

**Second Supplement dated 23 December 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 second supplement (the **Second 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**) as supplemented by the first supplement to the Base Prospectus dated 26 August 2019 (the **First Supplement**) which was granted the visa no. 19-410 on 26 August 2019, 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 Second 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 Second Supplement.

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

This Second 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 Second Supplement has been prepared for the purposes of :

- (a) updating the credit rating granted by S&P Global Ratings Europe Limited, by Fitch Ratings Limited and by Moody's Investors Service Ltd. to the Issuer's long term debt. Indeed, the Issuer's long term debt has been downgraded (i) on 28 November 2019, by S&P Global Ratings Europe Limited from AA- (with stable outlook) to AA- (with negative outlook), (ii) on 10 December 2019 by Fitch Ratings Limited from AA- (with negative outlook) to A+ (with negative outlook) and on 20 December 2019 from A+ (with negative outlook) to A+ (with stable outlook) and (iii) on 18 December 2019 by Moody's Investors Service Ltd. from Aa3 (with stable outlook) to Aa3 (with negative outlook); and
- (b) updating the "Recent Developments" section by including the press release of the Issuer dated 7 November 2019 relating to minimum capital requirement under Pillar 2 for HSBC France for the year 2020.

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 Second 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 Second Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 26 December 2019.

Copies of this Second 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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COVER PAGE

The second sentence of the tenth paragraph on page 1 of the Base Prospectus is deleted and replaced as follows:

“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 A+ (with stable outlook) by Fitch Ratings Limited.”

SUMMARY OF THE PROGRAMME

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

- Element B.17 is deleted in its entirety and replaced with the following:

B.17	Credit ratings assigned to the Issuer or its debt securities	<p>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 A+ (with stable outlook) by Fitch Ratings Limited. Notes issued under the Programme may, or may not, be rated. The rating (if any) will be specified in the relevant Final Terms.</p> <p>Each of S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. and Fitch Ratings Limited is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 on credit rating agencies, as amended, (the CRA Regulation). Each of S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. and Fitch Ratings Limited 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.</p> <p>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 credit rating agency without notice.</p> <p><i>Issue specific summary</i></p> <p>[Not applicable, the Notes have not been rated.] / [The Notes to be issued have been rated [●] by [●] [and [●] by [●]].]</p>
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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.17 est supprimé et entièrement remplacé par ce qui suit :

B.17	Notation assignée à l'Émetteur ou à ses titres d'emprunt	<p>Le Programme est actuellement noté AA- par S&P Global Ratings Europe Limited, Aa3 par Moody's Investors Service Ltd. et AA- par Fitch Ratings Limited. La dette à long terme de l'Émetteur est actuellement notée AA- (perspective négative) par S&P Global Ratings Europe Limited, Aa3 (perspective négative) par Moody's Investors Service Ltd. et A+ (perspective stable) par Fitch Ratings Limited. Les Titres émis sous le Programme peuvent faire, ou ne pas faire, l'objet d'une notation. La notation, le cas échéant, sera spécifiée dans les Conditions Définitives concernées.</p> <p>S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. et Fitch Ratings Limited sont établies dans l'Union Européenne et est(sont) enregistrée(s) conformément au Règlement (CE) n°1060/2009 du Parlement Européen et du Conseil du 16 septembre 2009 sur les agences de notation de crédit tel que modifié (le Règlement ANC). S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. et Fitch Ratings Limited figurent sur la liste des agences de notation de crédit publiée sur le site internet de l'Autorité Européenne des Marchés Financiers (www.esma.europa.eu/supervision/credit-rating-agencies/risk) conformément au Règlement ANC.</p> <p>Une notation n'est pas une recommandation d'acheter, de vendre ou de conserver des titres financiers et peut être suspendue, modifiée ou retirée à tout moment par l'agence de notation qui a attribué la notation.</p> <p>Résumé spécifique à l'émission [Sans Objet, les Titres n'ont pas fait l'objet d'une notation.]/[Les Titres ont été notés [●] par [●] [et [●] par [●]].</p>
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RECENT DEVELOPMENTS

The section “Recent Developments” of the Base Prospectus is updated with the following press release dated 7 November 2019:

“7 November 2019

HSBC FRANCE NOTIFICATION BY THE EUROPEAN CENTRAL BANK OF THE PILLAR 2 CAPITAL REQUIREMENT

As a result of the annual Supervisory Review and Evaluation Process (SREP), the European Central Bank (ECB) has set to 3.00% the minimum capital requirement under Pillar 2 (P2R) for HSBC France for the year 2020.

HSBC France will be required to meet on a consolidated basis a minimum total capital ratio of at least 13.75%, from January 1st, 2020. The Overall capital requirement (OCR) is composed of: the 8% minimum capital in respect of article 92.1 of the 575/2013 Regulation, the 2.50% for the Conservation buffer in respect of article 129 of the 2013/36 Directive, the 3.00% Pillar 2 requirement mentioned above and a countercyclical buffer of 0.25% based on the estimated current levels.

The requirement in respect of Common equity tier 1 is 10.25%, excluding Pillar 2 guidance (P2G).

As at June 30, 2019, HSBC France’s fully loaded total capital ratio was 16.6% and fully loaded CET1 ratio was 13.4%.”

GENERAL INFORMATION

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

- the paragraph (13) on page 147 of the Base Prospectus is deleted in its entirety and replaced by the following:

“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 A+ (with stable outlook) by Fitch Ratings Limited.”

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 Second 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

Directeur de la Banque de Financement, d'Investissement et de Marchés

Duly authorised

Dated 23 December 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 Second Supplement the visa n°19-588 on 23 December 2019. This Second Supplement has been prepared by HSBC France and its signatories assume responsibility for it. This Second 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.