



HSBC France
€ 20,000,000,000
Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme (the **Programme**) described in this base prospectus (the **Base Prospectus**), HSBC France (the **Issuer**), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the **Notes**). The aggregate nominal amount of Notes outstanding will not at any time exceed € 20,000,000,000 (or its equivalent in other currencies at the date of issue).

This Base Prospectus constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**). This Base Prospectus received the approval number 20-165 on 29 April 2020 from the *Autorité des marchés financiers* (the **AMF**) and shall be in force for a period of one (1) year as of the date of its approval by the AMF. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

This Base Prospectus has been approved by the AMF in France in its capacity as competent authority pursuant to the Prospectus Regulation. The AMF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes which are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

The terms and conditions applicable to each Tranche (as defined in "General Description of the Programme") not contained herein will be determined by the Issuer and the relevant Dealer(s) at the time of the issue on the basis of the then prevailing market conditions and will be set out in the relevant final terms (the **Final Terms**) (a form of which is contained herein).

Application has been made to Euronext Paris for Notes issued under the Programme to be admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/UE dated 15 May 2014 (each such market being a **Regulated Market**). Notes issued under the Programme may also be listed and admitted to trading on any other Regulated Market in such Member State of the European Economic Area (**EEA**) or in the United Kingdom (**UK**), including, without limitation, the Electronic Bond Market, the regulated market organised and managed by Borsa Italiana S.p.A. (**MOT**), and/or offered through a Non-Exempt Offer in any Member State of the EEA, in each case in accordance with the Prospectus Regulation, or may be listed on an unregulated stock exchange or market, including, without limitation, the Electronic Bond Market and the EuroTLX Market, the multilateral trading facilities of Borsa Italiana S.p.A. (**ExtraMOT** and **EuroTLX Market** respectively), or may be unlisted.

The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and/or offered through a Non-Exempt Offer and, if so, the relevant Regulated Market(s) where the Notes will be listed and admitted to trading and/or the Member State(s) in the EEA where the Notes will be offered through a Non-Exempt Offer.

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**) as more fully described herein.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be (i) in bearer form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank SA/NV (**Euroclear**) and the depository bank for Clearstream Banking S.A. (**Clearstream**), or (ii) in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination"), in either fully registered form (*au nominatif pur*), in which case they will be inscribed in an account maintained by the Issuer or by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered form (*au nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholder.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a **Temporary Global Certificate**) will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes with, where applicable, coupons for interest or talons attached (the **Definitive Materialised Notes**), on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in "Temporary Global Certificate in respect of Materialised Notes") upon certification as to non-U.S. beneficial ownership as more fully described herein. Temporary Global Certificates will (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depository for Euroclear and Clearstream, or (b) in the case of a Tranche (as defined in "Terms and Conditions of the Notes") intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the Relevant Dealer (as defined below).

The Programme is currently rated AA- by S&P Global Ratings Europe Limited, Aa3 by Moody's Investors Service Ltd. and AA- by Fitch Ratings Limited. The long term debt of the Issuer is currently rated AA- (with negative outlook) by S&P Global Ratings Europe Limited, Aa3 (with negative outlook) by Moody's Investors Service Ltd. and AA- (with negative outlook) by Fitch Ratings Limited. Notes issued under the Programme may, or may not, be rated. The rating of a Tranche of Notes (if any) will be specified in the relevant Final Terms as well as whether or not such credit ratings are issued by a credit rating agency established in the European Union or in the United Kingdom and has applied for registration under Regulation (EU) No. 1060/2009 (the **CRA Regulation**) as amended by Regulation (EU) No. 513/2011 and if so, whether the credit rating agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation, will be disclosed in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency without notice.

This Base Prospectus, any document incorporated by reference therein and so long as Notes are admitted to trading on any Regulated Market of the EEA or the UK and/or offered through a Non-Exempt Offer in any Member State of the EEA or in the UK in accordance with the Prospectus Regulation, the relevant Final Terms are available on the website of the AMF (www.amf-france.org) and on the website of the Issuer (<https://www.about.hsbc.fr/investor-relations>).

Prospective investors should consider the factors described under the section "Risk Factors" for certain information relevant to an investment in the Notes.

**Arranger
HSBC**

Dealers

HSBC France

HSBC

This Base Prospectus (together with all supplements thereto from time to time) contains or incorporates by reference all relevant information concerning the Issuer and its consolidated subsidiaries taken as a whole (the Group) which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, the rights attaching to the Notes and the reason for the issuance and its impact on the Issuer. The terms and conditions applicable to each Tranche (as defined in "Terms and Conditions of the Notes") not contained herein (including, without limitation, the aggregate nominal amount, the issue price, the redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of issue and will be set out in the relevant Final Terms.

This Base Prospectus (together with all supplements thereto from time to time) may only be used for the purposes for which it has been published.

This Base Prospectus should be read and construed in conjunction with any supplement that may be published from time to time and with any document and/or information which is or may be incorporated herein by reference (see "Documents incorporated by Reference" below) and in relation to any Series (as defined herein) of Notes, should be read and construed together with the relevant Final Terms.

No person is or has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers (as defined in "Summary of the Programme"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Other than in relation to the documents which are deemed to be incorporated by reference (see "Documents Incorporated by Reference"), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus unless that information is incorporated by reference into the Base Prospectus and has not been scrutinised or approved by the AMF.

IMPORTANT - EEA AND UK RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the EEA) or in the United Kingdom (the UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded, the Insurance Distribution Directive or IDD), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the PRIIPs Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (ESMA) on 5 February 2018 and

which channels for distribution of the Notes are appropriate. Any person subsequently selling or recommending the Notes (a distributor as defined in MiFID II) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID product governance rules under EU Delegated Directive 2017/593 (the MiFID Product Governance Rules), any Dealer subscribing for any Notes is a manufacturer as defined in MiFID II in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. For a description of these and certain further restrictions on offers, sales and transfers of Notes and on distribution of this Base Prospectus, see "Subscription and Sale".

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained or incorporated by reference in this Base Prospectus. Neither the Arranger nor any of the Dealers (except HSBC France in its capacity as Issuer, and then only to the extent set out under "Person responsible for the information given in the Base Prospectus") makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Base Prospectus. Neither this Base Prospectus nor any other information supplied in connection with the Programme (including any information incorporated by reference therein) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme (including any information incorporated by reference therein) should purchase the Notes. Each prospective investor should determine for itself the relevance of the information contained or incorporated by reference in this Base Prospectus and its investment in the Notes should be based upon such investigation as it deems necessary. Neither the Arranger nor any of the Dealers undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to €, Euro, euro and EUR are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam, references to £, pounds sterling and Sterling are to the lawful currency of the United Kingdom, references to \$, USD and US dollars are to the lawful currency of the United States of America, references to ¥, JPY and Yen are to the lawful currency of Japan and references to CHF and Swiss Francs are to the lawful currency of Switzerland.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following general description does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. The Notes will be issued pursuant to the "Terms and Conditions of the Notes" set out on pages 33 to 71 as completed by the provisions of the relevant Final Terms.

This General Description constitutes a general description of the Programme for the purposes of Article 25.1(b) of Commission Delegated Regulation (EU) 2019/980. It does not, and is not intended to, constitute a summary of this Base Prospectus within the meaning of Article 7 of the Prospectus Regulation or any implementing regulation thereof.

Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this general description.

Issuer: HSBC France.

Arranger: HSBC Bank plc.

Dealers: HSBC Bank plc.

HSBC France.

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to **Permanent Dealers** are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to **Dealers** are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

At the date of this Base Prospectus, only credit institutions and investment firms incorporated in a Member State of the European Union (EU) and which are authorised by the relevant authority of such member home state to lead-manage bond issues in such Member State may act (a) as Dealers with respect to non-syndicated issues of Notes denominated in Euro and (b) as lead manager of issues of Notes denominated in Euro issued on a syndicated basis.

Description: Euro Medium Term Note Programme.

Programme Limit: Up to € 20,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

Fiscal Agent and Principal Paying Agent: BNP Paribas Securities Services

Calculation Agent: HSBC Bank plc

Method of Issue: The Notes may be offered through a Non-Exempt Offer or not and/or listed and admitted to trading or not, and in each case may be issued on a syndicated or non-syndicated basis.

The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the relevant Final Terms.

Maturities: Subject to compliance with all relevant laws, regulations and directives, the Notes will have a minimum maturity of one month from the date of original issue as specified in the relevant Final Terms.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, US dollars, Japanese Yen, Swiss Francs, Sterling and in any other currency (with the exception of Renminbi) agreed between the Issuer and the relevant Dealer(s).

Denomination: Notes shall be issued in the Specified Denomination(s) set out in the relevant Final Terms. Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes shall be issued in one denomination only.

Status of the Notes: The Notes and, where applicable, any relative Coupons, will constitute direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times:

(i) *pari passu* without any preference among themselves and with other Senior Preferred Obligations of the Issuer;

(ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and

(iii) junior to all present and future claims benefiting from statutory preferences.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Notes rank:

A. junior to present and future claims benefiting from other preferred exceptions; and

B. senior to Senior Non-Preferred Obligations.

Senior Non-Preferred Obligations means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-4° of the French *Code monétaire et financier*.

Senior Preferred Obligations means any obligations (including the Notes) or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-3° of the French *Code monétaire et financier*. For the avoidance of doubt, all unsubordinated debt securities issued by the Issuer prior to 11 December 2016 constitute Senior Preferred Obligations.

Events of Default: The terms of the Notes will contain events of default as set out in Condition 10.

Redemption Amount: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Final Redemption Amount specified in the Final Terms.

Optional Redemption: The Final Terms issued in respect of each issue of each Tranche will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so the terms applicable to such redemption.

Early Redemption: Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to their stated maturity only for tax reasons.

Taxation: All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes or Coupons will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If such withholding or deduction is required by French law, the Issuer will have to gross-up its payments to the fullest extent then permitted by law and subject to certain exceptions.

Interest Periods and Interest Rates: The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

For the avoidance of doubt, the interest payable under any Note shall in all instances be at least equal to zero.

Fixed Rate Notes: Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes: Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by the June 2013 FBF Master Agreement, as published by the *Fédération Bancaire Française*, or

- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., or
- (iii) by reference to LIBOR, EURIBOR, CMS Rate or €STR or any successor rate or any alternative rate.

in each case plus or minus any applicable margin, if any, and calculated and payable as indicated in the applicable Final Terms. Floating Rate Notes may also have a maximum rate of interest, a minimum rate of interest or both.

Benchmark Discontinuation: In the event that a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the relevant Final Terms, then the Issuer shall use its reasonable endeavours to appoint an independent adviser to determine a successor or an alternative benchmark and/or screen rate (with consequent amendment to the terms of such Series of Notes and the application of an adjustment spread). See Condition 6(c)(iv) for further information.

Zero Coupon Notes: Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

Redenomination: Notes issued in the currency of any Member State of the EU which participates in the third stage (or any further stage) of European Monetary Union may be redenominated into Euro, all as more fully provided in Condition 1 (d).

Consolidation: Notes of one Series may be consolidated with Notes of another Series, as more fully provided in Condition 14 (b).

Form of Notes: Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**).

Dematerialised Notes may, at the option of the Issuer, be issued in bearer form (*au porteur*) or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered form (*au nominatif pur*) or administered registered form (*au nominatif administré*). No physical documents of title will be issued in respect of Dematerialised Notes. See Condition 1 for further information.

Materialised Notes will be in bearer form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

Governing Law: French law.

Clearing Systems: Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer(s). With respect to Notes listed on the MOT of Borsa Italiana S.p.A., Materialised Notes and Dematerialised Notes may also be

cleared through the relevant clearing system's bridge account with Monte Titoli S.p.A., Milan, Italy, as operator of the Monte Titoli system (Piazza degli Affari 6, Milan, Italy) and any successor organisation or system (**Monte Titoli**).

Initial Delivery of Dematerialised Notes: One Paris business day before the issue date of each Tranche of Dematerialised Notes, the *Lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depository.

Initial Delivery of Materialised Notes: On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s).

Issue Price: Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Listing and admission to trading: Application has been made to Euronext Paris for Notes issued under the Programme to be admitted to trading on Euronext Paris. The Notes may be admitted to trading on any other Regulated Market in the EEA or in the United Kingdom, including, without limitation, the Electronic Bond Market, the regulated market organised and managed by Borsa Italiana S.p.A. (**MOT**), or in the United Kingdom, in accordance with the Prospectus Regulation or on an unregulated stock exchange or market, including, without limitation, the Electronic Bond Market and the EuroTLX Market, the multilateral trading facilities of Borsa Italiana S.p.A. (**ExtraMOT** and **EuroTLX Market** respectively), as specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted and not admitted to trading.

Non-Exempt Offer: The Notes may be offered through a Non-Exempt Offer in any Member State of the EEA or in the United Kingdom only if so specified in the relevant Final Terms and in accordance with any applicable laws and regulations.

Rating: Notes issued under the Programme may, or may not, be rated. The rating (if any) will be specified in the relevant Final Terms.

The relevant Final Terms will specify whether or not such credit ratings are issued by a credit agency established in the European Union or in the United Kingdom and registered under the Regulation (EC) No. 1060/2009 on credit rating agencies (the **CRA Regulation**) as amended by Regulation (EU) No. 513/2011 and if so, whether the credit rating agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation, will be disclosed in the Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change, or withdrawal at any time by the assigning rating agency without notice.

Selling Restrictions:

There are restrictions on the offer and sale of Notes and the distribution of offering materials in various jurisdictions. See "Subscription and Sale". In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms.

The Issuer is Category 2 for the purposes of Regulation S under the U.S. Securities Act of 1933, as amended (the **Securities Act**).

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the **D Rules**) unless (i) the relevant Final Terms state that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the **C Rules**) or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

Dematerialised Notes do not require compliance with the TEFRA Rules.

Available information:

So long as Notes are capable of being issued under the Programme, copies of documents relating to the Issuer (*statuts* and reports, letters and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus), will, when published, be available on the website of the Issuer (<https://www.about.hsbc.fr/investor-relations>).

The (i) Base Prospectus together with all supplements thereto from time to time, (ii) any translations of the offering documentation prepared in the context of a Non-Exempt Offer of the Notes (if applicable) and the Final Terms related to Notes listed and admitted to trading on a Regulated Market of the EEA or of the United Kingdom, or offered through a Non-Exempt Offer in a Member State of the EEA or in the United Kingdom, and (iii) the documents incorporated by reference in this Base Prospectus will be available on the website of the *Autorité des marchés financiers* (www.amf-france.org) (in relation to (i) and (ii) above) and on the website of the Issuer (<https://www.about.hsbc.fr/investor-relations>) (in relation to (i) and (iii) above).

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes and may be material for the purpose of assessing the market risks associated with Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes are specific to the Issuer and/or the Notes and material for an informed investment decision with respect to investing in Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal inherent risks in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

In each sub-category below the Issuer sets out first the most material risk, in its assessment, taking into account the expected magnitude of their negative impact and the probability of their occurrence.

Words and expressions defined under "Terms and Conditions of the Notes" shall have the same meanings in this section.

RISK FACTORS RELATING TO THE ISSUER

Risk factors in connection with the Issuer are set out in detail on pages 78 to 150 (and Note 33 to the Issuer's consolidated financial statements included on pages 215 and 216) of the English translation of the Issuer's 2019 Universal Registration Document and on pages 3 to 11 of the Issuer's First Amendment to the 2019 Universal Registration Document which are incorporated by reference in this Base Prospectus. See section entitled "Documents Incorporated by Reference" of this Base Prospectus.

The following risk factors are identified as the main risk factors specific to the Issuer that may have a material adverse effect on its business, prospects, financial condition, capital position, reputation, results of operations and/or its customers.

- Macroeconomic risk;
- Geopolitical risk;
- Macro-prudential, regulatory and legal risks; and
- Risks related to the Issuer's business, business operations, governance and internal control systems.

RISK FACTORS RELATING TO THE NOTES

The following paragraphs describe the principal risk factors that the Issuer believes material to the Notes to be offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and consult their own financial and legal advisers about risks associated with investments in a particular Series of Notes and the suitability of investing in the Notes in light of their particular situation.

1. Risks related to the structure of a particular issue of Notes

The Terms and Conditions of the Notes allow for a wide range of Notes to be issued under the Programme. A number of these Notes may have features which contain particular risks for Noteholders. Set out below is a description of the most common such features:

1.1 Early Redemption Risks

Notes subject to optional redemption by the Issuer

In accordance with Condition 7(b) of the Terms and Conditions, the Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer. An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The redemption amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholders. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. Should the Notes at such time be trading well above the price set for redemption, the negative impact on the Noteholders' anticipated returns would be significant.

In addition, the Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. As a consequence, part of the capital invested by the Noteholders may be lost.

Notes subject to optional redemption by the Noteholders

In accordance with Condition 7(c) of the Terms and Conditions, the Final Terms for a particular issue of Notes may provide for early redemption at the option of the Noteholders. Exercise of the Put Option in respect of certain Notes may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised. Depending on the number of Notes of the same Series in respect of which the Put Option provided in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid, which shall in turn adversely impact those Noteholders.

1.2 Interest Rate Risks

Fixed Rate Notes

Condition 5 of the Terms and Conditions allows for Fixed Rate Notes to be issued. Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes. In particular, a Noteholder, which pays interest at a fixed rate, is exposed to the risk that the market value of such Note could fall as a result of changes in the market interest rate. While the nominal interest rate of the fixed rate Notes is fixed during the term of such Notes, the current interest rate on the capital markets (**market interest rate**) typically varies on a daily basis. As the market interest rate changes, the market value of the Fixed Rate Notes would typically change in the opposite direction. If the market interest rate increases, the market value of the Fixed Rate Notes would typically fall, until the yield of such Notes is approximately equal to the market interest rate. If the market interest rate falls, the market value of the Notes would typically increase, until the yield of such Notes is approximately equal to the market interest rate. The degree to which the market interest rate may vary presents a significant risk to the market value of the Notes if a Noteholder were to dispose of the Notes.

Floating Rate Notes

Condition 6 of the Terms and Conditions allows for Floating Rate Notes to be issued. Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or

subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. This volatility is increased if the Floating Rate Notes include a multiplying coefficient. A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to also issue Fixed Rate Notes may affect the market value and the secondary market (if any) of the Floating Rate Notes (and *vice versa*). These reference rates are not pre-defined for the lifespan of the Notes. Higher reference rates mean a higher interest under the Notes and lower reference rates mean a lower interest under the Notes. The degree to which the reference rates may vary is uncertain. The interest amount payable on any Interest Payment Date may be different from the amount payable on the initial or previous Interest Payment Date and may negatively impact the return under the Notes and result in a reduced market value of the Notes if a Noteholder were to dispose of its Notes.

Risks related to the regulation and reform of "benchmarks"

In accordance with the provisions of Condition 6 of the Terms and Conditions, the Rate of Interest in respect of the Floating Rate Notes may be determined by reference to Reference Rates that constitute "benchmarks" for the purposes of Regulation (EU) 2016/1011 (the **Benchmarks Regulation**) published in the Official Journal of the EU on 29 June 2016 and applied since 1 January 2018.

Interest rates and indices which are deemed to be "benchmarks" (including LIBOR, EURIBOR and CMS Rate) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a "benchmark".

The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the United Kingdom). Notwithstanding the provisions of Condition 6(c)(iv) of the Terms and Conditions which seek to offset any adverse effects for the Noteholders, the Benchmarks Regulation could have a material impact on any Notes linked to or referencing a "benchmark", in particular in any of the following circumstances:

- an index which is a "benchmark" could not be used by a supervised entity in certain ways if its administrator does not obtain authorisation or registration or, if based in a non-EU jurisdiction, the administrator is not recognised as equivalent or recognised or endorsed and the transitional provisions do not apply; and
- if the methodology or other terms of the "benchmark" could be changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level or otherwise affecting the volatility of the published rate or level of the "benchmark" and as a consequence, Noteholders could lose part of their investment.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have the following effects on certain "benchmarks": (i) discourage market participants from continuing to administer or contribute to the "benchmark"; (ii) trigger changes in the rules or methodologies used in the "benchmark" or (iii) lead to the disappearance of the "benchmark".

Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a "benchmark".

Investors should be aware that, if a benchmark were discontinued or otherwise unavailable, the rate of interest on Notes which are linked to or which reference such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes (please refer to the risk factor entitled "*The occurrence of a Benchmark Event could have a material adverse effect on the value of and return on any such Notes linked to or referencing such "benchmarks"*" below). Depending on the manner in which a benchmark rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination or FBF Determination applies, be reliant upon the provision by reference banks of offered quotations for the benchmark rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the benchmark was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Notes linked to or referencing a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 has amended the existing provisions of the Benchmarks Regulation by extending the transitional provisions applicable to material benchmarks and third-country benchmarks until the end of 2021.

The occurrence of a Benchmark Event could have a material adverse effect on the value of and return on any such Notes linked to or referencing such "benchmarks"

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, Condition 6(c)(iv) of the Terms and Conditions provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if an inter-bank offered rate (such as LIBOR or EURIBOR) or other relevant reference rate (which could include, without limitation, any mid-swap rate, but shall except €STR), and/or any page on which such benchmark may be published, becomes unavailable, or if the Issuer, the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the applicable Final Terms) are no longer permitted lawfully to calculate interest on any Notes by reference to such benchmark under the Benchmarks Regulation or otherwise.

Such fallback arrangements include the possibility that the rate of interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Terms and Conditions), with or without the application of an adjustment spread (which, if applied, could be positive or negative, and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark), and may include amendments to the Terms and Conditions to ensure the proper operation of the successor or replacement benchmark, all as determined by the Independent Adviser and without the consent of the Noteholders.

In certain circumstances, including where no Successor Rate or Alternative Rate (as applicable) is determined or due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time, in all these circumstances other fallback rules might apply if the benchmark is discontinued or otherwise unavailable, which consist in the rate of interest for the last preceding Interest Period to be used for the following Interest Period(s), as set out in the risk factor above entitled “*Risks related to the regulation and reform of “benchmarks”*”.

Any such consequences could have a material adverse effect on the value of and return on any Notes and as a consequence, Noteholders may lose part of their investment.

Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should note that, the Independent Adviser will have discretion to adjust the relevant Successor Rate or Alternative Rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholders, any such adjustment will be favourable to each Noteholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes.

Future discontinuance of LIBOR and other benchmarks may adversely affect the value of Floating Rate Notes

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR in future. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR rate is to be determined under the Terms and Conditions, this may (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR rate which, depending on market circumstances, may not be available at the relevant time or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR.

The market continues to develop in relation to risk free rates as reference rates for Floating Rate Notes

Condition 6 of the Terms and Conditions allows Notes referencing the Euro short term rate (€STR) to be issued. The market continues to develop in relation to risk free rates, such as €STR, as reference rate in the capital markets for euro bonds, and its adoption as alternative to the relevant interbank offered rates. The market or a significant part thereof may adopt an application of risk free rates that differs

significantly from that set out in the Terms and Conditions and used in relation to Floating Rate Notes that reference a risk free rate issued under this Base Prospectus.

The nascent development of the use of €STR as interest reference rate for bond markets, as well as continued development of €STR-based rates for such markets and of the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes. Interest on Notes which reference a risk free rate is only capable of being determined shortly prior to the relevant Interest Payment Date.

In addition, as €STR is published by the European Central Bank, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of Noteholders.

The mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes.

To the extent the €STR reference rate is discontinued or is no longer published as described in the Terms and Conditions, the applicable rate to be used to calculate the Rate of Interest on the Notes will be determined using the alternative methods described in Condition 6 of the Terms and Conditions. Such methods may result in interest payments that are lower than, or do not otherwise correlate over time with, the payment that would have been made on the Notes if the €STR reference rate had been provided by the European Central Bank in its current form. Accordingly, an investment in any such Floating Rate Notes may entail significant risks not associated with similar investments in convention debt securities.

Fixed/Floating Rate Notes

Condition 6(e) of the Terms and Conditions allows for Fixed/Floating Rate Notes to be issued. Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate or (ii) that will automatically change from a fixed rate to a floating rate, or from a floating rate to a fixed rate on the date set out in the Final Terms. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes and any such volatility may have a significant adverse effect on the market value of the Notes.

Zero Coupon Notes and Notes issued at a substantial discount or premium

Condition 6(d) of the Terms and Conditions allows for Zero Coupon Notes to be issued. The market values of Zero Coupon Notes and securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. Therefore, in similar market conditions, the holders of Zero Coupon Notes, as well as other securities issued at a substantial discount or premium from their principal amount, could be subject to higher losses on their investments than the holders of other instruments such as Fixed Rate Notes or Floating Rate Notes. Any such volatility may have a significant adverse effect on the market value of the Notes.

1.3 Risks relating to Green Bonds

As described in the section entitled "Use of proceeds" of this Base Prospectus, the net proceeds of the issuance of Notes (the **Green Bonds**) may be applied to refinance finance and/or re-finance, in whole or in part, new or existing projects included in Eligible Sectors, as defined in the green bond framework dated 6 November 2015 and available on the following website: <https://www.hsbc.com/investors/fixed-income-investors/green-and-sustainability-bonds> (the **Green Bond Framework**), as amended and supplemented from time to time, as completed or specified in the relevant Final Terms.

Since there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes a "green" or an equivalently-labelled lending, no assurance is or can be given to Noteholders that any Eligible Sector or use(s) the subject of, or related to, any Eligible Sectors will meet any or all investor expectations regarding such "green" or other equivalently-labelled performance objectives.

While it is the intention of the Issuer to apply the proceeds of any Green Bonds so specified to the relevant Eligible Sector, in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant Eligible Sector or use(s) the subject of, or related to, any Eligible Sector, will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such eligible sector. Nor can there be any assurance that businesses and projects in such Eligible Sector will be completed within any specified period or at all or with the results or outcome as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Green Bonds.

Any failure to use the net proceeds from such Green Bonds on projects included in any Eligible Sector and/or to meet or continue to meet the investment requirements of certain environmentally focused investors with respect to such Notes may affect the value and marketability of such Green Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets and consequently, Noteholders could be adversely affected.

2. Risks related to legal issues regarding the Notes

Set out below is a brief description of certain risks relating to legal issues regarding the Notes:

EU Bank Recovery and Resolution Directive

Directive 2014/59/EU provides for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 (the **Bank Recovery and Resolution Directive** or **BRRD**), implemented in France by several legislative texts, to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity.

If the Issuer is determined to be failing or likely to fail within the meaning of, and under the conditions set by BRRD, and the relevant resolution authority applies any, or a combination, of the BRRD resolution tools (e.g. sale of business, creation of a bridge institution, asset separation or bail-in), any shortfall from the sale of the Issuer's assets may lead to a partial reduction in the outstanding amount of certain claims of unsecured creditors of that entity (including, as the case may be, the Notes), or, in a worst case scenario, a reduction to zero. The unsecured debt claims of the Issuer (including, as the case may be, the Notes) might also be converted into equity or other instruments of ownership, in accordance with the hierarchy of claims in normal insolvency proceedings, which equity or other instruments could also be subject to any future cancellation, transfer or dilution (such reduction or cancellation being first on common equity tier one instruments (the Issuer's common equity tier one instruments as of 31 December 2019 amount to EUR 7,656,000,000), thereafter the reduction,

cancellation or conversion being on additional tier one instruments (the Issuer's additional tier one instruments as of 31 December 2019 amount to EUR 750,000,000), then tier two instruments and other subordinated debts (the Issuer's tier two instruments and other subordinated debts as of 31 December 2019 amount to EUR 1,376,000,000). The relevant resolution authority may also seek to amend the terms (such as variation of the maturity) of any outstanding unsecured debt securities (including, as the case may be, the Notes).

Public financial support to resolve the Issuer where there is a risk of failure will only be used as a last resort, after having assessed and exploited the above resolution tools, including the bail-in tool, to the maximum extent possible whilst maintaining financial stability.

As a result, the exercise of any power under the BRRD or any suggestion of such exercise could materially adversely affect the rights of the Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

French Insolvency Law

As a *société anonyme* incorporated in France, French insolvency law applies to the Issuer. Except as otherwise provided by the relevant Final Terms, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 12. However, under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the **Assembly**) in order to defend their common interests if a safeguard procedure (*procédure de sauvegarde*), an accelerated safeguard procedure (*procédure de sauvegarde accélérée*), an accelerated financial safeguard procedure (*procédure de sauvegarde financière accélérée*), or a judicial reorganisation procedure (*procédure de redressement judiciaire*) is opened in France with respect to the Issuer.

The Assembly comprises holders of all debt securities issued by the Issuer (including the Notes), whether or not under a debt issuance programme (such as a Euro Medium Term Note Programme) and regardless of their governing law.

The Assembly deliberates on the proposed safeguard plan (*projet de plan de sauvegarde*), accelerated safeguard plan (*plan de sauvegarde accélérée*), accelerated financial safeguard plan (*plan de sauvegarde financière accélérée*) or judicial reorganisation plan (*projet de plan de redressement*) applicable to the Issuer and may further agree to:

- increase the liabilities (*charges*) of holders of debt securities (including the Noteholders) by rescheduling payments which are due and/or partially or totally writing-off debts;
- establish an unequal treatment between holders of debt securities (including the Noteholders) as appropriate under the circumstances; and/or
- decide to convert debt securities (including the Notes) into securities that give or may give right to share capital.

Decisions of the Assembly will be taken by a two-third majority (calculated as a proportion of the amount of debt securities held by the holders attending such Assembly or represented thereat). No quorum is required to convoke of the Assembly.

For the avoidance of doubt, the provisions relating to the Representation of the Noteholders described in the Terms and Conditions set out in this Base Prospectus and, if applicable, the relevant Final Terms will only be applicable to the extent they do not conflict with compulsory insolvency law provisions that apply in these circumstances.

The procedures that are described above, as they may be amended from time to time, could have an adverse impact on Noteholders seeking repayment in the event that the Issuer were to become insolvent.

The commencement of insolvency proceedings against the Issuer would have a material adverse effect on the market value of Notes issued by the Issuer. Any decisions taken by the Assembly could substantially impact the Noteholders and even cause them to lose all or part of their investment, should they not be able to recover amounts due to them from the Issuer.

Modification of the Conditions

Condition 12 of the Terms and Conditions contains provisions for holding a General Meeting or taking a Written Decision, as defined in Condition 12, affecting the common interests of the Noteholders. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend or were not represented at the relevant General Meeting or Noteholders who voted in a manner contrary to the majority or did not consent to the Written Decision. Collective Decisions can be taken on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, as more fully described in Condition 12. If a decision is adopted by a majority of Noteholders and such modifications were to impair or limit the rights of the Noteholders, this may have a negative impact on the market value of the Notes.

3. Risks related to the market of the Notes

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

HSBC France's credit ratings may not reflect all risks of an investment in the Notes, and changes to any credit rating assigned to the Issuer or the Notes may affect the market value of the Notes

HSBC France's credit ratings or those assigned to the Notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or market value of, the Notes, including risks relating to the ongoing COVID-19 outbreak. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time in its sole discretion.

Any rating assigned to HSBC France or the Notes may be withdrawn entirely by a credit rating agency, may be suspended or may be lowered, if, in that credit rating agency's judgment, circumstances relating to the basis of the rating so warrant. Moreover, the rating agencies that currently, or may in the future, publish a rating for the Issuer or the Notes may change the methodologies that they use for analysing securities with features similar to the Notes. Ratings may be impacted by a number of factors that can change over time, including the credit rating agency's assessment of: (i) HSBC France's strategy and management's capability; (ii) HSBC France's financial condition, including in respect of capital, funding and liquidity; (iii) competitive, economic, legal and regulatory conditions in HSBC France's key markets, including those markets where HSBC France has large exposures or on which HSBC France's operating results, including revenues, are substantially dependent; (iv) the level of political support for the industries in which HSBC France operate; (v) the integration of HSBC France within the Group (vi) legal and regulatory frameworks affecting HSBC France's legal structure, business activities and the rights of HSBC France's creditors; and (vii) the impact of the current macroeconomic environment and governmental and regulatory responses arising from the COVID-19 outbreak on any of the foregoing factors.

For example, in December 2019, Fitch downgraded the rating on long-term senior unsecured debt of HSBC Holdings plc, HSBC Bank plc and HSBC France and Moody's changed the outlook on ratings

from stable to negative on these entities as well. This reflected the agencies' assessment of the Group's financial strength based on reduced return targets, as well as the planned repositioning of the U.S. and European non-ring-fenced banking units, among other factors. Subsequently in December, Fitch removed the Ratings Watch Negative on the long-term senior unsecured debt, which had related to uncertainty on the outcome of the UK's withdrawal from the EU. This reflected Fitch's view that the short-term risk of a disruptive 'no-deal' withdrawal had reduced. In April 2020, Fitch has announced that it has revised HSBC Holdings plc's, HSBC Bank plc and some other Group entities' outlook to Negative from Stable, reflecting the economic disruption driven by the COVID-19 outbreak. There can be no assurance that Moody's or any other rating agency will not take additional negative ratings actions as a result of economic uncertainties or other factors in connection with the COVID-19 outbreak.

Real or expected downgrades, suspensions or withdrawals of credit ratings assigned to the Issuer or the Notes could cause the liquidity or trading prices of the Notes to decline significantly. Additionally, any uncertainty about the extent of any anticipated changes to the credit ratings assigned to the Issuer or the Notes may adversely affect the market value of the Notes.

Market value of the Notes

Application may be made to list and admit any Series of Notes issued hereunder to trading on Euronext Paris and/or on any other Regulated Market. Therefore, the market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the volatility of market interests and yield rates and the time remaining to the maturity date.

The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and Euronext Paris and/or any other Regulated Market or stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Noteholder. Accordingly, all or part of the capital invested by the Noteholder may be lost upon any transfer of the Notes, so that the Noteholder in such case would receive significantly less than the total amount of capital invested.

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid and may be sensitive to changes in financial markets. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case should the Issuer be in financial distress, which may result in any sale of the Notes having to be at a substantial discount to their principal amount or for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Although application has been made for the Notes issued under the Programme to be listed and admitted to trading on Euronext Paris, and/or any other Regulated Market in the European Economic Area or in the United Kingdom, there is no assurance that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. Illiquidity may have an adverse effect on the market value of the Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate.

As a result, Noteholders may receive less interest or principal than expected. This may result in a significant loss on any capital invested from the perspective of a Noteholder whose domestic currency is not the Specified Currency.

RETAIL CASCADES

In the context of any offer of Notes in France, the United Kingdom, Germany, the Netherlands, Belgium, the Grand Duchy of Luxembourg, Spain and/or Italy (the **Non-Exempt Offer Jurisdictions**) that is not within an exemption from the requirement to publish a prospectus under the Prospectus Regulation, as amended or superseded, (a **Non-Exempt Offer**), and without prejudice to the possibility for the Issuer to appoint financial intermediaries to place the Notes in the context of a non-exempt offer in the Non-Exempt Offer Jurisdictions, the Issuer may consent to the use of the Base Prospectus and the relevant Final Terms (the **Prospectus**) in connection with a Non-Exempt Offer of any Notes during the offer period specified in the relevant Final Terms (the **Offer Period**) and in the Non-Exempt Offer Jurisdiction(s) specified in the relevant Final Terms by:

(1) any financial intermediary authorised to make such offers pursuant to the Markets in Financial Instruments Directive 2004/39/EC specified in the relevant Final Terms; or

(2) if so specified in the relevant Final Terms, any financial intermediary which satisfies the following conditions: (a) acts in accordance with all applicable laws, rules, regulations and recommendations of any applicable regulatory bodies (the **Rules**), from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor; (b) complies with the restrictions set out under "*Subscription and Sale*" in this Base Prospectus which would apply as if it were a Dealer and considers the relevant manufacturer's target market assessment and distribution channels identified under the "MiFID II product governance" legend set out in the relevant Final Terms; (c) ensures that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes is fully and clearly disclosed to investors or potential investors; (d) holds all licences, consents, approvals and permits required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules; (e) retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with the Rules relating to anti-money laundering, prevention of corruption and client identification applicable to the Issuer and/or the relevant Dealer(s); (f) does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or any requirement to obtain or make any filing, authorisation or consent in any jurisdiction; and (g) satisfies any further conditions specified in the relevant Final Terms, (in each case an **Authorised Offeror**). For the avoidance of doubt, none of the Dealers or the Issuer shall have any obligation to ensure that an Authorised Offeror complies with applicable laws and regulations and shall therefore have no liability in this respect.

The Issuer accepts responsibility, in the Non-Exempt Offer Jurisdiction(s) specified in the Final Terms, for the content of the Prospectus in relation to any person (an **Investor**) in such Non-Exempt Offer Jurisdiction(s) to whom an offer of any Notes is made by any Authorised Offeror and where the offer is made during the period for which that consent is given. However, neither the Issuer nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of the approval of this Base Prospectus by the AMF.

In the event the Final Terms designate financial intermediary(ies) to whom the Issuer has given its consent to use the Prospectus during an Offer Period, the Issuer may also give consent to additional Authorised Offerors after the date of the relevant Final Terms and, if it does so, it will publish any new information in relation to such Authorised Offerors who are unknown at the time of the approval of this Base Prospectus or the filing of the relevant Final Terms at <http://www.about.hsbc.fr/investor-relations/debt-issuance>.

If the Final Terms specify that any financial intermediary may use the Prospectus during the Offer Period, any such Authorised Officer is required, for the duration of the Offer Period, to publish on its website a statement confirming that it is using the Prospectus for the relevant Non-Exempt Offer with the consent of the Issuer and in accordance with the conditions attached thereto.

Other than as set out above, and without prejudice to the possibility for the Issuer to appoint financial intermediaries to place the Notes in the context of a non-exempt offer in the Non-Exempt Offer Jurisdictions, neither the Issuer nor any of the Dealers has authorised the making of any Non-Exempt Offer by any person in any circumstances and such person is not permitted to use the Prospectus in connection with its offer of any Notes. Any such offers are not made on behalf of the Issuer or by any of the Dealers or Authorised Offerors and none of the Issuer or any of the Dealers or Authorised Offerors has any responsibility or liability for the actions of any person making such offers.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to the price, allotment, settlement/delivery arrangements and any costs or taxes to be invoiced to the Investor (the Terms and Conditions of the Non-Exempt Offer). The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Non-Exempt Offer shall be provided to Investors by that Authorised Offeror at the time of the Non-Exempt Offer. Neither the Issuer nor any of the Dealers or other Authorised Offerors has any responsibility or liability for such information or the consequences of its use by the relevant Investors.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus shall be read and construed in conjunction with the following documents (excluding any documents incorporated by reference in such documents) which have been previously published and filed with the AMF and which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus:

- the English translation of the Issuer's first amendment to the 2019 Universal Registration Document, filed with the *Autorité des marchés financiers* on 14 April 2020 under reference number D.20-0071-A01 (the **First Amendment to the 2019 Universal Registration Document**): <https://www.hsbc.com/-/files/hsbc/investors/investing-in-hsbc/all-reporting/subsidiaries/2019/blue-annual-results/hsbc-france/200414-hsbc-france-amendement-urd-2019-en.pdf>;
- the English translation of the Issuer's 2019 *Document d'enregistrement universel* filed with the *Autorité des marchés financiers* on 19 February 2020 under No. D.20-0071 (the **2019 Universal Registration Document**): <https://www.hsbc.com/-/files/hsbc/investors/investing-in-hsbc/all-reporting/subsidiaries/2019/annual-results/hsbc-france/200219-hbfr-en-2019-annual-report-final.pdf>;
- the English translation of the Issuer's 2018 *Document de référence* filed with the *Autorité des marchés financiers* on 20 February 2019 under No. D.19-0065 (the **2018 Registration Document**): <https://www.hsbc.com/-/files/hsbc/investors/investing-in-hsbc/all-reporting/subsidiaries/2018/annual-results/hsbc-france/190220-hbfr-ara-2018-en.pdf>;
- the Issuer's Capital and Risk Management Pillar 3 Disclosures as at 31 December 2019 (the **HSBC France Pillar 3 Disclosures**): <https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries?page=1&take=20&company=hsbc-france&years=2019>; and
- the section "Terms and Conditions" of the following base prospectuses / offering circular relating to the Programme:
 - (i) Offering Circular dated 20 September 2004 (pages 15 to 50): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/prospectus-de-base-emptn-2004.pdf>,
 - (ii) Base Prospectus dated 28 November 2005 (pages 40 to 74): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/prospectus-de-base-emptn.pdf>,
 - (iii) Base Prospectus dated 15 September 2006 (pages 56 to 116): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-base-prospectus-final.pdf>,
 - (iv) Base Prospectus dated 13 November 2007 (pages 57 to 118): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/bp-hsbc-final.pdf>,
 - (v) Base Prospectus dated 21 October 2008 (pages 54 to 115): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/bp-hsbc-final-2008.pdf>,
 - (vi) Base Prospectus dated 5 October 2009 (pages 42 to 103): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/prospectus-de-base-emptn-2009.pdf>,

- (vii) Base Prospectus dated 5 October 2010 (pages 47 to 108): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/prospectus-de-base-emptn-2010.pdf>,
- (viii) Base Prospectus dated 5 October 2011 (pages 45 to 106): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-base-prospectus-2011.pdf>,
- (ix) Base Prospectus dated 14 December 2012 (pages 55 to 84): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-base-prospectus-2012.pdf>,
- (x) Base Prospectus dated 16 January 2014 (pages 63 to 90): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/pa-11931148-v1-hsbc-emptn-2014-base-prospectus-with-visa.pdf>,
- (xi) Base Prospectus dated 12 December 2014 (pages 56 to 83): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-final-base-prospectus-with-visa.pdf>,
- (xii) Base Prospectus dated 7 January 2016 (pages 59 to 86): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-emptn-update-final-base-prospectus-including-visa.pdf>,
- (xiii) Base Prospectus dated 17 January 2017 (pages 65 to 92): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-emptn-base-prospectus-with-visa-jan-2017.pdf>,
- (xiv) Base Prospectus dated 14 September 2017 (pages 67 to 96): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-emptn-base-prospectus-with-visa-sept-2017.pdf>,
- (xv) Base Prospectus dated 14 September 2018 (pages 70 to 98): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-emptn-base-prospectus-with-visa-sept-2018.pdf>, and
- (xvi) Base Prospectus dated 12 April 2019 (pages 72 to 105): <https://www.about.hsbc.fr/-/media/france/en/investors-relations/debt-issuance/issuance-programmes/hsbc-france-emptn-base-prospectus-april-2019.pdf>,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The non-incorporated parts of the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus and are not relevant for the investors.

All documents incorporated by reference in this Base Prospectus will be published on the website of the Issuer (<https://www.about.hsbc.fr/investor-relations>) so long as any of the Notes are outstanding. In addition such documents will be published on the website of the AMF (www.amf-france.org).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below. Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purposes only.

For the purposes of the Prospectus Regulation, the information incorporated by reference in this Base Prospectus is set out in the cross-reference table below. For the avoidance of doubt, the information requested to be disclosed by the Issuer as a result of Annex 6 of the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation (the **Commission Delegated Regulation**) and not referred to in the cross-reference table below is either contained in the relevant sections of this Base Prospectus or is not relevant to the Issuer.

CROSS REFERENCE LIST

INFORMATION INCORPORATED BY REFERENCE Annex 6 of the Commission Delegated Regulation	2018 Registration Document	2019 Universal Registration Document (unless otherwise specified)
3. RISK FACTORS		
A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'.		Pages 78 to 150 Pages 3 to 11 of the First Amendment to the 2019 Universal Registration Document Pages 18 to 22, 27 and 28 of the HSBC France Pillar 3 Disclosures
4. INFORMATION ABOUT THE ISSUER		
4.1 History and development of the issuer		Page 266
4.1.1 The legal and commercial name of the issuer		Page 265
4.1.2 The place of registration of the issuer, its registration number and legal entity identifier ('LEI').		Page 265
4.1.3 The date of incorporation and the length of life of the issuer, except where the period is indefinite.		Page 265
4.1.4 The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.		Page 265
4.1.5 Details of any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency.		Pages 5, 8 and 9
5. BUSINESS OVERVIEW		
5.1 Principal activities		Pages 4, 8, 9 to 19 and 229
5.1.1 A description of the issuer's principal activities, including: (a) the main categories of products sold and/or services performed; (b) an indication of any significant new products or activities; (c) the principal markets in which the issuer competes.		Pages 4, 8, 9 to 19 and 229
5.2 The basis for any statements made by the issuer regarding its competitive position.		Pages 4 to 19
6. ORGANISATIONAL STRUCTURE		
6.1 If the issuer is part of a group, a brief description of the group and the issuer's position within the		Pages 3 to 20, 252 and 259 to 262

INFORMATION INCORPORATED BY REFERENCE Annex 6 of the Commission Delegated Regulation	2018 Registration Document	2019 Universal Registration Document <i>(unless otherwise specified)</i>
group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.		
6.2 If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.		Pages 259 to 261
9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES		
9.1 Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital.		Pages 22 to 29
9.2 Administrative, management, and supervisory bodies' conflicts of interests Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.		Page 38
10. MAJOR SHAREHOLDERS		
10.1 To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.		Pages 265 to 267
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES		
11.1 Historical financial information		
11.1.1 Audited historical financial information covering the latest two financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year.	Pages 146-219	pages 155-221
11.1.3 Accounting Standards The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002.	Pages 146-219	Pages 155-221
11.1.6 Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	Pages 146-219	Pages 155-221
11.1.7 Age of financial information The balance sheet date of the last year of audited financial information statements may not be older		Page 158

INFORMATION INCORPORATED BY REFERENCE Annex 6 of the Commission Delegated Regulation	2018 Registration Document	2019 Universal Registration Document <i>(unless otherwise specified)</i>
than 18 months from the date of the registration document.		
11.3 Auditing of historical annual financial information		
11.3.1 The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU and Regulation (EU) No 537/2014.	Pages 220-224	Pages 222-225
11.3.2 Indication of other information in the registration document which has been audited by the auditors.	Pages 50-52	Pages 50-52
11.4 Legal and arbitration proceedings		
11.4.1 Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.		Pages 137 to 138, 215 to 216, 250 to 251
12. ADDITIONAL INFORMATION		
12.1 Share capital The amount of the issued capital, the number and classes of the shares of which it is composed with details of their principal characteristics, the part of the issued capital still to be paid up with an indication of the number, or total nominal value and the type of the shares not yet fully paid up, broken down where applicable according to the extent to which they have been paid up.		Pages 213, 243 and 267
12.2 Memorandum and Articles of Association The register and the entry number therein, if applicable, and a description of the issuer's objects and purposes and where they can be found in the memorandum and articles of association.		Page 265-267
13. MATERIAL CONTRACTS		
13.1 A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or an entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued.		Page 267

The sections "Terms and Conditions" of the bases prospectuses / offering circular referred to in the table below are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with the Notes already issued with the "Terms and Conditions" of the relevant bases prospectus or offering circular.

Terms and Conditions of the bases prospectuses / offering circular	
Offering Circular dated 20 September 2004	pages 15 to 50
Base Prospectus dated 28 November 2005	pages 40 to 74
Base Prospectus dated 15 September 2006	pages 56 to 116
Base Prospectus dated 13 November 2007	pages 57 to 118
Base Prospectus dated 21 October 2008	pages 54 to 115
Base Prospectus dated 5 October 2009	pages 42 to 103
Base Prospectus dated 5 October 2010	pages 47 to 108
Base Prospectus dated 5 October 2011	pages 45 to 106
Base Prospectus dated 14 December 2012	pages 55 to 84
Base Prospectus dated 16 January 2014	pages 63 to 90
Base Prospectus dated 12 December 2014	pages 56 to 83
Base Prospectus dated 7 January 2016	pages 59 to 86
Base Prospectus dated 17 January 2017	pages 65 to 92
Base Prospectus dated 14 September 2017	pages 67 to 96
Base Prospectus dated 14 September 2018	pages 70 to 98
Base Prospectus dated 12 April 2019	pages 72 to 105

Non-incorporated parts of the base prospectuses / offering circular referred to in the table above are not relevant for the investors.

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation and Article 18 of Commission Delegated Regulation (EU) 2019/979, following the occurrence of a significant new factor, a material mistake or material inaccuracy or omission relating to the information included or incorporated by reference in this Base Prospectus (including the "Terms and Conditions" of the Notes) which may affect the assessment of any Notes, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which in respect of any subsequent issue of Notes to be admitted to trading on Euronext Paris or on a Regulated Market of a Member State of the EEA or of the United Kingdom or to be offered through a Non-Exempt Offer in France or in any Member State of the EEA or in the United Kingdom, shall constitute a supplement to the Base Prospectus for the purpose of the Prospectus Regulation.

In accordance with and pursuant to Article 23.2 of the Prospectus Regulation, where the Notes are offered through a Non-Exempt Offer, investors who have already agreed to purchase or subscribe for Notes before any supplement is published have the right, exercisable within two working days after the publication of this supplement, to withdraw their acceptances provided that the significant new factor, material mistake or material inaccuracy referred to in Article 23.1 of the Prospectus Regulation arose or was noted before the final closing of the Non-Exempt Offer and the delivery of the Notes. That period may be extended by the Issuer or, if any, the relevant Authorised Offeror(s). The final date of the right of withdrawal shall be stated in the supplement.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, as completed by the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms (and subject to simplification by the deletion of non-applicable provisions) or (ii) these terms and conditions as so completed shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References below to **Conditions** are, unless the context requires otherwise, to the numbered paragraphs below. References in the Conditions to **Notes** are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by HSBC France (the **Issuer**) on a syndicated or non-syndicated basis, in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical save as to the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche (including, without limitation, the aggregate nominal amount, issue price, redemption price thereof, and interest, if any, payable thereunder and which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be determined by the Issuer and the relevant Dealer(s) at the time of the issue and will be set out in the final terms of such Tranche (the **Final Terms**).

The Notes are issued with the benefit of an amended and restated agency agreement dated 29 April 2020 (the **Agency Agreement**) between the Issuer, BNP Paribas Securities Services as fiscal agent and principal paying agent, and HSBC Bank plc as calculation agent. The fiscal agent, the paying agent(s), and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Fiscal Agent**, the **Paying Agents** (which expression shall include the Fiscal Agent), and the **Calculation Agent(s)**. The holders of the interest coupons (the **Coupons**) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the **Talons**) for further Coupons are respectively referred to below as the **Couponholders**.

For the purposes of these Terms and Conditions, **Regulated Market** means any regulated market situated in a member state of the European Economic Area (**EEA**) or in the United Kingdom (**UK**) as defined in the markets in financial instruments directive 2014/65/EU, as amended.

1. Form, Denomination, Title and Redenomination

(a) Form

Notes may be issued either in dematerialised form (**Dematerialised Notes**) or in materialised form (**Materialised Notes**), as specified in the relevant Final Terms.

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer, in either bearer form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of the Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant holder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant Noteholder or in fully registered form (*au nominatif pur*) inscribed in an account maintained

by the Issuer or a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the **Registration Agent**).

For the purpose of these Conditions, **Account Holder** means any authorised intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank SA/NV (**Euroclear**) and the depositary bank for Clearstream Banking S.A. (**Clearstream**).

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form (**Definitive Materialised Notes**) are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. In accordance with Articles L.211-3 *et seq.* of the French *Code monétaire et financier*, securities (such as Notes constituting obligations under French law) in materialised form and governed by French law must be issued outside the French territory.

Materialised Notes and Dematerialised Notes may also be cleared through one or more clearing system(s) other than or in addition to Euroclear France, Euroclear and/or Clearstream Luxembourg, as may be specified in the relevant Final Terms, including, for Notes listed on the MOT of Borsa Italiana S.p.A., Monte Titoli (through the relevant Clearing System's bridge account).

- (iii) The Notes may be **Fixed Rate Notes, Floating Rate Notes, Fixed/Floating Rate Notes and Zero Coupon Notes.**

- (b) *Denomination(s)*

Notes shall be issued in the specified denomination(s) as set out in the relevant Final Terms (the **Specified Denomination(s)**).

Notes having a maturity of less than one year in respect of which the issue proceeds are to be accepted in the United Kingdom will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.

Dematerialised Notes shall be issued in one Specified Denomination only.

- (c) *Title*

- (i) Title to *Dematerialised* Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts maintained by the Issuer or by the Registration Agent.
- (ii) Title to Definitive Materialised Notes, including, where appropriate, Coupons and/or a Talon attached, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder (as defined below), Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership,

or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

In these Conditions,

Noteholder or, as the case may be, "holder of any Note" means (a) in the case of Dematerialised Notes, the individual or entity whose name appears in the account of the relevant Account Holder, the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (b) in the case of Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons or Talons relating to it.

Outstanding means, in relation to Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid as provided in Condition 7, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and that are held or have been cancelled as provided in the Conditions, (e) in the case of Definitive Materialised Notes (i) those mutilated or defaced Definitive Materialised Notes that have been surrendered in exchange for replacement Definitive Materialised Notes, (ii) (for the purpose only of determining how many such Definitive Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Definitive Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Definitive Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions.

(d) *Redenomination*

- (i) The Issuer may (if so specified in the relevant Final Terms), on any date, without the consent of the Noteholder, Coupon or Talon, by giving at least 30 days' notice in accordance with Condition 15 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the **EC**), as amended from time to time (the **Treaty**) or events have occurred which have substantially the same effects (in either case, **EMU**), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as more fully described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the **Redenomination Date**.
- (ii) The redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euros on the Redenomination Date in the manner notified to Noteholders by the Issuer.

- (iii) Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.
- (iv) The Issuer may, with the prior approval of the Fiscal Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, without the consent of the Noteholder, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the Noteholders, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the Noteholder, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euros or any currency conversion or rounding effected in connection therewith.

2. Conversions and Exchanges of Notes

(a) Dematerialised Notes

Dematerialised Notes issued in bearer form (*au porteur*) may not be converted into Dematerialised Notes in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form, (*au nominatif administré*).

Dematerialised Notes issued in registered form (*au nominatif*) may not be converted into Dematerialised Notes in bearer form (*au porteur*).

Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered form (*au nominatif administré*), and vice versa. The exercise of any such option by such holder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such holder.

(b) Materialised Notes

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination (as defined in the relevant Final Terms).

3. Status

The Notes, and, where applicable, any relative Coupons are direct, unconditional, senior preferred and unsecured obligations of the Issuer and rank and will rank at all times:

- (i) *pari passu* without any preference among themselves and with other Senior Preferred Obligations of the Issuer;
- (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking junior to Senior Non-Preferred Obligations; and
- (iii) junior to all present and future claims benefiting from statutory preferences.

Subject to applicable law, in the event of the voluntary or judicial liquidation (*liquidation amiable ou liquidation judiciaire*) of the Issuer, bankruptcy proceedings or any other similar proceedings affecting the Issuer, the rights of Noteholders to payment under the Senior Preferred Notes rank:

- A. junior to present and future claims benefiting from other preferred exceptions; and
- B. senior to Senior Non-Preferred Obligations.

In these Conditions, the following defined terms shall have the meanings set out below:

Senior Non-Preferred Obligations means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-4° of the French *Code monétaire et financier*.

Senior Preferred Obligations means any obligations (including the Notes) or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article L.613-30-3-I-3° of the French *Code monétaire et financier*. For the avoidance of doubt, all unsubordinated debt securities issued by the Issuer prior to 11 December 2016 constitute Senior Preferred Obligations.

By the effect of the exercise of the bail-in power by the relevant resolution authority of the Issuer, the outstanding amount of Notes may notably be reduced (in whole or in part), converted into shares (in whole or in part) or cancelled and/or the maturity of the Notes or the amount of interest or the date on which the interest becomes payable may be amended.

4. Interest and other Calculations

Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

Benchmark means the Reference Rate as set out in the relevant Final Terms.

Business Day means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer payment system or any successor thereto (the **TARGET 2 System**) is operating (a **TARGET Business Day**), and/or
- (ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency, and/or
- (iii) in the case of a Specified Currency and/or one or more business centre(s) specified in the relevant Final Terms (the **Business Centre(s)**), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified.

Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the **Calculation Period**):

- (i) if **Actual/Actual**, **Actual/Actual-ISDA**, **Act/Act** or **Act/Act-ISDA** or **Actual/365-FBF** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).
- (ii) if **Actual/Actual-ICMA** or **Act/Act-ICMA** is specified in the relevant Final Terms:
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,
- in each case, where **Determination Period** means the period from and including a Determination Date in any year to but excluding the next Determination Date and **Determination Date** means the date specified in the relevant Final Terms or, if none is so specified, the Interest Payment Date.
- (iii) if **Actual/Actual-FBF** is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one year, the basis shall be calculated as follows:
- the number of complete years shall be counted back from the last day of the Calculation Period;
 - this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition.
- (iv) if **Actual/365 (Fixed)**, **Act/365 (Fixed)**, **A/365 (Fixed)** or **A/365F** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365.
- (v) if **Actual/360**, **Act/360** or **A/360** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360.
- (vi) if **30/360**, **360/360** or **Bond Basis** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{1}{360} \times [(360 \times (Y2 - Y1)) + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls;
Y2 is the year, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included the Calculation Period, unless such number would be 31 and D1 greater than 29, in which case D2 will be 30.

- (vii) if **30/360-FBF** or **Actual 30A/360 (American Bond Basis)** is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30^E/360-FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first day is neither the 30th nor the 31st, the last month of the Calculation Period shall be deemed to be a month of 31 days.

The fraction is:

If $dd2 = 31$ and $dd1 \neq (30, 31)$

then:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)]$$

Where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

- (viii) if **30^E/360** or **Eurobond Basis** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{1}{360} \times [(360 \times (Y2 - Y1)) + [30 \times (M2 - M1)] + (D2 - D1)]$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included the Calculation Period, unless such number would be 31, in which case D2 will be 30.

- (ix) if **30^E/360-FBF** is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising 12 months of 30 days, subject to the following exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days.

Using the same abbreviations as for 30/360-FBF, the fraction is:

$$\frac{1}{360} \times [(yy_2 - yy_1) \times 360 + (mm_2 - mm_1) \times 30 + \text{Min}(dd_2, 30) - \text{Min}(dd_1, 30)]$$

- (x) if **30^E/360-ISDA** is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{1}{360} \times [[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)]$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y2 is the year, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M2 is the calendar month, expressed as a number, in which the day immediately following the last day included the Calculation Period falls;

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

D2 is the calendar day, expressed as a number, immediately following the last day included the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

Euro-zone means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty.

FBF Definitions means the definitions set out in the June 2013 FBF Master Agreement relating to transactions on forward financial instruments as supplemented by the Technical Schedules (*Additifs Techniques*) as published by the *Fédération Bancaire Française* (together the **FBF Master Agreement**) (including, for the sake of clarity, the FBF Benchmark Events Technical Schedule published in 2020), as may be supplemented or amended as at the Issue Date.

Interest Accrual Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

Interest Amount means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

Interest Commencement Date means the Issue Date or such other date as may be specified in the relevant Final Terms.

Interest Determination Date means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro.

Interest Payment Date means the date(s) specified in the relevant Final Terms.

Interest Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

Interest Period Date means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

ISDA Definitions means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as may be supplemented or amended as at the Issue Date (and which incorporate the 2006 ISDA Definitions Benchmarks Annex of the ISDA Benchmarks Supplement published by ISDA).

Margin means for an Interest Accrual Period, the percentage or figures with respect to the applicable Interest Accrual Period specified in the applicable Final Terms, it being specified that such margin can have a positive or a negative value or be equal to zero.

Rate of Interest means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR or €STR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified in the relevant Final Terms.

Reference Rate means the rate specified as such in the relevant Final Terms which shall be either EURIBOR, LIBOR, CMS Rate or €STR (or any successor or replacement rate).

Relevant Screen Page means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the

information appearing there for the purpose of displaying rates or prices comparable to that Reference Rate.

Specified Currency means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

5. Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date.

If a fixed amount of interest (**Fixed Coupon Amount**) or a broken amount of interest (**Broken Amount**) is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

6. Interest on Floating Rate Notes

(a) *Interest Payment Date*

Each Floating Rate Note bears interest shall do so on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrears on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(b) *Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day. Notwithstanding the foregoing, where the applicable Final Terms specify that the relevant Business Day Convention is to be applied on an "unadjusted" basis, the Interest Amount payable on any date shall not be affected by the application of that Business Day Convention.

(c) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined according to the provisions below relating to either ISDA Determination, FBF

Determination or Screen Rate Determination, depending upon which is specified in the relevant Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), **ISDA Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified in the relevant Final Terms;
- (B) the Designated Maturity is a period specified in the relevant Final Terms; and
- (C) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (i), **Floating Rate, Floating Rate Option, Designated Maturity, Reset Date** and **Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

In the applicable Final Terms, when the paragraph "Floating Rate Option" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

(ii) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (ii), **FBF Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a notional interest rate swap transaction (*Echange*) in the relevant Specified Currency incorporating the FBF Definitions and under which:

- (A) the Floating Rate is as specified in the relevant Final Terms and
- (B) the Floating Rate Determination Date is as specified in the relevant Final Terms

For the purposes of this sub-paragraph (ii), **Floating Rate** and **Floating Rate Determination Date** are translations of the French terms *Taux Variable, Agent* and *Date de Détermination du Taux Variable*, respectively, which have the meanings given to those terms in the FBF Definitions.

In the applicable Final Terms, when the paragraph "Floating Rate" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate, one of which shall be determined as if the maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

(iii) Screen Rate Determination for Floating Rate Notes

(a) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below or (if applicable) to Condition 6(c)(iv) below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the relevant Final Terms) the Margin (if any) as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(b) if the Relevant Screen Page is not available or, if sub-paragraph (a)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (a)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as

a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

In the applicable Final Terms, when the paragraph "Reference Rate" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

- (d) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being CMS Rate, the Rate of Interest for each Interest Accrual Period will, subject as provided below or (if applicable) to Condition 6(c)(iv) below, be determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

- (A) If the Relevant Screen Page is not available at the Relevant Time on the relevant Interest Determination Date: (i) the Calculation Agent shall request each of the CMS Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately the Relevant Time on the relevant Interest Determination Date; (ii) if at least three of the

CMS Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Accrual Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest quotations and the lowest quotation (or, in the event of equality, one of the lowest quotations) and (iii) if on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion (or, if the Notes are listed on MOT and/or admitted to trading ExtraMOT, acting in good faith and in a commercially reasonable manner), in accordance with the then prevailing standard market practice.

(B) For the purposes of this sub-paragraph (d):

CMS Rate shall mean the applicable swap rate for swap transactions in the Specified Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Relevant Time on the relevant Interest Determination Date in question, all as determined by the Calculation Agent.

CMS Reference Banks means (i) where the Specified Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Specified Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Specified Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Specified Currency, the principal relevant Financial Centre office of five leading swap dealers in the relevant Financial Centre inter-bank market, in each case selected by the Calculation Agent (if the Notes are listed on MOT and/or admitted to trading ExtraMOT, acting in good faith and in a commercially reasonable manner).

Designated Maturity, Margin, Relevant Screen Page and Relevant Time shall have the meaning given to those terms in the applicable Final Terms.

Reference Currency means the currency specified as such in the applicable Final Terms.

Relevant Swap Rate means:

(A) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term

equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to the then prevailing standard market practice or the ISDA Definitions;

- (B) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (C) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Accrual Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (D) where the Reference Currency is any other currency or if the Final Terms specify otherwise, the mid-market swap rate as determined in accordance with the applicable Final Terms.

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time, as determined by the Calculation Agent.

- (e) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the Floating Rate Notes is specified as being €STR, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be the rate of return of a daily compound interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) plus or minus (as indicated in the applicable Final Terms) the Margin (if any) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_{i-\text{pTBD}} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

If the €STR is not published, as specified above, on any particular TARGET Business Day and no €STR Index Cessation Event (as defined below) has occurred, the €STR for such TARGET Business Day shall be the rate equal to €STR in respect of the last TARGET Business Day for which such rate was published on the Website of the European Central Bank.

If the €STR is not published, as specified above, on any particular TARGET Business Day and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate of €STR for each TARGET Business Day in the relevant €STR Observation Period on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the ECB Recommended Rate.

If no ECB Recommended Rate has been recommended before the end of the first TARGET Business Day following the date on which the €STR Index Cessation Event occurs, then the rate of €STR for each TARGET Business Day in the relevant €STR Observation Period on or after the €STR Index Cessation Effective Date will be determined as if references to €STR were references to the Modified EDFR.

If an ECB Recommended Rate has been recommended and both an ECB Recommended Rate Index Cessation Event and an ECB Recommended Rate Index Cessation Effective Date subsequently occur, then the rate of €STR for each TARGET Business Day in the relevant €STR Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to €STR were references to the Modified EDFR.

Any substitution of the €STR, as specified above, will remain effective for the remaining term to maturity of the Notes and shall be published by the Issuer in accordance with Condition 15.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, (i) the Rate of Interest shall be that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the Rate of Interest shall be determined as if the rate of €STR for each TARGET Business Day in the relevant €STR Observation Period on or after such €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published ECB Recommended Rate, the Modified EDFR.

For the purpose of this paragraph (e):

d is the number of calendar days in the relevant Interest Accrual Period;

d₀ is the number of TARGET Business Days in the relevant Interest Accrual Period;

ECB Recommended Rate means a rate (inclusive of any spreads or adjustments) recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator), as determined by the Issuer and notified by the Issuer to the Calculation Agent;

ECB Recommended Rate Index Cessation Event means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent:

- (1) a public statement or publication of information by or on behalf of the administrator of the ECB Recommended Rate announcing that it has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the ECB

Recommended Rate, the central bank for the currency of the ECB Recommended Rate, an insolvency official with jurisdiction over the administrator of the ECB Recommended Rate, a resolution authority with jurisdiction over the administrator of the ECB Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate;

ECB Recommended Rate Index Cessation Effective Date means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided, as determined by the Issuer and notified by the Issuer to the Calculation Agent;

ECB €STR Guideline means Guideline (EU) 2019/1265 of the European Central Bank of 10 July 2019 on the euro short-term rate (€STR) (ECB/2019/19), as amended from time to time;

EDFR means the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem (comprising the European Central Bank and the national central banks of those countries that have adopted the Euro) as published on the Website of the European Central Bank;

EDFR Spread means:

- (i) if no ECB Recommended Rate is recommended before the end of the first TARGET Business Day following the date on which the €STR Index Cessation Event occurs, the arithmetic mean of the daily difference between the €STR and the EDFR for each of the 30 (thirty) TARGET Business Days immediately preceding the date on which the €STR Index Cessation Event occurred; or
- (ii) if an ECB Recommended Rate Index Cessation Event occurs, the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 (thirty) TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurred;

€STR means, in respect of any TARGET Business Day, the interest rate representing the wholesale Euro unsecured overnight borrowing costs of banks located in the Euro area provided by the European Central Bank as administrator of such rate (or any successor administrator) and published on the Website of the European Central Bank (as defined below) at or before 9:00 a.m. (Frankfurt time) (or, in case a revised euro short-term rate is

published as provided in Article 4 subsection 3 of the ECB €STR Guideline at or before 11:00 a.m. (Frankfurt time), such revised interest rate) on the TARGET Business Day immediately following such TARGET Business Day;

€STR_{i-pTBD} means, in respect of any TARGET Business Day falling in the relevant €STR Observation Period, the €STR for the TARGET Business Day falling “p” TARGET Business Days prior to the relevant TARGET Business Day “i”;

€STR Index Cessation Event means the occurrence of one or more of the following events, as determined by the Issuer and notified by the Issuer to the Calculation Agent:

- (1) a public statement or publication of information by or on behalf of the European Central Bank (or any successor administrator of €STR) announcing that it has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or the publication, there is no successor administrator that will continue to provide €STR; or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of €STR, the central bank for the currency of €STR, an insolvency official with jurisdiction over the administrator of €STR, a resolution authority with jurisdiction over the administrator of €STR or a court or an entity with similar insolvency or resolution authority over the administrator of €STR, which states that the administrator of €STR has ceased or will cease to provide €STR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide €STR;

€STR Index Cessation Effective Date means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR), as determined by the Issuer and notified by the Issuer to the Calculation Agent;

€STR Observation Period means in respect of any Interest Accrual Period, the period from and including the date falling “p” TARGET Business Days prior to the first day of the relevant Interest Accrual Period (and the first €STR Observation Period shall begin on and include the date falling “p” TARGET Business Days prior to the Interest Commencement Date) and ending on, but excluding, the date falling “p” TARGET Business Day prior to the Interest Payment Date of such Interest Accrual Period (or the date falling “p” TARGET Business Day prior to such earlier date, if any, on which the Notes become due and payable);

i is a series of whole numbers from one to d_0 , each representing the relevant TARGET Business Day in chronological order from, and

including, the first TARGET Business Day in the relevant Interest Accrual Period, to, but excluding, the Interest Payment Date corresponding to such Interest Accrual Period;

Modified EDFR means a reference rate equal to the EDFR plus the EDFR Spread;

n_i for any TARGET Business Day “i” is the number of calendar days from, and including, the relevant TARGET Business Day “i” up to, but excluding, the immediately following TARGET Business Day in the relevant Interest Accrual Period;

Observation Look-Back Period is as specified in the applicable Final Terms;

p means in relation to any Interest Accrual Period, the number of TARGET Business Days included in the Observation Look-Back Period; and

Website of the European Central Bank means the website of the European Central Bank currently at <http://www.ecb.europa.eu> or any successor website officially designated by the European Central Bank.

In the applicable Final Terms, when the paragraph "Reference Rate" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the maturity were the period of time for which rates are available of next shorter length before the length of the relevant Interest Period, and the other of which shall be determined as if the maturity were the period of time for which rates are available of next longer length after the length of the relevant Interest Period.

(iv) Benchmark discontinuation

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, if a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Terms and Conditions of any Notes provide for any remaining rate of interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply and shall prevail over other fallbacks specified in Condition 6(c)(iii) (for the avoidance of doubt, it shall not apply to €STR).

(A) Independent Adviser

The Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 6(c)(iv)(B)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 6(c)(iv)(C)) and any Benchmark Amendments (in accordance with Condition 6(c)(iv)(D)).

An Independent Adviser appointed pursuant to this Condition 6(c)(iv) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the

Calculation Agent or any other party responsible for determining the Rate of Interest specified in the applicable Final Terms, or the Noteholders for any determination made by it pursuant to this Condition 6(c)(iv).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines in good faith that:

- (1) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 6(c)(iv)(D)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6(c)(iv)); or
- (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 6(c)(iv)(D)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6(c)(iv)).

(C) Adjustment Spread

If the Independent Adviser, determines in good faith (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(D) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 6(c)(iv) and the Independent Adviser determines in good faith (i) that amendments to the Terms and Conditions of the Notes (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days, or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 6(c)(iv)(E), without any requirement for the consent or approval of Noteholders, vary the Terms and Conditions of the Notes to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 6(c)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) Notices, etc.

The Issuer shall, after receiving such information from the Independent Adviser, notify the Fiscal Agent, the Calculation Agent, the Paying Agents, the Representative

(if any) and, in accordance with Condition 15, the Noteholders, promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 6(c)(iv). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(F) Fallbacks

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision, the fallbacks for the Original Reference Rate specified in Condition 6(c)(iii), namely the Rate of Interest determined on the preceding Interest Determination Date will continue to apply to such determination (though substituting, where a different Margin, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of this Condition 6(c)(iv), *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate (and, if applicable, any associated Adjustment Spread and/or Benchmark Amendments) has been determined and notified in accordance with this Condition 6(c)(iv) (and, until such determination and notification (if any), the fallback provisions provided elsewhere in these Terms and Conditions including, for the avoidance of doubt, the other fallbacks specified in Condition 6(c)(iii), will continue to apply in accordance with their terms).

(G) Definitions

In this Condition 6(c)(iv):

Adjustment Spread means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines and which is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (1) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (2) in the case of an Alternative Rate (or in the case of a Successor Rate where (1) above does not apply), is in customary market usage in the international debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate (or, as the case may be, the Successor Rate); or

- (3) if no such recommendation or option has been made (or made available), or the Independent Adviser determines there is no such spread, formula or methodology in customary market usage, the Independent Adviser, acting in good faith, determines to be appropriate;

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with this Condition 6(c)(iv) and which is customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

Benchmark Event means, with respect to an Original Reference Rate:

- (1) the Original Reference Rate ceasing to exist or be published;
- (2) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the date specified in (i);
- (3) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- (4) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i);
- (5) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months;
- (6) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate, in the opinion of the supervisor, is no longer representative of an underlying market or that its method of calculation has significantly changed;
- (7) it has or will prior to the next Interest Determination Date become unlawful for the Issuer, the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), or any Paying Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable); or
- (8) that a decision to withdraw the authorisation or registration pursuant to article 35 of the Benchmarks Regulation (Regulation (EU) 2016/1011) of any benchmark administrator previously authorised to publish such Original Reference Rate has been adopted;

Independent Adviser means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense under Condition 6(c)(iv)(A);

Original Reference Rate means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes;

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

- (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (2) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body, and if, following a Benchmark Event, two or more successor or replacement rates are recommended by any Relevant Nominating Body, the Independent Adviser, shall determine which of those successor or replacement rates is most appropriate, having regard to, *inter alia*, the particular features of the relevant Notes and the nature of the Issuer.

(d) *Zero Coupon Notes*

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date pursuant to an Issuer's Option or, if so specified in the relevant Final Terms, pursuant to Condition 7(d) or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(d)(i)).

(e) *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate (i) that the Issuer may elect to convert on the date set out in the Final Terms from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate or (ii) that will automatically change from a Fixed Rate to a Floating Rate or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.

(f) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, payment on such due date; or (ii) in the case of Materialised Notes, payment upon due presentation is improperly withheld or refused, in which event interest shall continue to

accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 6 to the Relevant Date.

(g) *Margin, Rate Multiplier, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding*

If any Margin and/or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin and/or multiplying the Reference Rate by the Rate Multiplier, subject always to the next paragraph.

If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be. For the avoidance of doubt, the Interest Amount payable under any Note shall in all instances be at least equal to zero.

For the purposes of any calculations required pursuant to these Conditions, (w) if FBF Determination is specified in the relevant Final Terms, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest fifth decimal (with halves being rounded up), (y) all figures shall be rounded to seven figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) *Calculations*

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount is specified in the relevant Final Terms in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(i) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts*

As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination (as defined in the relevant Final Terms) of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and admitted to trading on a Regulated Market of the EEA or of the UK or on an unregulated stock exchange and the rules

applicable to that Regulated Market or such unregulated stock exchange so require, such Regulated Market or such unregulated stock exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such Regulated Market or such unregulated stock exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(b), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in Condition 1(c) above). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office, as appropriate, or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are listed and admitted to trading on any Regulated Market(s) or any unregulated stock exchange(s) and the applicable rules of, or applicable to, that Regulated Market or that stock exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15.

7. Redemption, Purchase and Options

(a) *Final Redemption*

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount which is its nominal amount (except in case of Zero Coupon Notes).

(b) *Redemption at the Option of the Issuer and Partial Redemption*

If a Call Option is specified in the relevant Final Terms, the Issuer may, subject to giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount (being the nominal amount) together with interest accrued to the date fixed for redemption (except in case of Zero Coupon Notes which shall be at their Amortised Nominal Amount as defined in Condition 7(d)(i)), if any. Any such redemption must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed as specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and Regulated Market or unregulated stock exchange requirements.

In the case of a partial redemption of Dematerialised Notes, the redemption shall be effected by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed.

So long as the Notes are admitted to trading on Euronext Paris and the rules applicable to that Regulated Market so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in accordance with Articles 221-3 and 221-4 of the *Règlement Général* of the *Autorité des marchés financiers* and on the website of any other competent authority and/or Regulated Market of the EEA Member State or of the UK where the Notes are listed and admitted to trading, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes, a list of any Materialised Notes drawn for redemption but not surrendered.

(c) *Redemption at the Option of Noteholders*

If a Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount (being the nominal amount) together with interest accrued to the date fixed for redemption (except in case of Zero Coupon Notes which shall be its Amortised Nominal Amount as defined in Condition 7(d)(i)).

To exercise such option or any other Noteholders' option that may be set out in the relevant Final Terms the Noteholder must deposit with a Paying Agent at its specified office a duly completed option exercise notice (the **Exercise Notice**) in the form obtained during normal business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. In the case of Materialised Notes, the Exercise Notice shall have attached to it the relevant Notes (together with all unmatured Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paying Agent with a specified office in Paris, as specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred, may be withdrawn without the prior consent of the Issuer.

(d) *Early Redemption*

(i) Zero Coupon Notes

(A) The Optional Redemption Amount or the Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(b), 7(c) and 7(e) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Nominal Amount or Early Redemption Amount, as the case may be, (calculated as provided below) of such Note.

(B) Subject to the provisions of sub-paragraph (C) below, the (i) Optional Redemption Amount of any such Note shall be, with respect to Conditions 7(b) and 7(c), the

scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Optional Redemption Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date (the **Amortisation Yield**)) compounded annually and (ii) Early Redemption Amount, with respect to Condition 7(e) and 10, (x) if "Zero Coupon Accrual Yield and Reference Price" is specified as the "Early Redemption Amount" in the relevant Final Terms, the early redemption amount payable in respect of such Notes will be the sum of a reference amount specified in the relevant Final Terms known as the "Zero Coupon Note Reference Price" and the product of an annually compounded percentage rate specified in the relevant Final Terms known as the Accrual Yield applied to the Zero Coupon Note Reference Price over a period from the issue date to the date of early redemption or (y) if "Zero Coupon Accrual Yield and Reference Price" is not specified as the "Early Redemption Amount" in the relevant Final Terms, the early redemption amount payable in respect of such Note will be (a) the amount specified as the "Early Redemption Amount" in the relevant Final Terms, or (b) the fair market value set out in Condition 7(d)(ii)(iii) if "Fair Market Value" is specified as the "Early Redemption Amount" in the relevant Final Terms. If Fair Market Value Floor is specified in the relevant Final Terms as being applicable, then the Fair Market Value shall in no event be less than the amount equal to the percentage per Specified Denomination specified as the Fair Market Value Floor Percentage in the relevant Final Terms.

- (C) If the Optional Redemption Amount or Early Redemption Amount, as the case may be, payable in respect of any such Note upon its redemption pursuant to Condition 7(b), 7(c) and 7(e) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Optional Redemption Amount or the Early Redemption Amount due and payable in respect of such Note shall be the Optional Redemption Amount or Early Redemption Amount, as the case may be, of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable was the Relevant Date. The calculation of the Optional Redemption Amount or Early Redemption Amount, as the case may be, in accordance with this sub-paragraph shall continue to be made (as well after as before judgement) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 6(e).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction as specified in Condition 4.

- (ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(e) or upon it becoming due and payable as provided in Condition 10 shall be, as specified in the relevant Final Terms either (i) the Final Redemption Amount together with interest accrued to the date fixed for redemption or (ii) a percentage of the Specified Denomination as specified in the relevant Final Terms for such Note or (iii) the fair market value of each Note (which for the Notes listed on MOT and/or admitted to trading on ExtraMOT and/or on the EuroTLX Market, may not be less than the nominal amount) in relation to its early redemption date, as determined by

the Issuer (acting in good faith and in a commercially reasonable manner), and/or the Calculation Agent, as applicable, less, except for Notes listed on MOT and/or admitted to trading on ExtraMOT and/or on the EuroTLX Market, any reasonable costs and expenses of the Issuer and/or any affiliate of the Issuer of unwinding any underlying and/or related hedging and/or funding arrangements, and any such calculation of the fair market value shall have the effect of preserving for the Noteholders the economic equivalent of the obligations of the Issuer to make payments in respect of the Notes which would, but for such early redemption, have fallen due after the relevant early redemption date. For the purposes of calculating the Fair Market Value following an Event of Default pursuant to Condition 10 only, in determining the fair market value of the Notes, no account shall be taken of the creditworthiness of the Issuer, who shall be deemed to be able to perform fully its obligations in respect of the Notes. In addition, if Fair Market Value Floor is specified in the relevant Final Terms as being applicable, then the Fair Market Value shall in no event be less than the amount equal to the percentage per Specified Denomination specified as the 'Fair Market Value Floor Percentage' in the relevant Final Terms.

(e) *Redemption for Taxation Reasons*

If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal, interest or other revenues due in respect of the Notes or Coupons, not be able to make such payment without having to pay additional amounts as specified under Condition 9(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Final Terms, at any time, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the Final Terms, any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal, interest and other revenues without withholding or deduction for French taxes.

If the Issuer would, on the next payment of principal, interest and other revenues in respect of the Notes or Coupons, be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 9(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than 7 days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with, unless otherwise specified in the Final Terms, any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes or Coupons, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes or Coupons and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Final Terms, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Coupons or, if that date is passed, as soon as practicable thereafter.

(f) *Purchases*

In compliance with applicable law and regulation, the Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unexpired Coupons and unexchanged

Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise (including by tender offer) at any price.

Unless the possibility of holding and reselling is expressly excluded in the Final Terms, Notes so purchased by the Issuer may be held and resold in accordance with applicable laws and/or regulations or cancelled in accordance with Condition 7 (g) below.

(g) *Cancellation*

All Notes purchased by or on behalf of the Issuer to be cancelled, will be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the relevant Temporary Global Certificate or the Definitive Materialised Notes in question, together with all unmatured Coupons and all unexchanged Talons, if applicable, to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Definitive Materialised Notes, all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

8. **Payments and Talons**

(a) *Dematerialised Notes*

Payments of principal and interest in respect of Dematerialised Notes shall (i) in the case of Dematerialised Notes in bearer dematerialised form or administered registered form, be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, (ii) in the case of Dematerialised Notes in fully registered form, to an account denominated in the relevant currency with a Bank (as defined below) designated by the relevant Noteholder. All payments validly made to such Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(b) *Definitive Materialised Notes*

(i) Method of payment

Subject as provided below, payments in a Specified Currency will be made by credit or transfer to an account denominated in the relevant Specified Currency, or to which the Specified Currency may be credited or transferred (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is euro, shall be any country in the Euro-zone, and, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively).

(ii) Presentation and surrender of Definitive Materialised Notes and Coupons

Payments of principal in respect of Definitive Materialised Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of partial payment of any sum due, annotation) of such Notes, and payments of interest in respect of Definitive Materialised Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part

payment of any sum due, annotation) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 11) or, if later, 5 years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note becomes due and repayable prior to its Maturity Date, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Materialised Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against presentation and surrender (if appropriate) of the relevant Definitive Materialised Note.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Fiscal Laws*

All payments are subject in all cases but without prejudice to the provisions of Condition 9 to (i) any applicable fiscal or other laws, regulations and directives in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Appointment of Agents*

The Fiscal Agent, the Paying Agent, the Calculation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Base Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, Registration Agent or Calculation Agent and to appoint other Fiscal Agent, Paying Agent(s), Registration Agent(s) or Calculation Agent(s) or additional Paying Agent(s), Registration Agent(s) or Calculation Agent(s), provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities provided that (A) so long as the Notes are admitted to trading on the Luxembourg Stock Exchange and the rules applicable to that Regulated Market so require, the Issuer will maintain a Paying Agent in Luxembourg, and (B) so long as the Notes are admitted to trading on Euronext Paris and the rules applicable to that Regulated Market so require, the Issuer will maintain a Paying Agent allowed to provide in France services relating to issues of securities within the meaning of Directive 2006/48/EC relating to the taking up and pursuit of the business of credit institutions, (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent, and (vi) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed and admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

(f) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 11).

(g) *Business Days for Payment*

If any date for payment in respect of any Note or Coupon is not a business day, the Noteholder or Couponholder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Final Terms, nor to any interest or other sum in respect of such postponed payment. In this paragraph, **business day** means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as **Financial Centres** in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET Business Day.

(h) *Bank*

For the purpose of this Condition 8, **Bank** means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET 2 System.

9. Taxation

(a) *Withholding Tax*

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Notes or Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) *Additional Amounts*

If French law should require that payments of principal, interest or other revenues by or on behalf of the Issuer in respect of any Note or Coupon be subject to withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon, as the case may be:

(i) *Other connection*

to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes, duties, assessments or governmental charges of whatever nature in respect of such Notes or Coupon by reason of his having some connection with France other than the mere holding of the Note or Coupon; or

(ii) *More than 30 days after the Relevant Date*

in the case of Definitive Materialised Notes, more than 30 days after the Relevant Date except to the extent that the Noteholder or Couponholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

References in these Conditions to (i) **principal** shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 or any amendment or supplement to it, (ii) **interest** shall be deemed to include all Interest Amounts, any Arrears of Interest as the case may be, and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) **principal** and/or **interest** shall be deemed to include any additional amounts that may be payable under this Condition.

10. Events of Default

The Representative (as defined in Condition 12) acting on its own initiative or upon request of any Noteholder, may, upon written notice addressed on behalf of the Masse (as defined in Condition 12) to the Fiscal Agent (with copy to the Issuer) given before all defaults shall have been cured, cause the principal amount of all the Notes (and not some only) to become due and payable, together with any

accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent if:

- (i) the Issuer is in default in the payment of principal of, or interest on, any Note (including the payment of any additional amounts mentioned in Condition 9) when due and payable and such default shall continue for more than thirty (30) days thereafter; or
- (ii) the Issuer is in default in the performance of any of its other obligations under the Notes and such default has not been cured within forty-five (45) days after the receipt by the Fiscal Agent of the written notice of such default by the Representative or a Noteholder; or
- (iii) the Issuer applies for or is subject to a judgement rendered (i) for its judicial liquidation (*liquidation judiciaire*) or (ii) for a transfer of the whole of the business (*cession totale de l'entreprise*) or the Issuer makes any assignment for the benefit of, or enters into any agreement with, its creditors.

11. Prescription

Claims against the Issuer for payment in respect of any amount due under the Notes, Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of them.

12. Representation of Noteholders

The Noteholders will, in respect of all Tranches of the relevant Series, be grouped automatically for the defence of their common interests in a *masse* (the **Masse**), which will be governed by the provisions of Articles L.228-46 *et seq.* of the French *Code de commerce* with the exception of Articles L.228-71 and R.228-69 of the French *Code de commerce* and as supplemented by this Condition 12.

(a) *Legal Personality*

The *Masse* will be a separate legal entity and will act in part through a representative (the **Representative**) and in part through collective decisions of the Noteholders (the **Collective Decisions**).

The *Masse* alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(b) *Representative*

The names and addresses of the Representative and its alternate (if any) will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all subsequent Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms. No additional remuneration is payable in relation to any subsequent Tranche of any given Series.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by its alternate, if any. Another Representative may be appointed.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative (if any) at the registered office of the Issuer.

(c) *Powers of the Representative*

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders, with the capacity to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

(d) *Collective Decisions*

Collective Decisions are adopted either in a general meeting (the **General Meeting**) or by consent following a written consultation (the **Written Consultation**).

In accordance with Article R. 228-71 of the French Code de commerce, the rights of each Noteholder to participate in Collective Decision will be evidenced by the entries in the books of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) of the name of such Noteholder as of 0:00, Paris time, on the second (2nd) business day in Paris preceding the date set for the Collective Decision.

Collective Decisions must be published in accordance with Condition 12(h).

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

(A) *General Meetings*

A General Meeting may be called at any time either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30th) of the principal amount of Notes outstanding, may address to the Issuer and the Representative a demand for a General Meeting to be called. If such General Meeting has not been called within two months after such demand, the Noteholders may commission one of them to petition the competent court to appoint an agent (*mandataire*) who will call the General Meeting.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one fifth (1/5th) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3rd) majority of votes held by the Noteholders attending such General Meetings or represented thereat.

Notice of the date, time, place and agenda of any General Meeting will be published in accordance with Condition 12(h) not less than fifteen (15) calendar days prior to the date of the General Meeting on first convocation and not less than five (5) calendar days prior to the date of the General Meetings on second convocation.

Each Noteholder has the right to participate in a General Meeting in person, by proxy or by correspondence.

Each Noteholder or representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer and at any other place specified in the notice of the General Meeting, during the fifteen (15) calendar day period preceding the holding of the General Meeting on first convocation, or during the five (5) calendar day period preceding the holding of the General Meeting on second convocation.

(B) Written Decisions and Electronic Consent

At the initiative of the Issuer or the Representative, Collective Decisions may also be taken by a Written Decision.

Such Written Decision shall be signed by or on behalf of Noteholders holding not less than 66.67 per cent. in nominal amount of the Notes outstanding, without having to comply with formalities and time limits referred to in Condition 12(d)(A). Any Written Decision shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of electronic communication allowing the identification of Noteholders (the **Electronic Consent**).

(C) Exclusion of certain provisions of the French *Code de commerce*

The following provisions of the French *Code de commerce* shall not apply to the Notes:

(i) Article L.228-65 I. 1° requiring prior approval by Collective Decision for proposed changes to the form or corporate objects of the Issuer;

(ii) Articles L.228-65 I. 3°, L.236-13 and L.236-18 requiring prior approval by Collective Decision for any proposed merger or spin-off;

(iii) Article L.228-65 I. 4° requiring prior approval by Collective Decision for issuance of notes guaranteed by security (*sûreté réelle*).

(e) *Expenses*

The Issuer shall pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by the Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(f) *Single Masse*

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single *Masse*. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single *Masse* of all such Series.

(g) *Sole Noteholder*

If and for so long as the Notes of any Series are held by a sole Noteholder, and unless a Representative has been appointed in relation to such Series, such Noteholder will exercise all the powers, rights and obligations entrusted to the *Masse* by the provisions of the French *Code de commerce*, as supplemented by these Terms and Conditions. Such sole Noteholder shall hold a register of the decisions it will have taken in this capacity and shall make it available, upon request, to any subsequent holder of all or part of the Notes of such Series.

(h) *Notices to Noteholders*

Any notice to be given to Noteholders in accordance with this Condition 12 shall be given in accordance with Condition 15.

(i) *Full Masse*

For Notes issued with a denomination of less than €100,000 (or its equivalent in any other currency), Condition 12 shall apply to the Notes subject to the following modifications.

- (A) Condition 12(d)(C) shall not apply to the Notes.
- (B) Except if the Final Terms specify "Issue outside France" as applicable, Condition 12(e) shall be deleted and replaced by the following:

"12(e) Expenses

The Issuer shall pay all expenses relating to the operations of the Masse, including all expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by Collective Decisions."

For the avoidance of doubt, in this Condition 12, the term "outstanding" shall not include those Notes purchased by the Issuer in accordance with Condition 7(f) that are held by it and not cancelled.

13. Replacement of Definitive Materialised Notes Coupons and Talons

If, in the case of any Materialised Notes, a Definitive Materialised Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and Regulated Market or unregulated stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for this purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Coupons or Talons must be surrendered before replacements will be issued.

14. Further Issues and Consolidation

(a) *Further Issues*

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further Notes to be assimilated (*assimilables* for the purpose of French Law) with the Notes

provided such Notes and the further Notes carry rights identical in all respects (or identical in all respects save as to the principal amount thereof and the first payment of interest) and that the terms of such Notes provide for such assimilation, and references in these Conditions to **Notes** shall be construed accordingly.

(b) *Consolidation*

The Issuer, with the prior approval of the Fiscal Agent (which shall not be unreasonably withheld), may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days' prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders or Couponholders, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

15. Notices

- (a) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if, at the option of the Issuer, they are published (i) so long as such Notes are admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Échos*) or (ii) in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*), or (iii) they are published following Articles 221-3 and 221-4 of the General Regulation (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market(s) or any unregulated stock exchange(s) and the applicable rules of that Regulated Market or unregulated stock exchange so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) or unregulated stock exchange(s) on which such Notes are listed and/or admitted to trading is/are located and (iv) (a) so long as the Notes are listed and admitted to trading on the Luxembourg Stock Exchange's Regulated Market, notices may also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu), or (b) so long as the Notes are listed and admitted to trading on MOT or ExtraMOT, notices may also be published, if and so long as the rules of the exchange so require, by the Issuer on the website of Borsa Italiana S.p.A. (www.borsaitaliana.it) and in any event in compliance with Borsa Italiana's procedures, or (c) so long as the Notes are listed and admitted to trading on the Euro TLX Market, notices may be published by the Issuer in compliance with EuroTLX's procedures.
- (b) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing or (ii) at the option of the Issuer, they are published (a) so long as such Notes are admitted to trading on Euronext Paris, in a leading daily newspaper of general circulation in France (which is expected to be *Les Échos*) or (b) in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*), or (c) they are published following Articles 221-3 and 221-4 of the General Regulation (*Règlement Général*) of the AMF and so long as such Notes are listed and admitted to trading on any Regulated Market(s) or any unregulated stock exchange(s) and the applicable rules of that Regulated Market or unregulated stock exchange so require, notices shall also be published in a leading daily newspaper with general circulation in the city/ies where the Regulated Market(s) or unregulated stock exchange(s) on which such Notes are listed and admitted to trading is/are located and (d) so long as the Notes are listed and admitted to trading on the Luxembourg Stock Exchange's Regulated Market, notices may also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

- (c) Any notice given by publication shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared, including Monte Titoli (through the relevant Clearing System's bridge account), in substitution for the mailing and publication as required by Conditions 15 (a), (b) and (c) above; except that so long as such Notes are listed on any stock exchange(s) and the rules applicable to that stock exchange so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed.
- (e) Notices relating to Collective Decisions pursuant to Condition 12 and pursuant to Articles R. 228-79 and R. 236-11 of the French *Code de commerce* shall be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared and (for the avoidance of doubt) Conditions 15(a), (b), (c), (d) shall not apply to such notice.

16. Governing Law and Jurisdiction

(a) *Governing Law*

The Notes Coupons and Talons are governed by, and shall be construed in accordance with, French law.

(b) *Jurisdiction*

Any claim against the Issuer in connection with any Notes Coupons or Talons may be brought before any competent court in Paris.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will (as specified in the applicable Final Terms) be applied by the Issuer either:

- to be used for the Issuer's general corporate purposes; or
- in the case of Green Bonds, to finance or refinance eligible businesses and projects in Eligible Sectors as defined in the Green Bond Framework; or
- as stated in the relevant Final Terms in respect of any particular issue of Notes for which there is a particular identified use of proceeds (other than as specified above).

In relation to Green Bonds, the Green Bond Framework (available on the following website: <https://www.hsbc.com/investor-relations/fixed-income-investors/green-and-sustainability-bonds>) complies with the Green Bond Principles (the **GBP**) published by the International Capital Markets Association in its 2018 edition. It may be further updated or expanded to reflect updates to the GBP and evolutions in the Issuer's activities.

Management of Proceeds

The Issuer will track the use of the net proceeds of the Green Bonds via its internal information systems.

Reporting of Use of Proceeds

The Issuer will provide a green progress report (the **Green Progress Report**) on an annual basis including:

- aggregate amounts of funds allocated to each of the Eligible Sectors together with a description of the types of business and projects financed;
- the remaining balance of unallocated Green Bond proceeds at the reporting period end; and
- confirmation that the use of proceeds of the Green Bond(s) issued conforms with the Green Bond Framework.

Assurance

The Issuer will obtain a second party opinion from an appropriate provider (the **Second Party Opinion**) to confirm the validity of the Green Bond Framework. This Second Party Opinion document is available on HSBC Group Investor Relations webpage, [hsbc.com](https://www.hsbc.com).

For each issue of Green Bonds under the Green Bond Framework, the Issuer will engage an appropriate external assurance provider to independently assure the Green Progress Report, on an annual basis, and opine on its conformity with the Green Bond Framework.

The annual Green Progress Report and related assurance report will be made available, to the public at the HSBC Group Investor Relations webpage, [hsbc.com](https://www.hsbc.com).

As a result, assurance shall be provided (i) before any issue of Green Bonds by the Second Party Opinion covering the Green Bond Framework and (ii) after any issue of Green Bonds under the Green Bond Framework, by the provision of the Green Progress Report by an external assurance provider, on an annual basis.

TEMPORARY GLOBAL CERTIFICATES IN RESPECT OF MATERIALISED NOTES

Temporary Global Certificates

A Temporary Global Certificate without interest coupons (a **Temporary Global Certificate**) will initially be issued in connection with each Tranche of Materialised Notes, which will be delivered on or prior to the issue date of the Tranche with a common depository (the **Common Depository**) for Euroclear Bank SA/NV (**Euroclear**) and for Clearstream Banking S.A. (**Clearstream**). Upon the delivery of such Temporary Global Certificate with a Common Depository, Euroclear, Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the U.S Treasury regulation section 1.163-5(c)(2)(i)(C) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (**TEFRA C**) under the Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**) or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Programme -Selling Restrictions"), in whole, but not in part, for Definitive Materialised Notes and
- (ii) otherwise, in whole but not in part, upon certification, if required under subsection 3 of the U.S Treasury regulation section 1.163-5(c)(2)(i)(D) (or any successor United States Treasury Regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (**TEFRA D**), as to non-U.S. beneficial ownership for Definitive Materialised Notes.

Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to, or to the order of, the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Base Prospectus, **Definitive Materialised Notes** means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirement.

Exchange Date

Exchange Date means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of 40 days after its issue date, provided that in the event any further Materialised

Notes which are to be consolidated with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of 40 days after the issue date of such further Materialised Notes.

In the case of Materialised Notes with an initial maturity of more than 1 year (and that are not relying on the TEFRA C Rules), the Definitive Materialised Note shall bear the following legend:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986.

TAXATION

The following is an overview limited to certain withholding tax considerations in France relating to the Notes that may be issued under the Programme and specifically contains information on taxes on the income from the Notes withheld at source. This overview is based on the laws in force in France as of the date of this Base Prospectus and is subject to any changes in law and/or interpretation thereof that may take effect after such date (potentially with a retroactive effect). It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe, purchase, hold, dispose of or redeem the Notes. Each prospective holder or beneficial owner of Notes should consult its tax advisor as to the tax consequences of any investment in or ownership and disposition of the Notes.

Withholding taxes on payments made outside France

The following may be relevant to holders of Notes who do not concurrently hold shares in the Issuer.

Notes which are not assimilated (assimilables) with notes issued before 1 March 2010

Payments of interest and other assimilated revenues made by the Issuer with respect to Notes (other than Notes which are assimilated (*assimilables* for the purpose of French law) and form a single series with notes issued before 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**) other than those mentioned in 2° of 2 *bis* of the same Article 238-0 A. If such payments under the Notes are made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts*, a 75% withholding tax will be applicable by virtue of Article 125 A III of the French *Code général des impôts* (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and other assimilated revenues on such Notes will not be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State (the **Deductibility Exclusion**). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterised as constructive dividends pursuant to Articles 109 et seq. of the French *Code général des impôts*, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at (i) a rate of 12.8% for payments benefiting individuals who are not French tax residents, (ii) the standard corporate income tax rate set forth in the first sentence of the second paragraph of Article 219-I of the French *Code général des impôts* for fiscal years starting from 1 January 2020 (i.e. 28% for fiscal years beginning as from 1 January 1 2020) for payments benefiting legal persons who are not French tax residents or (iii) a rate of 75% for payments made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts* (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax provided by Article 125 A III of the French *Code général des impôts* nor, to the extent the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, the Deductibility Exclusion will apply in respect of an issue of Notes if the Issuer can prove that the main purpose and effect of such issue of Notes was not that of allowing the payments of interest and other assimilated revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the main purpose and effect of such issue of Notes if such Notes are:

- (A) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; and/or
- (B) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; and/or
- (C) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Notes which are assimilated (assimilables) with notes issued before 1 March 2010

Payments of interest and other revenues with respect to Notes which are assimilated (assimilables for the purpose of French law) and form a single series with notes issued before 1 March 2010 with the benefit of Article 131 *quater* of the French *Code général des impôts* will be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting obligations under French law, or titres de créances négociables within the meaning of the *Bulletin Officiel des Finances Publiques-Impôts* BOI-RPPM-RCM-30-10-30-30-20191220 or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside France for the purpose of Article 131 *quater* of the French *Code général des impôts*, in accordance with the aforementioned *Bulletin Officiel des Finances Publiques-Impôts*.

In addition, interest and other revenues paid by the Issuer on Notes which are to be assimilated (*assimilables* for the purpose of French law) and form a single series with notes issued before 1 March 2010 will not be subject to the Deductibility Exclusion and hence will not be subject to the withholding tax set out in Article 119 *bis* 2 of the French *Code général des impôts* solely on account of their being paid to an account held with a financial institution established in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Withholding taxes on payments made to individuals fiscally domiciled in France

Pursuant to Article 125 A I of the French *Code général des impôts*, where the paying agent (*établissement payeur*) is established in France and subject to certain exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at a global rate of 17.2% on such interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

FORM OF FINAL TERMS

[The Base Prospectus dated 29 April 2020 expires on 28 April 2021. The updated Base Prospectus shall be available on the websites of (a) the *Autorité des marchés financiers* (www.amf-france.org) and (b) the Issuer (<http://www.about.hsbc.fr/investor-relations/debt-issuance>) and during normal business hours at the registered office of the Issuer and at the specified office of the Paying Agent(s).]¹

[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA or in the United Kingdom (the UK)). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]²

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Consider any negative target market]*³. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]⁴

[MiFID II product governance / Retail investors, professional investors and ECPs – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]**; ***EITHER***⁵ [and (ii) all channels for distribution of the Notes are appropriate,

¹ To be included in the case of a public offer which offer period expires after the expiry date of this Base Prospectus.

² Delete legend if the Notes do not constitute "packaged" products, in which case, insert "Not Applicable" in paragraph 8(ix) of Part B below. Include legend if the Notes may constitute "packaged" products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to EEA and UK retail investors. In this case insert "Applicable" in paragraph 8(ix) of Part B below.

³ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

⁴ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

⁵ Include for bonds that are not ESMA complex.

including investment advice, portfolio management, non-advised sales and pure execution services] **OR**⁶ [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]⁷. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]⁸.]⁹

Final Terms dated [●]

[LOGO, if document is printed]

HSBC France

LEI: F0HUI1NYIAZMJMD8LP67

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the € 20,000,000,000
Euro Medium Term Note Programme**

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

PART A– CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the Base Prospectus dated 29 April 2020 which received approval number no. 20-165 from the *Autorité des marchés financiers* (the **AMF**) on 29 April 2020 [and the supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, as amended from time to time (the **Base Prospectus**). [The expression **Prospectus Regulation** means Regulation (EU) 2017/1129 (as amended).]

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation, as amended from time to time and must be read in conjunction with such Base Prospectus [as so supplemented] in order to obtain all the relevant information. [A summary of the issue of the

⁶ Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

⁷ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

⁸ Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA and UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

⁹ Legend to be included on front of the Final Terms if following the ICMA 2 approach.

Notes is annexed to these Final Terms.]¹⁰ [These Final Terms, the Base Prospectus [and the supplement[s] to the Base Prospectus] are available for viewing on the websites of the *Autorité des marchés financiers* (www.amf-france.org) and the Issuer (<http://www.about.hsbc.fr/investor-relations/debt-issuance>) at least during a period of twelve months from the date of the Base Prospectus.]¹¹ [In addition¹², the Base Prospectus [and the supplement[s] to the Base Prospectus] [is] [are] available for viewing [at/on] [●].]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Conditions**) set forth in the [Offering Circular dated 20 September 2004 / Base Prospectus dated 28 November 2005 / Base Prospectus dated 15 September 2006 / Base Prospectus dated 13 November 2007 / Base Prospectus dated 21 October 2008 / Base Prospectus dated 5 October 2009 / Base Prospectus dated 5 October 2010 / Base Prospectus dated 5 October 2011 / Base Prospectus dated 14 December 2012 / Base Prospectus dated 16 January 2014 / Base Prospectus dated 12 December 2014/ Base Prospectus dated 7 January 2016 / Base Prospectus dated 17 January 2017 / Base Prospectus dated 14 September 2017 / Base Prospectus dated 14 September 2018 / Base Prospectus dated 12 April 2019] which are incorporated by reference in the Base Prospectus dated 29 April 2020. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of Prospectus Regulation, as amended from time to time and must be read in conjunction with the Base Prospectus dated 29 April 2020 which received approval number no. 20-165 from the *Autorité des marchés financiers* (the **AMF**) on 29 April 2020 [and the supplement[s] to the Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**), including the Conditions incorporated by reference in the Base Prospectus in order to obtain all the relevant information. [A summary of the issue of the Notes is annexed to these Final Terms.]¹³ [These Final Terms, (including the Conditions) and the Base Prospectus are available for viewing on the websites of (a) (the *Autorité des marchés financiers* (www.amf-france.org)) at least during a period of twelve months from the date of the Base Prospectus and (b) the Issuer (<http://www.about.hsbc.fr/investor-relations/debt-issuance>)]¹⁴ [In addition, the Final Terms (including the Conditions) and the Base Prospectus dated [●] [and the supplement[s] to the Base Prospectus] are available for viewing [on/at] [●].]¹⁵

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

- | | | | |
|----|-------|--|---|
| 1. | (i) | Series Number: | [●] |
| | (ii) | Tranche Number: | [●] |
| | (iii) | Date on which the Notes will be consolidated and form a single Series: | [The Notes will be assimilated (<i>assimilables</i>) and form a single Series [<i>identify earlier Tranches</i>] on [the Issue Date / exchange of the Temporary Global Certificate for interests in the Definitive Materialised Notes, as referred in paragraph 21(iii) below, which is expected to occur on or about [date].] / [Not |

¹⁰ Only required for Notes with a denomination of less than €100,000.

¹¹ If the Notes are listed on a Regulated Market and/or offered to retail investors in any Member State of the EEA or in the UK in accordance with the Prospectus Regulation.

¹² If the Notes are listed on a Regulated Market other than Euronext Paris.

¹³ Only required for Notes with a denomination of less than €100,000.

¹⁴ If the Notes are listed on a Regulated Market and/or offered to retail investors in any Member State of the EEA or in the UK in accordance with the Prospectus Regulation.

¹⁵ If the Notes are listed on a Regulated Market other than Euronext Paris.

- Applicable]*
2. Specified Currency or Currencies¹⁶: [●]
 3. Aggregate Nominal Amount of Notes: [●]
 - (i) Series: [●]
 - (ii) Tranche: [●]
 4. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
 5. Specified Denomination(s): [●]¹⁷ (*one denomination only for Dematerialised Notes*).
 6. (i) Issue Date: [●]
 - (ii) Interest Commencement Date (*if different from the Issue Date*): [●] [*Specify/Issue Date/Not Applicable*]
 7. Maturity Date: (*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*)
 8. Interest Basis:

[[●] per cent. Fixed Rate]

[[*EURIBOR, LIBOR, CMS Rate, €STR*] +/- [●] per cent. Floating Rate]

[Zero Coupon]

[Fixed/Floating Rate]]

(*further particulars specified below*)
 9. Redemption/Payment Basis:

(*Condition 8*)

Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100 per cent.] / [● per cent.] of their nominal amount.

(*further particulars specified below*)
 10. Change of Interest Basis:

[Applicable (*for Fixed/Floating Rate Notes*)/Not Applicable]

(*Specify details for convertibility of the Fixed/Floating Rate Notes in accordance with the provisions of Condition 6(e)*)

¹⁶ Please note that with respect to any domestic issue settled from an Issuer account situated in France, payments relating to Notes shall be made in euros (according to Article 1343-3 of the French *Code civil*).

¹⁷ Notes [(including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of S19 FSMA and] which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

11. Put/Call Options: [Investor Put]
[Issuer Call]
[Not Applicable]
12. (i) Status of the Notes: [senior preferred]
- (ii) Date of Board approval for issuance of Notes obtained: [●]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually / semi-annually / quarterly / monthly / other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [●] per [●] in Specified Denomination
- (iv) Broken Amount(s): [[●] payable on the Interest Payment Date falling [in/on] [●]] [Not Applicable]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/include any other option from Condition 4]
- (vi) Determination Dates: [[●] in each year / Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon.)*
14. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) First Interest Payment Date: [●]
- (iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention] [*Insert "unadjusted" if the application of the relevant business day convention is not intended to*]

affect the Interest Amount]

- (v) Business Centre(s) (Condition 4): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA Determination]
- (vii) Interest Period Dates: [●]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]
- (ix) Screen Rate Determination: [Applicable/Not Applicable]
 - Reference Rate: [●] (*specify Benchmark [EURIBOR, LIBOR, CMS Rate, €STR] and months, e.g. EURIBOR 3 months*)
(If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 6(c)(iii) or 6(d), insert the relevant interest period(s) and the relevant two rates used for such determination.)
 - Relevant Time: [●]
 - Interest Determination Date(s): [●]
 - [Relevant Swap Rate: [●]]
 - Reference Banks (if applicable): [Specify four / Not Applicable]
 - [Relevant Screen Page: [●] (*in the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
[In the case of €STR, delete this paragraph]]
 - Designated Maturity: [[●] (*only applicable for ISDA Determination and CMS Rate*) / Not Applicable]
 - Rate Multiplier: [●]/[Not Applicable]
 - Observation Look-Back Period: [●] (*only applicable in the case of €STR*) / [Not Applicable]
- (x) ISDA Determination [Applicable/Not Applicable]
 - Floating Rate Option: [●]
(If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 6(c)(i), insert the relevant interest period(s)

and the relevant two rates used for such determination.)

– Reset Date: [●]

(N.B. the fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provisions by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)

(xi) FBF Determination: [Applicable/Not Applicable]

– Floating Rate (*Taux Variable*): [●]

(If the Rate of Interest is determined by linear interpolation in respect of an interest period (as per Condition 6(c)(ii), insert the relevant interest period(s) and the relevant two rates used for such determination.)

– Floating Rate Determination Date (*Date de Détermination du Taux Variable*): [●]

(N.B. the fall-back provisions applicable to FBF Determination under the Recueil de Taux – Additifs Techniques FBF are reliant upon the provisions by reference banks of offered quotations for LIBOR and/or Euribor which, depending on market circumstances, may not be available at the relevant time)

(xii) Margin(s): [+/-] [●] per cent. per annum¹⁸

(xiii) Minimum Rate of Interest: [●] per cent. per annum¹⁹

(xiv) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]

(xv) Day Count Fraction: [Actual/Actual-ISDA / Actual/365-FBF / Actual/Actual-ICMA / Actual/Actual-FBF / Actual 365 (fixed) / Actual/360 / 30/360 / 30/360-FBF / 30^E/360 / 30^E/360-FBF / 30^E/360-ISDA] *[include any other option from Condition 4]*

15. Zero Coupon Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

¹⁸ In no event shall the amount of interest payable be less than zero.

¹⁹ In no event shall the amount of interest payable be less than zero.

- (i) Amortisation Yield: [●] per cent. per annum
- (ii) Day Count Fraction: [Actual/Actual-ISDA / Actual/365-FBF / Actual/Actual-ICMA / Actual/Actual-FBF / Actual 365 (fixed) / Actual/360 / 30/360 / 30/360-FBF / 30^E360 / 30^E/360-FBF / 30^E/360-ISDA] *[include any other option from Condition 4]*

PROVISIONS RELATING TO REDEMPTION

16. Issuer's optional redemption (Call):
- (Condition 7(b)) [Applicable/Not applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Amount (Call): *[specify]*
- (ii) Series redeemable in part: *[specify — otherwise redemption will only be permitted of entire Series]*
- (iii) Optional Redemption Date: *[specify]*
- (iv) Notice periods: Minimum Period: [●] days
Maximum Period: [●] days
17. Noteholder's optional redemption (Put): [Applicable/Not applicable]
- (Condition 7(c)) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Amount (Put): *[specify]*
- (ii) Optional Redemption Date: *[specify]*
- (iii) Notice periods: Minimum Period: [●] days
Maximum Period: [●] days
18. Final Redemption Amount of each Note: [[●] per Note [of [●] Specified Denomination]²⁰]
19. Early Redemption Amount:
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default: [[100 per cent.] / [[●] per cent.] of their nominal amount.] / [Fair Market Value - Fair Market Value Floor: [Applicable - Fair Market Value Floor Percentage: [●] per cent. per Specified Denomination]

²⁰ Delete bracketed text in case of Dematerialised Notes.

/Not Applicable]] / [Zero Coupon Accrual Yield and Reference Price - Zero Coupon Note Reference Price: [●] and Accrual Yield: [●]]

- (ii) Early Redemption for taxation reasons on days other than Interest Payment Dates: [●] [Yes] / [No]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes: [Dematerialised Notes/ Materialised Notes]
(Delete as appropriate)
- (i) Form of Dematerialised Notes: [Not Applicable / bearer form (*au porteur*) / administered registered form (*au nominatif administré*) / fully registered form (*au nominatif pur*)]
(Delete as appropriate)
- (ii) Registration Agent: [Not Applicable/if applicable give name and address] *(Note that a Registration Agent must be appointed in relation to Fully Registered Dematerialised Notes only)*
- (iii) Temporary Global Certificate: [Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on the Exchange Date, being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
21. Financial Centre(s) for the purposes of Condition 8(g): [Not Applicable/]. *Specify any other applicable Financial Centre (Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraph 15(v) relates.)*
22. Talons for future Coupons to be attached to Definitive Materialised Notes (and dates on which such Talons mature): [Yes/No/Not Applicable. *(If yes, give details)*] *(Only applicable to Materialised Notes)*
23. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(d)] apply]
24. Purchase in accordance with applicable laws and regulations referred to in Condition 7(f) [Applicable/Not Applicable]
25. Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] apply]
26. *Masse* (Condition 12): [Issue outside of France: [Applicable/Not Applicable] *(Only applies for issues of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) – otherwise delete)*]

[Name and address of the Representative: [●]]

Name and address of the alternate Representative: [●]

The Representation will receive no remuneration/The Representative will receive a remuneration of [●].]

[As long as the Notes are held by a sole Noteholder, such Noteholder will exercise all the powers, rights and obligations entrusted to the *Masse* by the provisions of the French *Code de commerce*, as supplemented by the Conditions. Such sole Noteholder shall hold a register of the decisions it will have taken in this capacity and shall make it available, upon request, to any subsequent holder of all or part of the Notes of such Series. A Representative shall be appointed when the Notes of a Series are held by more than one Noteholder.]

[RESPONSIBILITY

(Relevant third party information) has been extracted from *(specify source)*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by *(specify source)*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): [Euronext Paris]/[Borsa Italiana]/other (*specify*) [Not Applicable]
- (ii) (a) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / [MOT] / [ExtraMOT] / [EuroTLX Market] / other (*specify*) with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Paris] / [MOT] / [ExtraMOT] / [EuroTLX Market] / other (*specify*) with effect from [●].] / [Not Applicable]
- [The [first / (*specify*)] Tranche(s) of the Notes are already listed as from [its/their respective] issue date.]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*
- (b) [Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be offered or admitted to trading are already admitted to trading: [●] / [Not Applicable]]
- (iii) [Estimate of total expenses related to admission to trading: [●]²¹]

2. RATINGS

- Ratings: [The Notes to be issued have not been rated.] / [The Notes to be issued have been rated / The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally:
- [S&P Global Ratings Europe Limited: [●]]
[Moody's Investors Service Ltd.: [●]]
[Fitch Ratings Limited: [●]]
[[Other]: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- [Each such credit rating agency is established in the [European Union]/[United Kingdom] and is registered

²¹ Required only for Notes with a denomination per unit of at least €100,000.

under Regulation (EU) N° 1060/2009 (as amended) (the **CRA Regulation**). Each of S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. and Fitch Ratings Limited are included in the list of credit rating agencies published by the European Security and Markets Authority on its website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation.]

[Need to include a brief explanation of the ratings if this has previously been published by the rating provider.]

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including a conflict of interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

[Save for any fees of *[insert relevant fee disclosure]* payable to the Managers [and distributors] in connection with the Issue [and the Offer] of the Notes, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers [and distributors] and their affiliates [may] have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] *[insert other conflicts]*

[When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under article 23 of the Prospectus Regulation.]

4. USE AND ESTIMATED NET AMOUNT OF THE PROCEEDS

- (i) Use of proceeds: [●]*/[The net proceeds will be used for the Issuer's general corporate purposes]/[The Notes constitute "Green Bonds and the net proceeds will be used to fund eligible businesses and projects in Eligible Sectors as defined below and further described within the Green Bond Framework (available on the following website: <https://www.hsbc.com/investor-relations/fixed-income-investors/green-and-sustainability-bonds>):

[Describe specific Eligible Sectors and/or availability of Second Party Opinion and any relevant third party opinions and/or where the information can be obtained, etc...]

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from (i) making profit and/or (ii) financing any Eligible Sectors, will need to include those reasons here.)

- (ii) Estimated net amount of [●] proceeds:

(If proceeds are intended for more than one use will need

to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

(iii) Estimated total expenses: [●]/[Not Applicable]²². [Include breakdown of expenses.]

5. Fixed Rate Notes only – YIELD

[Not Applicable]²³

Indication of yield: [●].²⁴

Calculated as [include specific details of method of calculation in summary form] on the Issue Date.

6. Floating Rate Notes only - INFORMATION ON FLOATING RATE NOTES

[Not Applicable]²⁵

[Details of historic [EURIBOR/LIBOR/CMS Rate/€STR] rates can be obtained from, [but not] free of charge, [Reuters/other, give details of electronic means of obtaining the details of performance].²⁶

[Benchmark: Amounts payable under the Notes will be calculated by reference to [EURIBOR/LIBOR/CMS Rate] which is provided by [●]. [As at [●], [●] appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (the **Benchmarks Regulation**).]

7. OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

Depositories:

(i) Euroclear France to act as Central Depository: [Yes/No] [(include for Notes admitted to trading on Borsa Italiana) (also through its bridge account with Monte Titoli)]

(ii) Common Depository for Euroclear Bank SA/NV and Clearstream Banking S.A.: [Yes/No] [(include for Notes admitted to trading on Borsa Italiana) (also through its bridge account with Monte Titoli)]

²² Not required for Notes with a denomination per unit of at least € 100,000.

²³ Include where the Notes are not Fixed Rate Notes.

²⁴ Include where the Notes are Fixed Rate Notes

²⁵ Include where the Notes are not Floating Rate Notes.

²⁶ Include where the Notes are Floating Rate Notes

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s), number(s) and addresses]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

8. DISTRIBUTION (*Items identified below with *** are not required for Notes with a denomination of at least €100,000*)

(i) Method of distribution: [Syndicated /Non-syndicated]

(ii) If syndicated, names [and addresses***] of Managers [and underwriting commitments***]: [Not Applicable/give names[, addresses and underwriting commitments***]
[(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)***]]

(iii) [Date of [Subscription] Agreement: [●]***

(iv) Stabilising Manager(s) (including addresses) (if any): [Not Applicable/give name]

(v) If non-syndicated, name [and address***] of Manager: [Not Applicable/give name [and address***]] [See Paragraph 12 of Part B below for name [and address] of the relevant distributor[s] where public offer is made in Italy through distributor[s] that are/is not themselves/itself offeror[s] and are/is placing the Notes in a non-retail cascade scenario]

(vi) Total commission and concession***: [●] per cent. of the Aggregate Nominal Amount***]

(vii) U.S. Selling Restrictions: The Issuer is Category 2 for the purposes of Regulation S under the U.S. Securities Act of 1933, as amended.

[TEFRA C/ TEFRA D/ TEFRA not applicable]
(TEFRA rules are not applicable to Dematerialised Notes)

(viii) [Non-Exempt Offer***: [Not Applicable] [An offer of the Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 1(4) of the Prospectus

Regulation in [specify relevant Member State(s) - which must be jurisdictions where the Prospectus and any supplements have been passported] (**Non-Exempt Offer Jurisdictions**) during the period from [specify date] until [specify date] (**Offer Period**)/[other (please include an alternative wording where public offer is made in Italy through distributor[s] that are/is not themselves/itself offeror[s] and are/is placing the Notes in a non-retail cascade scenario)] (See further Paragraph 9 of Part B below.)

- (ix) Prohibition of Sales to EEA and UK Retail Investors: [Not applicable/Applicable]

(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified. For the purpose of the above, a "packaged" product shall designate a "packaged retail investment product" which means in accordance with Regulation (EU) No 1286/2014 of 26 November 2014 an investment, where, regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets which are not directly purchased by the retail investor)

9. TERMS AND CONDITIONS OF THE OFFER²⁷

[Not Applicable]²⁸

CONDITIONS, OFFER STATISTICS, EXPECTED TIMETABLE AND ACTION REQUIRED TO APPLY FOR THE OFFER

Conditions to which the offer is subject: [●] (please insert here, inter alia, categories of potential investors to which the Notes are offered)

Total amount of the securities offered to the public/admitted to trading. If the amount is not fixed, an indication of the maximum amount of the securities to be offered (if available) and a description of the arrangements and time for announcing to the public the definitive amount of the offer: [●]

*** Not required for Notes with a denomination of at least €100,000.

²⁷ Not required for Notes with a denomination of at least €100,000.

²⁸ Include only for Notes with a denomination per unit of at least €100,000.

The time period, including any possible amendments, during which the offer will be open. A description of the application process:

[●] /

[Prospective investors may apply to the relevant distributor to subscribe for Notes in accordance with the arrangements existing between the relevant distributor and its customers relating to the subscription of securities generally.

Investors will be notified by the relevant distributor of the amount allotted. Dealings may begin on or around the Issue Date.

Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer in relation to the subscription for the Notes.]

A description of the possibility to reduce subscriptions and the manner for refunding amounts paid in excess by applicants:

[●]

Details of the minimum and/or maximum amount of the application, (whether in number of securities or aggregate amount to invest):

[●]

Method and time limits for paying up the securities and for delivery of the Notes:

[●]

A full description of the manner and date in which results of the offer are to be made public:

[●]

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised:

[●]

10. PLAN OF DISTRIBUTION AND ALLOTMENT²⁹

[Not Applicable]³⁰

The various categories of potential investors to which the Notes are offered:

[●]

Whether a tranche has been or is being

²⁹ Not required for Notes with a denomination of at least €100,000

³⁰ Include only for Notes with a denomination per unit of at least €100,000.

reserved for certain countries, indicate any such tranche: [●]

Process for notifying applicants of the amount allotted and an indication whether dealing may begin before notification is made: [●]

11. PRICING³¹

[Not Applicable]³²

Indication of the expected price at which the securities will be offered. [●]

Indication of the amount of any expenses, and taxes charged to the subscriber or purchaser: [Not applicable/give details]

(If the Issuer is subject to MiFID II and/or PRIIPs such that it is required to disclose information relating to costs and charges, also include that information)

12. PLACING AND UNDERWRITING³³

[Not Applicable]³⁴

Consent of the Issuer to use the Prospectus during the Offer Period: [Not Applicable / Applicable with respect to any Authorised Offeror specified below]

Authorised Offeror(s) in the various countries where the offer takes place: [Not Applicable / Name(s) and address(es) of the financial intermediary(ies) appointed by the Issuer to act as Authorised Offeror(s)/ Any financial intermediary which satisfies the conditions set out below in item "Conditions attached to the consent of the Issuer to use the Prospectus"]

Conditions attached to the consent of the Issuer to use the Prospectus: [Not Applicable / Where the Issuer has given a general consent to any financial intermediary to use the Prospectus, specify any additional conditions to or any condition replacing those set out on page 23 of the Base Prospectus or indicate "See conditions set out in the Base Prospectus".]

Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm

³¹ Not required for Notes with a denomination of at least €100,000.

³² Include only for Notes with a denomination per unit of at least €100,000.

³³ Not required for Notes with a denomination of at least €100,000.

³⁴ Include only for Notes with a denomination per unit of at least €100,000.

commitment or under 'best efforts' arrangements. Where not all of the issue is underwritten, a statement of the portion not covered:

[Not Applicable]/[●] *[Include name and address of the relevant distributor[s]]*

[ANNEX –ISSUE SPECIFIC SUMMARY]

[insert the issue specific summary as applicable]

[ANNEXE – RÉSUMÉ DE L'ÉMISSION]

[insérer le résumé de l'émission le cas échéant]

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 29 April 2020 between the Issuer, the Permanent Dealers and the Arranger (the **Dealer Agreement**), the Notes will be offered by the Issuer to the Permanent Dealers (other than HSBC France). However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealers have agreed to indemnify the Issuer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

General

These selling restrictions may be modified or supplemented by the agreement of the Issuer and the Dealers in particular following a change in a relevant law, regulation or directive.

Each Dealer has agreed that it will comply, to the best of its knowledge, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefore.

European Economic Area

If the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in a Member State of the European Economic Area (**EEA**) and the United Kingdom (each a **Relevant State**) except that it may make an offer of such Notes to the public in that Relevant State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.

Prohibition of Sales to EEA and UK retail investors

If the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Applicable", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**); and
- (b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account of benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer or sell or, in the case of Materialised Notes, deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the relevant lead manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers

and sales of the Notes within the United States or to, or for the account or benefit of U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of an identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Tranche of Notes) may violate the registration requirements of the Securities Act.

Materialised Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations thereunder.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

United Kingdom

Each Dealer has represented, warranted and agreed that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended: the **FIEA**). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to or for the benefit of a resident of Japan (which term as used herein means any person resident in Japan, including and corporation or other entity organised under the laws of Japan), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other relevant laws, regulations and ministerial guidelines of Japan.

France

Each of the Dealers has represented and agreed that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Base Prospectus or any other offering material relating to the Notes.

Hong Kong

Neither this Base Prospectus (nor any other offering material relating to the Notes) has been authorised by the Securities and Futures Commission in Hong Kong, nor has this Base Prospectus (and/or any other offering material relating to the Notes) been registered by the Registrar of Companies in Hong Kong. Accordingly, each Dealer has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "**structured product**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the **SFO**) other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to "**professional investors**" as defined in the SFO and any rules made under the SFO; or (iii) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **C(WUMPO)**) or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Republic of Italy

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that, unless specified in the relevant Final Terms that a non-exempt offer may be made in Italy, the offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy (**Italy**), except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the **PD Regulation**) and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and/or Italian CONSOB regulations; or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the PD Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

- a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, CONSOB Regulation No.20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and

- b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Please note that in accordance with Article 100-bis of the Italian Financial Services Act, to the extent it is applicable, where no exemption from the rules on public offerings applies, Notes which are initially offered and placed in Italy or abroad to qualified investors only, but in the following year are regularly ("sistematicamente") distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Italian Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Belgium

With regard to Notes having a maturity of less than 12 months and/or qualifying as money market instruments within the meaning of the Belgian Prospectus Act (as defined below) (and which therefore fall outside the scope of the Prospectus Regulation), this Base Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the **Belgian FSMA**). Accordingly no action will be taken, and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) it shall refrain from taking any action, that would be characterised as or result in a public offering of such Notes in Belgium in accordance with the Prospectus Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time (the **Belgian Prospectus Act**) and (ii) it has not offered or sold and it will not offer or sell or otherwise make available in Belgium the Notes to, consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*).

The Materialised Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

GENERAL INFORMATION

- (1) This Base Prospectus has been approved by the AMF in France, in its capacity as competent authority pursuant to the Prospectus Regulation. The AMF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer or of the quality of the Notes which are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Base Prospectus is valid until 28 April 2021. The obligation to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid.

Application may be made to list and admit the Notes to trading on Euronext Paris and/or on any other regulated market in a Member State of the EEA or in the United Kingdom.

- (2) The Issuer has obtained all necessary consents, approvals and authorisations in France in connection with the update of the Programme. Any issuance of Notes under the Programme, to the extent that such Notes constitute obligations under French law, require the decision of the Board of Directors (*Conseil d'Administration*) of the Issuer or, as the case may be, the decision of any person acting by delegation of the Board of Directors (*Conseil d'Administration*) of the Issuer. For this purpose the Board of Directors (*Conseil d'Administration*) of the Issuer has delegated on 26 July 2019 to Jean Beunardeau, Chief Executive Officer (*Directeur Général*), and pursuant to his proposal, to Chris Davies and Andrew Wild, Deputy Chief Executive Officers (*Directeurs Généraux Délégués*), to Laurence Rogier, Chief Financial Officer (*Directrice Financière*), to Xavier Boisseau, Harry-David Gauvin, Yonathan Ebguy, and François Goberville, in charge of the *Banque de marchés (responsables à la Banque de marchés)* and to Laurent Durand, in charge of the *Direction juridique de la Banque d'investissement, de financement et de marchés (Responsable de la Direction juridique de la Banque d'investissement, de financement et de marchés)*, with the ability for each of them to act jointly or separately, all powers to issue *obligations* and to determine their final terms and conditions, up to a maximum aggregate amount of €15,000,000,000 (or its equivalent in any other currency) for 1 year from 26 July 2019. Any issue of Notes, to the extent that such Notes do not constitute obligations under French law, fall within the general powers of the *directeur général* or a *directeur général délégué* of the Issuer.
- (3) Except as disclosed on pages 19, 218 and 251 of the 2019 Universal Registration Document, in the First Amendment to the 2019 Universal Registration Document and in the Base Prospectus, including with respect to the impact that the sanitary crisis resulting from the coronavirus (COVID-19) may have, there has been no significant change in the financial position or financial performance of the Issuer or the Group since 31 December 2019.
- (4) With the exception of the elements mentioned in the First Amendment to the 2019 Universal Registration Document and in the Base Prospectus, including with respect to the impact that the sanitary crisis resulting from the coronavirus (COVID-19) may have, there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2019.
- (5) Except as disclosed in the Base Prospectus, there are no recent events that the Issuer considers as material for investors since the date of the last published financial statements.
- (6) Except as disclosed on pages 137 to 138, 215 to 216 and 250 to 251 of the 2019 Universal Registration Document, neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12

months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

- (7) Application may be made for Notes to be accepted for clearance through Clearstream (42 avenue JF Kennedy, 1855 Luxembourg, Luxembourg), Euroclear (boulevard du Roi Albert II, 1210 Bruxelles, Belgique) and Euroclear France (66 rue de la Victoire, 75009 Paris, France). The Common Code and the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (8) This Base Prospectus will be published on the websites of (a) the *Autorité des marchés financiers* (www.amf-france.org) during at least a period of twelve months from the date of the Base Prospectus and (b) the Issuer (www.hsbc.fr). So long as Notes are admitted to trading on any Regulated Market of the EEA or of the United Kingdom and/or offered through a Non-Exempt Offer in any Member State of the EEA or in the United Kingdom in accordance with the Prospectus Regulation, the documents listed in (i) and (ii) will be published on the website of the *Autorité des marchés financiers* (www.amf-france.org) and the documents listed in (ii) and (iii) on the website of the Issuer (<https://www.about.hsbc.fr/investor-relations>):
 - (i) the relevant Final Terms for Notes that are admitted to trading on Euronext Paris or any other Regulated Market in the EEA or in the United Kingdom;
 - (ii) the Base Prospectus, together with any supplement to this Base Prospectus or further Base Prospectus; and
 - (iii) the documents incorporated by reference in this Base Prospectus.
- (9) So long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available on the website of the Issuer (www.hsbc.fr):
 - (i) the *statuts* of the Issuer; and
 - (ii) all reports, letters and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus.
- (10) The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.
- (11) In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.
- (12) The Programme is currently rated AA- by S&P Global Ratings Europe Limited, Aa3 by Moody's Investors Service Ltd. and AA- by Fitch Ratings Limited. The long term debt of the Issuer is currently rated AA- (with negative outlook) by S&P Global Ratings Europe Limited, Aa3 (with negative outlook) by Moody's Investors Service Ltd. and AA- (with negative outlook) by Fitch Ratings Limited.
- (13) The statutory auditors of the Issuer for the periods covered by the historical financial information are PricewaterhouseCoopers Audit (63, rue de Villiers, 92200 Neuilly-sur-Seine, France) and BDO France – Léger & Associés (113, rue de l'Université, 75007 Paris, France). They have audited and rendered unqualified audit reports on the financial statements of the Issuer for each of the financial year ended 31 December 2018 and 31 December 2019. PricewaterhouseCoopers Audit and BDO

France – Léger & Associés are registered as *Commissaires aux comptes* and belong, respectively, to the *Compagnie Régionale de Versailles* and to the *Compagnie Régionale de Paris*.

- (14) In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the **Stabilising Manager(s)**) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Final Terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of thirty (30) days after the issue date of the relevant Tranche and sixty (60) days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.
- (15) Amounts payable under the Notes may be calculated by reference to one or more "benchmarks" for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the **Benchmarks Regulation**). In this case, a statement will be included in the relevant Final Terms as to whether or not the relevant administrator of the "benchmark" is included in ESMA's register of administrators under Article 36 of the Benchmarks Regulation.
- (16) Certain statements contained in this Base Prospectus are forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, business strategies, expansion and growth of operations plans or objectives, competitive advantage and regulatory changes, based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. The Issuer may also make forward-looking statements in its audited annual financial statements, in the documents incorporated by reference in this Base Prospectus, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements are typically identified by words or phrases such as, without limitation, "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as, without limitation, "will", "should", "would" and "could." Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties, and other factors and actual results may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Please refer to the section entitled "*Risk Factors*" above.

The Issuer operates in a continually changing environment and new risks emerge continually. Forward-looking statements speak only as of the date they are made and the Issuer does not undertake any obligation to update or revise any of these forward-looking statements, to reflect new information, future events or circumstances or otherwise. These forward-looking statements do not constitute profit forecasts or estimates under the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation.

- (17) All or some of the Dealers and their affiliates have and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer and its affiliates and in relation to securities issued by any entity of the Group. They have or may (i) engage in investment banking, trading or hedging activities including activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (ii) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (iii) act as financial advisers to the Issuer or other companies of the Group. In the context of these transactions, certain of such Dealers have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions. In addition, the Calculation Agent may be an affiliate of the Issuer, and potential conflicts of interest may exist therefore between the Calculation Agent and the Noteholders.

Furthermore potential conflicts of interest may arise in connection with the Notes, as any distributors or other entities involved in the offer and/or the listing of the Notes as indicated in the applicable Final Terms, will act pursuant to a mandate granted by the Issuer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.

- (18) The Legal Entity Identifier of the Issuer is F0HUI1NY1AZMJMD8LP67.

RESPONSIBILITY STATEMENT

I hereby certify that, to the best of my knowledge, the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

HSBC France

103, avenue des Champs Elysées
75008 Paris
France

Represented by Mr. Yonathan EBGUY

COO of Global Markets – France

Duly authorised

Dated 29 April 2020



This Base Prospectus has been approved by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129. The AMF has approved this Base Prospectus after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

This approval is not a favourable opinion on the Issuer and on the quality of the Notes described in this Base Prospectus. Investors should make their own assessment of the opportunity to invest in such Notes.

This Base Prospectus has been approved on 29 April 2020 and is valid until 28 April 2021 and shall, during this period and in accordance with the provisions of article 23 of the Regulation (EU) 2017/1129, be completed by a supplement to the Base Prospectus in the event of new material facts or substantial errors or inaccuracies. This Base Prospectus obtained the following approval number: n°20-165.

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