug 2013	31 Jan 2014	1,784,690	–	17,531	180,839	1,586,320
29 Apr 2009	3.3116	1 Aug 2012	31 Jan 2013	31,928,740	–	565,372	3,416,553	27,946,815
29 Apr 2009	3.3116	1 Aug 2014	31 Jan 2015	30,464,057	–	296,727	2,445,802	27,721,528
21 Apr 2010	5.4573	1 Aug 2013	31 Jan 2014	–	3,971,170	920	293,201	3,677,049
21 Apr 2010	5.4573	1 Aug 2015	31 Jan 2016	–	2,212,133	165	86,151	2,125,817

¹ The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.57.

Employee Share Plans (continued)

HSBC Holdings Savings-Related Share Option Plan: International

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price	Exercisable		At 1 Jan 2010	Awarded during year	Exercised during year ¹	Lapsed during year	At 31 Dec 2010
	(£)	from	until					
21 Apr 2004	5.6399	1 Aug 2009	31 Jan 2010	8,554	–	–	8,554	–
10 May 2004	5.6399	1 Aug 2009	31 Jan 2010	379,187	–	188,340	190,847	–
24 May 2005	5.8205	1 Aug 2010	31 Jan 2011	930,050	–	456,090	131,588	342,372
26 Apr 2006	6.6870	1 Aug 2009	31 Jan 2010	395,176	–	128,709	266,467	–
26 Apr 2006	6.6870	1 Aug 2011	31 Jan 2012	136,732	–	306	9,685	126,741
25 Apr 2007	6.1760	1 Aug 2010	31 Jan 2011	1,170,757	–	513,654	311,672	345,431
25 Apr 2007	6.1760	1 Aug 2012	31 Jan 2013	303,481	–	1,597	32,080	269,804
30 Apr 2008	5.9397	1 Aug 2011	31 Jan 2012	1,143,752	–	12,454	151,808	979,490
30 Apr 2008	5.9397	1 Aug 2013	31 Jan 2014	368,773	–	1,828	53,748	313,197
29 Apr 2009	3.3116	1 Aug 2010	31 Oct 2010	4,463,153	–	3,883,015	580,138	–
29 Apr 2009	3.3116	1 Aug 2012	31 Jan 2013	12,432,631	–	51,369	951,558	11,429,704
29 Apr 2009	3.3116	1 Aug 2014	31 Jan 2015	7,932,036	–	21,854	366,509	7,543,673
21 Apr 2010	5.4573	1 Aug 2011	31 Oct 2011	–	4,855,376	527	197,339	4,657,510
21 Apr 2010	5.4573	1 Aug 2013	31 Jan 2014	–	2,071,218	–	53,607	2,017,611
21 Apr 2010	5.4573	1 Aug 2015	31 Jan 2016	–	659,000	301	23,290	635,409
(US\$)								
26 Apr 2006	11.6154	1 Aug 2009	31 Jan 2010	237,487	–	30,974	206,513	–
26 Apr 2006	11.6154	1 Aug 2011	31 Jan 2012	177,996	–	553	21,729	155,714
25 Apr 2007	12.0958	1 Aug 2010	31 Jan 2011	1,091,673	–	17,924	775,797	297,952
25 Apr 2007	12.0958	1 Aug 2012	31 Jan 2013	314,740	–	–	70,352	244,388
30 Apr 2008	11.8824	1 Aug 2011	31 Jan 2012	923,472	–	2,367	207,646	713,459
30 Apr 2008	11.8824	1 Aug 2013	31 Jan 2014	257,851	–	54	59,812	197,985
29 Apr 2009	5.1931 ²	1 Aug 2010	31 Oct 2010	1,028,591	–	897,252	131,339	–
29 Apr 2009	4.8876	1 Aug 2010	31 Oct 2010	579,122	–	446,231	132,891	–
29 Apr 2009	4.8876	1 Aug 2012	31 Jan 2013	4,922,956	–	15,563	393,525	4,513,868
29 Apr 2009	4.8876	1 Aug 2014	31 Jan 2015	2,539,328	–	7,213	159,079	2,373,036
21 Apr 2010	8.1232	1 Aug 2011	31 Oct 2011	–	350,623	–	15,469	335,154
21 Apr 2010	8.6309 ²	1 Aug 2011	31 Oct 2011	–	634,163	–	41,325	592,838
21 Apr 2010	8.1232	1 Aug 2013	31 Jan 2014	–	1,236,768	93	56,469	1,180,206
21 Apr 2010	8.1232	1 Aug 2015	31 Jan 2016	–	313,833	–	19,018	294,815
(€)								
26 Apr 2006	9.5912	1 Aug 2009	31 Jan 2010	53,020	–	1,401	51,619	–
26 Apr 2006	9.5912	1 Aug 2011	31 Jan 2012	10,738	–	–	320	10,418
25 Apr 2007	9.0818	1 Aug 2010	31 Jan 2011	140,166	–	4,413	111,353	24,400
25 Apr 2007	9.0818	1 Aug 2012	31 Jan 2013	37,473	–	–	6,155	31,318
30 Apr 2008	7.5571	1 Aug 2011	31 Jan 2012	164,438	–	–	26,944	137,494
30 Apr 2008	7.5571	1 Aug 2013	31 Jan 2014	37,873	–	–	6,348	31,525
29 Apr 2009	3.6361	1 Aug 2010	31 Oct 2010	361,736	–	346,420	15,316	–
29 Apr 2009	3.6361	1 Aug 2012	31 Jan 2013	1,440,663	–	3,300	71,671	1,365,692
29 Apr 2009	3.6361	1 Aug 2014	31 Jan 2015	1,037,603	–	1,044	42,100	994,459
21 Apr 2010	6.0657	1 Aug 2011	31 Oct 2011	–	216,485	–	7,275	209,210
21 Apr 2010	6.0657	1 Aug 2013	31 Jan 2014	–	249,136	–	8,281	240,855
21 Apr 2010	6.0657	1 Aug 2015	31 Jan 2016	–	90,182	–	7,045	83,137
(HK\$)								
26 Apr 2006	90.1414	1 Aug 2009	31 Jan 2010	154,477	–	5,623	148,854	–
26 Apr 2006	90.1414	1 Aug 2011	31 Jan 2012	50,894	–	–	13,983	36,911
25 Apr 2007	94.5057	1 Aug 2010	31 Jan 2011	165,096	–	117	101,700	63,279
25 Apr 2007	94.5057	1 Aug 2012	31 Jan 2013	57,205	–	–	9,802	47,403
30 Apr 2008	92.5881	1 Aug 2011	31 Jan 2012	97,011	–	–	18,411	78,600
30 Apr 2008	92.5881	1 Aug 2013	31 Jan 2014	57,554	–	–	10,036	47,518
29 Apr 2009	37.8797	1 Aug 2010	31 Oct 2010	5,537,853	–	5,038,152	499,701	–
29 Apr 2009	37.8797	1 Aug 2012	31 Jan 2013	23,530,423	–	126,070	1,438,110	21,966,243
29 Apr 2009	37.8797	1 Aug 2014	31 Jan 2015	21,287,729	–	82,226	861,694	20,343,809
21 Apr 2010	62.9770	1 Aug 2011	31 Oct 2011	–	3,017,668	4,016	232,403	2,781,249
21 Apr 2010	62.9770	1 Aug 2013	31 Jan 2014	–	1,573,724	1,604	53,255	1,518,865
21 Apr 2010	62.9770	1 Aug 2015	31 Jan 2016	–	565,737	336	20,386	545,015

¹ The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.50.² Exercisable at a 15% discount to the average market value of the ordinary shares on the five business days immediately preceding the invitation date.

Employee Share Plans (continued)

Discretionary Share Plans

Note 10 on the Financial Statements in the *Annual Report and Accounts 2010* gives detail on share-based payments, including awards of Restricted Shares made in 2010.

The HSBC Share Plan was approved at the 2005 Annual General Meeting and amendments were approved at the Annual General Meeting in 2008. Awards of Performance Shares are made under this Plan to executive Directors and other senior executives. The performance conditions for these awards are described under 'Performance Shares' on page 226 in the *Annual Report and Accounts 2010*.

Awards of Performance Shares are directed to those senior executives who can influence corporate performance such as members of the Group Management Board. Due to market context it was decided that no awards of Performance Shares would be made in 2010.

Awards of Restricted Shares may be made to other senior executives. In addition, awards are typically made to employees as part of the Group's bonus deferral policy. Awards of Restricted Shares define the number of shares to which the employee will become entitled, generally between one and three years from the date of the award, and normally subject to the individual remaining in employment. To date, all vesting awards of Performance Shares and Restricted Shares have been satisfied by the transfer of existing shares. To create additional core tier 1 capital and retain funds, the Board has agreed that commencing in 2011 new shares may be issued to satisfy the vesting of awards of Restricted Shares and Performance Shares that cannot be satisfied from shares held by employee benefit trusts.

The maximum value of awards that may be granted to an employee in any one year under the HSBC Share Plan is 700% of the employee's annual salary at the date of grant. For the purpose of the limit, any Restricted Share awards made on or shortly after the commencement of employment or in substitution for all or any part of any bonus to which the employee would otherwise have been entitled, are excluded.

Since September 2005, no share options have been granted under the HSBC Share Plan. There may be particular circumstances in the future where option grants could be appropriate.

Prior to 2005, discretionary awards of share options, with vesting subject to the attainment of a predetermined TSR performance condition, were made to employees at all levels.

The vesting of these options was subject to the attainment of pre-determined relative TSR performance criteria, except in HSBC France (which was acquired in 2000) where performance criteria were phased in. There are no outstanding performance conditions that remain to be satisfied for the exercise of discretionary share options. Under the HSBC Holdings Group Share Option Plan, the maximum grant of options which could be made to an employee in any one year (together with the Performance Share awards under the HSBC Holdings Restricted Share Plan 2000) was 150% (or in exceptional circumstances 225%) of the employee's annual salary at the date of grant plus any bonus paid in the previous year.

Under the HSBC Holdings Executive Share Option Scheme the maximum value of options which could be granted to an employee in any one year was four times the employee's relevant earnings.

The options are generally exercisable between the third and the tenth anniversary of the date of grant.

The exercise price of options granted under the HSBC Share Plan, and previously under the HSBC Holdings Group Share Option Plan, is the higher of the average market value of the ordinary shares on the five business days prior to the grant of the option or the market value of the ordinary shares on the date of grant of the option, or the nominal value of a share. The HSBC Share Plan will terminate on 27 May 2015 unless the Directors resolve to terminate the Plan at an earlier date.

The exercise period of the options awarded under discretionary share incentive plans may be advanced to an earlier date in certain circumstances, for example on the sale of a business. In the case of the HSBC Holdings Executive Share Option Scheme, the exercise period of the options awarded may be extended in certain circumstances, for example, on the death of a participant the executors may exercise the option beyond the normal exercise period.

Employee Share Plans (continued)

HSBC Holdings Executive Share Option Scheme¹

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (£)	Exercisable		At 1 Jan 2010	Exercised during year ²	Lapsed during year	At 31 Dec 2010
		from	until				
3 Apr 2000	6.5009	3 Apr 2003	3 Apr 2010	6,706,848	4,228,503	2,478,345	–

1 The HSBC Holdings Executive Share Option Scheme expired on 26 May 2000. No options have been granted under the Scheme since that date.

2 The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.85.

HSBC Holdings Group Share Option Plan¹

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (£)	Exercisable		At 1 Jan 2010	Exercised during year ²	Lapsed during year	At 31 Dec 2010
		from	until				
4 Oct 2000	8.4024	4 Oct 2003	4 Oct 2010	339,727	–	339,727	–
23 Apr 2001	7.5919	23 Apr 2004	23 Apr 2011	29,251,071	–	538,926	28,712,145
30 Aug 2001	7.1702	30 Aug 2004	30 Aug 2011	154,481	–	2,697	151,784
7 May 2002	7.3244	7 May 2005	7 May 2012	31,204,234	7,171	632,551	30,564,512
30 Aug 2002	6.4966	30 Aug 2005	30 Aug 2012	387,696	2,295	–	385,401
2 May 2003	6.0216	2 May 2006	2 May 2013	27,917,978	967,649	409,389	26,540,940
29 Aug 2003	7.0848	29 Aug 2006	29 Aug 2013	371,782	–	–	371,782
3 Nov 2003	7.9606	3 Nov 2006	3 Nov 2013	4,612,854	–	314,424	4,298,430
30 Apr 2004	7.2181	30 Apr 2007	30 Apr 2014	56,270,318	38,234	1,511,466	54,720,618
27 Aug 2004	7.5379	27 Aug 2007	27 Aug 2014	324,947	–	16,513	308,434
20 Apr 2005	7.2869	20 Apr 2008	20 Apr 2015	6,884,397	–	180,328	6,704,069

1 The HSBC Holdings Group Share Option Plan expired on 26 May 2005. No options have been granted under the Plan since that date.

2 The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.80.

HSBC Share Plan

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (£)	Exercisable		At 1 Jan 2010	Exercised during year	Lapsed during year	At 31 Dec 2010
		from	until				
30 Sep 2005	7.9911	30 Sep 2008	30 Sep 2015	86,046	–	–	86,046

Subsidiary company share plans

HSBC France and subsidiary company

When it was acquired in 2000, HSBC France and one of its subsidiary companies, HSBC Private Bank France, operated employee share option plans under

which options could be granted over their respective shares. No further options will be granted under either of these companies' plans. The following are details of outstanding options to acquire shares in HSBC France and HSBC Private Bank France.

HSBC France

Shares of €

Date of award	Exercise price (€)	Exercisable		At 1 Jan 2010	Exercised during year	Lapsed during year	At 31 Dec 2010
		from	until				
12 Apr 2000	142.50	1 Jan 2002	12 Apr 2010	604,250	–	604,250	–

Employee Share Plans (continued)

HSBC Private Bank France

Shares of €

Date of award	Exercise price (€)	Exercisable		At 1 January 2010	Exercised during year ¹	Lapsed during year	At 31 December 2010 ¹
		from	until				
10 Mar 2000	12.44	27 Jun 2004	31 Dec 2010	4,420	4,420	–	–
15 May 2001	20.80	15 May 2002	15 May 2011	141,525	–	–	141,525
1 Oct 2002	22.22	2 Oct 2005	1 Oct 2012	145,575	–	–	145,575

¹ Following exercise of the options, the HSBC Private Bank France shares will be exchanged for HSBC Holdings ordinary shares in the ratio of 2.099984 HSBC Holdings ordinary shares for each HSBC Private Bank France share. At 31 December 2010, The CCF Employee Benefit Trust 2001 held 989,502 HSBC Holdings ordinary shares which may be exchanged for HSBC Private Bank France shares arising from the exercise of these options.

HSBC Finance

Following the acquisition of HSBC Finance in 2003, all outstanding options and equity-based awards over HSBC Finance common shares were converted into rights to receive HSBC Holdings ordinary shares in the same ratio as the share exchange offer for the acquisition of HSBC Finance (2.675 HSBC Holdings ordinary shares for each HSBC Finance common share) and the exercise prices per share were adjusted accordingly. No further options will be granted under the plans.

All outstanding options and other equity-based awards over HSBC Finance common shares granted

before 14 November 2002, being the date the transaction was announced, vested on completion of the acquisition. Options granted after 14 November 2002 are exercisable on their original terms, save that they were adjusted to reflect the exchange ratio.

The following are details of options to acquire shares in HSBC Holdings.

At 31 December 2010, the HSBC (Household) Employee Benefit Trust 2003 held 2,335,315 HSBC Holdings ordinary shares and 1,455 American Depositary Shares, each of which represents five HSBC Holdings ordinary shares, which may be used to satisfy the exercise of employee share options.

HSBC Finance: 1996 Long-Term Executive Incentive Compensation Plan

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (US\$)	Exercisable		At 1 Jan 2010	Exercised during year ¹	Lapsed during year	At 31 Dec 2010
		from	until				
8 Feb 2000	11.56	8 Feb 2001	8 Feb 2010	76,741	–	76,741	–
30 Jun 2000	13.68	30 Jun 2001	30 Jun 2010	30,805	–	30,805	–
13 Nov 2000	16.03	13 Nov 2001	13 Nov 2010	6,573,623	–	6,573,623	–
12 Nov 2001	18.62	12 Nov 2002	12 Nov 2011	8,688,288	–	–	8,688,288
20 Nov 2002	9.29	20 Nov 2003	20 Nov 2012	2,736,502	306,964	–	2,429,538

¹ The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.44.

HSBC Bank Bermuda

Following the acquisition of HSBC Bank Bermuda in 2004, all outstanding options over HSBC Bank Bermuda shares were converted into rights to receive HSBC Holdings ordinary shares based on the consideration of US\$40 for each HSBC Bank Bermuda share and the average closing price of HSBC Holdings ordinary shares, derived from the London Stock Exchange Daily Official List, for the five business days preceding the closing date of the acquisition. No further options will be granted under any of these plans.

All outstanding options over HSBC Bank Bermuda shares vested on completion of the acquisition. The following are details of options to acquire shares in HSBC Holdings. At 31 December 2010, the HSBC (Bank of Bermuda) Employee Benefit Trust 2004 held 2,108,830 HSBC Holdings ordinary shares which may be used to satisfy the exercise of employee share options.

Employee Share Plans (continued)**HSBC Bank Bermuda: Executive Share Option Plan 1997**

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (US\$)	Exercisable		At 1 Jan 2010	Exercised during year ¹	Lapsed during year	At 31 Dec 2010
		from	until				
4 Feb 2000	6.28	4 Feb 2001	4 Feb 2010	25,739	4,781	20,958	–
1 Jun 2000	6.13	1 Jun 2001	1 Jun 2010	70,744	–	70,744	–
31 Jul 2000	8.81	31 Jul 2001	31 Jul 2010	31,837	–	31,837	–
11 Jan 2001	12.44	11 Jan 2002	11 Jan 2011	61,901	–	–	61,901

1 The weighted average closing price of the shares immediately before the dates on which options were exercised was £6.89.

HSBC Bank Bermuda: Share Option Plan 2000

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (US\$)	Exercisable		At 1 Jan 2010	Exercised during year	Lapsed during year	At 31 Dec 2010
		from	until				
11 Jan 2001	12.44	11 Jan 2002	11 Jan 2011	154,753	–	–	154,753
6 Feb 2001	14.30	6 Feb 2002	6 Feb 2011	637,501	–	–	637,501
29 Mar 2001	13.41	29 Mar 2002	29 Mar 2011	310	–	–	310
16 Apr 2001	13.57	16 Apr 2002	16 Apr 2011	619	–	–	619
6 Jun 2001	15.99	6 Jun 2002	6 Jun 2011	9,285	–	–	9,285
16 Jul 2001	14.70	16 Jul 2002	16 Jul 2011	17,133	–	–	17,133
28 Aug 2001	13.41	28 Aug 2002	28 Aug 2011	15,476	–	–	15,476
26 Sep 2001	11.15	26 Sep 2002	26 Sep 2011	401,863	–	–	401,863
30 Jan 2002	13.59	30 Jan 2003	30 Jan 2012	1,407	–	–	1,407
5 Feb 2002	14.02	5 Feb 2003	5 Feb 2012	848,626	–	–	848,626
10 Jul 2002	13.80	10 Jul 2003	10 Jul 2012	14,069	–	–	14,069
4 Feb 2003	9.32	4 Feb 2004	4 Feb 2013	142,082	–	–	142,082
21 Apr 2003	10.33	21 Apr 2004	21 Apr 2013	7,842	–	–	7,842

HSBC Bank Bermuda: Directors' Share Option Plan

HSBC Holdings ordinary shares of US\$0.50

Date of award	Exercise price (US\$)	Exercisable		At 1 Jan 2010	Exercised during year	Lapsed during year	At 31 Dec 2010
		from	until				
28 Mar 2001	13.73	28 Mar 2002	28 Mar 2011	12,380	–	3,095	9,285
3 Apr 2002	13.95	3 Apr 2003	3 Apr 2012	22,508	–	5,627	16,881
30 Apr 2003	10.66	30 Apr 2004	30 Apr 2013	5,627	–	5,627	–

HSBC InvestDirect (India) Limited

When it was acquired in 2008, HSBC InvestDirect (India) Limited, formerly IL&FS Investsmart Limited, operated an employee share option plan. Under the plan, the options vested one year from the date of grant in equal tranches over three years. The exercise period is a maximum of seven years

from the date of vesting. Following the acquisition, all outstanding options vested on 18 November 2008. No further options will be granted under this plan. The following are details of the outstanding options to acquire shares in HSBC InvestDirect (India) Limited.

HSBC InvestDirect (India) Limited: Employee Stock Option Scheme 2006

HSBC InvestDirect (India) Limited ordinary shares of Rs10

Date of award	Exercise price (Rs)	Exercisable		At 1 Jan 2010	Exercised during year ¹	Lapsed during year	At 31 Dec 2010
		from	until				
19 Nov 2007	180	18 Nov 2008	17 Nov 2015	873,000	873,000	–	–

1 The weighted average closing price of the shares, as quoted on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, immediately before the dates on which options were exercised was Rs298.76 and Rs297.73 respectively for those shares exercised before trading in the shares ceased on 8 July 2010. The Company was delisted from the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on 15 July 2010.