

Imposition of a sanction on HSBC Bank Plc (France) by

the EUROPEAN CENTRAL BANK

Pursuant to Article 3(4) of Council Regulation (EC) 2532/98¹ and Article 7(3) of Council Regulation (EC) No 2531/98², the Executive Board of the European Central Bank ('ECB') decided on 1 April 2025 to impose a sanction on HSBC Bank Plc (France) in the amount of EUR 35 000. This sanction is imposed in respect of an infringement of the provisions of Articles 5(2)(b) and 6(1) of Regulation (EU) No 2021/378 (ECB/2021/1)³, in relation to the misreporting of the data required for the calculation of the reserve base from March 2023 to September 2023 and affecting the minimum reserves in the maintenance periods from May 2023 to December 2023.

When determining a sanction falling under the scope of Article 7(3) of Council Regulation (EC) No 2531/98, the ECB follows the procedural rules set out in Council Regulation (EC) No 2532/98 and Regulation (EC) No 2157/1999 of the European Central Bank (ECB/1999/4)⁴ concerning the powers of the European Central Bank to impose sanctions. In accordance with these rules, the ECB considered all the relevant facts of the case and all relevant factors detailed in Article 2(3) of Council Regulation (EC) No 2532/98, in particular the good faith and the degree of openness, diligence and cooperation of HSBC Bank Plc, the seriousness of the effects of the infringement, its duration, the lack of economic benefits obtained by HSBC Bank Plc by reason of the infringement and the economic size of HSBC Bank Plc.

¹ Council Regulation (EC) No 2532/98 of 23 November 1998 concerning the powers of the European Central Bank to impose sanctions, OJ L 318, 27.11.1998, p. 4.

² Council Regulation (EC) No 2531/98 of 23 November 1998 concerning the application of minimum reserves by the European Central Bank, OJ L 318, 27.11.1998, p. 1.

³ Regulation (EU) 2021/378 of the European Central Bank of 22 January 2021 on the application of minimum reserve requirements (recast) (ECB/2021/1), OJ L 073, 3.3.2021, p. 1. This Regulation became applicable from 26 June 2021.

⁴ European Central Bank Regulation (EC) No 2157/1999 of 23 September 1999 on the powers of the European Central Bank to impose sanctions (ECB/1999/4), OJ L 264, 12.10.1999, p. 21.

When considering both the institution's conduct, which is assessed as a mitigating factor, and the impact of this infringement, which is assessed as low, overall, a sanction amount of EUR 35 000 is determined as appropriate within the limits as set out in Article 2 of Council Regulation (EC) 2532/98.

The sanction is published in accordance with Article 9(1) of Regulation (EC) No 2157/1999 of the European Central Bank (ECB/1999/4) as the decision became final on 22 July in accordance with Article 3(8) of Council Regulation (EC) No 2532/98 in conjunction with Article 7(3) of Council Regulation (EC) No 2531/98.

The ECB's decision to impose a sanction on HSBC Bank Plc may be challenged before the Court of Justice of the European Union under the conditions and within the time limits provided for in Article 263 *et seq.* of the Treaty on the Functioning of the European Union, and Article 5 of Council Regulation (EC) No 2532/98.