

Final Terms dated 5 September 2022

MiFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients, each as defined in Directive 2014/65/EU, as amended (“**MiFID II**”); and (ii) all channels for distribution of the Covered Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.



HSBC SFH (France)

Legal entity identifier (“LEI”): 969500HCJLWDO4YCYT40

**Issue of Euro 500,000,000 2.625 per cent. Covered Bonds due 7 September 2032
extendible as Fixed Rate Covered Bonds up to 7 September 2033 (the “Covered Bonds”)
under the €8,000,000,000 Covered Bond Programme**

Issue Price: 99.653 per cent.

Joint Lead Managers

ABN AMRO

CRÉDIT AGRICOLE CIB

DZ BANK AG

HELABA

HSBC

NATIXIS

Co-Lead Managers

DEKABANK

NORD/LB

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Base Prospectus dated 11 March 2022 which received the approval number 22-060 from the *Autorité des marchés financiers* (“**AMF**”) in France on 11 March 2022 and the first supplement to the Base Prospectus dated 3 August 2022 which received the approval number 22-336 from the AMF on 3 August 2022 which together constitute a base prospectus for the purposes of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”).

This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus as so supplemented in order to obtain all the relevant information. The Base Prospectus, the first supplement to the Base Prospectus and these Final Terms are available for viewing on the websites of (a) the AMF (www.amf-france.org) and (b) HBSC Continental Europe (www.hsbc.fr).

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| 1. | Issuer: | HSBC SFH (France) |
| 2. | (i) Series Number: | 11 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Covered Bonds become Fungible: | Not Applicable |
| 3. | Specified Currency or Currencies: | Euro (“ EUR ”) |
| 4. | Aggregate Nominal Amount of Covered Bonds: | |
| | (i) Series: | EUR 500,000,000 |
| | (ii) Tranche: | EUR 500,000,000 |
| 5. | Issue Price: | 99.653 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | EUR 100,000 |
| 7. | (i) Issue Date: | 7 September 2022 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Final Maturity Date: | 7 September 2032 |
| | Extended Final Maturity Date: | Applicable: 7 September 2033 |
| 9. | Interest Basis: | From (and including) the Issue Date to (but excluding) the Final Maturity Date:
2.625 per cent. Fixed Rate |
| | | From (and including) the Final Maturity Date to (but excluding) the Extended Final Maturity Date:
2.625 per cent. Fixed Rate |
| | | <i>(further particulars specified below)</i> |
| 10. | Redemption/Payment Basis: | Redemption at par
<i>(further particulars specified below)</i> |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |

13. (i) **Status of the Covered Bonds:** Senior
- (ii) **Date of Board approval for issuance of Covered Bonds obtained:** Board of Directors (*conseil d'administration*) of the Issuer held on 26 July 2022 and a decision of Mr. Arnaud de Champfleur, Chief Executive Officer (*directeur général*) of the Issuer dated 31 August 2022 deciding the issue of the Covered Bonds

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Covered Bond Provisions:** Applicable
- (i) **Rate of Interest:** 2.625 per cent. *per annum* payable annually in arrear
- (ii) **Interest Payment Dates:** 7 September in each year commencing on 7 September 2023 up to (and including) the Final Maturity Date or, as the case may be, up to (and including) the Extended Final Maturity Date
- (iii) **Fixed Coupon Amount:** EUR 2,625 per EUR 100,000 in Specified Denomination
- (iv) **Broken Amount:** Not Applicable
- (v) **Day Count Fraction:** Actual/Actual (ICMA)
- (vi) **Determination Dates:** 7 September in each year
15. **Floating Rate Covered Bond Provisions:** Not Applicable
16. **Zero Coupon Covered Bond Provisions:** Not Applicable

PROVISIONS RELATING TO REDEMPTION

17. **Call Option:** Not Applicable
18. **Put Option:** Not Applicable
19. **Final Redemption Amount of each Covered Bond:** EUR 100,000 per Covered Bond of EUR 100,000 Specified Denomination
20. **Redemption by Instalments:** Not Applicable
21. **Early Redemption Amount:**
 Early Redemption Amount(s) of each Covered Bond payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same and/or any other terms: EUR 100,000 per Specified Denomination

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22. **Form of Covered Bonds:** Dematerialised Covered Bonds
- (i) **Form of Dematerialised Covered Bonds:** Bearer form (*au porteur*)
- (ii) **Registration Agent:** Not Applicable

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| | (iii) Temporary Global Certificate: | Not Applicable |
| 23. | Financial Centre(s) or other special provisions relating to payment dates for the purposes of Condition 8(g): | TARGET2 |
| 24. | Talons for future Coupons or Receipts to be attached to Definitive Materialised Covered Bonds (and dates on which such Talons mature): | Not Applicable |
| 25. | Purchase in accordance with applicable French laws and regulations: | Not Applicable |
| 26. | Details relating to Instalment Covered Bonds: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 27. | Redenomination: | Not Applicable |
| 28. | Consolidation provisions: | Not Applicable |
| 29. | Masse (Condition 12): | Contractual Masse shall apply
Name and address of the Representative:
DIIS Group
12, rue Vivienne
75002 Paris
France
Email address: rmo@diisgroup.com |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of HSBC SFH (France):

By: Arnaud de Champfleury

Duly authorised as legal representative of HSBC SFH (France)



PART B – OTHER INFORMATION

1. DISTRIBUTION

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| (i) | If syndicated, names of Managers: | Joint Lead Managers:
ABN AMRO Bank N.V.
Crédit Agricole Corporate and Investment Bank
DZ BANK AG Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
HSBC Continental Europe
Landesbank Hessen-Thüringen Girozentrale
Natixis

Co-Lead Managers:
DekaBank Deutsche Girozentrale
Norddeutsche Landesbank – Girozentrale – |
| (ii) | Date of subscription agreement: | 5 September 2022 |
| (iii) | Stabilisation Manager(s) (if any): | HSBC Continental Europe |
| (iv) | If non-syndicated, name of Dealer: | Not Applicable |
| (v) | U.S. selling restrictions: | The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

TEFRA not applicable |
| (vi) | Prohibition of Sales to EEA Retail Investors: | Not Applicable |
| (vii) | Prohibition of Sales to UK Retail Investors: | Not Applicable |

2. LISTING AND ADMISSION TO TRADING

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|-------|--|---|
| (i) | Listing(s): | Euronext Paris |
| (ii) | Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on Euronext Paris with effect from the Issue Date. |
| (iii) | Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Covered Bonds to be admitted to trading are already admitted to trading: | Not Applicable |
| (iv) | Estimate of total expenses related to admission to trading: | EUR 8,900 |
| (v) | Additional publication of Base Prospectus and Final Terms: | Not Applicable |

3. RATINGS

Ratings:

The Covered Bonds to be issued are expected to be rated:

S&P: AAA

Moody's: Aaa

Each of Moody's and S&P is established in the European Union and is registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and is included in the list of registered credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with CRA Regulation.

4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *privilège* defined in Article L.513-11 of the French Monetary and Financial Code (*Code monétaire et financier*), after settlement of this issue.

5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

6. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

(i) Reasons for the offer:

The net proceeds will be used to fund the Borrower Advances that the Issuer (as Lender) will make available to HSBC Continental Europe (as Borrower) under the Borrower Facility Agreement. Such net proceeds may also fund the purchase by the Issuer in the future of Eligible Assets other than the Borrower Advances and the Home Loan Receivables. In particular, the Issuer may purchase any such assets in the future with a view to grant such assets as collateral with the Banque de France in accordance with the rules of the Eurosystem.

(ii) Estimated net proceeds:

EUR 496,765,000

7. FIXED RATE COVERED BONDS ONLY – YIELD

Indication of yield:

2.665 per cent. *per annum*.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

8. OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable

Common Code:

253011378

ISIN:

FR001400CK81

Depositories:

(i) Euroclear France to act as Central
Depository: Yes

(ii) Common Depository for
Euroclear Bank and Clearstream
Banking, S.A.: No

(iii) Common Depository for DTC: No

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

Delivery: Delivery against payment

Names and addresses of initial Paying
Agent(s): BNP Paribas Securities Services
Les Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin
France

Names and addresses of additional
Paying Agent(s) (if any): Not Applicable