

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THE ATTACHED TENDER OFFER MEMORANDUM.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached tender offer memorandum (the "**Tender Offer Memorandum**") and you are therefore required to read this disclaimer page carefully before accessing, reading or making any other use of the Tender Offer Memorandum. By accessing the Tender Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from HSBC Bank plc (the "**Issuer**"), HSBC Bank plc (the "**Dealer Manager**") or Global Bondholder Services Corporation (the "**Tender Agent**") as a result of such access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Tender Offer Memorandum.

THE ATTACHED TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE TENDER OFFER MEMORANDUM. THE ATTACHED TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF APPLICABLE LAWS.

Confirmation of your representation: In order to be eligible to view the attached Tender Offer Memorandum or make an investment decision with respect to the Offers (as defined below), you must be able to participate lawfully in the invitations by the Issuer to holders of the Notes described on the cover page of the Tender Offer Memorandum to tender their Notes for purchase by the Issuer for cash (together the "**Offers**" and each an "**Offer**") on the terms and subject to the conditions set out in the Tender Offer Memorandum including the offer and distribution restrictions set out on page 41 (the "**Offer and Distribution Restrictions**") and, where applicable, the related notice of guaranteed delivery (the "**Notice of Guaranteed Delivery**"). The Tender Offer Memorandum was sent at your request and by accessing the Tender Offer Memorandum you shall be deemed to have represented to the Issuer, the Dealer Manager and the Tender Agent that:

- (i) you are a holder or a beneficial owner of: (a) the GBP 300,000,000 6.500 per cent. subordinated notes due July 2023 (ISIN: XS0088317853); (b) the USD 300,000,000 7.650 per cent. subordinated notes due May 2025 (ISIN: US597433AC57); (c) the GBP 350,000,000 5.375 per cent. subordinated notes due November 2030 (ISIN: XS0204377310); (d) the GBP 500,000,000 5.375 per cent. subordinated notes due August 2033 (ISIN: XS0174470764); (e) the GBP 225,000,000 6.250 per cent. subordinated notes due January 2041 (ISIN: XS0120514335); and/or (f) the GBP 600,000,000 4.750 per cent. subordinated notes due March 2046 (ISIN: XS0247840969) (together, the "**Notes**") each issued by the Issuer;
- (ii) you are a person to whom it is lawful to send the attached Tender Offer Memorandum or to make an invitation pursuant to the Offers under all applicable laws, including the Offer and Distribution Restrictions;
- (iii) you have understood and agreed to the terms of this disclaimer;

The Tender Offer Memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Securities and Markets Act 2000, as amended, does not apply.

Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in any jurisdiction in which such offer or solicitation would be unlawful.

The distribution of the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Tender Offer Memorandum comes are required by the Issuer, the Dealer Manager and the Tender Agent to inform themselves about, and to observe, any such restrictions.

The Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offers. If any holder of the Notes is in any doubt as to the action it should take or is unsure of the impact of the Offers, it is recommended to seek its own financial and legal advice, including as to any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender Notes in the relevant Offers.

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE THE DISTRIBUTION OF THIS TENDER OFFER MEMORANDUM WOULD BE UNLAWFUL.

This Tender Offer Memorandum does not constitute an invitation to participate in the Offers in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions (in particular, the United Kingdom, France, Belgium and Italy) may be restricted by law. See "Offer and Distribution Restrictions" below. Persons into whose possession this document comes are required by the Issuer, the Dealer Manager and the Tender Agent to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction by the Issuer or the Dealer Manager.

TENDER OFFER MEMORANDUM DATED 7 NOVEMBER 2022

THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION



Invitations by

HSBC Bank plc

(a company incorporated in England with registered number 14259; the liability of its members is limited)

(the "Issuer")

to the holders of the following:

Description of Notes	ISIN	CUSIP	Call Date	Maturity Date	Aggregate Principal Amount Outstanding	Benchmark Reference Security	Fixed Spread
GBP 300,000,000 6.500 per cent. subordinated notes due July 2023 (the "July 2023 Notes") ¹	XS0088317853	N/A	N/A	7 July 2023	GBP 300,000,000	UKT 0.75 per cent. due July 2023 (GB00BF0HZ991)	95 bps
USD 300,000,000 7.650 per cent. subordinated notes due May 2025 (the "May 2025 Notes") ²	US597433AC57	597433AC5	N/A	1 May 2025	USD 300,000,000	UST 4.250 per cent. due October 2025	195 bps

including, where applicable, the related notice of guaranteed delivery (the "**Notice of Guaranteed Delivery**"). The May 2025 Notes are hereafter referred to as the "**USD Notes**" and the July 2023 Notes, the November 2030 Notes, the August 2033 Notes, the January 2041 Notes and the March 2046 Notes are, together, hereafter referred to as the "**GBP Notes**".

THE OFFERS COMMENCE ON 7 NOVEMBER 2022 AND WILL EXPIRE AT 5:00 P.M. (NEW YORK CITY TIME) ON 14 NOVEMBER 2022 (THE "EXPIRATION DEADLINE") UNLESS EXTENDED, RE-OPENED, WITHDRAWN OR TERMINATED AT THE SOLE DISCRETION OF THE ISSUER. TENDER INSTRUCTIONS (AS DEFINED HEREIN) MAY BE VALIDLY WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DEADLINE BUT TENDER INSTRUCTIONS WILL THEREAFTER BE IRREVOCABLE, EXCEPT IN CERTAIN LIMITED CIRCUMSTANCES WHERE ADDITIONAL WITHDRAWAL RIGHTS ARE REQUIRED BY LAW.

CUSTODIANS, DIRECT PARTICIPANTS AND CLEARING SYSTEMS WILL HAVE DEADLINES FOR RECEIVING TENDER INSTRUCTIONS PRIOR TO THE EXPIRATION DEADLINE AND HOLDERS OF THE NOTES ("NOTEHOLDERS") SHOULD CONTACT THE INTERMEDIARY THROUGH WHICH THEY HOLD THEIR NOTES AS SOON AS POSSIBLE TO ENSURE PROPER AND TIMELY DELIVERY OF TENDER INSTRUCTIONS.

HSBC Bank plc is acting as dealer manager for the Offers (the "**Dealer Manager**") and Global Bondholder Services Corporation is acting as tender agent (the "**Tender Agent**").

Dealer Manager
HSBC

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IMPORTANT NOTICES

This Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offers. If any Noteholder is in any doubt as to the action it should take or is unsure of the impact of the Offers, it is recommended to seek its own financial and legal advice, including as to any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender Notes in the relevant Offers. None of the Issuer, the Dealer Manager or the Tender Agent (or any of their respective directors, employees or affiliates) is providing Noteholders with any legal, business, tax or other advice in this Tender Offer Memorandum. Noteholders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to offer Notes for cash.

The Issuer accepts responsibility for the information contained in this Tender Offer Memorandum. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Tender Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither the Dealer Manager nor any of its affiliates have authorised the whole or any part of this Tender Offer Memorandum and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Tender Offer Memorandum, or accepts any responsibility for any acts or omissions of the Issuer or any third party in connection with the Offers.

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the relevant Offers, the Notes and this Tender Offer Memorandum) and each Noteholder must make its own decision as to whether to tender any or all of its Notes for purchase pursuant to any Offer. Accordingly, each person receiving this Tender Offer Memorandum acknowledges that such person has not relied upon the Issuer, the Dealer Manager or the Tender Agent in connection with its decision as to whether to participate in the Offers. Each such person must make its own analysis and investigations regarding the Offers, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it. If such person is in any doubt about any aspect of the Offers and/or the action it should take, including in respect of any tax consequences, it should consult its professional advisers.

None of the Dealer Manager, the Tender Agent or any of their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding this Tender Offer Memorandum or the Offers, and none of the Issuer, the Dealer Manager, the Tender Agent or their respective directors, employees or affiliates makes any recommendation as to whether Noteholders should tender Notes for

Noteholders must comply with all laws that apply to them in any place in which they possess this Tender Offer Memorandum. Noteholders must also obtain any consents or approvals that they need in order to tender their Notes. None of the Issuer, the Dealer Manager or the Tender Agent (or any of their respective directors, employees or affiliates) is responsible for Noteholders' compliance with these legal requirements. See "*Offer and Distribution Restrictions*."

The applicable provisions of the Financial Services and Markets Act 2000, as amended, must be complied with in respect of anything done in relation to the Offers in, from or otherwise involving the United Kingdom.

Neither the Securities and Exchange Commission ("**SEC**") nor any other regulatory body has approved or disapproved of the Offers or passed upon the adequacy or accuracy of this Tender Offer Memorandum. Any representation to the contrary is a criminal offence.

Capitalised terms used in this Tender Offer Memorandum have the meaning given in "*Definitions and Interpretation*" below and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

PRESENTATION OF FINANCIAL INFORMATION

As used in this Tender Offer Memorandum, (i) the term "**Group**" refers to HSBC Bank plc together with its subsidiaries; and (ii) the term "**HSBC Group**" refers to HSBC Holdings plc ("**HSBC Holdings**") together with its subsidiaries.

The consolidated financial statements of the Group for the fiscal years ended 31 December 2021, 2020 and 2019 comply with United Kingdom-adopted international accounting standards and with the requirements of the United Kingdom Companies Act 2006, and have also applied International Financial Reporting Standards ("**IFRSs**") adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. These financial statements are also prepared in accordance with IFRSs as issued by the International Accounting Standards Board ("**IASB**"), including interpretations issued by the IFRS Interpretations Committee, as there are no applicable differences from IFRSs as issued by the IASB for the periods presented therein. As of 31 December 2021, there were no unendorsed standards effective for the year ended 31 December 2021 affecting the consolidated financial statements included in the Issuer's Registration Statement on Form 20-F (File No. 000-56449), filed with the SEC on 27 May 2022, as amended on 8 July 2022 (the "**Form 20-F**").

The condensed consolidated interim financial statements of the Group have been prepared on the basis of the policies set out in the Group's 2021 annual financial statements and the Form 20-F, and in accordance with IAS 34 '*Interim Financial Reporting*' as adopted by the United Kingdom, IAS 34 '*Interim Financial Reporting*' as issued by the IASB, IAS 34 '*Interim Financial Reporting*' as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial

LIMITATIONS ON ENFORCEMENT OF U.S. LAWS AGAINST THE ISSUER, ITS MANAGEMENT AND OTHERS

The Issuer is an English public limited company. Most of the Issuer's directors and executive officers (and certain experts named in this Tender Offer Memorandum or in documents incorporated herein by reference) are resident outside the United States, and a substantial portion of the Issuer's assets and the assets of such persons are located outside the United States. As a result, it may not be possible for Noteholders to effect service of process within the United States upon these persons or to enforce against them or the Issuer in United States courts judgments obtained in United States courts predicated upon the civil liability provisions of the federal securities laws of the United States. The Issuer has been advised by its English law advisers that there is doubt as to enforceability in the English courts, in original actions or in actions for enforcement of judgments of United States courts, of liabilities predicated solely upon the federal securities laws of the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in the United Kingdom. The enforceability of any judgment in the United Kingdom will depend on the particular facts of the case in effect at the time.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Tender Offer Memorandum and the documents incorporated by reference herein contain both historical and forward-looking statements with respect to the Issuer's financial condition; results of operations and business, including the strategic priorities; financial, investment and capital targets; and the Issuer's ability to contribute to the HSBC Group's environmental, social and governance ("ESG") targets, commitments and ambitions described in the 2022 Interim Report and Form 20-F. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

Words such as 'may', 'will', 'should', 'expects', 'targets', 'anticipates', 'intends', 'plans', 'believes', 'seeks', 'estimates', 'potential' and 'reasonably possible', or the negative thereof, other variations thereon or similar expressions are intended to identify forward-looking statements.

These statements are based on current plans, information, data, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. The Issuer makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statements. Written and/or oral forward-looking statements may also be made in the periodic reports to the SEC, offering circulars and prospectuses, press releases and other written materials, and in oral statements made by the Issuer's directors, officers or employees to third parties, including financial analysts. Forward-looking statements involve inherent risks and uncertainties. Noteholders are cautioned that a number of factors could cause actual results to differ, in some instances materially, from those anticipated or implied in any forward-looking statement. These include, but are not limited to:

- changes in general economic conditions in the markets in which the Issuer operates, such as new,

impacts; illiquidity and downward price pressure in national real estate markets; adverse changes in central banks' policies with respect to the provision of liquidity support to financial markets; heightened market concerns over sovereign creditworthiness in over-indebted countries; adverse changes in the funding status of public or private defined benefit pensions; societal shifts in customer financing and investment needs, including consumer perception as to the continuing availability of credit; exposure to counterparty risk, including third parties using the Issuer as a conduit for illegal activities without the Issuer's knowledge; the discontinuation of certain key inter-bank offered rates ("**IBORs**") and the development of near risk-free benchmark rates, as well as the transition of legacy IBOR contracts to near risk-free benchmark rates, which exposes the Issuer to material execution risks, and increases some financial and non-financial risks; and price competition in the market segments that the Issuer serves;

- changes in government policy and regulation, including the monetary, interest rate and other policies of central banks and other regulatory authorities in the principal markets in which the Issuer operates and the consequences thereof (including, without limitation, actions taken as a result of the Covid-19 pandemic and the impact of the Russia-Ukraine war on inflation); initiatives to change the size, scope of activities and interconnectedness of financial institutions in connection with the implementation of stricter regulation of financial institutions in key markets worldwide; revised capital and liquidity benchmarks, which could serve to deleverage bank balance sheets and lower returns available from the current business model and portfolio mix; changes to tax laws and tax rates applicable to the Issuer, including the imposition of levies or taxes designed to change business mix and risk appetite; the practices, pricing or responsibilities of financial institutions serving their consumer markets; expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; the United Kingdom's relationship with the European Union following the United Kingdom's withdrawal from the European Union, which continues to be characterised by uncertainty, particularly with respect to the regulation of financial services, despite the signing of the Trade and Cooperation Agreement between the United Kingdom and the European Union; general changes in government policy that may significantly influence investor decisions; the costs, effects and outcomes of regulatory reviews, actions or litigation, including any additional compliance requirements; and the effects of competition in the markets where the Issuer operates, including increased competition from non-bank financial services companies; and
- factors specific to the Issuer and the HSBC Group, including the Issuer's success in adequately identifying the risks it faces, such as the incidence of loan losses or delinquency, and managing those risks (through account management, hedging and other techniques); the Issuer's ability to achieve its financial, investment, capital targets and the achievement of the HSBC Group's ESG targets, commitments and ambitions, which may result in the Issuer's failure to achieve any of the expected benefits of its strategic priorities; model limitations or failure, including, without limitation, the impact that the consequences of the Covid-19 pandemic and the current high inflation macroeconomic environment have had on the performance and usage of financial models, which may require the Issuer to hold additional capital incur losses and/or use compensating

limitations and changes in methodologies), which may affect the HSBC Group's ability to achieve its climate ambition. Effective risk management depends on, among other things, the Issuer's ability through stress testing and other techniques to prepare for events that cannot be captured by the statistical models it uses; the Issuer's success in addressing operational, legal and regulatory, and litigation challenges; and other risks and uncertainties the Issuer identified in the Form 20-F and the 2022 Interim Report.

Additional information, including information on factors which may affect the Group's business, is contained in the Form 20-F and 2022 Interim Report.

WHERE YOU CAN FIND MORE INFORMATION ABOUT THE ISSUER

The Issuer files annual reports and special reports, proxy statements and other information with the SEC. The Issuer's SEC filings are available on the SEC's website at <http://www.sec.gov>. This site contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The Issuer also makes available on its website, free of charge, its annual reports on Form 20-F and the text of its reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. The Issuer's website address is <http://www.hsbc.com>. The information on these websites does not form part of this Tender Offer Memorandum, except where specifically incorporated by reference herein.

The Issuer incorporates by reference in the Tender Offer Memorandum the information in certain documents that it files with the SEC, which means it can disclose important information herein by referring to those documents. The information incorporated by reference is considered to be a part of the Tender Offer Memorandum. Each document incorporated by reference is current only as of the date of such document, and the incorporation by reference of such documents will not create any implication that there has been no change in the Issuer's affairs since the date thereof or that the information contained therein is current as of any time subsequent to its date. The information incorporated by reference is considered to be a part of the Tender Offer Memorandum and should be read with the same care. When the Issuer updates the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in the Tender Offer Memorandum is considered to be automatically updated and superseded. In the case of a conflict or inconsistency between information contained in the Tender Offer Memorandum and information incorporated by reference into the Tender Offer Memorandum, information contained in the document that was filed later should be relied on. The Form 20-F and 2022 Interim Report are incorporated by reference in this Tender Offer Memorandum.

In addition, all documents filed after the date of this Tender Offer Memorandum by the Issuer with the SEC pursuant to Sections 13(a), 13(c) or 15(d) of the Exchange Act, and, to the extent expressly stated therein, certain reports on Form 6-K furnished by the Issuer after the date of this Tender Offer Memorandum will also be deemed to be incorporated by reference in this Tender Offer Memorandum from the date of filing of such documents. Any statement contained herein or in a document incorporated or deemed to be

OVERVIEW OF OFFERS

Words and expressions defined in "Definitions and Interpretation" below or elsewhere in this Tender Offer Memorandum have the same meanings in this Overview of Offers.

Purchase Price and Accrued Interest Payment

The price payable per GBP 1,000 or per USD 1,000, as applicable, in principal amount of the Notes validly tendered and accepted for purchase pursuant to the Offers (and subject to the applicable Minimum Authorised Denomination) (the "**Purchase Price**") will be determined as provided in this Tender Offer Memorandum by reference to the Fixed Spread in respect of that Series over the relevant Benchmark Reference Security Yield at the Pricing Time on the Pricing Date expressed as a percentage and rounded to the third decimal place (with 0.0005 being rounded upwards) and, in respect of the GBP Notes, with appropriate annualisation applied to the applicable Offer Yield. In respect of any Notes accepted for purchase, the Issuer will also pay an amount equal to any accrued and unpaid interest on the relevant Notes from (and including) the interest payment date for such Notes immediately preceding the Settlement Date to (but excluding) the Settlement Date (such amount in respect of a Series, the "**Accrued Interest Payment**").

Notes purchased by the Issuer pursuant to the Offers will be cancelled and will not be re-issued or re-sold. Notes which have not been validly tendered and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date.

Amendment and Termination

The Issuer reserves the right, in its sole and absolute discretion, to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers at any time following the announcement of the Offers, as described herein under the heading "*Amendment and Termination*". Details of any such extension, re-opening, withdrawal, termination, amendment or waiver will be notified to the Noteholders as soon as possible after such decision.

Offer Conditions

An offer of Notes for purchase may only be made by the submission of a valid Tender Instruction. See "*Procedures for Participating in the Offers*". The acceptance of Notes for purchase pursuant to the Offers is conditional on the satisfaction of the Offer Conditions, as set out in "*Terms and Conditions of the Offers – Offer Conditions*".

Offer and Distribution Restrictions

The Issuer is making the Offers only in those jurisdictions where it is legal to do so. See "*Offer and Distribution Restrictions*". This document does not constitute a "prospectus" for the purposes of Regulation

has, prior to such allocation, validly tendered or indicated its firm intention to the Issuer or the Dealer Manager to tender its GBP Notes pursuant to the Offers and, if so, the aggregate principal amount of GBP Notes tendered by such investor. In accordance with the standard new issue allocation processes and procedures of the Dealer Manager (in its capacity as lead manager of the issue of the New Notes), the allocation of the New Notes is expected to take place on the day the announcement to issue the New Notes is made and the pricing of the New Notes occurs.

For the avoidance of doubt, any such priority in allocation of the New Notes will only be available to Noteholders who have tendered or indicated their firm intention to the Issuer or the Dealer Manager to tender their GBP Notes pursuant to the Offers, and will not be available to Noteholders who have tendered USD Notes pursuant to the Offers. See "*Terms and Conditions of the Offers – Allocation of New Notes in the Proposed Issuance*".

CUSTODIANS, DIRECT PARTICIPANTS AND CLEARING SYSTEMS WILL HAVE DEADLINES FOR RECEIVING TENDER INSTRUCTIONS PRIOR TO THE EXPIRATION DEADLINE AND NOTEHOLDERS SHOULD CONTACT THE INTERMEDIARY THROUGH WHICH THEY HOLD THEIR NOTES AS SOON AS POSSIBLE TO ENSURE PROPER AND TIMELY DELIVERY OF TENDER INSTRUCTIONS.

Further Information

Any questions or requests for assistance in connection with this Tender Offer Memorandum may be directed to HSBC Bank plc as Dealer Manager, the contact details for whom are on the last page of this Tender Offer Memorandum. Any questions or requests for assistance in connection with the delivery of Tender Instructions or requests for additional copies of this Tender Offer Memorandum or related documents, which may be obtained free of charge, may be directed to Global Bondholder Services Corporation as Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum.

Before making a decision with respect to the Offers, Noteholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in "*Risk Factors and Other Considerations*".

DEFINITIONS AND INTERPRETATION

For the avoidance of doubt, each invitation by the Issuer to Noteholders contained in this Tender Offer Memorandum is an invitation to treat by the Issuer and any references to any offer or invitation being made by the Issuer under or in respect of any Offer shall be construed accordingly. Furthermore, each defined term listed below and/or elsewhere in this Tender Offer Memorandum is subject to the right of the Issuer to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers, as described herein under the heading "*Amendment and Termination*".

Subject to the foregoing, in this Tender Offer Memorandum the following expressions have the following meanings:

Accrued Interest	In respect of any Note or Notes, interest accrued and unpaid on the relevant Note or Notes from (and including) the interest payment date for such Notes immediately preceding the Settlement Date to (but excluding) the Settlement Date.
Accrued Interest Payment	In respect of any Note or Notes, an amount in cash (rounded, in the case of the GBP Notes, to the nearest GBP 0.01, with GBP 0.005 rounded upwards or, in the case of the USD Notes, to the nearest USD 0.01, with USD 0.005 rounded upwards) equal to the Accrued Interest on the relevant Note or Notes validly tendered for purchase by a Noteholder and accepted by the Issuer pursuant to the Offers.
Agent's Message	A message transmitted by DTC to, and received by, the Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent's Message, stating the aggregate principal amount of USD Notes that have been tendered by such participant pursuant to an Offer, that such participant has received this Tender Offer Memorandum and that such participant agrees to be bound by and makes the representations and warranties contained in the terms of such Offer and that the Issuer may enforce such agreement against such participant.
ATOP	The Automated Tender Offer Program of DTC.
Benchmark Reference Security	In respect of each Series, the Benchmark Reference Security in respect of that Series specified in the table on the cover page of this Tender Offer Memorandum.
Benchmark Reference Security	The bid side yield of the relevant Benchmark Reference Security as quoted directly on the applicable Bloomberg Reference Data at the Pricing Time.

	currency deposits) in London, England, and in the City of New York, New York.				
Call Date	The call date in respect of the November 2030 Notes as specified in the table on the cover page of this Tender Offer Memorandum.				
Clearing System Notice	The form of notice to be sent by Euroclear or Clearstream, Luxembourg to Direct Participants holding interests in the GBP Notes on or about the date of this Tender Offer Memorandum informing such Direct Participants of the procedures to be followed in order to participate in the Offers.				
Clearing Systems	In respect of the GBP Notes, Clearstream, Luxembourg and Euroclear. In respect of the USD Notes, DTC.				
Clearstream, Luxembourg	Clearstream Banking S.A.				
Conditions	In respect of each Series, the terms and conditions of the Notes of that Series.				
Dealer Manager	HSBC Bank plc.				
Direct Participant	Each person shown in the records of a Clearing System as a holder of the GBP Notes (except for either Clearing System in its capacity as an accountholder of the other Clearing System).				
DTC	The Depository Trust Company.				
Euroclear	Euroclear Bank SA/NV.				
Exchange Act	The United States Securities Exchange Act of 1934, as amended.				
Expiration Deadline	5:00 p.m. (New York City time) on 14 November 2022 (subject to the right of the Issuer to extend, re-open and/or terminate the Offers, as applicable).				
Financial Promotion Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.				
Fixed Spread	In respect of each Series, the fixed spread amount in respect of that Series specified in the table on the cover page of this Tender Offer Memorandum.				
GBP Minimum Authorised	In respect of:				
	<table border="0"> <tr> <td>Series</td> <td>GBP 1,000,000,000</td> </tr> <tr> <td>Series</td> <td>GBP 1,000,000,000</td> </tr> </table>	Series	GBP 1,000,000,000	Series	GBP 1,000,000,000
Series	GBP 1,000,000,000				
Series	GBP 1,000,000,000				

the GBP Notes to the Tender Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the relevant deadline in order for Noteholders of GBP Notes to be able to participate in the Offers.

Guaranteed Delivery Date	The date and time by which Noteholders who tender their Notes pursuant to the Guaranteed Delivery Procedures must validly tender Notes, in order to be eligible to receive the relevant Purchase Consideration and Accrued Interest Payment for such Notes on the Settlement Date.
Guaranteed Delivery Procedures	The procedures for tenders submitted pursuant to a guaranteed delivery as described in " <i>Procedures for Participating in the Offers – Guaranteed Delivery</i> ".
intermediary	Any broker, dealer, bank, custodian, trust company, nominee or Direct Participant in any Clearing System which holds Notes or an interest in Notes on behalf of another person.
Issuer	HSBC Bank plc.
Maturity Date	The maturity date in respect of a Series as specified in the table on the cover page of this Tender Offer Memorandum.
Minimum Authorised Denomination	The GBP Minimum Authorised Denomination or the USD Minimum Authorised Denomination, as the context requires.
New Notes	The GBP-denominated subordinated unsecured debt securities expected to be issued in one or more series by HSBC Holdings.
Noteholders	Holders of the Notes.
Notes	The notes of each Series as specified on the cover page of this Tender Offer Memorandum.
Notice of Guaranteed Delivery	The notice of guaranteed delivery required in respect of the Guaranteed Delivery Procedures, substantially in the form set out in Annex I.
Notifying News Service	A recognised financial news service or services (e.g. Reuters/Bloomberg) as selected by the Issuer.
Offer	In respect of each Series, the invitation by the Issuer to Noteholders of that Series (subject to the Offer and Distribution Restrictions and, where

Pricing Time	At or around 10:00 a.m. (New York City time) on the Pricing Date.
Proposed Issuance	The proposed issuance by HSBC Holdings of GBP and Euro-denominated subordinated unsecured debt securities.
Purchase Consideration	In respect of any Note or Notes, an amount in cash calculated by applying the relevant Purchase Price to the principal amount of such Note or Notes accepted for purchase by the Issuer.
Purchase Price	In respect of each Series, the price payable by the Issuer for Notes of that Series validly tendered in the relevant Offer and accepted for purchase by the Issuer, as determined in the manner described in " <i>Terms and Conditions of the Offers – Purchase Price and Accrued Interest Payment</i> ".
RNS	The Regulatory News Service of the London Stock Exchange plc.
Sanctions Authority	The United States government, the United Nations, the United Kingdom, the European Union (or any of its member states), any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions or the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury.
Sanctions Restricted Person	Each person or entity (a " Person "): <ul style="list-style-type: none"> (i) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (a) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: https://www.treasury.gov/ofac/downloads/sdnlist.pdf) or (b) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: http://www.treasury.gov/ofac/downloads/fse/fselist.pdf) or (c) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en); or (d) the most current consolidated list of United Kingdom financial sanctions targets (which as of the date hereof can be found at:

Series	Each series of Notes, as set out on the cover page of this Tender Offer Memorandum.
Settlement Date	Expected to be 17 November 2022 (subject to the right of the Issuer to extend, re-open, amend and/or terminate any Offer).
Tender Agent	Global Bondholder Services Corporation.
Tender Instruction	A GBP Tender Instruction or USD Tender Instruction, as the context requires.
USD Minimum Authorised Denomination	In respect of the USD Notes, USD 1,000 and integral multiples of USD 1,000 in excess thereof.
USD Notes	The Issuer's May 2025 Notes.
USD Tender Instruction	Collectively, an acceptance transmitted to DTC via ATOP, the execution of a book-entry delivery to the Tender Agent's account at DTC and the sending of an Agent's Message to the Tender Agent.

Unless the context otherwise requires, all references in this Tender Offer Memorandum to:

- (a) "**GBP**" or "**£**" are references to the lawful currency of the United Kingdom;
- (b) a "**Noteholder**" includes:
 - (i) each person who is shown in the records of Euroclear, Clearstream, Luxembourg or DTC as a holder of the Notes; and
 - (ii) each beneficial owner of the Notes holding such Notes, directly or indirectly, in accounts in the name of a Direct Participant acting on the beneficial owner's behalf,

except that for the purposes of any payment to a Noteholder pursuant to an Offer of the relevant Purchase Consideration, Accrued Interest Payment as applicable, in respect of the relevant Notes, such payment will only be made by the relevant Clearing System to the relevant Direct Participant and the making of such payment by or on behalf of the Issuer to such Clearing System will satisfy the obligations of the Issuer and such Clearing System in respect of the purchase of such Notes; and

- (c) "**USD**" or "**\$**" are references to the lawful currency of the United States of America.

INDICATIVE TIMETABLE

This is an indicative timetable showing one possible outcome for the timing of the Offers based on the dates in this Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended or amended by the Issuer in accordance with the terms of the Offers as described in this Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

Date	Action
7 November 2022	<i>Commencement of the Offers</i>
At or prior to 10:00 a.m. (New York City time)	Offers announced by way of announcements on the relevant Notifying News Service(s), through the Clearing Systems and via RNS. Tender Offer Memorandum available from the Tender Agent.
14 November 2022	<i>Pricing Time</i>
At or around 10:00 a.m. (New York City time) unless extended in respect of any Offer by the Issuer in its sole discretion	Determination of the Benchmark Reference Security Yield and the Purchase Price in respect of each Series by the Dealer Manager. The Issuer will announce the Purchase Price for each Series as soon as reasonably practicable after the determination thereof.
14 November 2022	<i>Expiration Deadline</i>
5:00 p.m. (New York City time) unless extended in respect of any Offer by the Issuer in its sole discretion	The deadline by which Noteholders (except for Noteholders tendering Notes at or prior to the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures (each as defined below)) must validly tender Notes in order to be eligible to receive the relevant Purchase Consideration and Accrued Interest Payment for such Notes on the Settlement Date, and the date and time by which Eligible Institutions (as defined herein) must comply with certain procedures applicable to guaranteed delivery pursuant to the Guaranteed Delivery Procedures. After such time, Noteholders will not be able to withdraw previously tendered Notes, except in certain limited circumstances as set out in " <i>Procedures for Participating in the Offers – Withdrawal</i> ". The Issuer will announce the results of the Offers by way of a press release on the relevant Notifying News Service(s), through the relevant Clearing Systems and via RNS on the following Business Day.
5:00 p.m. (New York City time)	<i>Guaranteed Delivery Date</i>

(ii) the delivery of notices to the relevant Clearing Systems for communication to Noteholders. Copies of all such announcements, press releases and notices can also be obtained from the Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the relevant Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements relating to the Offers.

Noteholders are advised to check with any intermediary through which they hold Notes when such intermediary would require to receive Tender Instructions from a Noteholder in order for that Noteholder to be able to participate in, or withdraw their Tender Instruction to participate in, the Offers before the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above. See "*Procedures for Participating in the Offers*".

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision whether to tender Notes pursuant to the Offers, Noteholders should carefully consider the risks and uncertainties described in this Tender Offer Memorandum, including the risk factors set forth in the documents and reports filed with the SEC that are incorporated by reference herein. The Issuer's business, financial condition, operating results and cash flows can be impacted by these factors, any one of which could cause the Issuer's actual results to vary materially from recent results or from the Issuer's anticipated future results.

Uncertainty as to the Trading Market for Notes not Purchased.

To the extent that any tendered Notes are accepted by the Issuer for purchase pursuant to an Offer, the trading markets for Notes of the relevant Series that remain outstanding may be significantly more limited. Such remaining Notes may command a lower market price than would a comparable issue of debt securities with greater market liquidity. A reduced market value may also make the trading price of such Notes more volatile. As a result, the market price for Notes of the relevant Series that remain outstanding after completion of an Offer may be adversely affected by such Offer. None of the Issuer, the Dealer Manager or the Tender Agent has any duty to make a market in the Notes not validly tendered and purchased in the Offers.

No Obligation to Accept for Purchase Notes Tendered.

The Issuer is not under any obligation to accept for purchase any Notes tendered pursuant to an Offer. Tenders of Notes may be rejected in the sole and absolute discretion of the Issuer for any reason and the Issuer is not under any obligation to Noteholders to furnish any reason or justification for refusing to accept for purchase a tender of Notes. For example, tenders of Notes may be rejected if the relevant Offer is withdrawn or terminated, if the Offer Conditions are not satisfied or waived, if such Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.

Consideration for the purchase of the Notes may not reflect their fair value.

The consideration offered for the purchase of each Series of Notes does not reflect any independent valuation of the Notes and does not take into account events or changes in financial markets (including interest rates) after the Commencement of the Offers. The Issuer has not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the consideration for the purchase of the Notes. If a Noteholder tenders its Notes, such Noteholder may or may not receive more, or as much, value than if such Noteholder chose to keep them.

Responsibility for Complying with the Procedures of the Offers.

Noteholders are responsible for complying with all of the procedures for tendering Notes. Tendering Noteholders of USD Notes must submit, or arrange for the submission of, an electronic transmittal through DTC's ATOP on or prior to the Expiration Deadline or tender their Notes at or prior to the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures. Tendering Noteholders of GBP Notes must deliver to the Tender Agent, or arrange for the delivery of the Euroclear or Clearstream Eurobonds and in accordance with the requirements of such Clearing

Person will not be eligible to receive the relevant Purchase Consideration or any Accrued Interest Payment in any circumstances.

Responsibility to Consult Advisers.

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the Offers, the Notes and the Issuer) and each Noteholder must make its own decision as to whether to tender any or all of its Notes for purchase pursuant to the Offers. Noteholders should consult their own tax, accounting, financial and legal advisers regarding the consequences (tax, accounting or otherwise) of participating in an Offer.

None of the Issuer, Dealer Manager or the Tender Agent, nor any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offers, and accordingly none of the Issuer, Dealer Manager or the Tender Agent, nor any director, officer, employee, agent or affiliate of, any such person makes any recommendation whether Noteholders should tender Notes in the Offers.

Completion, Termination and Amendment.

Until the Issuer announces whether it has decided to accept valid tenders of Notes pursuant to any or all of the Offers, no assurance can be given that any Offer will be completed. In addition, subject to applicable law and as provided in this Tender Offer Memorandum, the Issuer may, in its sole and absolute discretion, extend, re-open, withdraw or terminate the Offers and amend or waive any of the terms and conditions of the Offers at any time before such announcement and may, in its sole and absolute discretion, waive any of the conditions to any Offer either before or after such announcement.

Compliance with Offer and Distribution Restrictions.

Noteholders are referred to the offer and distribution restrictions in "*Offer and Distribution Restrictions*" and the acknowledgements, representations, warranties and undertakings in "*Procedures for Participating in the Offers*", which Noteholders will be deemed to make on tendering Notes in an Offer. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Other Purchases or Redemption of Notes.

Whether or not the purchase of any Notes pursuant to the Offers is completed, the Issuer or any other member of the HSBC Group may, to the extent permitted by applicable law, acquire (from time to time both during and after the Offers) Notes other than pursuant to the Offers, including through open market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise. Such purchases may be on such terms and at such prices as the Issuer or the relevant HSBC Group member may determine, which may be more or less than the prices to be paid pursuant to the Offers and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated by the Offers.

Blocking of GBP Notes.

When considering whether to tender GBP Notes in an Offer, Noteholders should take into account that restrictions on the transfer of the relevant GBP Notes will apply from the time of such tender. A Noteholder will, on tendering GBP Notes in an Offer, agree that the relevant GBP Notes will be blocked in the relevant account at Euroclear or Clearstream, Luxembourg (as applicable) from the date that the tender of such GBP Notes is made until the earlier of: (a) the date on which the tender of the relevant GBP Notes is withdrawn (including the automatic withdrawal of GBP Tender Instructions on the withdrawal or termination of the relevant Offer), in accordance with the terms of the relevant Offer; and (b) the time of settlement on the Settlement Date.

TERMS AND CONDITIONS OF THE OFFERS

Introduction to and Rationale for the Offers

On the terms and subject to the conditions contained in this Tender Offer Memorandum, the Issuer invites Noteholders (subject to the Offer and Distribution Restrictions contained herein and, where applicable, the related Notice of Guaranteed Delivery) to tender any and all of their Notes pursuant to the Offers for purchase by the Issuer for cash at the relevant Purchase Price together with the relevant Accrued Interest Payment.

The Issuer reserves the right, in its sole and absolute discretion, not to accept any Tender Instructions, not to purchase Notes or to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers in any manner, subject to applicable laws and regulations.

The primary purpose of the Offers is to manage the Issuer's subordinated liabilities in respect of the Notes. The Issuer will continue to meet all of its capital requirements irrespective of the outcome of the Offers.

Notes purchased by the Issuer pursuant to the Offers will be cancelled and will not be re-issued or re-sold. Notes which have not been validly submitted and accepted for purchase pursuant to the Offers will remain outstanding.

Purchase Price and Accrued Interest Payment

Upon the terms and subject to the conditions set forth in this Tender Offer Memorandum, Noteholders who validly tender and whose Notes are accepted for purchase by the Issuer, will receive the relevant Purchase Price for each GBP 1,000 or USD 1,000, as applicable, in principal amount of such Notes (subject to the Minimum Authorised Denomination as applicable), which will be payable in cash by the Issuer on the Settlement Date (the relevant "**Purchase Consideration**").

The Purchase Price applicable to each Series of Notes validly tendered and accepted by the Issuer pursuant to the Offers will be calculated by the Dealer Manager at the Pricing Time on the Pricing Date in accordance with market convention, using the applicable Offer Yield, which will be equal to the sum of:

- (i) the applicable Benchmark Reference Security Yield, as determined by the Dealer Manager, as quoted on the relevant Bloomberg Reference Page, rounded to the nearest 0.001 per cent. (with 0.0005 per cent. being rounded up), *plus*
- (ii) the relevant Fixed Spread for such Series of Notes.

In respect of the GBP Notes, appropriate annualisation will be applied to the applicable Offer Yield.

Accordingly, the total consideration payable by the Issuer for each GBP 1,000 or USD 1,000, as applicable, in principal amount of each Series of Notes accepted by the Issuer will equal:

In respect of any Notes accepted for purchase, the Issuer will also pay an amount equal to any accrued and unpaid interest on the relevant Notes from (and including) the interest payment date for such Notes immediately preceding the Settlement Date to (but excluding) the Settlement Date (such amount in respect of a Series, the "**Accrued Interest Payment**").

Tender Offer Period

Each Offer commences on 7 November 2022 and will end at 5:00 p.m. (New York City time) on 14 November 2022 (the "**Expiration Deadline**") unless extended, re-opened, amended, withdrawn and/or terminated by the Issuer, in its sole discretion, in which case notification to that effect will be given by or on behalf of the Issuer by way of announcements on the relevant Notifying News Service(s), through the Clearing Systems and via RNS.

Acceptance of Notes

Upon the terms of each Offer and upon satisfaction or, where applicable, waiver of the Offer Conditions specified in this Tender Offer Memorandum the Issuer will, in respect of each Offer, (a) accept for purchase Notes validly tendered (or defectively tendered with respect to which the Issuer has waived, or has caused to be waived, such defect) and not validly withdrawn and (b) promptly pay to the relevant Clearing System, on the Settlement Date, the relevant Purchase Consideration and Accrued Interest Payment, where applicable, for Notes that are tendered in such Offer and accepted for purchase, in immediately available funds with such Clearing System. Under no circumstances will any interest be payable to Noteholders because of any delay on the part of the Tender Agent, the relevant Clearing System or any other party in the transmission of funds to Noteholders.

The Issuer will be deemed to have accepted for payment pursuant to an Offer and thereby have purchased Notes validly tendered and not properly withdrawn if, as and when it gives oral (promptly confirmed in writing) or written notice thereof to the Tender Agent of its acceptance of the Notes. The Tender Agent will act as agent for the tendering Noteholders for the purpose of receiving payments from the Issuer and transmitting such payments to the tendering Noteholders. With respect to tendered or deposited Notes that are to be returned to Noteholders, such Notes will be returned without expense to the tendering Noteholder (or, in the case of Notes tendered or deposited by book-entry transfer, such Notes will be credited to the account maintained at the relevant Clearing System from which such Notes were delivered) promptly after the expiration or termination of the related Offer.

If the Issuer is delayed in its acceptance of, purchase of, or payment for, validly tendered Notes or if it is unable to accept for purchase or pay for validly tendered Notes pursuant to an Offer for any reason, then, without prejudice to the Issuer's rights hereunder, but subject to applicable law, tendered Notes may be retained by the Tender Agent on the Issuer's behalf and may not be properly withdrawn, subject to Rule 14e-1 under the Exchange Act (which requires that the Issuer pay the consideration offered or return the Notes deposited by or on behalf of the Noteholders promptly after the termination or withdrawal of such Offer).

The Issuer expressly reserves the right, in its sole discretion and subject to Rule 14e-1(c) under the Exchange Act, to delay acceptance for payment of or payment for the Notes of any Series if any of the Offer Conditions shall not have

agent for the Noteholders for the purpose of any cash payment and the transmission of any cash payments to Noteholders. With respect to tendered USD Notes that are to be returned to Noteholders, such USD Notes will be credited to the account maintained at DTC from which such USD Notes were delivered promptly after the expiration or termination of the relevant Offer.

USD Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of USD 1,000 and integral multiples of USD 1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Noteholders who tender less than all of their Notes must continue to hold Notes in at least the USD Minimum Authorised Denomination.

GBP Notes

If GBP Notes validly tendered are accepted for purchase by the Issuer, the Purchase Consideration and any Accrued Interest Payment for GBP Notes accepted for purchase pursuant to an Offer will be paid on the Settlement Date (subject to the right of the Issuer to delay the acceptance of GBP Tender Instructions as set out in this Tender Offer Memorandum) in immediately available funds delivered to Euroclear or Clearstream, Luxembourg for payment to the cash accounts of the relevant Noteholders of GBP Notes with Euroclear or Clearstream, Luxembourg (see "*Procedures for Participating in the Offers – Procedures for Tendering Notes – GBP Notes*"). The deposit of such funds with the Clearing Systems will discharge the obligation of the Issuer to all Noteholders in respect of the above amounts represented by such funds.

Provided the Issuer makes or has made on its behalf full payment of the Purchase Consideration and Accrued Interest Payment, where applicable, for GBP Notes accepted for purchase pursuant to the Offers to Euroclear or Clearstream, Luxembourg on or before the Settlement Date (subject to any amendment of the relevant payment date as described above), under no circumstances will any additional interest be payable because of any delay in the transmission of funds from Euroclear or Clearstream, Luxembourg or any other intermediary with respect to such GBP Notes.

Offer Conditions

Notwithstanding any other provision of the Offers and in addition to (and not in limitation of) the Issuer's rights to withdraw, terminate, extend and/or amend any or all of the Offers with respect to the Notes, in its sole discretion, the Issuer shall not be required to accept for payment, purchase or pay for, and may delay the acceptance for payment of, any Notes validly tendered (and not validly withdrawn), in each event subject to Rule 14e-1(c) under the Exchange Act, and may terminate any or all of the Offers, if any of the following has occurred:

- (i) there shall have been instituted, threatened or be pending any action, proceeding or investigation (whether formal or informal) (or there shall have been any material adverse development to any action or proceeding currently instituted, threatened or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with one or more of the Offers that, in the Issuer's sole judgment: (a) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Issuer, (b) would or might

effectiveness of the procedures used by the Issuer in the making of the Offers or the acceptance of, or payment for, the Notes; or

- (v) there shall have occurred: (a) any general suspension of, or limitation on prices for, trading in securities in the United States securities or financial markets; (b) any significant adverse change in the price of the Notes in the United States or other major securities or financial markets; (c) a material impairment in the trading market for debt securities; (d) a declaration of a banking moratorium or any suspension of payments in respect to banks in the United States, United Kingdom or other major financial markets (whether or not mandatory); (e) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in the Issuer's reasonable judgment, might affect the extension of credit by banks or other lending institutions; (f) a commencement of a war, armed hostilities, terrorist acts or other national or international calamity directly or indirectly involving the United States or the United Kingdom; (g) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof; or (h) any event that has resulted, or may in the Issuer's sole judgment result, in a material adverse change in the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Issuer,

(together, the "**Offer Conditions**").

The foregoing conditions are for the Issuer's sole benefit and may be asserted by it regardless of the circumstances giving rise to any such condition (including any action or inaction by the Issuer) and may be waived by the Issuer with respect to the Notes, in whole or in part, at any time and from time to time, in its sole discretion. Any condition may be asserted with respect to one Series and waived with respect to other Series. All conditions to an Offer will, if any Notes are to be accepted for purchase after the Expiration Deadline, be either satisfied or waived by the Issuer concurrently with or before such time. If any of the conditions are not satisfied at the Expiration Deadline with respect to an Offer, the Issuer may, in its sole discretion and without giving any notice, subject to applicable law: (a) terminate such Offer; (b) extend such Offer, on the same or amended terms, and thereby delay acceptance of any validly tendered Notes; or (c) continue to accept tenders. The failure by the Issuer at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an ongoing right that may be asserted at any time and from time to time.

General Conditions of the Offers

The Issuer expressly reserves the right, in its sole and absolute discretion, to refuse or delay acceptance of Notes for purchase pursuant to an Offer in order to comply with applicable laws. In all cases, the purchase for cash of Notes pursuant to an Offer will only be made after the submission of a valid Tender Instruction in accordance with the procedures described in "*Procedures for Participating in the Offers*". These procedures include the blocking of the GBP Notes tendered in the relevant account at Euroclear or Clearstream, Luxembourg as described in "*Risk Factors and Other Considerations – Blocking of GBP Notes*".

The Issuer may reject tenders of Notes which it considers in its sole and absolute discretion not to have been validly

Notifying News Service(s), through the Clearing Systems and via RNS and shall, absent manifest error, be final and binding on the Issuer and the Noteholders.

Notes purchased by the Issuer pursuant to the Offers will be cancelled and will not be re-issued or resold. Notes which have not been validly tendered and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date.

Payment

Subject to the terms and conditions set forth herein, the Issuer expects to accept for purchase all of the Notes that are validly tendered and not validly withdrawn at or prior to the Expiration Deadline or the Guaranteed Delivery Date (pursuant to the Guaranteed Delivery Procedures). Except for Notes tendered at or prior to the Guaranteed Delivery Date pursuant to the Guaranteed Delivery Procedures, no tenders of Notes will be valid if submitted after the Expiration Deadline.

On the Settlement Date, the Issuer will deposit with the relevant Clearing System an amount of cash sufficient to (a) purchase all Notes validly tendered and accepted by the Issuer pursuant to the Offers and (b) pay any Accrued Interest Payment then due to the Noteholders of such Notes.

Extension, Withdrawal, Termination and Amendment

Subject to applicable law, the Issuer reserves the right to extend, re-open, withdraw or terminate the Offers and to amend or waive any of the terms and conditions of the Offers at any time after the announcement of the Offers as described below under "*Amendment and Termination*", including with respect to any USD Tender Instructions or GBP Tender Instructions already submitted as of the time of any such extension, re-opening, withdrawal, termination, amendment or waiver. In the event of a termination of an Offer, (i) all USD Notes tendered pursuant to such Offer will be promptly returned to the tendering Noteholders and (ii) all Tender Instructions submitted in respect of such Offer cancelled.

If the Issuer withdraws or terminates one or more of the Offers, any Notes of the relevant Series offered for sale will not be purchased.

The Issuer also reserves the right at any time or from time to time during, or following completion or cancellation of, the Offers to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes (including, without limitation, those offered pursuant to these Offers but not accepted for purchase), in each case on terms that may be more or less favourable than those contemplated by the Offers.

The making of any such new offers and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the aggregate principal amount of Notes purchased pursuant to the Offers.

Costs and Expenses

(ii) the delivery of notices to the Clearing Systems for communication to Noteholders. Copies of all such announcements, press releases and notices can also be obtained from the Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements relating to the Offers.

Governing Law

This Tender Offer Memorandum, the Offers, each Tender Instruction, any purchase of Notes pursuant to the Offers and any non-contractual obligations arising out of or in connection with the Offers shall be governed by English law. By submitting a Tender Instruction, the relevant Noteholder will irrevocably and unconditionally agree that the courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the relevant Offer, or such Tender Instruction (including any disputes relating to any non-contractual obligations arising out of or in connection with the Offers) and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

Allocation of New Notes in the Proposed Issuance

HSBC Holdings will, in connection with the allocation of the New Notes in the Proposed Issuance, consider among other factors whether or not the relevant investor seeking an allocation of the New Notes has, prior to such allocation, validly tendered or indicated its firm intention to the Issuer or the Dealer Manager to tender its GBP Notes pursuant to the Offers and, if so, the aggregate principal amount of Notes tendered by such investor.

Therefore, a Noteholder who wishes to subscribe for New Notes in addition to tendering its GBP Notes for purchase pursuant to the Offers may receive, at the sole and absolute discretion of HSBC Holdings, priority in the allocation of the New Notes, subject to the issue of the New Notes and such Noteholder also making a separate application for the purchase of such New Notes to the managing bookrunner of the issue of the New Notes in accordance with the standard new issue procedures of such bookrunner.

However, HSBC Holdings is not obliged to allocate the New Notes to a Noteholder who has validly tendered or indicated a firm intention to tender its GBP Notes pursuant to the Offers and, if New Notes are allocated, the principal amount thereof may be less or more than the principal amount of GBP Notes tendered by such Noteholder and accepted by the Issuer pursuant to the Offers. Any such allocation will also, among other factors, take into account the denomination of the New Notes.

All allocations of the New Notes, while being considered by HSBC Holdings as set out above, will be made in accordance with the standard new issue allocation processes and procedures of the Dealer Manager (in its capacity as lead manager of the issue of the New Notes). As such, the allocation of the New Notes is expected to take place on the day the announcement to issue the New Notes is made and the pricing of the New Notes occurs. In the event that a Noteholder validly tenders GBP Notes pursuant to an Offer, such Notes will remain subject to such tender and the conditions of the Offers as set out in this Tender Offer Memorandum.

PROCEDURES FOR PARTICIPATING IN THE OFFERS

Noteholders that need assistance with respect to the procedures for participating in the Offers should contact the Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum.

Procedures for Tendering Notes

USD Notes

Summary of actions to be taken

The following summarises the procedures to be followed by all Noteholders in tendering their USD Notes.

All of the USD Notes are held in book-entry form and registered in the name of Cede & Co., as the nominee of DTC. Only Noteholders are authorised to tender their USD Notes pursuant to the Offers. Therefore, to tender USD Notes that are held through a broker, dealer, commercial bank, trust company or other nominee, a beneficial owner thereof must instruct such nominee to tender the USD Notes on such beneficial owner's behalf according to the procedure described below. See "*Book-Entry Transfer*" and "*Other Matters*" for discussion of the items that Noteholders who tender USD Notes in any of the Offers will have represented, warranted and agreed. There is no separate letter of transmittal for this Tender Offer Memorandum.

For a Noteholder to tender USD Notes validly pursuant to an Offer (other than through the Guaranteed Delivery Procedures): (1) an Agent's Message and any other required documents must be received by the Tender Agent at its address set forth on the final page of this Tender Offer Memorandum at or prior to the Expiration Deadline; and (2) tendered USD Notes must be transferred pursuant to the procedures for book-entry transfer described below and a confirmation of such book-entry transfer must be received by the Tender Agent at or prior to the Expiration Deadline.

To effectively tender USD Notes, DTC participants should transmit their acceptance through DTC's ATOP, for which the Offer in respect of the USD Notes will be eligible, and DTC will then edit and verify the acceptance and send an Agent's Message to the Tender Agent for its acceptance. Delivery of tendered USD Notes must be made to the Tender Agent pursuant to the book-entry delivery procedures set forth below.

USD Tender Instructions must be submitted in respect of the principal amount of USD Notes of no less than the USD Minimum Authorised Denomination.

Book-Entry Transfer

The Tender Agent will establish an account with respect to the USD Notes at DTC for purposes of the Offer, and any financial institution that is a participant in DTC may make book-entry delivery of the USD Notes by causing DTC to transfer such USD Notes into the Tender Agent's account in accordance with DTC's procedures for such transfer. DTC will then send an Agent's Message to the Tender Agent. Delivery of documents to DTC does not constitute delivery

tendering through a nominee, it should check to see whether there is an earlier deadline for instructions with respect to its decision.

Guaranteed Delivery

USD Notes may also be tendered using the Guaranteed Delivery Procedures. See "*Guaranteed Delivery*" below for the procedures to be followed.

Other Matters

Subject to, and effective upon, the payment and acceptance of the Purchase Consideration and Accrued Interest Payment (if any) for the principal amount of USD Notes tendered in accordance with the terms (and subject to the conditions) of an Offer, a tendering Noteholder will have at the time of submission of the USD Tender Instruction, on the Expiration Deadline and on the Settlement Date:

- (i) irrevocably agreed to sell, assign and transfer to or upon the Issuer's order or the Issuer's nominees' order, all right, title and interest in and to, and any and all claims in respect of or arising or having arisen as a result of the tendering Noteholder's status as a holder of, all USD Notes tendered, such that thereafter it shall have no contractual or other rights or claims in law or equity against the Issuer or any fiduciary, trustee, fiscal agent or other person connected with the USD Notes arising under, from or in connection with such USD Notes;
- (ii) waived any and all rights with respect to the USD Notes tendered (including, without limitation, any existing or past defaults and their consequences in respect of such USD Notes and the indenture governing the USD Notes);
- (iii) released and discharged the Issuer and the relevant trustee, the paying agent and the calculation agent, where applicable, from any and all claims the tendering Noteholder may have, now or in the future, arising out of or related to the USD Notes tendered, including, without limitation, any claims that the tendering Noteholder is entitled to receive additional principal or interest payments with respect to the USD Notes tendered (other than as expressly provided in this Tender Offer Memorandum) or to participate in any repurchase, redemption or defeasance of the USD Notes tendered;
- (iv) irrevocably constituted and appointed the Tender Agent the true and lawful agent and attorney-in-fact of such tendering Noteholder (with full knowledge that the Tender Agent also acts as the Issuer's agent) with respect to any tendered USD Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to: (a) deliver such USD Notes or transfer ownership of such USD Notes on the account books maintained by DTC together with all accompanying evidences of transfer and authenticity, to or upon the Issuer's order; (b) present such USD Notes for transfer on the register; and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such USD Notes, all in accordance with the terms of such Offer; and

(v) represented, warranted and agreed to and with the Issuer and the Dealer Manager that:

- (d) it is a person to whom it is lawful to make available this Tender Offer Memorandum or to make the Offers in accordance with applicable laws (including the offering restrictions set out in this Tender Offer Memorandum);
- (e) it has not distributed or forwarded the Tender Offer Memorandum or any other documents or materials relating to the Offers to any such person(s) and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the USD Tender Instruction in respect of the USD Notes it is tendering for purchase) complied with all laws and regulations applicable to it for the purposes of its participation in the relevant Offer;
- (f) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43(2) of the Financial Promotion Order, or to whom the Tender Offer Memorandum and any other documents or materials relating to the Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (g) it is not located or resident in Italy, or, if it is located in Italy, it is an authorised person or is tendering USD Notes through an authorised person and in compliance with applicable laws and regulations or with requirements imposed by the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") or any other Italian authority;
- (h) it is not located or resident in France or, if it is located or resident in France, it is a qualified investor (*investisseur qualifié*) (as referred to in Article L.411-2 1° of the French *Code Monétaire et Financier* and defined in Article 2(e) of the EU Prospectus Regulation);
- (i) it is not located or resident in Belgium or, if it is located or resident in Belgium, it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation;
- (j) it has had access to such financial and other information and has been afforded the opportunity to ask such questions of representatives of the Issuer and receive answers thereto, as it deems necessary in connection with its decision to participate in the Offers;
- (k) none of the Issuer, the Dealer Manager or the Tender Agent has given it any information with respect to the Offers save as expressly set out in the Tender Offer Memorandum nor has any of them made any recommendation to it as to whether it should tender USD Notes in the relevant Offer and it has made its own decision with regard to tendering Notes in the relevant Offer based on any legal, tax or financial advice it has deemed necessary to seek and it is able to bear the economic risks of participating in the relevant Offer;
- (l) no information has been provided to it by the Issuer or the Dealer Manager, the Tender Agent, or any of their respective directors, officers or employees, with regard to the tax consequences for holders of USD Notes arising from the tender of USD Notes in the relevant Offer and the receipt of the

may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, representations, warranties and/or undertakings given in connection with any Offer;

- (o) if it is tendering the USD Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;
- (p) it is not a Sanctions Restricted Person;
- (q) in evaluating the relevant Offer and in making its decision whether to participate in such Offer by the tender of USD Notes, the Noteholder has received a copy of this Tender Offer Memorandum, made its own independent appraisal of the matters referred to in this Tender Offer Memorandum and in any related communications and agrees to be bound by all the terms and conditions of such Offer;
- (r) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Issuer, any of its directors or any person nominated by the Issuer in the proper exercise of his or her powers and/or authority hereunder;
- (s) the tender of USD Notes shall constitute an undertaking to execute any further documents, give any further assurances and do all such acts and things that may be required or desirable in connection with any of the foregoing, in each case on and subject to the terms and conditions described or referred to in this Tender Offer Memorandum;
- (t) it and the person receiving the applicable consideration have observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from any of them in each respect in connection with any offer or acceptance in any jurisdiction, and that it and such person or persons have not taken or omitted to take any action in breach of the terms of the Offers or which will or may result in the Issuer or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers or the tender of USD Notes in connection therewith; and
- (u) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (v) neither it nor the person receiving the applicable consideration is acting on behalf of any person who could not truthfully make the foregoing representations, warranties and undertakings or those set forth in the Agent's Message.

Message and any other required documentation. The tender of USD Notes pursuant to an Offer by the procedures set forth above will constitute an agreement between the tendering Noteholder and the Issuer in accordance with the terms and subject to the conditions of such Offer. The method of delivery of USD Notes, the Agent's Message and all other required documents is at the election and risk of the tendering Noteholder. In all cases, sufficient time should be allowed to ensure timely delivery.

Alternative, conditional or contingent tenders will not be considered valid. The Issuer reserves the right to reject any or all tenders of USD Notes that are not in proper form or the acceptance of which would, in the Issuer's sole opinion, be unlawful. The Issuer also reserves the right, subject to applicable law and limitations described elsewhere in this Tender Offer Memorandum, to waive any defects, irregularities or conditions of tender as to particular USD Notes, including any delay in the submission thereof or any instruction with respect thereto. A waiver of any defect or irregularity with respect to the tender of one USD Note shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Note. The Issuer's interpretations of the terms and conditions of the Offers will be final and binding on all parties. Any defect or irregularity in connection with tenders of USD Notes must be cured within such time as the Issuer determines, unless waived by the Issuer. Tenders of Notes shall not be deemed to have been made until all defects and irregularities have been waived by the Issuer or cured. None of the Issuer, the Dealer Manager, the Tender Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of USD Notes or will incur any liability to Noteholders for failure to give any such notice.

The Issuer is under no obligation to accept for purchase any Notes tendered pursuant to the relevant Offer, and accordingly such tender may be accepted or rejected by the Issuer in its sole and absolute discretion and for any reason. In the event of a withdrawal or termination of the relevant Offer, the USD Tender Instructions with respect to the relevant Notes will be deemed to be withdrawn, and the relevant Notes will be returned to the relevant Noteholder;

GBP Notes

Summary of actions to be taken

To tender GBP Notes in an Offer, a Noteholder should deliver, or arrange to have delivered on its behalf, via Euroclear or Clearstream, Luxembourg, as applicable, and in accordance with the requirements of such Clearing System, a valid GBP Tender Instruction that is received in each case by the Tender Agent by the Expiration Deadline or, where the Guaranteed Delivery Procedures are used, the Guaranteed Delivery Date.

GBP Tender Instructions must be submitted in respect of a principal amount of GBP Notes of the relevant Series of no less than the GBP Minimum Authorised Denomination for that Series.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold GBP Notes when such intermediary would require to receive instructions from a Noteholder in order for that Noteholder to be able to participate in the relevant Offer before the deadlines specified in this Tender Offer Memorandum. The deadlines set by any such intermediary and Euroclear or Clearstream, Luxembourg, as applicable, for the submission and withdrawal of GBP Tender Instructions will be earlier than the relevant deadlines specified in this Tender Offer

Noteholders must take the appropriate steps through the relevant Clearing System so that no transfers may be effected in relation to such blocked GBP Notes at any time after the date of submission of such GBP Tender Instruction, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such GBP Notes in the relevant Clearing System, each Direct Participant will be deemed to consent to have the relevant Clearing System provide details concerning such Direct Participant's identity to the Tender Agent (and for the Tender Agent to provide such details to the Issuer and the Dealer Manager, and their respective legal advisers).

GBP Tender Instructions must be received by the Tender Agent by the Expiration Deadline or, where the Guaranteed Delivery Procedures are used, the Guaranteed Delivery Date (see "*Guaranteed Delivery*" below for the procedures to be followed).

Only Direct Participants may submit GBP Tender Instructions. Each Noteholder that is not a Direct Participant must arrange for the Direct Participant through which it holds the relevant GBP Notes to submit a GBP Tender Instruction on its behalf to the relevant Clearing System by the deadlines specified by such Clearing System (which will be earlier than the deadlines specified in this Tender Offer Memorandum).

Guaranteed Delivery

GBP Notes may also be tendered using the Guaranteed Delivery Procedures. See "*Guaranteed Delivery*" below for the procedures to be followed.

Other Matters

By submitting a valid GBP Tender Instruction to the relevant Clearing System in accordance with the standard procedures of such Clearing System, each Noteholder and any Direct Participant submitting such GBP Tender Instruction on such Noteholder's behalf shall in respect of itself and each such Noteholder be deemed to agree to, acknowledge, represent, warrant and undertake to the Issuer, the Dealer Manager and the Tender Agent the following at the time of submission of the GBP Tender Instruction, on the Expiration Deadline and on the Settlement Date (if a Noteholder or a Direct Participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such Noteholder or Direct Participant should contact the Tender Agent immediately):

- (a) *Non-reliance*: it has received the Tender Offer Memorandum, and has reviewed and accepts the Offer and Distribution Restrictions, the terms, conditions, risk factors and other considerations of the Offers, all as described in the Tender Offer Memorandum, and has undertaken an appropriate analysis of the implications of each relevant Offer without reliance on the Issuer, the Dealer Manager or the Tender Agent;
- (b) *Identity*: by blocking the relevant GBP Notes in the relevant Clearing System, it will be deemed to consent, in the case of a Direct Participant, to have such Clearing System provide details concerning its identity to the Tender Agent (and for the Tender Agent to provide such details to the Issuer and the Dealer Manager, and their respective legal advisers);

pursue, litigate, commence or prosecute any proceedings in relation to the Notes, or non-contractual obligations arising out of or in connection with the GBP Notes, against the Issuer or any of its present or former officers, directors, employees or agents following purchase of the GBP Notes on the Settlement Date in accordance with the provisions of this Tender Offer Memorandum;

- (d) *Ratification:* it agrees to ratify and confirm each and every act or thing that may be done or effected by the Issuer, any of its directors or any person nominated by the Issuer in the proper exercise of his or her powers and/or authority hereunder;
- (e) *Further acts:* it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Issuer to be desirable, in each case to complete the transfer of the relevant GBP Notes to the Issuer or its nominee against payment to it of the relevant Purchase Consideration and the Accrued Interest Payment, where applicable, for such Notes and/or to perfect any of the authorities expressed to be given hereunder;
- (f) *Compliance with applicable laws:* it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities, and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and it has not taken or omitted to take any action in breach of the terms of the relevant Offer or which will or may result in the Issuer, the Dealer Manager, the Tender Agent or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers;
- (g) *Successors and assigns:* all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (h) *Information or recommendation:* none of the Issuer, the Dealer Manager or the Tender Agent has given it any information with respect to the Offers save as expressly set out in the Tender Offer Memorandum nor has any of them made any recommendation to it as to whether it should tender GBP Notes in the Offers and it has made its own decision with regard to tendering Notes in the Offers based on any legal, tax or financial advice it has deemed necessary to seek and it is able to bear the economic risks of participating in the Offers;
- (i) *Tax consequences:* no information has been provided to it by the Issuer or the Dealer Manager, the Tender Agent, or any of their respective directors, officers or employees, with regard to the tax consequences for holders of GBP Notes arising from the tender of GBP Notes in the Offers and the receipt of the relevant Purchase Consideration and the Accrued Interest Payment, where applicable, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction in connection with the Offers and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Dealer Manager or the

- (l) *United Kingdom:* it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43(2) of the Financial Promotion Order, or to whom the Tender Offer Memorandum and any other documents or materials relating to the Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (m) *Italy:* it is not located or resident in Italy, or, if it is located in Italy, it is an authorised person or is tendering Notes through an authorised person and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority;
- (n) *France:* it is not located or resident in France or, if it is located or resident in France, it is a qualified investor (*investisseur qualifié*) (as referred to in Article L.411-2 1° of the French *Code Monétaire et Financier* and defined in Article 2(e) of the EU Prospectus Regulation);
- (o) *Belgium:* it is not located or resident in Belgium or, if it is located or resident in Belgium, it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation;
- (p) *Sanctions:* it is not a Sanctions Restricted Person;
- (q) *Power and authority:* it has full power and authority to tender, sell, assign and transfer the Notes it has tendered in the relevant Offer pursuant to the GBP Tender Instruction and, if such Notes are accepted for purchase by the Issuer pursuant to the relevant Offer, such Notes will be transferred to, or to the order of, the Issuer with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Issuer to be necessary or desirable to complete the transfer and cancellation of such Notes or to evidence such power and authority;
- (r) *Compliance with Clearing System requirements:* it holds and will hold, until the time of settlement on the Settlement Date, the relevant Notes blocked in the relevant Clearing System and, in accordance with the requirements of, and by the deadline required by, such Clearing System, it has submitted, or has caused to be submitted, the GBP Tender Instruction to such Clearing System to authorise the blocking of the tendered Notes with effect on and from the date of such submission so that, at any time pending the transfer of such Notes on the Settlement Date to the Issuer or to its agent on its behalf, no transfers of such Notes may be effected;
- (s) *Incorporation:* the terms and conditions of the relevant Offer shall be deemed to be incorporated in, and form a part of, the GBP Tender Instruction which shall be read and construed accordingly, and that the information given by or on behalf of such Noteholder in the GBP Tender Instruction is true and will be true in all respects at the time of purchase on the Settlement Date;
- (t) *No obligation:* the Issuer is under no obligation to accept for purchase Notes tendered pursuant to the relevant Offer and accordingly such tender may be accepted or rejected by the Issuer in its sole and absolute discretion

- (x) *Accuracy of information:* the information given by or on behalf of such Noteholder in the GBP Tender Instruction is in all respects true, accurate and not misleading and will in all respects be true, accurate and not misleading at the time of the purchase of the Notes on the Settlement Date; and
- (y) *Indemnity:* the Issuer, the Dealer Manager and the Tender Agent will rely on the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings and it shall indemnify the Issuer, the Dealer Manager and the Tender Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, representations, warranties and/or undertakings given in connection with any Offer.

Save for the representation and undertaking provided on submission of a GBP Tender Instruction, the representation and undertaking set out at paragraph (p) above shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union) or Council Regulation (EC) No 2271/96 as it forms part of the domestic law of the United Kingdom by virtue of the EUWA.

The receipt of a GBP Tender Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Direct Participant on the Settlement Date in respect of all of the GBP Notes the relevant Noteholder has tendered in the relevant Offer and which are accepted for purchase by the Issuer, upon receipt by such Clearing System of an instruction from the Tender Agent to receive such GBP Notes for the account of the Issuer and against credit of the relevant amount in cash from the Issuer equal to the Purchase Consideration and the Accrued Interest Payment, where applicable, for such Notes, subject to the automatic withdrawal of those GBP Tender Instructions on the date of any withdrawal or termination of the relevant Offer (including where such GBP Notes are not accepted for purchase by the Issuer) or the valid withdrawal by the relevant Noteholder of such GBP Tender Instruction as set out in this Tender Offer Memorandum.

Guaranteed Delivery

If a Noteholder desires to tender Notes pursuant to the Offers and: (1) time will not permit the Notes to be tendered on or before the Expiration Deadline; or (2) the Tender Instructions cannot be completed on a timely basis, such Noteholder may effect a tender of Notes pursuant to a guaranteed delivery (the "**Guaranteed Delivery Procedures**") if all the following conditions are complied with:

- (a) at or prior to the Expiration Deadline, the Tender Agent must receive from the relevant Direct Participant a properly completed and duly executed Notice of Guaranteed Delivery, by facsimile transmission, e-mail, mail or hand delivery that (1) sets forth the name and address of the Direct Participant tendering Notes on behalf of the relevant Noteholder and the aggregate principal amount of Notes being tendered (2) represents that the relevant Noteholder owns such Notes and that the tender is being made thereby, and (3) guarantees that the Direct Participant will procure that an Agent's Message or Tender Instruction, as applicable, is submitted to the Tender Agent via the relevant Clearing System, by no later than the Guaranteed Delivery Date and

Deadline and Guaranteed Delivery Date, as applicable. Failure to do so could result in a financial loss to such eligible guarantor institution or Direct Participant.

In respect of the USD Notes, if Noteholder is tendering USD Notes through ATOP pursuant to the Guaranteed Delivery Procedures, the eligible guarantor institution should not complete and deliver the Notice of Guaranteed Delivery, but such eligible guarantor institution will be bound by the terms of the Offers, including the Notice of Guaranteed Delivery, as if it was executed and delivered by such eligible guarantor institution. Noteholders who hold Notes in book-entry form and tender pursuant to the Guaranteed Delivery Procedures should, prior to the Guaranteed Delivery Date, only comply with ATOP's Guaranteed Delivery Procedures.

Payment for Notes tendered through the Guaranteed Delivery Procedures will take place on the Settlement Date, which, assuming that the conditions to the Offers are satisfied or waived, is expected to be 17 November 2022, unless the Expiration Deadline is extended or the relevant Offer is reopened, withdrawn or terminated earlier.

For the avoidance of doubt, the delivery of: (1) in the case of USD Notes, such USD Notes tendered by Guaranteed Delivery Procedures; or (2) in the case of GBP Notes, a valid GBP tender instruction in respect of such GBP Notes (resulting in the blocking of such GBP Notes in the relevant account in the relevant Clearing System), must in each case be made no later than 5:00 p.m. (New York City time), on 16 November 2022, which is two business days following the Expiration Deadline; provided, that accrued coupon payments will cease to accrue on the Settlement Date for all Notes accepted in the Offers, including those tendered by the Guaranteed Delivery Procedures set forth above, and under no circumstances will the Issuer pay additional interest on the Purchase Consideration after the Settlement Date by reason of any delay in the Guaranteed Delivery Procedures.

Each of the Issuer, the Dealer Manager and the Tender Agent reserves the right, in its sole discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer, whether any representation given by a Noteholder pursuant to "*Procedures for Participating in the Offers – Procedures for Tendering Notes – USD Notes – Other Matters*" or "*Procedures for Participating in the Offers – Procedures for Tendering Notes – GBP Notes – Other Matters*" is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender or submission may be rejected.

Irregularities

All questions as to the validity, form and eligibility (including time of receipt) of any Tender Instruction or as to the withdrawal of any Tender Instruction will be determined by the Issuer, in its sole discretion, and such determination will be final and binding.

The Issuer reserves the absolute right to reject any and all Tender Instructions or withdrawal instructions not in proper form or in respect of which the acceptance by the Issuer may be unlawful. The Issuer also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Tender Instructions or withdrawal instructions. The Issuer also reserves the absolute right to waive any such defect, irregularity or delay in respect of particular Notes, whether or not the Issuer elects to waive similar defects, irregularities or any delay in respect of other

respect to any change in the consideration offered in the Offer, the Issuer will announce any such amendment at or prior to 10:00 a.m. (New York City time) on the day of such amendment and the Issuer will extend the Expiration Deadline by at least five US business days from the date of such announcement, if the Offer would otherwise expire during such period. If any of the other terms of the Offer are amended in a manner determined by the Issuer to constitute a material change, the Issuer will announce any such amendment at or prior to 10:00 a.m. (New York City time) on the day of such amendment, and the Issuer will extend the Offer for at least three US business days from the date of such announcement, if the Offer would otherwise expire during such time period.

Where the Issuer determines that additional withdrawal rights are required by law or where the Issuer amends the applicable Offer in any way which is not materially prejudicial to the Noteholders (in the opinion of the Issuer, in consultation with the Dealer Manager), withdrawal rights may be extended as the Issuer determines, to the extent required by law, appropriate to allow tendering Noteholders a reasonable opportunity to respond to such amendment.

Any Notes validly withdrawn will not have been validly tendered for purchase for purposes of the Offers. Following a withdrawal any USD Notes already transferred pursuant to such Offer will be returned promptly to the relevant tendering Noteholder. Properly withdrawn Notes may be re-tendered by following one of the procedures described under "*Procedures for Tendering Notes*" above at any time at or prior to the Expiration Deadline.

The Issuer will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender, in its sole discretion, which determination shall be final and binding. None of the Issuer, the Dealer Manager, the Tender Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

USD Notes

For a withdrawal of a tender of Notes to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Tender Agent at or prior to the Expiration Deadline (or, in the limited circumstances where withdrawals are to be accepted after the Expiration Deadline, the relevant deadline specified by the Issuer) or, by email, post, overnight courier or hand delivery or by a properly transmitted 'Request Message' through ATOP. Any such notice of withdrawal must:

- (i) specify the name of the Noteholder that tendered the USD Notes to be withdrawn and, if different, the name of the registered holder of such USD Notes (or, in the case of USD Notes tendered by book-entry transfer, the name of the DTC participant whose name appears on the security position as the owner of such USD Notes);
- (ii) identify the USD Notes to be withdrawn and principal amount of such USD Notes;
- (iii) include a statement that the Noteholder is withdrawing its election to tender the USD Notes; and
- (iv) except in the case of a notice of withdrawal transmitted through ATOP, be signed by such participant in the

- (i) a bank;
- (ii) a broker, dealer, municipal securities dealer, municipal securities broker, government securities dealer or government securities broker;
- (iii) a credit union;
- (iv) a national securities exchange, registered securities association or clearing agency; or
- (v) a savings institution that is a participant in a Securities Transfer Association recognised program.

If the Issuer is delayed in its acceptance for purchase of any USD Notes for any reason, then, without prejudice to its rights hereunder, but subject to applicable law, tendered USD Notes may be retained by the Tender Agent on the Issuer's behalf and may not be validly withdrawn (subject to Rule 14e-1 under the Exchange Act, which requires the Issuer to issue or pay the consideration offered or return the USD Notes deposited by or on behalf of the Noteholders promptly after the expiration or termination of the related Offer).

GBP Notes

A GBP Tender Instruction may only be withdrawn by a Noteholder of GBP Notes, or the relevant Direct Participant on its behalf, by submitting a valid electronic withdrawal instruction via Euroclear or Clearstream, Luxembourg to the Tender Agent prior to the Expiration Deadline (or, in the limited circumstances where withdrawals are to be accepted after the Expiration Deadline, the relevant deadline specified by the Issuer). To be valid, such instruction must specify the GBP Notes to which the original GBP Tender Instruction related, the securities account to which such GBP Notes are credited and any other information required by the relevant Clearing System.

AMENDMENT AND TERMINATION

Notwithstanding any other provision of the Offers, the Issuer may, subject to applicable laws, at its option and in its sole and absolute discretion, at any time before any acceptance by the Issuer of Notes validly tendered in that Offer:

- (a) *Extension or re-opening*: in respect of the relevant Offer, extend the Expiration Deadline or re-open such Offer, as applicable (in which case all references in this Tender Offer Memorandum to the relevant Expiration Deadline shall, unless the context otherwise requires, be to the latest time and date, as the case may be, to which the Expiration Deadline has been so extended or such Offer re-opened);
- (b) *Amendment of other terms*: otherwise amend the relevant Offer in any respect (including, but not limited to, any amendment to any of the Purchase Price, the Expiration Deadline or the Settlement Date);
- (c) *Delay*: delay acceptance or, subject to applicable law, purchase of Notes tendered in the relevant Offer until satisfaction or waiver of the conditions to such Offer, even if the Offer has expired; or
- (d) *Termination*: terminate the relevant Offer, including with respect to Tender Instructions submitted before the time of such termination.

The Issuer reserves the right at any time to waive any or all of the conditions of the Offers as set out in this Tender Offer Memorandum.

The Issuer will ensure an announcement is made of any such extension, re-opening, amendment or termination as soon as is reasonably practicable after the relevant decision is made. To the extent a decision is made to waive any condition of any Offer generally (as opposed to in respect of certain tenders of Notes only), such decision will also be announced as soon as is reasonably practicable after it is made (see "*Terms and Conditions of the Offers – Announcements*").

If the Issuer amends an Offer in a manner that constitutes a material change, the minimum period for which such Offer will remain open following such amendment will depend upon the facts and circumstances of such amendment. With respect to any change in the consideration offered in the Offer, the Issuer will announce any such amendment at or prior to 10:00 a.m. (New York City time) on the day of such amendment and the Issuer will extend the Expiration Deadline by at least five US business days from the date of such announcement, if the Offer would otherwise expire during such period. If any of the other terms of the Offer are amended in a manner determined by the Issuer to constitute a material change, the Issuer will announce any such amendment at or prior to 10:00 a.m. (New York City time) on the day of such amendment, and the Issuer will extend the Offer for at least three US business days from the date of such announcement, if the Offer would otherwise expire during such time period.

If the Issuer announces an amendment to an Offer that, in the opinion of the Issuer (in consultation with the Dealer Manager), is materially prejudicial to Noteholders that have already tendered Notes in the relevant Offer before the announcement of such amendment, then such tenders of Notes may be withdrawn in accordance with the procedures set out in "*Procedures for Participating in the Offers – Withdrawal*" above.

TAX CONSEQUENCES

THE SUMMARY OF TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO BE EXHAUSTIVE. NOTEHOLDERS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF PARTICIPATING IN THE OFFERS, INCLUDING THE APPLICABILITY AND EFFECT OF FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW. IN PARTICULAR, NOTEHOLDERS SHOULD BE AWARE THAT THE TAX LEGISLATION OF ANY JURISDICTION WHERE A NOTEHOLDER IS RESIDENT OR OTHERWISE SUBJECT TO TAXATION (AS WELL AS THE JURISDICTIONS DISCUSSED BELOW) MAY HAVE AN IMPACT ON THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES INCLUDING IN RESPECT OF ANY INCOME RECEIVED FROM THE NOTES.

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the Offers that may be relevant to a beneficial owner of Notes. The summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change. The discussion does not deal with special classes of holders, such as dealers in securities or currencies, banks, financial institutions, insurance companies, tax-exempt organizations, entities classified as partnerships and the partners therein, non-resident alien individuals present in the United States for more than 182 days in a taxable year, persons holding Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or U.S. Holders (as defined below) that have a functional currency other than the U.S. dollar. This discussion assumes that the Notes are held as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended. The discussion does not address the alternative minimum tax, the Medicare tax on net investment income or other aspects of U.S. federal income or state and local taxation that may be relevant to a Noteholder in light of the Noteholder's particular circumstances. Special considerations may be relevant to Noteholders that also purchase New Notes in the Proposed Issuance and such Noteholders should consult their own tax advisors concerning the U.S. federal income tax consequences to them of the acquisition of New Notes in the Proposed Issuance and the sale of their Notes pursuant to the Offers being characterised as an exchange. The Issuer intends for the sale of Notes pursuant to the Offers to be treated as a sale for cash for U.S. federal income purposes.

As used herein, a "**U.S. Holder**" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) a citizen or resident of the United States, (ii) a domestic corporation or (iii) otherwise subject to U.S. federal income tax on a net income basis in respect of a Note. A "**Non-U.S. Holder**" is a beneficial owner of a Note that is not a U.S. Holder.

Tax Considerations for U.S. Holders

Sales of Notes pursuant to the Offers by U.S. Holders will be taxable transactions for U.S. federal income tax purposes. Subject to the discussion of the foreign currency and market discount rules set forth below, a U.S. Holder selling Notes

adjustment to interest income received on the GBP Notes. Gain or loss attributable to fluctuations in currency exchange rates generally will equal the difference, if any, between (i) the U.S. dollar value of the U.S. Holder's purchase price for the GBP Note, determined at the spot rate of exchange on the date the Note is disposed of, and (ii) the U.S. dollar value of the U.S. Holder's purchase price for the GBP Note, determined at the spot rate of exchange on the date the GBP Note was acquired (or, determined on the settlement date if the GBP Notes are traded on an established securities market and the U.S. Holder is either a cash basis or an electing accrual basis holder). In addition, upon the sale, exchange or retirement of a GBP Note, a U.S. holder that uses the accrual method may realize foreign currency gain or loss attributable to amounts received in respect of accrued and unpaid interest. The amount of foreign currency gain or loss realized with respect to principal and accrued interest will, however, be limited to the amount of overall gain or loss realized on the disposition. For a U.S. holder that uses the accrual method and does not make the election described above, the foreign currency gain or loss may include amounts attributable to changes in exchange rates between the trade date and the settlement date.

In general, if a U.S. Holder acquired the Notes with market discount, any gain realized by a U.S. Holder on the sale of the Notes will be treated as ordinary income to the extent of the portion of the market discount that has accrued while the Notes were held by the U.S. Holder, unless the U.S. Holder has elected to include market discount in income currently as it accrues. A Note will be considered to have been acquired with market discount if the U.S. Holder purchased the Note for an amount less than the Note's stated principal amount (or, in the case of Notes issued with OID, the adjusted issue price of the Notes), subject to a statutory *de minimis* exception. Market discount accrues on a ratable basis unless a U.S. Holder elects to accrue market discount on a constant-yield basis. In the case of the GBP Notes, accrued market discount generally is converted into U.S. dollars based on the spot rate of exchange on the date that the Notes are disposed of.

A U.S. Holder who does not tender its Notes pursuant to the Offers should not recognize any gain or loss for U.S. federal income tax purposes.

Tax Considerations for Non-U.S. Holders

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder that realizes gain in connection with the sale of a Note pursuant to the Offers (including amounts attributable to Accrued Interest) generally will not be subject to U.S. federal income tax.

Information Reporting and Backup Withholding for U.S. Holders and Non-U.S. Holders

In general, payments to a U.S. Holder for tendering Notes pursuant to the Offers may be subject to information reporting unless the U.S. Holder is an exempt recipient. Backup withholding may apply to such payments unless the U.S. Holder (i) is an exempt recipient and establishes this fact if required, or (ii) provides an accurate taxpayer identification number and certifies that it is a U.S. person and that no loss of exemption from backup withholding has occurred. Noteholders who are not U.S. persons may be required to comply with applicable certification procedures to establish that they are not U.S. persons in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. The amount of any backup withholding from a

the Noteholder also carries on a trade, profession or vocation through a permanent establishment, branch or agency to which the Notes are attributable) and are the absolute beneficial owners thereof. Certain classes of persons such as dealers, certain professional investors, or persons connected with the Issuer may be subject to special rules and this summary does not apply to such Noteholders.

References in this section to "**interest**" mean amounts that are treated as interest for the purpose of United Kingdom tax law. The statements below do not take account of any different definitions of interest that may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

Consideration

Payments of the Purchase Consideration may be made without withholding or deduction on account of United Kingdom income tax, provided that they do not comprise interest payable on the Notes. If and to the extent that any part of the Purchase Consideration is treated as comprising interest, it will be treated in the same way as the amounts paid in respect of the Accrued Interest described below.

Accrued Interest

Payments of accrued interest in respect of the Notes will not be subject to withholding or deduction for or on account of United Kingdom income tax on the basis that, and so long as, the Notes are and continue to be listed on a "**recognised stock exchange**" within the meaning of Section 1005 of the United Kingdom Income Tax Act 2007. The New York Stock Exchange is a "recognised stock exchange" for these purposes. The Notes will be treated as listed on the New York Stock Exchange if they are both admitted to trading on the New York Stock Exchange and are officially listed in the United States in accordance with provisions corresponding to those generally applicable in countries in the European Economic Area.

DEALER MANAGER AND TENDER AGENT

The Issuer has retained HSBC Bank plc to act as Dealer Manager for the Offers and Global Bondholder Services Corporation to act as Tender Agent. The Issuer has entered into a dealer manager agreement with the Dealer Manager, which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Offers.

For the purposes of the settlement of the Offers on the Settlement Date, the Purchase Price in respect of the Notes accepted for purchase pursuant to the Offers will be calculated by the Dealer Manager on behalf of the Issuer. Such calculation will, absent manifest error, be conclusive and binding on the Issuer and the Noteholders.

The Dealer Manager and its affiliates may contact Noteholders regarding the Offers, and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Tender Offer Memorandum and related materials to Noteholders.

The Dealer Manager and its affiliates have provided and continue to provide certain investment banking services to the Issuer for which they have received and will receive compensation that is customary for services of such nature.

The Dealer Manager and its affiliates may, in the ordinary course of its business, make markets in debt securities of the Issuer, including the Notes, for its own account and for the accounts of its customers. As a result, from time to time, the Dealer Manager and its affiliates may own certain of the Issuer's debt securities, including the Notes. In addition, the Dealer Manager and its affiliates have provided and continue to provide certain investment banking services to the Issuer for which it has received and will receive compensation that is customary for services of such nature.

The Dealer Manager and/or its affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Notes. Further, the Dealer Manager may (i) submit Tender Instructions for its own account and (ii) submit Tender Instructions, (subject always to the Offer and Distribution Restrictions) on behalf of other Noteholders.

None of the Dealer Manager, the Tender Agent or any of their respective directors, officers, employees, agents or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Offers, the Issuer, any of its affiliates or the Notes contained in this Tender Offer Memorandum or for any failure by the Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Issuer, the Dealer Manager, the Tender Agent, or any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offer, and none of the Dealer Manager, the Tender Agent or any of their respective directors, officers, employees or affiliates make any representation or recommendation whatsoever regarding the Offers or any recommendation as to whether Noteholders should tender Notes in the Offers or otherwise participate in the Offers.

OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of the Issuer, the Dealer Manager and the Tender Agent to inform themselves about and to observe any such restrictions.

United Kingdom

The communication of this Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or persons who are within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

France

The Offers are not being made, directly or indirectly, in the Republic of France ("**France**") other than to qualified investors (*investisseurs qualifiés*) as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of the EU Prospectus Regulation. Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers have been or shall be distributed in France other than to qualified investors (*investisseurs qualifiés*) and only qualified investors (*investisseurs qualifiés*) are eligible to participate in the Offers. This Tender Offer Memorandum and any other document or material relating to the Offers have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

Belgium

Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the Belgian Financial Services and Markets Authority (*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids (the "**Belgian Takeover Law**") as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither this Tender Offer Memorandum nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation and (ii) in any circumstances set out in Article 6, §4 of the Belgian Takeover Law. This Tender Offer Memorandum

20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

General

Neither this Tender Offer Memorandum nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offers will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in any such jurisdiction, such Offer shall be deemed to be made by the Dealer Manager or such affiliate, as the case may be, on behalf of the Issuer in such jurisdiction.

Each Noteholder participating in an Offer will be deemed to give certain representations as set out in "*Procedures for Participating in the Offers*" in respect of the jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offers*". Any tender of Notes for purchase pursuant to the Offers from a Noteholder that is unable to make these representations will not be accepted.

Each of the Issuer, the Dealer Manager and the Tender Agent reserves the right, in its sole and absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender or submission may be rejected.

ANNEX I – NOTICE OF GUARANTEED DELIVERY



HSBC Bank plc

Notice of Guaranteed Delivery

Relating to the Offers to Purchase for Cash Any and All of its Outstanding Notes Listed Below

THIS NOTICE OF GUARANTEED DELIVERY ("NOTICE OF GUARANTEED DELIVERY") RELATES TO THE OFFERS (AS DEFINED BELOW) BEING MADE BY HSBC BANK PLC (THE "ISSUER"). EACH OFFER WILL EXPIRE AT 5:00 P.M. (NEW YORK CITY TIME) ON 14 NOVEMBER 2022, UNLESS EXTENDED, RE-OPENED, WITHDRAWN OR TERMINATED AT THE SOLE DISCRETION OF THE ISSUER (SUCH DATE AND TIME WITH RESPECT TO AN OFFER, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION DEADLINE"). TENDER INSTRUCTIONS (AS DEFINED BELOW) MAY BE VALIDLY WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DEADLINE BUT TENDER INSTRUCTIONS WILL THEREAFTER BE IRREVOCABLE, EXCEPT IN CERTAIN LIMITED CIRCUMSTANCES WHERE ADDITIONAL WITHDRAWAL RIGHTS ARE REQUIRED BY LAW. THE OFFERS ARE BEING MADE UPON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH IN THE TENDER OFFER MEMORANDUM RELATING TO THE NOTES LISTED BELOW DATED 7 NOVEMBER 2022 (AS IT MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, THE "TENDER OFFER MEMORANDUM") AND THIS NOTICE OF GUARANTEED DELIVERY (WHICH, TOGETHER WITH THE TENDER OFFER MEMORANDUM, CONSTITUTE THE "OFFER DOCUMENTS"). CAPITALISED TERMS USED BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE TENDER OFFER MEMORANDUM.

This Notice of Guaranteed Delivery is being provided in connection with the invitation by the Issuer to purchase for cash any and all of its outstanding notes listed below, upon the terms and subject to the conditions set forth in the Offer Documents.

Description of Notes	ISIN	CUSIP	Maturity Date	Aggregate Principal Amount Outstanding
GBP 300,000,000 6.500 per cent. subordinated notes due July 2023 (the "July 2023 Notes")	XS0088317853	N/A	7 July 2023	GBP 300,000,000
USD 300,000,000 7.650 per cent. subordinated notes due May 2025 (the "May 2025 Notes")	US597433AC57	597433AC5	1 May 2025	USD 300,000,000

The Tender Agent for the Offers is:

Global Bondholder Services Corporation

By mail, hand or overnight courier

65 Broadway – Suite 404

New York, New York 10006

Attention: Corporate Actions

By email: contact@gbsc-usa.com

By facsimile (for eligible institutions only): + (212) 430 3775 / + (212) 430 3779

Confirmation: + (212) 430 3774

Banks and Brokers call: + (212) 430 3774

All others call toll free: + (855) 654 2014

Delivery of this Notice of Guaranteed Delivery to an address other than the one set forth above or transmission of instructions via facsimile to a number other than the facsimile number set forth above will not constitute a valid delivery to the Tender Agent. The method of delivery of this Notice of Guaranteed Delivery and all other required documents to the Tender Agent, including delivery through DTC and any acceptance or Agent's Message transmitted through ATOP (as defined and described in the Tender Offer Memorandum), is at the election and risk of Noteholders.

The May 2025 Notes are hereafter referred to as the "**USD Notes**" and the July 2023 Notes, the November 2030 Notes, the August 2033 Notes, the January 2041 Notes and the March 2046 Notes are, together, hereafter referred to as the "**GBP Notes**".

USD Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of USD 1,000 and integral multiples of USD 1,000 in excess thereof. Noteholders who tender less than all of their USD Notes must continue to hold USD Notes in at least USD 1,000 in principal amount of Notes of such Series.

The GBP Notes may be tendered and accepted for payment, in respect of the July 2023 Notes, the November 2030 Notes, the August 2033 Notes, and the January 2041 Notes, only in an aggregate principal amount equal to GBP 1,000, and in respect of the March 2046 Notes, only in an aggregate principal amount equal to GBP 50,000, and in each case in integral multiples of GBP 1,000 in excess thereof. Holders who tender less than all of their Notes of these series must continue to hold at least GBP 1,000 in principal amount in respect of the July 2023 Notes, the November 2030 Notes, the August 2033 Notes, and the January 2041 Notes, and at least GBP 50,000 in respect of the March 2046 Notes.

No alternative, conditional or contingent tenders will be accepted for any series of Notes.

If a Noteholder desires to tender Notes pursuant to an Offer and: (1) time will not permit the Notes to be tendered on or before the Expiration Deadline; or (2) such Noteholder cannot deliver the other required documents to the Tender

in the Noteholder's account with the relevant Clearing System so that no transfers may be effected in relation to such Notes.

Guaranteed Deliveries will expire at 5:00 p.m. (New York City time) on 16 November 2022.

The Notice of Guaranteed Delivery may be delivered by facsimile transmission, mail, overnight courier or hand delivery to the Tender Agent and must include a guarantee by an Eligible Institution in the form set forth herein. For Notes to be properly tendered under the Guaranteed Delivery Procedures, the Tender Agent must receive the Notice of Guaranteed Delivery at or prior to the Expiration Deadline.

FOR THE AVOIDANCE OF DOUBT, THE DELIVERY OF THE NOTES TENDERED BY THE GUARANTEED DELIVERY PROCEDURES MUST BE MADE NO LATER THAN THE GUARANTEED DELIVERY DATE; PROVIDED THAT THE ISSUER WILL NOT PAY ACCRUED INTEREST FOR ANY PERIODS FOLLOWING THE SETTLEMENT DATE (AS DEFINED BELOW) IN RESPECT OF ANY NOTES ACCEPTED IN THE OFFERS, INCLUDING THOSE TENDERED BY THE GUARANTEED DELIVERY PROCEDURES SET FORTH ABOVE, AND UNDER NO CIRCUMSTANCES WILL THE ISSUER PAY ADDITIONAL INTEREST ON THE CONSIDERATION AFTER THE SETTLEMENT DATE BY REASON OF ANY DELAY IN THE GUARANTEED DELIVERY PROCEDURES.

THE METHOD OF DELIVERY OF THE NOTES, THIS NOTICE OF GUARANTEED DELIVERY, AND ALL OTHER REQUIRED DOCUMENTS TO THE TENDER AGENT, INCLUDING DELIVERY THROUGH DTC, IS AT THE ELECTION AND RISK OF THE HOLDER TENDERING NOTES. IF SUCH DELIVERY IS MADE BY MAIL, IT IS SUGGESTED THAT THE HOLDER USE PROPERLY INSURED, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED AND THAT SUFFICIENT TIME BE ALLOWED TO ASSURE TIMELY DELIVERY.

The Eligible Institution that completes this form must communicate the guarantee to the Tender Agent within the time period shown herein. Failure to do so could result in a financial loss to such Eligible Institution.

Foreign holders that want to tender using a guaranteed delivery process should contact their brokers or the Tender Agent.

Ladies and Gentlemen:

The undersigned represents that the undersigned owns and hereby tenders to the Issuer, upon the terms and subject to the conditions set forth in the Tender Offer Memorandum and this Notice of Guaranteed Delivery, receipt of which is hereby acknowledged, the principal amount of Notes, set forth below, all pursuant to the guaranteed delivery procedures set forth in the Tender Offer Memorandum.

The undersigned understands that tenders of Notes pursuant to an Offer may not be withdrawn after the Expiration Deadline, except in limited circumstances. Tenders of Notes may be validly withdrawn at any time at or prior to the Expiration Deadline. In addition, tendered Notes in an Offer may be withdrawn at any time after the 60th Business Day after the commencement of such Offer if for any reason such Offer has not been consummated within 60 Business Days after the commencement of the Offer.

If the ATOP procedures are used to tender Notes held in book-entry form, such DTC participant need not complete and physically deliver the Notice of Guaranteed Delivery. However, such DTC participant will be bound by the terms of the relevant Offer, including this Notice of Guaranteed Delivery, as if it was executed and delivered by such Eligible Institution.

As more fully described in the Tender Offer Memorandum, guaranteed deliveries will be required to be provided no later than the Guaranteed Delivery Date. The settlement date is expected to be 17 November 2022, unless extended or earlier terminated in respect of an Offer by us in our sole discretion (such date with respect to an Offer, as the same may be extended, the "**Settlement Date**"). The Issuer will not pay Accrued Interest for any periods following the Settlement Date in respect of any Notes tendered in the Offers, and under no circumstances will additional interest be paid by the Issuer by reason of any delay in the Guaranteed Delivery Procedures.

Aggregate Principal Amount of Notes Tendered: _____

[Euroclear/Clearstream, Luxembourg] [DTC] Participant Account Number(s): _____

Name(s) of Record Holder(s): _____

Address(es) (including Zip Code): _____

[Euroclear/Clearstream, Luxembourg] [DTC] Reference Number: _____

Transaction Code Number: _____

Date

2022

The Participant holds the Notes Tendered through [Euroclear/Clearstream, Luxembourg] [DTC] on behalf of the following (the "**Beneficiary**"): _____

Name and Tel. No. of Contact (if known) at the Beneficiary: _____

Area Code and Tel. No.: _____

Name of Authorized Signatory: _____

Capacity: _____

Address of Authorized Signatory: _____

Signature(s) of Authorized Signatory: _____

Date _____, 2022

THE GUARANTEE ON THE REVERSE SIDE MUST BE COMPLETED

**GUARANTEE OF
DELIVERY**

(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, being the Direct Participant through whom the relevant Notes are beneficially owned, hereby:

- (i) represents that each Holder on whose behalf this tender is being made "own(s)" the Notes tendered hereby within the meaning of Rule 14c-4 under the Securities Exchange Act of 1934, as amended;

- (ii) represents that such tender of Notes is being made by guaranteed delivery; and

- (iii) guarantees that, by no later than the Guaranteed Delivery Date the Direct Participant through whom the relevant Notes are beneficially owned submits a valid tender instruction in accordance with the requirements of the relevant Covered Clearing System, which results in the blocking of the relevant Note in that Direct Participant's account with the relevant Covered Clearing System so that no transfers may be effected in relation to such securities.

Holders of USD Notes should transmit the Notice of Guaranteed Delivery through ATOP in accordance with the usual procedures of DTC and the Tender Agent. If the ATOP procedures are used, the DTC Direct Participant need not complete and physically deliver the Notice of Guaranteed Delivery. However, the DTC Direct Participant will be bound by the terms of the Offer. Holders of GBP Notes that complete and submit a Notice of Guaranteed Delivery must validly submit a corresponding Tender Instruction to the Depository, via Euroclear or Clearstream, Luxembourg, as applicable, in accordance with the requirements of Euroclear or Clearstream, Luxembourg, as applicable, within the time period shown here. Failure to do any of the above could result in a financial loss to Direct Participants.

Name of Firm: _____ Address: _____	
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THE ISSUER

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

THE DEALER MANAGER

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Telephone (London): +44 (0) 20 7992 6237
Telephone (US Collect): +1 (212) 525-5552
Telephone (US Toll Free): +1 (888) HSBC-4LM
Attention: Liability Management
Email: liability.management@hsbcib.com

THE TENDER AGENT

Global Bondholder Services Corporation

By mail, hand or overnight courier
65 Broadway – Suite 404
New York, New York 10006
Attention: Corporate Actions

By email: contact@gbsc-usa.com

By facsimile (for eligible institutions only): + (212) 430 3775 / + (212) 430 3779

Confirmation: + (212) 430 3774

Website: <https://www.gbsc-usa.com/hsbctender/>

Banks and Brokers call: + (212) 430 3774

All others call toll free: + (855) 654 2014

LEGAL ADVISERS

To the Issuer as to English law

*To the Dealer Manager as to English law and
United States law*

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10 Upper Bank Street
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London EC2Y 8HQ
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2 London Wall Place
London EC2Y 5AU
United Kingdom