

**First Supplement dated 26 August 2019
to the Euro Medium Term Note Programme Base Prospectus dated 12 April 2019**



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

This first supplement (the **First Supplement**) is supplemental to, and should be read in conjunction with, the base prospectus dated 12 April 2019 which was granted the visa no. 19-160 on 12 April 2019 by the *Autorité des Marchés Financiers* (the **AMF**) (the **Base Prospectus**) which has been prepared by HSBC France (the **Issuer**) with respect to its €20,000,000,000 Euro Medium Term Note Programme of HSBC France (the **Programme**).

The Base Prospectus as supplemented constitutes a base prospectus in accordance with Article 5.4 of Directive 2003/71/EC, as amended (the **Prospectus Directive**), and in accordance with Article 46.3 of Regulation (EU) 2017/1129 (the **Prospectus Regulation**).

Application has been made for approval of this Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive in France.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meanings when used in this First Supplement.

To the extent that there is any inconsistency between (i) any statement in this First Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus, the statement referred to in (i) above will prevail.

This First Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the AMF's *Règlement Général*, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus.

This First Supplement has been prepared for the purposes of:

1. updating the "Summary of the Programme" and the "*Résumé en français du Programme*";
2. updating the "Risk Factors Relating to the Issuer" section;
3. incorporating by reference the English translation of HSBC France's *Document d'enregistrement universel et Rapport Financier Semestriel 2019* and inserting a related cross-reference table in the "Documents Incorporated by Reference" section of the Base Prospectus; and
4. updating sections 2, 3 and 6 of the "General Information" section of the Base Prospectus.

In accordance with Article 16.2 of the Prospectus Directive and Article 212-25 II of the AMF's *Règlement Général*, in the case of an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes issued under the Programme before this First Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date

of publication of this First Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 28 August 2019.

Copies of this Supplement (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours, (b) will be available on the website of the Issuer (<http://www.about.hsbc.fr/investor-relations/debt-issuance>), (c) will be available on the website of the AMF (www.amf-france.org) and (d) will be available for collection free of charge on any weekday (Saturdays, Sundays and public holidays excepted), at the specified office of the Paying Agent(s), during normal business hours so long Notes may be issued under the Programme and so long as any Notes issued under the Programme are outstanding.

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SUMMARY OF THE PROGRAMME

The “Summary of the Programme ” on pages 5 to 22 of the Base Prospectus is amended as follows:

- Element B.10 is deleted in its entirety and replaced with the following:

B.10	Qualifications in the auditors’ report	The free English language translation of the Statutory Auditors’ report on the 2017 consolidated financial statements contains an emphasis of matter paragraph. The free English language translation of the Statutory Auditors’ report on the 2018 consolidated financial statements contains an emphasis of matter paragraph. The free English language translation of the Statutory Auditors’ limited review report on the 2019 consolidated half-year financial statement contains an emphasis of matter paragraph.
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- Element B.12 is deleted in its entirety and replaced with the following:

B.12	Selected historical key financial information	HSBC France group				
		<i>(in millions of euros)</i>	Half-year to 30/06/2019 Limited review ^{1*}	Half-year to 30/06/2018 Limited review ^{1**}	Full year 31/12/2018 Audited ¹	Full year 31/12/2017 Audited ²
		Total operating income before loan impairment (charges)/releases and other credit risk provisions	1,131	903	1,736	1,907
		Loan impairment charges and other credit risk provisions	(54)	(15)	10	(81)
		Operating profit	51	10	45	219
		Profit attributable to shareholders of the parent company	52	20	(17)	177
			<i>As at 30/06/2019</i>	<i>As at 30/06/2018</i>	<i>As at 31/12/2018</i>	<i>As at 31/12/2017</i>
		Total shareholders’ equity	8,115	5,968	6,555	5,676
		Loans and advances to customers	56,315	44,567	46,997	44,856
		Customer accounts	54,940	38,748	41,906	38,277
		Total assets	235,725	172,114	180,946	167,544

	As at 30/06/2019 ^{1*}	As at 30/06/2018 ^{1**}	As at 31/12/2018 ¹	As at 31/12/2017 ²
Fully loaded Total Capital Ratio	16.6%	15.2%	15.7%	14.6%
Fully loaded Common Equity Tier One ratio	13.4%	12.2%	13.1%	13.2%
Cost efficiency ratio (<i>adjusted</i>)	86.9%	94.9%	95.4%	78.6%
Liquidity Coverage Ratio (LCR)	123%	169%	128%	149%

Summarised consolidated cash flow table

<i>(in millions of euros)</i>	Half-year to 30/06/2019 Limited review ^{1*}	Half-year to 30/06/2018 Limited review ^{1**}	Full year 31/12/2018 Audited ¹	Full year 31/12/2017 Audited ²
Cash and cash equivalents at 1 January	31,031	24,683	22,231	9,807
Net cash from operating activities	8,470	(5,069)	3,073	7,069
Net cash (used in)/from investing activities	(2,530)	1,319	1,068	5,392
Net cash (used in)/from financing activities	1,738	549	1,026	(5)
Effect of exchange rate changes on cash and cash equivalents	(12)	1	4	(32)
Cash and cash equivalents at the end of the period	38,697	21,483	27,402	22,231

		<p>¹ IFRS 9 applicable</p> <p>² IAS 39 applicable</p> <p>* IFRS 16 applicable</p> <p>** IAS 17 applicable</p> <p>IFRS 9 Impacts:</p> <p>The adoption of IFRS 9 on 1 January 2018 reduced HSBC France Group's net position by EUR 31 million net of taxes deferred, with an increase of EUR 5 million related to the 'Classification and Measurement' phase and a decrease of EUR 36 million in the 'Impairment' phase. The IFRS9 transition reduced the transitional CET1 ratio by 2 basis points. The total amount of provisions for expected credit losses at 1 January 2018 is EUR 578 million for financial assets at amortized cost, EUR 16 million for commitments and guarantees and EUR 5 million for financial assets at fair value through other comprehensive income.</p> <p>IFRS 16 'Leases' Impacts:</p> <p>On 1 January 2019, HSBC France adopted the requirements of IFRS 16 retrospectively. The cumulative effect of initially applying the standard was recognised as an adjustment to the opening balance of retained earnings at that date. Comparatives were not restated. The adoption of the standard on 1 January 2019 increased assets by EUR 219 million and increased financial liabilities by the same amount with no effect on net assets or retained earnings. At 30 June 2019, the impact of IFRS 16 implies a EUR 253 million symmetrical increase of assets and financial liabilities, mainly due to the acquisition of seven HSBC Bank plc European branches in February and March 2019.</p> <p>There has been no material adverse change in the prospects of the Issuer since 31 December 2018 and there has been no significant change in the financial or trading position of the Issuer since 30 June 2019.</p>
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- Element D.2 is deleted in its entirety and replaced with the following:

D.2	<p>Key information on the key risks that are specific to the Issuer</p>	<p>An investment in the Notes involves certain risks that should be considered before any investment decision. In particular, the Issuer and its subsidiaries taken as a whole (the Group), is subject to risks inherent in its activities, including:</p> <p><u>Financial risks:</u></p> <ul style="list-style-type: none"> • Credit risk: is the risk of financial loss if a customer or counterparty fails to meet a payment obligation under a contract. It arises principally from direct lending, trade finance and leasing business. • Counterparty risk: is the risk of financial loss if the counterparty to a transaction defaults before satisfactorily settling it. It arises principally from over-the-counter (OTC) derivatives and securities financing transactions and is calculated in both the trading and non-trading books. • Market risk: is the risk that the market rates and prices on which the Group has taken views – interest rates, exchange rates, equity prices etc – will move adversely relative to positions taken causing losses to the Group. • Interest-rate risk: is the risk of variability in results caused by mismatches in interest
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		<p>rates, maturities and nature between assets and liabilities in the banking book. This risk arises in non-trading portfolios.</p> <ul style="list-style-type: none"> Structural foreign exchange risk: The structural foreign exchange exposition of HSBC France is limited. It concerns few investments, not significant, in the foreign subsidiaries. Structural foreign exchange exposition arising from banking operations is systematically transferred to the trading room which manages exchange rate risk according to the limits set by the Risk Management Committee. <p>There is also an exchange rate risk on equity due to investments in foreign currency that are not hedged by financing in foreign currency. This exposure, termed as "structural", corresponds to net investments in subsidiaries, branches or associated companies for which the euro is not the functional currency.</p> <p>HSBC France's investments in foreign subsidiaries are small in amount. The structural foreign exchange exposure is mainly linked to these subsidiaries' profits retained in reserves.</p> <ul style="list-style-type: none"> Liquidity and funding risk: is the risk that the Group does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. The risk arises from mismatches in the timing of cash flows. Funding risk is the risk that funding considered to be sustainable (and therefore used to fund assets) proves not to be sustainable over time. The risk arises when the funding needed for illiquid asset positions cannot be obtained at the expected terms and when required. <p><u>Operational risks:</u></p> <ul style="list-style-type: none"> Legal risk: Legal risks include those connected with changes of laws and regulations, and defence litigation matters (some of which may have a significant effect on the financial situation of the HSBC France group net assets). The HSBC France Legal Department (DAJ) is responsible for HSBC France group's legal risks oversight as a second line of defence, and helps the various HSBC France group businesses to prevent and control legal risk. The DAJ is in charge of litigation follow-up. Legal risks include the management risks directly or indirectly linked to litigation involving the Issuer. Tax risk: Tax risks include some tax positions that are discussed with tax authorities, as well as changes of laws. IT Systems Risk: Critical system failure, any prolonged loss of service availability or any material breach of data security, particularly involving confidential customer data, could cause serious damage to the Issuer's ability to service its clients, could breach regulations under which the Issuer operates and cause long-term damage to its business and brand that could have a material adverse effect on its business, prospects, financial condition and results of operations. Non-compliance risk: is defined by situations of failure of compliance and infringements of internal rules of procedure by employees. Accounting risk: If the judgement, estimates and assumptions HSBC France use in preparing its consolidated financial statements are subsequently found to be materially different from those assumed using information available at the reporting date, this could affect its business, prospects, financial condition and results of operations.
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RESUME EN FRANÇAIS DU PROGRAMME

Le « *Résumé en français du Programme* » figurant aux pages 23 à 41 du Prospectus de Base est modifié comme suit :

- L'Elément B.10 est supprimé et entièrement remplacé par ce qui suit :

B.10	Réserves contenues dans le rapport des Commissaires aux comptes	La traduction anglaise libre du rapport des contrôleurs légaux sur les comptes consolidés 2017 contient une observation. La traduction anglaise libre du rapport des contrôleurs légaux sur les comptes consolidés 2018 contient une observation. La traduction anglaise libre du rapport de revue limitée des contrôleurs légaux sur les comptes semestriels consolidés 2019 contient une observation.
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- L'Elément B.12 est supprimé et entièrement remplacé par ce qui suit :

B.12	Informations financières sélectionnées historiques clés	Informations financières sélectionnées concernant le Groupe HSBC France				
		(en millions d'euros)	Semestre se terminant au 30/06/2019 Revue limitée ^{1*}	Semestre se terminant au 30/06/2018 Revue limitée ^{1**}	Année se terminant au 31/12/2018 Audité ¹	Année se terminant au 31/12/2017 Audité ²
		Produit net bancaire avant dépréciation pour risque de crédit	1 131	903	1 736	1 907
		Dépréciations pour risque de crédit	(54)	(15)	10	(81)
		Résultat d'Exploitation	51	10	45	219
		Résultat net part du groupe	52	20	(17)	177
			<i>Au</i> <i>30/06/2019</i>	<i>Au</i> <i>30/06/2018</i>	<i>Au</i> <i>31/12/2018</i>	<i>Au</i> <i>31/12/2017</i>
		Capitaux propres part du groupe	8 115	5 968	6 555	5 676
		Prêts et créances sur la clientèle	56 315	44 567	46 997	44 856
		Comptes créditeurs de la clientèle	54 940	38 748	41 906	38 277

Total du bilan	235 725	172 114	180 946	167 544
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	Au 30/06/2019 ^{1*}	Au 30/06/2018 ¹ **	Au 31/12/2018 ¹	Au 31/12/2017 ²
Ratio total des fonds propres « plein »	16,6%	15,2%	15,7%	14,6%
Ratio Common Equity Tier 1 « plein »	13,4%	12,2%	13,1%	13,2%
Coefficient d'exploitation (<i>ajusté</i>)	86,9%	94,9%	95,4%	78,6%
<i>Liquidity Coverage Ratio</i> (LCR)	123%	169%	128%	149%

Tableau de synthèse des flux de trésorerie consolidé

<i>(en millions d'euros)</i>	Semestre se terminant au 30/06/2019 Revue limitée ^{1*}	Semestre se terminant au 30/06/2018 Revue limitée ^{1**}	Année se terminant au 31/12/2018 Audité ¹	Année se terminant au 31/12/2017 Audité ²
Trésorerie en début de période	31 031	24 683	22 231	9 807
Flux nets de trésorerie provenant des activités opérationnelles	8 470	(5 069)	3 073	7 069
Flux nets de trésorerie provenant des activités d'investissement	(2 530)	1 319	1 068	5 392
Flux nets de trésorerie provenant des activités de	1 738	549	1 026	(5)

			financement					
			Effet de change sur la trésorerie	(12)	1	4	(32)	
			Trésorerie en fin de période	38 697	21 483	27 402	22 231	
	<p>¹ Norme IFRS 9 applicable</p> <p>² Norme IAS 39 applicable</p> <p>* Norme IFRS 16 applicable</p> <p>** Norme IAS 17 applicable</p> <p>Impacts de la norme IFRS 9 :</p> <p>L'adoption de la norme IFRS 9 au 1^{er} janvier 2018 a réduit la situation nette du Groupe HSBC France de 31 millions EUR nets d'impôts différés, avec une augmentation de 5 millions EUR liée à la phase "Classification et Évaluation" et une diminution de 36 millions EUR liée à la phase "Dépréciation". La transition IFRS 9 a eu pour effet de diminuer le ratio CET1 transitionnel de 2 points de base. Le montant total des provisions pour pertes de crédit attendues au 1^{er} janvier 2018 est de 578 millions EUR pour les actifs financiers au coût amorti, de 16 millions EUR pour les engagements et garantie et de 5 millions EUR sur les actifs financiers à la juste valeur par les autres éléments du résultat global.</p> <p>Impacts de la norme IFRS 16 'Contrats de locations' :</p> <p>Au 1^{er} janvier 2019, HSBC France a adopté la norme IFRS 16 rétrospectivement. L'effet cumulé au titre de la Première application de la norme a été imputé sur les capitaux d'ouverture sans retraitements d'états comparatifs. L'adoption de la norme au 1^{er} janvier 2019 a augmenté le montant de l'actif de 219 millions EUR et le montant du passif financier du même montant sans impact sur l'actif net ou les capitaux propres. Au 30 juin 2019, l'impact de la norme IFRS 16 se traduit par une hausse symétrique de 253 millions EUR de l'actif et du passif financier, principalement expliquée par l'acquisition des activités de sept succursales européennes de HSBC Bank plc en février et mars 2019.</p> <p>Aucune détérioration significative n'a eu de répercussions sur les perspectives de l'Émetteur depuis le 31 décembre 2018 et il n'y a eu aucun changement significatif dans la situation financière ou commerciale de l'Émetteur depuis le 30 juin 2019.</p>							

- L'Élément D.2 est supprimé et entièrement remplacé par ce qui suit :

D.2	Informations clés sur les principaux risques propres à l'Émetteur	<p>Un investissement dans les Titres implique certains risques qui devraient être pris en compte avant toute décision d'investissement. En particulier, l'Émetteur, avec ses filiales prises dans leur ensemble (le Groupe), est exposé aux risques inhérents à ses activités, notamment :</p> <p><u>Les risques financiers :</u></p> <ul style="list-style-type: none"> • Le risque de crédit : est le risque de perte financière si un client ou une contrepartie ne respecte pas une obligation en vertu d'un contrat. Il se pose principalement dans les
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activités de prêts, de crédits commerciaux, de trésorerie et de crédit-bail.

- **Le risque de contrepartie** : est le risque d'une perte financière sur une contrepartie faisant défaut. Ce risque apparaît pour les transactions de dérivés, de pensions ou de prêts et emprunts de titres ainsi que les opérations à règlement différé, qu'elles soient enregistrées dans le portefeuille bancaire ou dans le portefeuille de négociation.
- **Le risque de marché** : est le risque de marché est le risque que les taux ou prix de marché sur lesquels la banque a des positions évoluent en la défaveur de ces positions et de ce fait causent des pertes.
- **Le risque de taux** : est le risque que les résultats de la banque varient en fonction de la désynchronisation de taux d'intérêt, maturités et nature de produits entre actifs et passifs du portefeuille bancaire.
- **Le risque de change structurel** : l'exposition au risque de change structurel de HSBC France est limitée. Elle concerne quelques investissements non significatifs dans les filiales à l'étranger. Les positions de change issues de l'activité bancaire sont systématiquement transférées à la salle des marchés, qui assure la gestion du risque de change dans le cadre de limites fixées par le Risk Management Committee.

Par ailleurs, il existe un risque de change qui correspond au risque de variation des fonds propres dû à des investissements en devises non couverts par des financements en devises. Cette exposition, dite structurelle, au risque de change correspond aux investissements nets dans les filiales, succursales ou entreprises associées dont l'euro n'est pas la devise fonctionnelle.

Les investissements de HSBC France dans des filiales étrangères sont faibles en montant. L'exposition structurelle au risque de change est principalement liée au résultat de ces filiales conservé en réserves.

- **Le risque de liquidité et risque de financement** : le risque de liquidité consiste, pour la banque, à ne pas disposer d'un montant suffisant de ressources financières lui permettant de faire face à ses engagements lorsqu'ils deviennent exigibles ou à ne pouvoir le faire qu'à un coût excessif. Le risque se matérialise lorsque les flux de trésorerie sont désynchronisés. Le risque de financement est le risque qu'une source de financement considérée comme durable (et utilisée pour financer des actifs) se révèle non durable dans le temps. Le risque se matérialise lorsque le financement pour des actifs illiquides ne peut pas être obtenu au coût ou au moment escomptés.

Les risques opérationnels :

- **Le risque juridique** : Les risques juridiques comprennent les risques liés aux changements de lois et réglementations, et les risques liés aux dossiers de litige en défense (certains pouvant avoir un effet significatif sur la situation financière du groupe HSBC France). Le HSBC France Legal Department aide les différents secteurs du groupe HSBC France à prévenir, à maîtriser les risques juridiques. Il est également en charge du suivi des litiges. Les risques juridiques concernent notamment la gestion des risques liés directement ou indirectement aux dossiers relatifs aux litiges impliquant l'Emetteur.
- **Le risque fiscal** : Les risques fiscaux comprennent certaines positions fiscales qui font l'objet de discussions avec les autorités ainsi que des changements de lois.
- **Le risque informatique** : Une défaillance des systèmes essentiels, toute indisponibilité de service prolongée, ou toute brèche substantielle de sécurité de données, particulièrement dans le cas de données confidentielles de clients, pourrait provoquer de

		<p>sérieux dommages dans la faculté de l'Emetteur à servir ses clients ; contrevenir aux réglementations dans le cadre desquelles il opère ; et causer des dommages à long terme à son activités et sa marque avec un effet défavorable significatif sur son activité, ses clients, sa situation financière et ses résultats d'exploitation.</p> <ul style="list-style-type: none"> • Le risque de non-conformité : est défini par les situations d'échec de conformité et d'infractions aux règles de procédure interne par les employés. • Le risque comptable : Si les jugements, estimations et hypothèses utilisés par HSBC France pour préparer ses états financiers consolidés s'avèrent être, par la suite, matériellement différents de ceux utilisés compte tenu de l'information disponible à la date de clôture, cela pourrait affecter son activité, ses perspectives, sa position financière et le résultat de ses opérations.
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RISK FACTORS

- Risk Factors Relating to the Issuer

The paragraphs under the heading “Risk Factors Relating to the Issuer” and above the heading “Risk Factors Relating to the Notes” on pages 42 and 43 of the Base Prospectus are deleted and replaced by the following:

“Risk factors in connection with the Issuer are set out in detail on pages 15 to 31 of the English translation of the Issuer’s Universal Registration Document and Interim Financial Report 2019, which is incorporated by reference in this Base Prospectus.”

DOCUMENTS INCORPORATED BY REFERENCE

The English translation of the Issuer's *Document d'enregistrement universel et Rapport Financier Semestriel 2019* has been filed with the AMF for the purposes of the Prospectus Regulation and, by virtue of this First Supplement, is incorporated in, and forms part of, the Base Prospectus.

The section “Documents incorporated by reference” in the Base Prospectus is updated accordingly as follows:

- Above the paragraph corresponding to the first bullet point, the following paragraph is inserted:
 - “– the English translation of the Issuer's *Document d'enregistrement universel et Rapport Financier Semestriel 2019* filed with the *Autorité des marchés financiers* on 5 August 2019 under No. D.19-0739 (the **Universal Registration Document and Interim Financial Report 2019**);”;
- The table under the heading “CROSS REFERENCE LIST” on pages 61 to 64 of the Base Prospectus is deleted in its entirety and replaced by the following:

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
Annex XI of the European Regulation 809/2004/EC	
3. RISK FACTORS	Universal Registration Document and Interim Financial Report 2019 pages 15 to 31
4. INFORMATION ABOUT THE ISSUER	
<u>4.1. History and development of the Issuer</u>	2018 Registration Document page 266
<u>4.1.2. Place of registration of the Issuer and its registration number</u>	2018 Registration Document page 265
<u>4.1.3 Date of incorporation and the length of life of the issuer, except where indefinite</u>	2018 Registration Document page 265
<u>4.1.4 Domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business of different from its registered office)</u>	2018 Registration Document page 265
<u>4.1.5. Recent Developments</u>	2018 Registration Document pages 17 and 18
5. BUSINESS OVERVIEW	
<u>5.1. Principal activities:</u>	Universal Registration Document and Interim Financial Report 2019 pages 4 to 14 2018 Registration Document pages 3 to 18 and 228
<u>5.1.2. New product and/or activities:</u>	2018 Registration Document pages 3 to 18 and 228

INFORMATION INCORPORATED BY REFERENCE Annex XI of the European Regulation 809/2004/EC	REFERENCE
<u>5.1.3. Principal markets:</u>	Universal Registration Document and Interim Financial Report 2019 pages 4 to 14 2018 Registration Document pages 3 to 18 and 228
<u>5.1.4 Basis for any statement in the registration document made by the issuer regarding its competitive position.</u>	Universal Registration Document and Interim Financial Report 2019 pages 4 to 14 2018 Registration Document pages 3 to 18
6. ORGANISATIONAL STRUCTURE	
<u>6.1 Brief description of the group and of the issuer's position within it</u>	2018 Registration Document pages 2 to 19 and 253 and 259 to 262
<u>6.2 Issuer's dependence upon other entities within the group</u>	2018 Registration Document pages 259 to 267
7. TREND INFORMATION	Universal Registration Document and Interim Financial Report 2019 page 12 2018 Registration Document pages 17 and 18
9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
Name, business addresses and functions in the Issuer of the members of the administrative, management or supervisory bodies and indication of the principal activities performed by them outside the Issuer	2018 Registration Document pages 21 to 29
Conflict of Interest	2018 Registration Document page 30
10. MAJOR SHAREHOLDERS	
<u>10.1 To the extent know 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</u>	2018 Registration Document page 267
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
<u>Interim and other financial information for the period ended 30 June 2019</u>	
- Balance sheet	Universal Registration Document and Interim Financial Report 2019 page 42

INFORMATION INCORPORATED BY REFERENCE Annex XI of the European Regulation 809/2004/EC	REFERENCE
- Income statement	Universal Registration Document and Interim Financial Report 2019 page 40
- Cash flow statement	Universal Registration Document and Interim Financial Report 2019 page 43
- Notes	Universal Registration Document and Interim Financial Report 2019 pages 46 to 61
- Auditor's report relating to the above	Universal Registration Document and Interim Financial Report 2019 page 62
- Consolidated statement of comprehensive income	Universal Registration Document and Interim Financial Report 2019 page 41
- Consolidated statement of changes in equity	Universal Registration Document and Interim Financial Report 2019 pages 44 to 45
<u>Issuer's audited consolidated annual financial statements for the year ended 31 December 2018</u>	
- Balance sheet	2018 Registration Document page 149
- Income statement	2018 Registration Document page 147
- Cash flow statement	2018 Registration Document page 150
- Notes	2018 Registration Document pages 152 to 219
- Auditors' report relating to the above	2018 Registration Document pages 220 to 224
- Consolidated statement of comprehensive income	2018 Registration Document page 148
- Consolidated statement of changes in equity	2018 Registration Document page 151
<u>Issuer's audited consolidated annual financial statements for the year ended 31 December 2017</u>	
- Balance sheet	2017 Registration Document page 129
- Income statement	2017 Registration Document page 127
- Cash flow statement	2017 Registration Document page 130
- Notes	2017 Registration Document pages 132 to 187
- Auditors' report relating to the above	2017 Registration Document pages 188 to 192
- Consolidated statement of comprehensive income	2017 Registration Document page 128
- Consolidated statement of changes in equity	2017 Registration Document page 131
11.6 Legal and arbitration proceedings	Universal Registration Document and Interim Financial Report 2019 pages 60 to 61 2018 Registration Document pages 129 and 130
11.7 Significant change in the issuer's financial position	Universal Registration Document and Interim Financial Report 2019 page 61
12. MATERIAL CONTRACTS	2018 Registration Document page 266

GENERAL INFORMATION

The section “General Information” in the Base Prospectus is amended as follows:

- the paragraph (2) on page 146 of the Base Prospectus is deleted in its entirety and replaced by the following:

“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 Ebguay, 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.”;

- the paragraph (3) on page 146 of the Base Prospectus is deleted in its entirety and replaced by the following:

“There has been no significant change in the financial position of the Issuer or the Group since 30 June 2019”;

- the paragraph (6) on page 146 of the Base Prospectus is deleted in its entirety and replaced by the following:

“Except as disclosed on pages 129 and 130 of the 2018 Registration Document and on pages 60 to 61 of the Universal Registration Document and Interim Financial Report 2019, 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.”

RESPONSIBILITY STATEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case that, to the best of my knowledge, the information contained in this First Supplement 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. Xavier Boisseau
in charge of the *Banque de marchés (responsable à la Banque de marchés)*
Duly authorised

Dated 26 August 2019



In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the French *Autorité des marchés financiers* ("AMF"), in particular Articles 211-1 to 216-1, the AMF has granted to this First Supplement the visa n°19-410 on 26 August 2019. This First Supplement has been prepared by HSBC France and its signatories assume responsibility for it. This First Supplement and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". It does not imply an approval by the AMF of the opportunity of the transaction contemplated hereby nor that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.