



**HSBC SFH (France)**

*(duly licensed French specialised credit institution)*

**€ 8,000,000,000 COVERED BOND PROGRAMME**  
*for the issue of Obligations de Financement de l'Habitat*

**SECOND SUPPLEMENT DATED 7 AUGUST 2019**  
**TO THE COVERED BOND PROGRAMME BASE PROSPECTUS**  
**DATED 23 NOVEMBER 2018**

This second supplement (the “**Second Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 23 November 2018 as supplemented by the first supplement to the Base Prospectus dated 1 March 2019 (the “**First Supplement**”) and, together with the Base Prospectus dated 23 November 2018, the “**Base Prospectus**”) prepared in relation to the € 8,000,000,000 Covered Bond Programme of HSBC SFH (France) (the “**Issuer**”) (the “**Programme**”). The Base Prospectus constitutes a base prospectus for the purpose of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). The *Autorité des marchés financiers* (the “**AMF**”) has granted visa n°18-534 on 23 November 2018 on the Base Prospectus and visa n°19-069 on 16 February 2018 on the First Supplement.

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*. This Second Supplement constitutes a supplement to the Base Prospectus and has been prepared for the purpose of Article 16.1 of the Prospectus Directive and of Article 212-25 of the AMF’s *Règlement général*.

Terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

This Second Supplement has been prepared for the following purposes:

1. incorporating by reference the semi-annual financial report of HSBC SFH (France) for the six-month period ended 30 June 2019 in the French language which contains the non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019 and the statutory auditors' limited review report thereon (the “**2019 Semestrial Financial Report**”);
2. updating the Risk Factors section of the Base Prospectus;
3. updating the Summary of the Programme section of the Base Prospectus;
4. updating the Cross-reference list section of the Base Prospectus;
5. updating the Issuer section of the Base Prospectus;
6. updating the Borrower and the Borrower Facility Agreement section of the Base Prospectus; and
7. updating the General Information section of the Base Prospectus.

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme. To the extent that there is any inconsistency between (a) any statements in this Second Supplement and (b) any other statement in the Base Prospectus (or incorporated thereto by reference), the statements in this Second Supplement will prevail.

Copies of this Second Supplement may be obtained, without charge on request, at the principal office of the Issuer and the Paying Agents set out at the end of the Base Prospectus during normal business hours so long as any of the Covered Bonds are outstanding. The Second Supplement will be published on the websites of (i) the AMF ([www.amf-france.org](http://www.amf-france.org)), (ii) the HSBC France ([www.hsbc.fr](http://www.hsbc.fr)) and (iii) [www.info-financière.fr](http://www.info-financière.fr).

To the extent applicable, and provided that the conditions of Article 212-25 of the AMF’s *Règlement général* are fulfilled, investors who have already agreed to purchase or subscribe for Covered Bonds to be issued under the Programme before this Second Supplement is

published, have the right, according to Article 212-25 II of the AMF's *Règlement général*, to withdraw their acceptances within a time limit of two working days after the publication of this Second Supplement (*i.e.*, no later than 9 August 2019).

## TABLE OF CONTENTS

### Page

TABLE OF CONTENTS.....	3
SUMMARY OF THE PROGRAMME.....	4
RISK FACTORS .....	15
DOCUMENTS INCORPORATED BY REFERENCE .....	17
THE ISSUER.....	20
THE BORROWER AND THE BORROWER FACILITY AGREEMENT .....	25
GENERAL INFORMATION .....	26

## SUMMARY OF THE PROGRAMME

1. The paragraph B.4b of Section B “Issuer” of the Summary of the Programme on page 7 is hereby deleted and shall be replaced with the following:

<b>B.4b</b>	<b>Description of any known trends affecting the Issuer and the industries in which it operates</b>	Not Applicable. The outlook of the Issuer has not been affected since the date of its last published financial statements.
-------------	---	---

2. The paragraph B.4b of Section B “Émetteur” of the *Résumé en Français du Programme* (French Summary of the Programme) on page 26 is hereby deleted and shall be replaced with the following:

<b>B.4b</b>	<b>Description de toutes les tendances connues touchant l'Émetteur ainsi que des industries de son secteur</b>	Sans objet. Les perspectives de l'Émetteur n'ont pas été affectées depuis la date de publication de ses derniers états financiers.
-------------	--	---

3. The paragraph B.5 of Section B “Issuer” of the Summary of the Programme on pages 7 to 8 is hereby deleted and shall be replaced with the following:

<b>B.5</b>	<b>A description of the Issuer's Group and the Issuer's position within the Group</b>	<p>HSBC SFH (France) is a subsidiary of HSBC France. On the date of this Base Prospectus, 99.99 per cent of the Issuer's share capital is held by HSBC France.</p> <p>HSBC France is a credit institution approved by the <i>Autorité de contrôle prudentiel et de résolution</i> (ACPR). Its role is to provide support for the activities of HSBC SFH (France) as a servicer, as defined by the regulations that apply to <i>sociétés de financement de l'habitat</i>, in particular within the meaning of Article L.513-15 of the French Monetary and Financial Code (<i>Code monétaire et financier</i>) (the “<b>French Monetary and Financial Code</b>”).</p> <p>HSBC SFH (France) and HSBC France have entered into a facility agreement (the “<b>Borrower Facility Agreement</b>”) setting out the terms and conditions according to which HSBC SFH (France), as lender (in such capacity, the “<b>Lender</b>”), shall use the proceeds from the issuance of the Covered Bonds to fund advances (each a “<b>Borrower Advance</b>”) to be made available to HSBC France, as borrower (in such capacity, the “<b>Borrower</b>”).</p> <p>The Borrower Facility Agreement is secured by a collateral security agreement (the “<b>Borrower Collateral Security Agreement</b>”) pursuant to which HSBC France shall, as security to its financial obligations, grant, as collateral security with full title transfer (<i>remise en pleine propriété à titre de garantie</i>) pursuant to Articles L.211-36 to L.211-40 of the French Monetary and Financial Code (<i>Code monétaire et</i></p>
------------	---	---

		<p><i>financier</i>) to the benefit of HSBC SFH (France), home loans complying with the eligibility criteria provided for by Article L.513-29 of the French Monetary and Financial Code (<i>Code monétaire et financier</i>) and other eligible assets within the meaning of the French legal framework applicable to <i>sociétés de financement de l'habitat</i>.</p> <p>The issued capital of HSBC France is € 474,964,025 and consists of 94,992,805 shares with a par value of € 5 each.</p> <p>HSBC France share capital and voting rights are held at 99.99 per cent by HSBC Bank plc, headquartered in London. HSBC Bank plc is a wholly-owned subsidiary of HSBC Holdings plc, the holding company for the HSBC Group, one of the world's largest banking and financial services organisations, listed in London, Hong Kong, New York, Paris and Bermuda.</p>
--	--	---

**4. The paragraph B.5 of Section B “Émetteur” of the *Résumé en Français du Programme* (French Summary of the Programme) on page 27 is hereby deleted and shall be replaced with the following:**

<b>B.5</b>	<b>Description du Groupe de l'Émetteur et de la position de l'Émetteur au sein du Groupe</b>	<p>HSBC SFH (France) est une filiale de HSBC France. A la date de ce Prospectus de Base, 99,99 % du capital de l'Émetteur sont détenus par HSBC France.</p> <p>HSBC France est un établissement de crédit agréé par l'Autorité de Contrôle Prudentiel et de Résolution (ACPR). Son rôle consiste à assister HSBC SFH (France) dans ses activités en qualité d'établissement support, tel que défini par la réglementation applicable aux sociétés de financement de l'habitat, notamment au sens de l'article L.513-15 du Code monétaire et financier.</p> <p>HSBC SFH (France) et HSBC France ont conclu un contrat de crédit intitulé « <i>Borrower Facility Agreement</i> » (le « <b>Contrat de Crédit</b> ») définissant les termes et conditions en vertu desquels HSBC SFH (France), en sa qualité de prêteur (à ce titre, le « <b>Prêteur</b> »), s'engage à utiliser le produit de l'émission des Obligations Garanties afin de financer des avances (chacune une « <b>Avance Emprunteur</b> ») afin qu'elles soient à la disposition de HSBC France, en sa qualité d'emprunteur (à ce titre, l' « <b>Emprunteur</b> »).</p> <p>Le Contrat de Crédit est garanti par le biais d'un contrat de garantie intitulé « <i>Borrower Collateral Security Agreement</i> » (le « <b>Contrat de Garantie</b> ») en vertu duquel HSBC France s'engage, en garantie de ses obligations financières, à consentir une garantie financière avec remise en pleine propriété, conformément aux articles L.211-36 à L.211-40 du Code monétaire et financier au bénéfice de HSBC SFH (France), de crédits à l'habitat respectant les critères d'admissibilité prévus à l'article L.513-29 du Code monétaire et financier, et d'autres actifs au sens du cadre légal français applicable aux sociétés de financement de l'habitat.</p> <p>Le capital social de HSBC France est de 474.964.025 € et se compose de 94.992.805 actions avec une valeur unitaire nominale de 5 € chacune.</p> <p>Le capital de HSBC France ainsi que ses droits de vote sont détenus à 99,99 % par HSBC Bank plc, dont le siège social est situé à Londres. HSBC Bank plc est une filiale à 100 % de HSBC Holdings plc, la société holding du Groupe HSBC, l'une des organisations de services bancaires et financiers les plus importantes, dont les titres sont admis à la négociation à Londres, Hong Kong, New York, Paris et aux Bermudes.</p>
------------	--	---

5. The paragraph B.10 of Section B “Issuer” of the Summary of the Programme on page 8 is hereby deleted and shall be replaced with the following:

<b>B.10</b>	<b>Qualifications in the auditors’ report</b>	<p>Not Applicable.</p> <p>The statutory auditors’ audit reports on the financial statements of HSBC SFH (France) for the years ended 31 December 2018 and 31 December 2017 do not contain any qualifications. The statutory auditors’ limited review report on the financial statements of HSBC SFH (France) for the six-month period ended 30 June 2019 does not contain any qualifications.</p>
-------------	---	---

6. The paragraph B.10 of Section B “Émetteur” of the *Résumé en Français du Programme* (French Summary of the Programme) on page 27 is hereby deleted and shall be replaced with the following:

<b>B.10</b>	<b>Réserves contenues dans le rapport des Commissaires aux comptes</b>	<p>Sans objet.</p> <p>Les rapports d’audit des commissaires aux comptes sur les états financiers de HSBC SFH (France) pour les exercices clos le 31 décembre 2018 et le 31 décembre 2017 ne contiennent aucune réserve. Le rapport de revue limitée des commissaires aux comptes sur les états financiers intermédiaires clos le 30 juin 2019 ne contient aucune réserve.</p>
-------------	--	---

7. The paragraph B.12 of Section B “Issuer” of the Summary of the Programme on pages 7 to 10 is hereby deleted and shall be replaced with the following:

<b>B.12</b>	<b>Selected historical key financial information (audited)</b>	<p>The tables below set out summary information extracted from the Issuer's interim financial statements as at 30 June 2019 reviewed by the auditors and from the Issuer’s audited financial statements as at 31 December 2018 and 31 December 2017:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><i>in euros</i></th> <th style="text-align: center;">30/06/2019</th> <th style="text-align: center;">31/12/2018</th> <th style="text-align: center;">31/12/2017</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="text-align: center;"><b><u>ASSETS</u></b></td> </tr> <tr> <td colspan="4"><b>INTER-BANK TRANSACTIONS AND SIMILAR</b></td> </tr> <tr> <td style="padding-left: 20px;">- Cash and central banks</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- Government paper and similar securities</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- Receivables - credit institutions</td> <td style="text-align: right;">4,386,346,249</td> <td style="text-align: right;">4,547,664,189</td> <td style="text-align: right;">3,714,863,843</td> </tr> <tr> <td colspan="4"><b>CUSTOMERS TRANSACTIONS</b></td> </tr> <tr> <td style="padding-left: 20px;">- Current accounts in debit</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- Commercial receivables</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">- Other customer loans, and lease transactions and</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	<i>in euros</i>	30/06/2019	31/12/2018	31/12/2017	<b><u>ASSETS</u></b>				<b>INTER-BANK TRANSACTIONS AND SIMILAR</b>				- Cash and central banks				- Government paper and similar securities				- Receivables - credit institutions	4,386,346,249	4,547,664,189	3,714,863,843	<b>CUSTOMERS TRANSACTIONS</b>				- Current accounts in debit				- Commercial receivables				- Other customer loans, and lease transactions and			
<i>in euros</i>	30/06/2019	31/12/2018	31/12/2017																																							
<b><u>ASSETS</u></b>																																										
<b>INTER-BANK TRANSACTIONS AND SIMILAR</b>																																										
- Cash and central banks																																										
- Government paper and similar securities																																										
- Receivables - credit institutions	4,386,346,249	4,547,664,189	3,714,863,843																																							
<b>CUSTOMERS TRANSACTIONS</b>																																										
- Current accounts in debit																																										
- Commercial receivables																																										
- Other customer loans, and lease transactions and																																										

		similar			
		<b>BONDS, SHARES, OTHER FIXED-INCOME AND FLOATING-RATE SECURITIES</b>			
		- Bonds and other fixed- income securities			
		- Equities and other floating-rate securities			
		<b>INVESTMENTS, HOLDINGS IN RELATED COMPANIES AND OTHER SECURITIES HELD ON A LONG-TERM BASIS</b>			
		- Equity investments and other long-term holdings in securities			
		- Holdings in related companies			
		<b>TANGIBLE AND INTANGIBLE FIXED ASSETS</b>			
		- Intangible assets			
		- Property, plant and equipment			
		<b>ACCRUALS AND SUNDRY ASSETS</b>			
		- Other Assets	425,077	304,332	195,215
		- Accruals	11,678,860	13,146,022	8,014,772
		<b>TOTAL</b>	<b>4,398,450,185</b>	<b>4,561,114,543</b>	<b>3,723,073,830</b>
		<b><u>LIABILITIES</u></b>			
		<b>INTER-BANK TRANSACTIONS AND SIMILAR</b>			
		- Central banks			
		- Payables - credit institutions	0	0	0
		<b>CUSTOMERS TRANSACTIONS</b>			

		- Special savings accounts			
		- Customer current accounts in credit			
		- Other customer liabilities			
		<b>DEBT REPRESENTED BY A SECURITY</b>			
		- Savings bonds			
		- Inter-bank market securities and negotiable debt securities			
		- Bonds and similar items			
		Other debt represented by a security	4,282,336,580	4,444,971,649	3,606,965,279
		<b>ACCRUALS AND OTHER LIABILITIES</b>			
		- Other liabilities	15	85,082	243,938
		- Accruals	2,022,051	1,357,453	1,258,297
		<b>PROVISIONS</b>			
		<b>SUBORDINATED DEBT</b>			
		<b>GENERAL BANKING RISK FUND (GBRF)</b>			
		<b>EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT (EXCLUDING FRBG)</b>			
		- -Subscribed capital	113,250,000	113,250,000	113,250,000
		- Issue and transfer premiums			
		- Reserves	345,877	299,649	247,562
		- Regulated provisions and investment subsidies			
		- Retained earnings	198,482	226,167	67,015
		- Profit (loss) for the period	297,179	924,543	1,041,739
		<b>TOTAL</b>	<b>4,398,450,185</b>	<b>4,561,114,543</b>	<b>3,723,073,830</b>
		There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.			

There has been no significant change in the financial or trading position of the Issuer since the end of the last financial period for which interim financial information has been published.

The tables below set out summary information extracted from the Issuer's interim financial statements as at 30 June 2019 and as at 30 June 2018 reviewed by the auditors and from the Issuer's audited financial statements as at 31 December 2018 and 31 December 2017.

<b>INCOME STATEMENT</b>	<b>30/06/19</b>	<b>31/12/18</b>	<b>30/06/18</b>	<b>31/12/17</b>
Interest and similar income	29,178,650	61,409,353	30,251,818	62,034,259
Interest and similar expense	-28,912,522	-60,627,824	-29,800,985	-60,907,447
Commission income	1,244,345	2,591,108	1,210,360	1,722,502
Commission expense	0	0	0	0
Gains or losses on trading account securities	-250	875	-609	-6,759
Other banking income (charges)	1	48	-2	-1,315
<b>NET OPERATING INCOME</b>	<b>1,510,223</b>	<b>3,373,560</b>	<b>1,660,581</b>	<b>2,841,239</b>
General operating expenses	-942,807	-1,746,856	-1,137,844	-1,082,598
<b>GROSS OPERATING INCOME</b>	<b>567,416</b>	<b>1,626,704</b>	<b>522,737</b>	<b>1,758,641</b>
<b>OPERATING PROFIT</b>	<b>567,416</b>	<b>1,626,704</b>	<b>522,737</b>	<b>1,758,641</b>
<b>NET OPERATING PROFIT BEFORE TAX</b>	<b>567,416</b>	<b>1,626,704</b>	<b>522,737</b>	<b>1,758,641</b>
Exceptional items	0	0	0	0
Income tax	-270,237	-702,161	-326,599	-716,902
<b>NET INCOME</b>	<b>297,179</b>	<b>924,543</b>	<b>196,139</b>	<b>1,041,739</b>

The table below sets out the principal elements of the cash flow statements of the Issuer (see “**The Issuer - Cash flow statements (first semester 2019 and fiscal years 2018 and 2017 audited)**”)

<i>In Thousand Euros</i>	<b>30/06/19</b>	<b>31/12/18</b>	<b>31/12/17</b>
TOTAL NET CASHFLOW FROM OPERATING ACTIVITIES	160,758	-836,627	1,577,163
TOTAL NET CASHFLOW FROM INVESTMENTS	0	0	0

		ACTIVITIES			
		TOTAL NET CASHFLOW FROM FINANCING ACTIVITIES	-161,494	831,985	-2,245,791
		NET VARIATION OF CASH OR CASH EQUIVALENT	-736	-4,642	-668,628

8. The paragraph B.12 of Section B “Émetteur” of the *Résumé en Français du Programme (French Summary of the Programme)* on pages 26 to 28 is hereby deleted and shall be replaced with the following:

<b>B.12</b>	<b>Informations financières sélectionnées (auditées)</b>	Les tableaux ci-dessous présentent un résumé des informations extraites des états financiers intermédiaires de l'Émetteur au 30 juin 2019 revus par les commissaires aux comptes et des états financiers de l'Émetteur aux 31 décembre 2018 et 31 décembre 2017 audités par les commissaires aux comptes :			
		<b>Bilan social</b>			
		(en euros)	30/06/2019	31/12/2018	31/12/2017
		<b><u>ACTIF</u></b>			
		OPERATIONS INTERBANCAIRES ET ASSIMILEES			
		- Caisse, Banque centrales			
		- Effets publics et valeurs assimilées			
		- Créances sur les établissements de crédit	4.386.346.249	4.547.664.189	3.714.863.843
		OPERATIONS AVEC LA CLIENTELE			
		- Comptes ordinaires débiteurs			
		- Créances commerciales			
		- Autres concours à la clientèle et opérations de crédit-bail et assimilées			
		OBLIGATIONS, ACTIONS, AUTRES TITRES A REVENU FIXE ET VARIABLE			
		- Obligations et autres titres à revenu fixe			

		- Actions et autres titres à revenue variable			
		<b>PARTICIPATIONS, PARTS DANS LES ENTREPRISES LIEES, ET AUTRES TITRES DETENUS A LONG TERME</b>			
		- Participations et autres titres détenus à long terme			
		- Parts dans les entreprises liées			
		<b>IMMOBILISATIONS CORPORELLES ET INCORPORELLES</b>			
		- Immobilisations incorporelles			
		- Immobilisations corporelles			
		<b>COMPTES DE REGULARISATION ET ACTIFS DIVERS</b>			
		- Autres actifs	425.077	304.332	195.215
		- Comptes de régularisation	11.678.860	13.146.022	8.014.772
		<b>TOTAL</b>	<b>4.398.450.185</b>	<b>4.561.114.543</b>	<b>3.723.073.830</b>
		<b><u>PASSIF</u></b>			
		<b>OPERATIONS INTERBANCAIRES ET ASSIMILEES</b>			
		- Banques centrales			
		- Dettes envers les établissements de crédit	0	0	0
		<b>OPERATIONS AVEC LA CLIENTELE</b>			
		- Comptes d'épargne à régime spécial			
		- Comptes ordinaires crédoeurs de la clientèle			
		- Autres dettes envers la clientèle			

		<p><b>DETTES REPRESENTÉES PAR UN TITRE</b></p> <ul style="list-style-type: none"> <li>- Bons de caisses</li> <li>- Titres de marché interbancaires et titres de créances négociables</li> <li>- Emprunts obligataires et assimilés</li> <li>- Autres dettes représentées par un titre</li> </ul>	4.282.336.580	4.444.971.649	3.606.965.279
		<p><b>COMPTES DE REGULARISATION ET PASSIF DIVERS</b></p> <ul style="list-style-type: none"> <li>- Autres passifs</li> <li>- Comptes de régularisation</li> </ul>	15 2.022.051	85.082 1.357.453	243.938 1.258.297
		<p><b>PROVISIONS</b></p> <p><b>DETTES SUBORDONNÉES</b></p> <p><b>FONDS POUR RISQUES BANCAIRES GÉNÉRAUX (FRBG)</b></p> <p><b>CAPITAUX PROPRES PART DU GROUPE (HORS FRBG)</b></p> <ul style="list-style-type: none"> <li>- Capital souscrit</li> <li>- Primes d'émission et d'apport</li> <li>- Réserves</li> <li>- Provisions réglementées et subventions d'investissement</li> <li>- Report à nouveau</li> <li>- Résultat de l'exercice</li> </ul>	113.250.000  345.877  198.482 297.179	113.250.000  299.649 226.167 924.543	113.250.000  247.562 67.015 1.041.739
		<b>TOTAL</b>	<b>4.398.450.185</b>	<b>4.561.114.543</b>	<b>3.723.073.830</b>
		<p>Aucune détérioration significative n'a affecté les perspectives de l'Émetteur depuis la date de ses derniers états financiers vérifiés et publiés.</p> <p>Aucun changement significatif de la situation financière ou commerciale de</p>			

l'Émetteur n'est survenu depuis la fin de la dernière période financière au titre de laquelle des états financiers intermédiaires vérifiés ont été publiés.

Les tableaux ci-dessous présentent un résumé des informations extraites des états financiers intermédiaires de l'Émetteur au 30 juin 2019 et au 30 juin 2018 revus par les commissaires aux comptes et des états financiers de l'Émetteur aux 31 décembre 2018 et 31 décembre 2017 audités par les commissaires aux comptes.

<b>En euros</b>				
<b>COMPTE DE RESULTAT</b>	<b>30/06/19</b>	<b>31/12/18</b>	<b>30/06/18</b>	<b>31/12/17</b>
Intérêts et produits assimilés	29.178.650	61.409.353	30.251.818	62.034.259
Intérêts et charges assimilés	-28.912.522	-60.627.824	-29.800.985	-60.907.447
Commissions (produits)	1.244.345	2.591.108	1.210.360	1.722.502
Commissions (charges)	0	0	0	0
Gains ou pertes sur opérations de négociation	-250	875	-609	-6.759
Autres charges et produits d'exploitation bancaire	1	48	-2	-1.315
<b>PRODUIT NET BANCAIRE</b>	<b>1.510.223</b>	<b>3.373.560</b>	<b>1.660.581</b>	<b>2.841.239</b>
Charges générales d'exploitation	-942.807	-1.746.856	-1.137.844	-1.082.598
<b>RESULTAT BRUT D'EXPLOITATION</b>	<b>567.416</b>	<b>1.626.704</b>	<b>522.737</b>	<b>1.758.641</b>
<b>RESULTAT D'EXPLOITATION</b>	<b>567.416</b>	<b>1.626.704</b>	<b>522.737</b>	<b>1.758.641</b>
<b>RESULTAT COURANT AVANT IMPÔT</b>	<b>567.416</b>	<b>1.626.704</b>	<b>522.737</b>	<b>1.758.641</b>
Résultat exceptionnel	0	0	0	0
Impôt sur les bénéfices	-270.237	-702.161	-326.599	-716.902
<b>RESULTAT NET</b>	<b>297.179</b>	<b>924.543</b>	<b>196.139</b>	<b>1.041.739</b>

Le tableau ci-dessous décrit les principaux éléments du tableau de flux de trésorerie de l'Émetteur (voir "The Issuer - Cash flow statements (first semester 2019 and

fiscal years 2018 and 2017 audited)”)			
<i>En milliers d'euros</i>	<b>30/06/19</b>	<b>31/12/18</b>	<b>31/12/17</b>
FLUX DE TRESORERIE OPERATIONNELS	160.758	-836.627	1.577.163
FLUX DE TRESORERIE DES INVESTISSEMENTS	0	0	0
FLUX DE TRESORERIE FINANCIERS	-161.494	831.985	-2.245.791
VARIATION DE TRÉSORERIE NETTE	-736	-4.642	-668.628

9. The paragraph B.13 of Section B “Issuer” of the Summary of the Programme on page 11 is hereby deleted and shall be replaced with the following:

<b>B.13</b>	<b>Recent material events relevant to the evaluation of the Issuer’s solvency</b>	Not Applicable. There are no events particular to the Issuer which are to a material extent relevant to an evaluation of its solvency.
-------------	---	--

10. The paragraph B.13 of Section B “Émetteur” of the *Résumé en Français du Programme* (French Summary of the Programme) on page 30 is hereby deleted and shall be replaced with the following:

<b>B.13</b>	<b>Evènement récent présentant un intérêt significatif pour l'évaluation de la solvabilité de l'Émetteur</b>	Sans objet. Aucun évènement propre à l'Émetteur n'est pertinent de manière significative afin d'évaluer sa solvabilité.
-------------	--	---

## RISK FACTORS

1. The paragraph entitled “EU Resolution and Recovery Directive” in the section “Risk Factors” of the Base Prospectus on pages 53 and 54 is hereby deleted and shall be replaced with the following:

### “EU Resolution and Recovery Directive

Directive 2014/59/EU of the European Parliament and of the Council dated 15 May 2014 on the resolution of financial institutions provides for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the “**Bank Recovery and Resolution Directive**” or “**BRRD**”). The BRRD provides authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a “bridge institution” (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims including Covered Bonds to equity (the “**general bail-in tool**”), which equity could also be subject to any future application of the general bail-in tool. Relevant claims for the purposes of the bail-in tool would include the claims of the holders in respect of any Covered Bonds issued under the Programme, only if and to the extent that the bond liability exceeded the value of the cover pool collateral against which it is secured. Regarding covered bonds such as the Covered Bonds, the BRRD provides that the relevant resolution authority shall not exercise the write down or conversion powers in relation to secured liabilities including covered bonds and liabilities in the form of financial instruments used for hedging purposes which form an integral part of the cover pool and which according to national law are secured in a way similar to covered bonds, whether they are governed by the law of a Member State or of a third country.

The BRRD also provides that in exceptional circumstances, where the bail-in tool is applied, the relevant resolution authority may exclude or partially exclude certain liabilities from the application of the write-down or conversion powers where: (a) it is not possible to bail-in that liability within a reasonable time; (b) the exclusion is strictly necessary and is proportionate to achieve the continuity of critical functions and core business lines in a manner that maintains the ability of the institution under resolution to continue key operations, services and transactions; (c) the exclusion is strictly necessary and proportionate to avoid giving rise to widespread contagion, in particular as regards eligible deposits held by natural persons and micro, small and medium sized enterprises, which would severely disrupt the functioning of financial markets, including of financial market infrastructures, in a manner that could cause a serious disturbance to the economy of a Member State or of the Union; or (d) the application of the bail-in tool to those liabilities would cause a destruction in value such that the losses borne by other creditors would be higher than if those liabilities were excluded from bail-in. Consequently, where a resolution authority decides to exclude or partially exclude an eligible liability or class of eligible liabilities, the level of write down or conversion applied to other eligible liabilities - as the holders of the Covered Bonds - when not excluded, may be increased to take account of such exclusions. Subsequently, if the losses that would have

been borne by those liabilities have not been passed on fully to other creditors, the resolution financing arrangement may make a contribution to the institution under resolution to (i) cover any losses which have not been absorbed by eligible liabilities and restore the net asset value of the institution under resolution to zero and/or (ii) purchase shares or other instruments of ownership or capital instruments in the institution under resolution, in order to recapitalise the institution. The last step - if there are losses left - would be an extraordinary public financial support through additional financial stabilisation tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework. An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. In particular, holders of Covered Bonds may be subject to write-down (including to zero) or conversion into equity on any application of the general bail-in tool (subject, in the case of covered bonds such as the Covered Bonds, to the limitations set out above), which may result in such holders losing some or all of their investment. The BRRD also provides that the relevant resolution authority can modify the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments). The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of the holders of the Covered Bonds, the price or value of their investment in any Covered Bonds and/or the ability of the Issuer to satisfy its obligations under any Covered Bonds.

The BRRD was implemented in France by the *Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière* dated 20 August 2015 (the “**Ordinance**”), which generally is currently in effect.

The Ordinance has been ratified by law no. 2016-1691 dated 9 December 2016 (*Loi n°2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) which also incorporates provisions which clarify the implementation of the BRRD.

The BRRD has been amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 which shall be implemented under French law within 18 months from the date of its entry into force on 27 June 2019.

As from 1 January 2016, a single resolution board (the “**Single Resolution Board**”) established by Regulation (EU) no. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, together with national authorities, are in charge of resolution planning and preparation of resolution decisions for cross-border credit institutions and banking groups.

Since 1 January 2015, the Single Resolution Board works in close cooperation with the *Autorité de contrôle prudentiel et de résolution (ACPR)*, which will remain responsible inter alia for implementing the resolution plan according to the Single Resolution Board’s instructions.”

## DOCUMENTS INCORPORATED BY REFERENCE

The section entitled “*Documents Incorporated by Reference*” on pages 72 to 74 of the Base Prospectus is hereby deleted and shall be replaced with the following:

“The Base Prospectus shall be read and construed in conjunction with the following documents which have been previously or simultaneously published and filed with the AMF and which are incorporated in, and shall be deemed to form part of, the Base Prospectus:

- the semi-annual financial report of HSBC SFH (France) for the six-month period ended 30 June 2019 in the French language which contains the non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019 and the auditors’ limited review report thereon (the “**2019 Semestrial Financial Report**”);
- the annual financial report of HSBC SFH (France) for the year ended 31 December 2018 in the French language and prepared in accordance with French generally accepted accounting principles and the statutory auditors’ report thereon (together the “**2018 Annual Financial Report**”); and
- the annual financial report of HSBC SFH (France) for the year ended 31 December 2017 in the French language and prepared in accordance with French generally accepted accounting principles and the statutory auditors’ report thereon (together the “**2017 Annual Financial Report**”).

All documents incorporated by reference in the Base Prospectus may be obtained, without charge on request, at the principal office of Issuer and the Paying Agents set out at the end of the Base Prospectus during normal business hours so long as any of the Covered Bonds are outstanding. Such documents will be published on the websites of (i) the AMF ([www.amf-france.org](http://www.amf-france.org)), (ii) the HSBC France ([www.hsbc.fr](http://www.hsbc.fr)) and (iii) [www.info-financiere.fr](http://www.info-financiere.fr).

The information incorporated by reference in the 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.

## Cross-reference list

(Annex IV and Annex IX of the European Regulation 809/2004/EC, as amended)

<b>FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	
<u>Historical financial information</u>	<b>2019 Semestrial Financial Report</b>
- Balance sheet ( <i>Bilan</i> )	Pages 13 to 14
- Profit and loss account ( <i>Compte de résultat</i> )	Page 15
- Cash Flow Statements ( <i>Tableau de flux de trésorerie</i> )	Page 16
- Statement of changes in equity ( <i>Tableau de variations de capitaux propres</i> )	Page 17
- Notes ( <i>Annexe comptable</i> )	Pages 18 to 40
- Statutory Auditors' Semestrial Limited Review Report ( <i>Rapport d'examen limité des Commissaires aux comptes au 30 juin 2019</i> )	Pages 41 to 42
<u>Historical financial information</u>	<b>2018 Annual Financial Report</b>
- Balance sheet ( <i>Bilan</i> )	Pages 60 to 61
- Profit and loss account ( <i>Compte de résultat</i> )	Page 62
- Cash Flow Statements ( <i>Tableau de flux de trésorerie</i> )	Page 63
- Statement of changes in equity ( <i>Tableau de variations de capitaux propres</i> )	Page 64
- Notes ( <i>Annexe comptable</i> )	Pages 65 to 87
- Statutory Auditors' Report ( <i>Rapport des Commissaires aux comptes - Exercice clos le 31 décembre 2018</i> )	Pages 88 to 92
- Board of Directors's Report ( <i>Rapport du Conseil d'Administration</i> )	Pages 3 to 58
<u>Historical financial information</u>	<b>2017 Annual Financial Report</b>
- Balance sheet ( <i>Bilan</i> )	Pages 59 to 60
- Profit and loss account ( <i>Compte de résultat</i> )	Page 61
- Cash Flow Statements ( <i>Tableau de flux de trésorerie</i> )	Page 62
- Statement of changes in equity ( <i>Tableau de variations de capitaux propres</i> )	Page 63
- Notes ( <i>Annexe comptable</i> )	Pages 64 to 86
- Statutory Auditors' Report ( <i>Rapport des Commissaires aux comptes - Exercice clos le 31 décembre 2017</i> )	Pages 87 to 91
- Board of Directors's Report ( <i>Rapport du Conseil d'Administration</i> )	Pages 3 to 57

<b>RISK FACTORS RELATING TO THE ISSUER</b>	
<b>2019 Semestrial Financial Report</b>	Pages 5 to 11

<b>ISSUER RISK MANAGEMENT</b>	
<b>2018 Annual Financial Report</b>	Pages 13 to 33
<b>2017 Annual Financial Report</b>	Pages 12 to 32

<b>RECENT EVENTS RELATING TO THE ISSUER</b>	
<b>2019 Semestrial Financial Report</b>	Pages 3 to 5

## THE ISSUER

1. The paragraph “Issuer Financial Elements” in the section “The Issuer” on pages 121 and 122 of the Base Prospectus is hereby deleted and replaced with the following:

### “Issuer Financial Elements

The financial year of the Issuer runs from 1 January to 31 December. The annual and semestrial results of the Issuer incorporated by reference herein are non-consolidated accounts. The Issuer does not have subsidiaries and does not produce consolidated financial statements.

#### *Comparative Financial Data (in euros)*

	30/06/2019 (limited review)	31/12/2018 (audited)	30/06/2018 (limited review)	31/12/2017 (audited)
<b>Income Statement</b>				
Net operating income	1.510.223	3,373,560	1,660,581	2,841,239
Gross operating income	567.416	1,626,704	522,737	1,758,641
Net income	297.179	924,543	196,139	1,041,739
<b>Balance Sheet</b>				
Total balance sheet	4.398.450.185	4,561,114,543	4,748,402,637	3,723,073,830
Equity attributable to the owners of the parent (excluding FRBG)	114.091.538	114,700,359	113,971,955	114,606,316
Debt represented by a security	4.282.336.580	4,444,971,649	4,632,079,190	3,606,965,279

As of 31 December 2018, the balance sheet presents a total of 4,561,114,543 euros, as a reminder the total balance sheet as of 31 December 2017 was of 3,723,073,830 euros. The balance sheet has increased over the year mainly due to a new bonds emission.

As of 31 December 2018, the net income presents a total of 924,543 euros, as a reminder the net income as of 31 December 2017 was of 1,041,739 euros. The decrease of the net income over the year can be explained by the following two factors; firstly, the increase of operating activities, which are the principal revenue-producing activities of the entity, furthermore and mainly, there has been an increase of the general operating expenses.

As of 30 June 2019, the balance sheet presents a total of 4,398,450,185 euros, as a reminder the total balance sheet was of 4,561,114,543 euros as of 31 December 2018 and of 4,748,402,637 as of 30 June 2018. The balance sheet has decreased over the first semester further to the redemption of the CHF 200,000,000 2.00 per cent. Covered Bonds (ISIN: CH0120743346) which matured on 23 April 2019.

As of 30 June 2019, the net income presents a total of 297,179 euros, as a reminder the net income was of 924,543 euros as of 31 December 2018 and of 196,139 euros as of 30 June 2018. The decrease of the net income in June 2019 compared to June 2018 is mainly explained by the normal amortization of the origination fees over time and the absence of finance fees due to the absence of new issuances.

#### *Prudential ratios*

The Issuer's prudential ratios are assessed at the Issuer level.”

**2. The paragraph “Cash flow statements (fiscal years 2018 and 2017 audited)” in the section “The Issuer” on pages 122 and 124 of the Base Prospectus is hereby deleted and replaced with the following:**

**“Cash flow statements (first semester 2019 and fiscal years 2018 and 2017 audited)**

The cash flow statement analyses changes in cash flow from operating activities, investing activities and financing activities between two financial periods.

It is prepared using the indirect method. Net income for the period is restated for non-monetary items:

- depreciation allowances for tangible and intangible assets, net depreciation, net provisions, other transactions without cash payments such as expenses payable and accrued income, and corporate tax due on the following financial period;
- cash flows from operating, investing and financing activities are determined by the difference between the items in the annual financial statements for the previous year and for the current year.

Operating activities include lending to HSBC France of resources from financial activities.

Investment activities correspond to the acquisition of investment notes, subscription of term deposits, and coupons and interest amounts of such investments.

Financing activities correspond to the issue of shares, and the issue or reimbursement of unsubordinated long-term loans, and the issue of covered bonds.

Cash flow is defined according to the standards of the CNC. It includes cash on hand and demand deposits at the Banque de France, in post office accounts and with banks.”

# HSBC SFH (France)

S.A. with capital share of 113 250 000 euros

15, rue Vemet  
75008 PARIS  
RCS Paris 480 034 917

## CASHFLOW STATEMENT

In Thousand Euros	30/06/2019	31/12/2018	31/12/2017
<b>Net Profit &amp; Loss</b>	<b>297</b>	<b>925</b>	<b>1,042</b>
Corporate Tax			
Net appropriations to depreciation of tangible and intangible assets			
Depreciation of goodwill and other fixed assets			
Net appropriations to provisions			
Portion of profits relating to affiliate companies			
Net loss / net gain from investment activities			
Exchange rate variations on cash and cash equivalents	0	3	-13
Other transactions	-122	-109	164
<b>Total non-monetary items included in net pre-tax profit and other adjustment:</b>	<b>175</b>	<b>818</b>	<b>1,192</b>
Cashflow relating to transactions with credit instructions	160,582	-837,445	1,575,971
Cashflow relating to transactions with customers			
Cashflow from other transactions relating to financial assets or liabilities			
Cashflow from other transactions relating to non-financial assets or liabilities			
Dividend received from affiliates companies			
Taxes paid			
<b>Net decrease / (increase ) of assets and liabilities from operating activities</b>	<b>160,582</b>	<b>-837,445</b>	<b>1,575,971</b>
<b>TOTAL NET CASHFLOW FROM OPERATING ACTIVITIES</b>	<b>160,758</b>	<b>-836,627</b>	<b>1,577,163</b>
Cashflow relating to participating interests			
Cashflow relating to tangible and intangible assets			
<b>TOTAL NET CASHFLOW FROM INVESTMENTS ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cashflow derived from or intended for shareholders			
Other net cashflow from financing activities	-162,635	838,006	-2,247,355
Income / charges from financing activities	1,141	-6,021	1,564
<b>TOTAL NET CASHFLOW RELATING TO FINANCING ACTIVITIES</b>	<b>-161,494</b>	<b>831,985</b>	<b>-2,245,791</b>
<b>NET VARIATION OF CASH OR CASH EQUIVALENT</b>	<b>-736</b>	<b>-4,642</b>	<b>-668,628</b>
<i>Exchange rate variations on cash and cash equivalents</i>	<b>0</b>	<b>-3</b>	<b>13</b>
<b>Cash and cash equivalent at opening</b>	<b>118,035</b>	<b>122,680</b>	<b>791,295</b>
Cash, central Banks, post office checking accounts (assets and liabilities)	118,035	122,680	791,295
Account net balance and loans / borrowings with credit institutions			
<b>Cash and cash equivalent at closing *</b>	<b>117,299</b>	<b>118,035</b>	<b>122,680</b>
Cash, central Banks, post office checking accounts (assets and liabilities)	117,299	118,035	122,680
Account net balance and loans / borrowings with credit institutions			
<b>TOTAL NET TREASURY VARIATION OR CASH EQUIVALENT</b>	<b>-736</b>	<b>-4,642</b>	<b>-668,628</b>

**3. The paragraph “Board of directors (*conseil d’administration*)” in the section “The Issuer” on page 126 of the Base Prospectus is hereby deleted and replaced with the following:**

*“Board of directors (conseil d'administration)*

The board of directors of the Issuer consists of a minimum of three (3) members and a maximum of eighteen (18) members. The term of office is three (3) years.

The board of directors of the Issuer is composed of 8 members:

<b>Name and position</b>	<b>Date of appointment</b>
Mrs. Laurence Rogier, <i>président du conseil d’administration</i>	24 September 2014
Mr. Guillaume Makowski, <i>directeur général and administrateur</i>	2 February 2017
Mr. Asselin de Louvencourt, <i>administrateur indépendant</i>	20 February 2017
Mr. Sébastien Badina, <i>administrateur</i>	16 November 2017
Mr. Xavier Boisseau, <i>administrateur</i>	8 January 2010
Mrs. Gisela Boomgaarden, <i>administrateur</i>	19 July 2017
Mr. Julien Delorme, <i>administrateur</i>	16 November 2017
Mr. Stéphane Derouvroy, <i>administrateur</i>	20 June 2008

The members of the board of directors of the Issuer have their business addresses at the registered office of the Issuer.

Mrs. Laurence Rogier, chairman of the board of directors (*président du conseil d’administration*), is also the Chief Financial Officer (*Directeur Financier*) of HSBC France. Mr. Guillaume Makowski, Chief Executive Officer (*directeur général*), is also Head of Management Information, Analysis and Planning of HSBC France. Mr. Asselin de Louvencourt, Issuer Independent Representative (*administrateur indépendant*), holds no other position with HSBC Holdings plc or any of its direct or indirect subsidiaries. Mr. Xavier Boisseau, member of the board of directors (*administrateur*), is also Head of Global Banking and Markets of HSBC France. Mrs. Gisela Boomgaarden, member of the board of directors (*administrateur*), is also Head of Asset & Liability Management Department of HSBC France. Mr. Stéphane Derouvroy, member of the board of directors (*administrateur*), is also Debt Originator in Project Finance Department of HSBC France. Mr. Sébastien Badina member of the board of directors (*administrateur*), is also Head of Retail Credit Risk Portfolio Management in the Retail Credit Risk division of HSBC France. Mr. Julien Delorme, member of the board of directors (*administrateur*), is also Head of Customer Value Management of Retail Banking and Wealth Management division of HSBC France.

**4. The paragraph “*Issuer Statutory Auditors*” in the section “The Issuer” on page 127 of the Base Prospectus is hereby deleted and replaced with the following:**

**“Issuer Statutory Auditors**

The auditors of the Issuer are:

- (a) PricewaterhouseCoopers Audit, 63 rue de Villiers 92208 Neuilly sur Seine Cedex, France; and
- (b) BDO France - Léger & Associés, 43-47, avenue de la Grande Armée, 75116 Paris, France.

The statutory auditors of the Issuer are registered with the *Compagnie Nationale des Commissaires aux Comptes* (official statutory auditors’ representative body).

PricewaterhouseCoopers Audit has been appointed as auditors of the Issuer on 2 March 2015. PricewaterhouseCoopers Audit has audited and rendered an unqualified audit report on the non-consolidated financial statements of the Issuer for the fiscal years ended 2017 and 2018 and has limitedly reviewed and rendered an unqualified limited review report on the half-yearly non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019.

BDO France - Léger & Associés has been appointed as auditors of the Issuer on 20 June 2008. BDO France - Léger & Associés has audited and rendered an unqualified audit report on the non-consolidated financial statements of the Issuer for the fiscal years ended 2017 and 2018 and has limitedly reviewed and rendered an unqualified limited review report on the half-yearly non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019.”

## THE BORROWER AND THE BORROWER FACILITY AGREEMENT

**1. The paragraph “*General information relating to share capital*” in the section “The Borrower and the Borrower Facility Agreement” on page 140 of the Base Prospectus is hereby deleted and replaced with the following:**

*“General information relating to share capital*

The issued capital of HSBC France is € 474,964,025 and consists of 94,992,805 shares with a par value of € 5 each.

HSBC Bank plc has owned 99.99 per cent of the share capital and voting rights since 31 October 2000. HSBC Bank plc is an indirectly wholly-owned subsidiary of HSBC Holdings plc, a company listed in London, Hong Kong, New York, Paris and Bermuda.

## GENERAL INFORMATION

**The paragraphs (2), (3), (4), (5), (7), (9) and (13) of the title “General Information” on pages 213 and 214 of the Base Prospectus shall be deleted and replaced with the followings:**

- “(2) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme including authorisations by the general meetings of shareholders (*assemblées générales d'actionnaires*) of the Issuer dated 13 November 2018, 27 February 2019 and 24 July 2019 and the boards of directors (*conseils d'administration*) of the Issuer dated 13 November 2018 and 27 February 2019 and 24 July 2019. Any issuance of Covered Bonds under the Programme, to the extent that such Covered Bonds constitute *obligations* under French law, requires the prior authorisation of the board of directors (*conseil d'administration*) of the Issuer, which may delegate its power to any person of its choice. For this purpose, the board of directors (*conseil d'administration*) of the Issuer held on 24 July 2019 delegated for a period of one year to Mr. Guillaume Makowski, Chief Executive Officer (*directeur général*) of the Issuer, and to Mr. Mathieu Gaudin, Deputy Chief Executive Officer (*directeur general délégué*) and Mr. Xavier Boisseau, the power to decide the issue of bonds (*obligations*) under the Programme, governed by French or foreign law, up to an amount of € 3,000,000,000 (or its equivalent in any other currency).
- (3) Save as disclosed in the Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 30 June 2019.
- (4) Save as disclosed in the Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2018.
- (5) Save as disclosed in the Base Prospectus, there are no events particular to the Issuer which are to a material extent relevant to an evaluation of its solvency.
- (7) Save as disclosed in the Base Prospectus, there are no material contracts that are not entered into in the ordinary course of the Issuer's business which could result in any Affiliate being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Bondholders in respect of the Covered Bonds being issued.
- (9) PricewaterhouseCoopers Audit, 63 rue de Villiers 92208 Neuilly sur Seine Cedex, France, (duly authorised as *Commissaire aux comptes*) and BDO France - Léger & Associés, 43-47, avenue de la Grande Armée, 75116 Paris, France, (duly authorised as *Commissaire aux comptes*) have been appointed as *Commissaires aux comptes* of the Issuer (the “**Statutory Auditors**”) respectively as from 2 March 2015 and as from 20 June 2008. The Statutory Auditors have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the fiscal years ended 2017 and 2018 and have limitedly reviewed and rendered an unqualified limited review report on the half-yearly non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019.
- (13) So long as Covered Bonds are capable of being issued under the Programme, copies of the following documents will, when published, be available during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer and at the specified office of the Paying Agent(s):
- (a) the *statuts* of the Issuer;
  - (b) the audited non-consolidated financial statements of the Issuer and audit reports thereon in respect of the financial years ended on 31 December 2017 and 31 December 2018 and the reviewed non-consolidated financial statements of the Issuer for the six-month period ended 30 June 2019;
  - (c) the Agency Agreement (which includes the form of the *Lettre Comptable*, the Temporary Global Certificates, the Definitive Materialised Covered Bonds, the Coupons, the Receipts, the Talons, the Terms

and Conditions of the German law Covered Bonds and the form of Assignment of the German law Covered Bonds);

- (d) Final Terms for Covered Bonds that are admitted to trading on Euronext Paris or any other Regulated Market in the EEA;
- (e) a copy of the Base Prospectus together with any supplement to the Base Prospectus or further Base Prospectus;
- (f) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the Base Prospectus."

## PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THIS SECOND SUPPLEMENT

### Person responsible for this Second Supplement

#### In the name of the Issuer

To the best of my knowledge (having taken all reasonable care to ensure that such is the case), I represent that the information contained or incorporated by reference in this Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

Paris, 7 August 2019

#### HSBC SFH (France)

15, rue Vernet  
75008 Paris  
France

Represented by: Guillaume Makowski

Chief Executive Officer



In accordance with Articles L.412-1 and L.621-8 of the French Monetary and Financial Code (*Code monétaire et financier*) and with the *Règlement général* of the *Autorité des marchés financiers (AMF)*, in particular Articles 212-31 to 212-33, the AMF has granted to this Second Supplement the visa n°19-393 on 7 August 2019. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L.621-8-1-I of the French Monetary and Financial Code (*Code monétaire et financier*), the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has approved the appropriateness of any transaction under the Programme and has verified the accounting and financial data set out herein. This visa has been granted subject to the publication of final terms in accordance with Article 212-32 of the AMF's *Règlement général*, setting out the terms and conditions of the securities to be issued.