



HSBC SFH (France)

A French limited liability company (*société anonyme*)

with a share capital of €113,250,000

Registered office: Immeuble Cœur Défense, 110, esplanade du Général de Gaulle, 92400 Courbevoie,
France

480 034 917 RCS Nanterre
(the “**Issuer**”)

DECISIONS OF THE HOLDERS OF THE 2023 COVERED BONDS AT THE MEETING HELD ON 10 DECEMBER 2021

The holders of the €1,250,000,000 2.00 per cent. Covered Bonds due 16 October 2023 (ISIN: FR0011470764) of which €1,250,000,000 are currently outstanding (the “**2023 Covered Bonds**” and the holders thereof, the “**2023 Bondholders**”) issued on 16 April 2013 by the Issuer, set out below:

ISIN	Title	Time (in Paris)
FR0011470764	€1,250,000,000 2.00 per cent. Covered Bonds due 16 October 2023 of which €1,250,000,000 are currently outstanding	10.00 a.m.

met for general meeting at the Issuer’s registered office located at Immeuble Cœur Défense, 110, esplanade du Général de Gaulle, 92400 Courbevoie, France (the “**2023 Meeting**”), convened on the date hereof pursuant to a decision of the Board of Directors of the Issuer held on 23 November 2021, at the hour set out above to deliberate on the following agenda:

Agenda

1. Appointment of a new Representative of the Masse and a new Alternative Representative and determination of their remuneration (the “**First Resolution**”);
2. Approval of the Transfer and, as a consequence, approval of the amendments to the Programme Documents and the 2023 Conditions (the “**Second Resolution**”);
3. Filing of the documents relating to the 2023 Meeting (the “**Third Resolution**”); and
4. Powers to carry out formalities (the “**Fourth Resolution**” and, together with the First Resolution, the Second Resolution and the Third Resolution, the “**2023 Resolutions**”).

Capitalised terms used but not defined below shall have the same meaning ascribed to them in the consent solicitation memorandum dated 25 November 2021 (the “**Consent Solicitation Memorandum**”).

Results of the votes

The 2023 Meeting was duly convened and could act validly, the attendance sheets, certified as correct by the members of the *bureau*, showing that 2023 Bondholders present or represented, or having voted by post, held at least a fifth (1/5) of the outstanding 2023 Covered Bonds.

The 2023 Meeting has adopted the following resolutions:

FIRST RESOLUTION

Appointment of a new Representative of the Masse and a new Alternative Representative and determination of their remuneration

The Meeting, deliberating pursuant to Articles L.228-47 and L.228-51 of the French *Code de commerce* and noting:

- the report of the Board of Directors of the Issuer dated 25 November 2021,
 - the Consent Solicitation Memorandum dated 25 November 2021,
 - the base prospectus dated 4 October 2012, the first supplement to such base prospectus dated 20 December 2012 and the second supplement to such base prospectus dated 20 March 2013 (together, the "**Base Prospectus**"), and
 - the final terms dated 12 April 2013 relating to the 2023 Covered Bonds (together with the Base Prospectus, the "**2023 Conditions**"),
- a) **takes note** of the fact that the Representative and the alternative representative appointed in respect of the Covered Bonds resigned on 23 November 2021;
- b) **takes note** of the fact that DIIS Group, candidate for the position of Representative and Alternative Representative (each, as defined below), is not incompatible with the exercise of their functions, in accordance with the provisions of Articles L.228-48 and L.228-49 of French *Code de commerce*;
- c) **appoints**, with immediate effect, as from the adoption of this resolution by the Meeting, DIIS Group, whose registered office is located at 12 rue Vivienne, 75002 Paris, France, represented by Mr. Sylvain Thomazo, as representative of the Masse (the "**Representative**") and DIIS Group, whose registered office is located at 12 rue Vivienne, 75002 Paris, France, represented by Mrs. Sandrine d'Haussy, in the capacity of alternative representative of the Masse (the "**Alternative Representative**"), it being specified that the Alternative Representative will replace the Representative if the latter resigns or is unable to perform his duties;
- d) **resolves** that the Representative will receive a remuneration of Euro 1,500 (excluding tax) per year for the performance of its duties, it being specified that if the Alternative Representative is called upon to perform the duties of the Representative, the remuneration of Euro 1,500 (excluding tax) per year will only be due *pro rata temporis* from the first day from which it performs the duties of Representative; and
- e) **resolves that**, as a result of a) to d) above, the second to the fifth paragraphs of Condition 12(b) (*Representative*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added and the ~~red double strikethrough~~ text being deleted):

"The Representative appointed in respect of each Series of Covered Bonds will be ~~BNP Paribas Securities Services~~ DIIS Group:

~~BNP Paribas Securities Services~~ DIIS Group
(~~affiliated with Euroclear France under number 29106~~)
~~Corporate Trust Services~~
~~Les Grands Moulins de Pantin~~
~~9, rue du Débarcadère~~ 12 rue Vivienne
~~93500 Pantin~~ 75002 Paris
France

represented by ~~the Head of Corporate Trust Services France of BNP Paribas Securities Services who, at the date hereof, is~~ Mr. Sylvain Thomazo.

The alternative representative is, at the date hereof, ~~Frédéric Krantz, 8 rue de Friscaty, 57100 Thionville, France~~ [DIIS Group, represented by Mrs. Sandrine d'Haussy.](#)

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by the alternative representative. In the event of the death, retirement or revocation of appointment of the alternative representative, an alternative representative will be elected by the General Meeting.

The Issuer shall pay to the Representative an amount of Euro ~~4,000~~[1,500 \(excluding tax\)](#) per year so long as any of the French law Covered Bonds is Outstanding. The alternative representative will only become entitled to the annual remuneration of Euro ~~4,000~~[1,500 \(excluding tax\)](#) if it exercises the duties of Representative on a permanent basis; such remuneration will accrue from the day on which it assumes such duties.”

The Representative and the Alternative Representative will have, without restriction or reservation, the power to carry out on behalf of the Bondholders all acts of management to defend their common interests as provided for by law.

SECOND RESOLUTION

Approval of the Transfer and, as a consequence, approval of the amendments to the Programme Documents and the 2023 Conditions

The Meeting, deliberating pursuant to Article L.228-65 I of the French *Code de commerce* and noting:

- the report of the Board of Directors of the Issuer dated 25 November 2021,
- the Consent Solicitation Memorandum dated 25 November 2021,
- the Base Prospectus, and
- the 2023 Conditions,

in the context of the transfer by HSBC Continental Europe (“**HBCE**”), subject to the satisfaction of certain conditions, of, among other things, its full ownership interest in HSBC SFH (France) (the “**Issuer**”) and of most of its rights and obligations under the Programme Documents (as defined in the 2023 Conditions) to which it is a party, including, notably, in its capacity as borrower, administrator, issuer calculation agent and cash collateral provider, to (i) Banque des Caraïbes SA and/or (ii) to any other entity within My Money Group (the “**Transfer**”),

- a) approves** the Transfer and all consequential amendments to the Programme Documents (as such term is defined in Condition 1 (*Definitions*)) of the 2023 Conditions,
- b) waives** any undertaking made by HBCE to the benefit of the Bondholders (as defined in the 2023 Conditions) in any such Programme Documents including, for the avoidance of doubt, any Rating Affirmation and/or Representative Consent,
- c) notes, as a result of a) above**, that the Issuer has requested the Bondholders to approve the amendments to Condition 1 (*Definitions*), Condition 5(d) (*Restrictions on mergers or reorganisations*), Condition 5(g) (*Hedging Strategy*), Condition 5(h) (*Programme Documents*), Condition 5(k) (*Rating of further Issuance*), Condition 12 (*Representation of Bondholders*) and Condition 14 (*Limited recourse, Non petition*) of the 2023 Conditions so that the modifications of the Programme Documents in the context of the Transfer will not entail any subsequent meetings of Bondholders,
- d) approves** the following amendments to the 2023 Conditions so that:
 - a new definition of “Transfer” in Condition 1 (*Definitions*) of the 2023 Conditions shall be added as follows (the [blue underlined](#) text being added):

“**Transfer**” means the transfer by HSBC Continental Europe, subject to the satisfaction of certain conditions, of, among other things, its full ownership interest in the Issuer and of most of its rights and obligations under the Programme Documents to which it is a party, including, notably, in its capacity as borrower, administrator, issuer calculation agent and cash collateral provider, to (i) Banque des Caraïbes SA and/or (ii) to any other entity within My Money Group”

- a new definition of “Transfer Rating Condition” in Condition 1 (*Definitions*) of the 2023 Conditions shall be added as follows (the blue underlined text being added):

“**Transfer Rating Condition**” means the condition whereby the rating assigned by S&P to the Covered Bonds, at the time of the Transfer, is:

(a) at least AAA; or

(b) no lower than the then prevailing rating assigned by S&P to the covered bonds issued by MMB SCF; or

(c) the highest achievable long-term rating assignable to covered bonds issued by a French law governed *société de financement à l’habitat* under the then prevailing S&P covered bonds methodology (the “**Applicable Rating Methodology**”):

(i) structured with MMB (as defined below) acting as borrower and collateral provider;

(ii) with an equivalent cover pool as the Issuer,

(iii) with the same or equivalent structural features as the Issuer (except in respect of any amendments which are directly related to, or consequential from, the Transfer as permitted under Condition 5(h) (*Programme Documents*)), and

(iv) ensuring that all relevant counterparties to such a *société de financement à l’habitat* are appropriately rated in accordance with the Applicable Rating Methodology for such rating level.

Where:

“**MMB**” means My Money Bank, a French joint stock company (*société anonyme*), licensed as an *établissement de crédit* and a member of the My Money Group, with a share capital of EUR 276,154,299.74, having its registered office located at Tour Europlaza, 20 avenue André Prothin, 92063 Paris la Défense Cedex, France, registered with the Trade and Companies Registry under number 784 393 340 R.C.S. Nanterre.”

- Condition 5(d) (*Restrictions on mergers or reorganisations*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added):

“(d) Restrictions on mergers or reorganisations

The Issuer undertakes not to enter into any merger, re-organisation or similar transaction without prior Representative Consent and Rating Affirmation of S&P and notification of Moody's.

This Condition 5(d) shall not apply in the context of and following completion of the Transfer provided that the Transfer Rating Condition is satisfied at the time that such Transfer is effected.

Where:

“**My Money Group**” means Promontoria MMB, a French *société par actions simplifiée*, licensed as a *compagnie financière* holding and its consolidated subsidiaries; and

“**MMB SCF**” is a French *société anonyme* licensed as an *établissement de crédit spécialisé* and a member of the My Money Group, having its registered office located at Tour Europlaza, 20, avenue André Prothin, 92063 Paris La Défense Cedex, France.”

- Condition 5(g) (*Hedging Strategy*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added):

“(g) Hedging Strategy

Upon the occurrence of a Hedging Rating Trigger Event, and as applicable, upon the occurrence of any Borrower Event of Default, the Issuer undertakes to take all reasonable steps to implement the Hedging Strategy described in section “The Hedging Strategy” of the Base Prospectus.

This Condition 5(g) shall not apply in the context of and following completion of the Transfer provided that the Transfer Rating Condition is satisfied at the time that such Transfer is effected.”

- the first and second paragraphs of Condition 5(h) (*Programme Documents*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added and the ~~red double strikethrough~~ text being deleted):

“(h) Programme Documents

Subject to the qualifications described in the relevant Programme Document(s) to which it is a party and except in respect of the Transfer, the Issuer undertakes that no amendment, modification, alteration, termination or supplement shall be made to any Programme Document to which it is a party without prior Rating Affirmation if the same materially and adversely affects the interests of the Issuer or the Bondholders.

For the avoidance of doubt, the Issuer may amend, modify, alter, terminate or supplement any Programme Document to which it is a party without prior Rating Affirmation:

- (i) to cure any ambiguity, omission, defect or inconsistency;
 - (ii) to evidence or effect the transition of any party to any Programme Document to which it is a party to any successor;
 - (iii) to add to the undertakings and other obligations of any party (except the Issuer) under any Programme Document to which it is a party; ~~or~~
 - (iv) to comply with any mandatory requirements of applicable laws and regulations; ~~;~~
 - (v) to reflect amendments that are directly related to, or consequential from, the Transfer, including removing any condition regarding any Representative Consent, subject in all cases to the Transfer Rating Condition being satisfied; or
 - (vi) to allow for the removal of the rating assigned by Moody’s to the Covered Bonds including any reference thereto in any further Rating Affirmation.”
- Condition 5(k) (*Rating of further Issuance*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added):

“(k) Rating of further Issuance

Subject to Condition (j) above and except in the context of and following completion of the Transfer, the Issuer undertakes that any new further issuance of Covered Bonds will be rated by the Rating Agencies.”

- the second paragraph of Condition 12 (*Representation of the Bondholders*) of 2023 Conditions shall be amended as follows (the blue underlined text being added):

“The Masse will be governed by the provisions of the French Commercial Code (*Code de commerce*) with the exception of Articles L.228-48, L.228-59, L.228-65 I only in the case of the Transfer, R. 228-63, R. 228-67, R. 228-69 and the second sentence of Article L.228-71, subject to the following provisions:”

- the last paragraph of Condition 14 (*Limited recourse, Non petition*) of the 2023 Conditions shall be amended as follows (the blue underlined text being added and the ~~red double strikethrough~~ text being deleted):

“Despite the fact that the Issuer is almost entirely owned by ~~HSBC France~~ its shareholder(s), pursuant to the provisions of Article L.515-27 of the French Monetary and Financial Code (*Code monétaire et financier*), the safeguard procedure, judicial reorganisation or liquidation (*procédure de sauvegarde, de redressement ou de liquidation judiciaires*) of ~~HSBC France~~ its shareholder(s), in its capacity as shareholder of the Issuer, shall not be extended to the Issuer.”

Such amendments shall take effect (i) immediately in respect of the amendments to (vi) of Condition 5(h) (*Programme Documents*) and Condition 5(k) (*Rating of further Issuance*) and (ii) by 31 December 2023 or such other date (*i.e.* completion of the Transfer), provided that the Issuer may withdraw such amendments at any time before such date at its sole option and in its sole and absolute discretion, all as notified by the Issuer to the Bondholders in accordance with Condition 17.

THIRD RESOLUTION

Filing of the documents relating to the 2023 Meeting

The 2023 Meeting decides, in accordance with Article R.228-74 paragraph 1 of the French *Code de commerce*, that the attendance sheet, the relevant powers of represented 2023 Bondholders and the minutes of this Meeting shall be filed at the registered office of the Issuer to enable any 2023 Bondholder to exercise its communication right granted by law.

FOURTH RESOLUTION

Powers to carry out formalities

The 2023 Meeting authorises and grants all powers to the legal representatives of the Issuer to take all measures and to conclude any agreements, as the case may be, to implement these Resolutions, and to the holder of a copy or excerpt of the minutes setting out these Resolutions, to perform any legal or administrative formalities.

Consent Fees

As a result of the approval of the 2023 Resolutions by the 2023 Bondholders and of the resolutions relating to the €1,000,000,000 0.500 per cent. Covered Bonds due 17 April 2025 extendible as Floating Rate Covered Bonds up to 17 April 2026 (the “**2025 Covered Bonds**”) at the meeting held on 10 December 2021 on first convocation relating to such 2025 Covered Bonds, the Issuer will pay:

- a) on 15 December 2021 (the “**2023 First Consent Fee Payment Date**”), an amount equal to 0.10 per cent. of the aggregate nominal amount of the 2023 Covered Bonds for which any 2023 Bondholder has validly cast its vote (the “**2023 First Consent Fee**”). The 2023 First Consent Fee will be paid by the Centralising Agent, on behalf of the Issuer, to the 2023 Bondholders holding the 2023 Covered Bonds on the date of the relevant 2023 Meeting and who have validly cast their votes; and
- b) at the latest 5 Business Days following the completion of the Transfer which is expected to occur by 31 December 2023 (or such other date as will be notified by the Issuer to the Bondholders in accordance with Condition 17) (the “**2023 Second Consent Fee Payment Date**”), an amount equal to 0.05 per cent. of the aggregate nominal amount of the 2023 Covered Bonds held by each 2023 Bondholder only if the Transfer is completed prior to 16 October 2023 (being the maturity date of the 2023 Covered Bonds) (the “**2023 Second Consent Fee**”). The 2023 Second Consent Fee will be paid by the Paying Agent (in coordination with the Centralising Agent), on behalf of the Issuer, to all 2023 Bondholders holding the 2023 Covered Bonds at the 2023 Second Consent Fee Payment Date.

For the avoidance of doubt, a 2023 Bondholder has been considered to have validly cast its vote if it has voted “for”, “against” or “abstention” in respect of the 2023 Resolutions submitted by the Issuer to the 2023 Meeting, be it in person, by proxy or by correspondence.