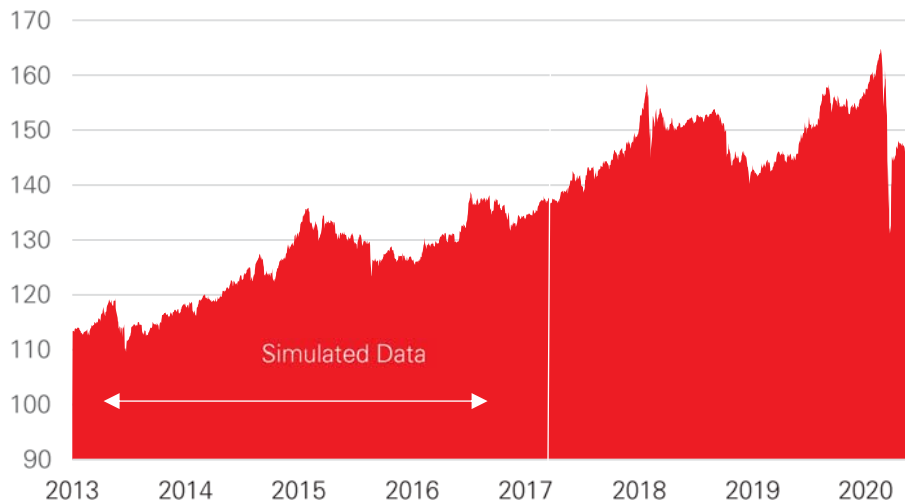


# HSBC Vantage5<sup>®</sup> Index

## Monthly Performance Report – May 2020

### Vantage5 Index Simulated & Historical Returns



All information in this document prior to March 15, 2017 consists of hypothetical back-tested data.  
See "Use of simulated returns."  
Source: S&P 500, Bloomberg, and HSBC

### Simulated & Historical Performance: August 2011 to May 29, 2020

|  | Total Performance |
|--|-------------------|
| May 2020                                     | -0.31 %           |
| YTD Return                                   | -6.24 %           |
| 1Y Return                                    | -0.52 %           |
| 3Y Return*                                   | 4.09 %            |
| 5Y Return*                                   | 11.83 %           |
| Annualized Vol (1Y)                          | 8.30 %            |
| Annualized Vol (since backtest inception) ** | 6.37 %            |

\*Calculated on a per annum percentage basis. See "Use of simulated returns."  
+ All information in this document prior to March 15, 2017 consists of hypothetical back-tested data. See "Use of simulated returns."

### Monthly Allocation

|                                  |                 | Apr-20       | May-20       | Jun-20       | 12M Avg      |
|----------------------------------|-----------------|--------------|--------------|--------------|--------------|
| Developed Equities<br>(Max. 60%) | SPY             | 0.0%         | 0.0%         | 0.0%         | 8.6%         |
|                                  | SPLV            | 0.0%         | 0.0%         | 0.0%         | 7.4%         |
|                                  | IWM             | 0.0%         | 0.0%         | 0.0%         | 1.8%         |
|                                  | QQQ             | 6.1%         | 5.2%         | 7.6%         | 9.2%         |
|                                  | EFA             | 0.0%         | 0.0%         | 0.0%         | 1.8%         |
|                                  | <b>subtotal</b> | <b>6.1%</b>  | <b>5.2%</b>  | <b>7.6%</b>  | <b>28.8%</b> |
| Developed Bonds<br>(Max. 80%)    | TLT             | 23.9%        | 35.3%        | 33.0%        | 24.6%        |
|                                  | LQD             | 0.0%         | 0.0%         | 0.0%         | 16.0%        |
|                                  | HYG             | 15.0%        | 0.0%         | 0.0%         | 2.8%         |
|                                  | <b>subtotal</b> | <b>38.9%</b> | <b>35.3%</b> | <b>33.0%</b> | <b>43.4%</b> |
| Emerging Markets<br>(Max. 30%)   | EEM             | 0.0%         | 0.0%         | 0.0%         | 0.3%         |
|                                  | EMB             | 0.0%         | 0.0%         | 0.0%         | 1.1%         |
|                                  | <b>subtotal</b> | <b>0.0%</b>  | <b>0.0%</b>  | <b>0.0%</b>  | <b>1.4%</b>  |
| Real Assets<br>(Max. 30%)        | IYR             | 0.0%         | 0.0%         | 0.0%         | 1.8%         |
|                                  | GLD             | 0.0%         | 0.0%         | 1.8%         | 7.9%         |
|                                  | <b>subtotal</b> | <b>0.0%</b>  | <b>0.0%</b>  | <b>1.8%</b>  | <b>9.7%</b>  |
| Inflation<br>(Max. 5%)           | TIP             | 5.0%         | 0.0%         | 0.0%         | 0.6%         |
| Cash<br>(Max. 50%) <sup>†</sup>  |                 | 50.0%        | 59.5%        | 57.6%        | 16.1%        |

### Index Information

|   |                           |
|---|---------------------------|
| Index Owner                               | HSBC Bank plc             |
| Currency                                  | USD                       |
| Volatility Target                         | 5%                        |
| Bloomberg Ticker                          | HSIEV5UE                  |
| Index Composition                         | Up to 13 ETFs plus Cash   |
| Calculation Agent/<br>Index Administrator | S&P Dow Jones Indices LLC |
| Website                                   | vantage5.hsbcnet.com      |

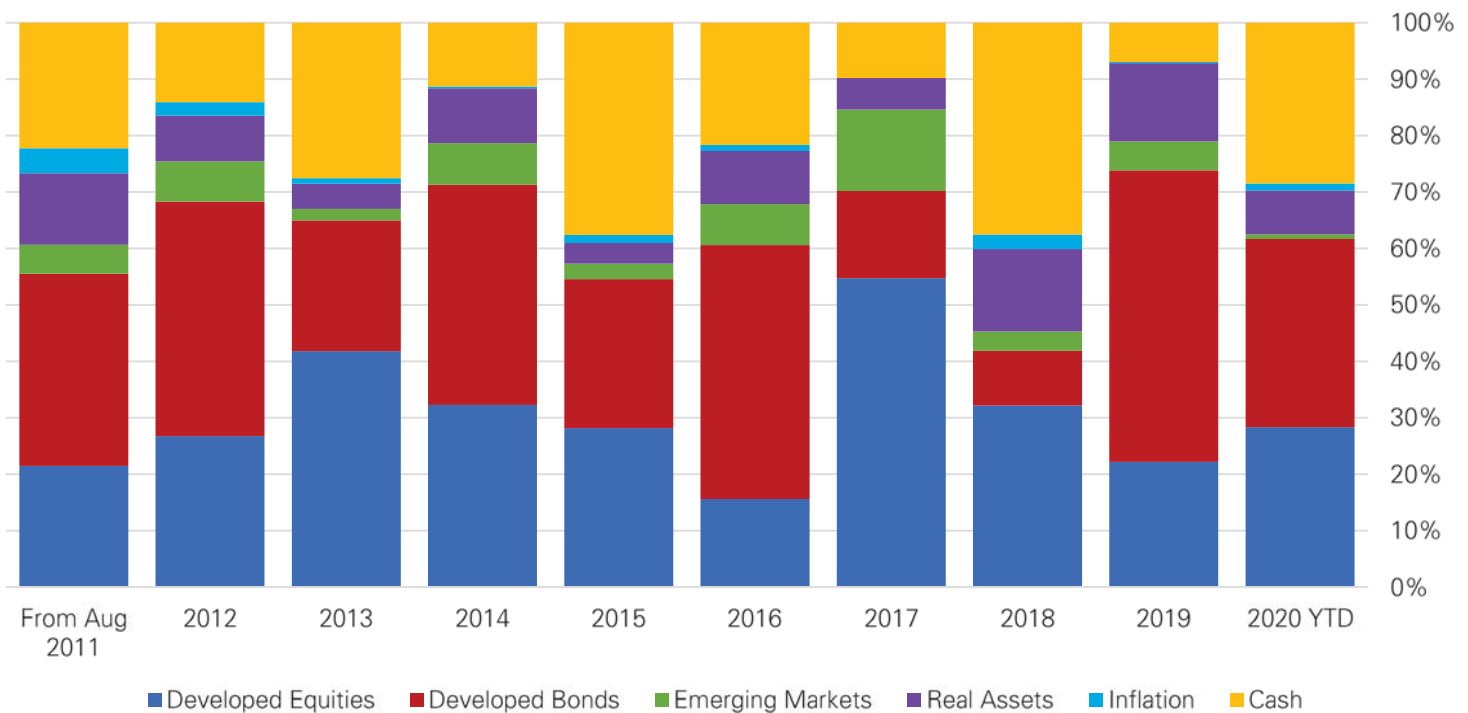


## Detailed Monthly Performance - Simulated & Historical

|      | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   | Annual* |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------|
| 2020 | 2.1%  | -3.4% | -6.2% | 1.62% | -0.3% |       |       |       |       |       |       |       | -6.2%   |
| 2019 | 1.0%  | -0.5% | 2.0%  | -0.3% | 1.2%  | 2.0%  | 0.2%  | 4.7%  | -1.5% | 0.2%  | -0.8% | 1.8%  | 9.4%    |
| 2018 | 5.0%  | -2.9% | -1.0% | -0.3% | 0.6%  | 0.2%  | 0.5%  | 1.2%  | -1.6% | -4.6% | 1.0%  | -2.2% | -4.4%   |
| 2017 | 0.9%  | 1.6%  | 0.2%  | 1.0%  | 1.5%  | -0.6% | 2.0%  | 0.6%  | 0.0%  | 1.6%  | 1.4%  | 0.8%  | 11.5%   |
| 2016 | 0.4%  | 1.8%  | 0.9%  | 0.5%  | -0.9% | 4.4%  | 1.5%  | -0.3% | 0.1%  | -1.8% | -1.5% | 0.7%  | 5.7%    |
| 2015 | 4.0%  | -2.1% | -0.1% | -1.3% | 0.0%  | -1.3% | 0.4%  | -2.9% | 0.6%  | 1.0%  | -0.9% | -0.4% | -3.1%   |
| 2014 | -1.2% | 2.4%  | -0.8% | 1.1%  | 2.0%  | 0.8%  | -0.8% | 4.0%  | -3.1% | 2.0%  | 2.5%  | 1.0%  | 10.1%   |
| 2013 | -0.4% | 0.4%  | 2.0%  | 2.8%  | -4.4% | -2.0% | 2.6%  | -1.6% | 1.6%  | 1.8%  | 0.7%  | 1.0%  | 4.4%    |
| 2012 | 0.6%  | 0.3%  | -0.1% | 1.0%  | 0.4%  | 1.3%  | 2.5%  | -0.5% | 0.2%  | -0.3% | 0.2%  | 0.2%  | 5.8%    |
| 2011 | na    | na    | na    | na    | na    | na    | na    | 3.9%  | -0.4% | 0.8%  | 0.7%  | 1.4%  | 7.3%    |

\*YTD return for current year

## Yearly Average Monthly Allocation – Simulated & Historical



## Quarterly Average Monthly Allocation - Simulated & Historical

|         | Developed Equities |       |      |       |      | Fixed Income |       |      | Emerging Markets |      | Real Assets |       | Inflation | Cash  |
|---------|--------------------|-------|------|-------|------|--------------|-------|------|------------------|------|-------------|-------|-----------|-------|
|         | SPY                | SPLV  | IWM  | QQQ   | EFA  | TLT          | LQD   | HYG  | EEM              | EMB  | IYR         | GLD   | TIP       |       |
| Q2 2020 | 0.0%               | 0.0%  | 0.0% | 6.3%  | 0.0% | 30.7%        | 0.0%  | 5.0% | 0.0%             | 0.0% | 0.0%        | 0.6%  | 1.7%      | 55.7% |
| Q1 2020 | 23.5%              | 3.3%  | 3.6% | 20.0% | 0.0% | 14.0%        | 16.9% | 0.0% | 0.0%             | 1.7% | 1.0%        | 13.9% | 0.8%      | 1.3%  |
| Q4 2019 | 11.4%              | 6.9%  | 4.4% | 2.9%  | 7.6% | 19.4%        | 13.2% | 5.0% | 1.2%             | 0.0% | 4.0%        | 11.4% | 0.0%      | 12.7% |
| Q3 2019 | 2.4%               | 15.4% | 0.0% | 10.8% | 0.0% | 29.2%        | 30.4% | 1.9% | 0.0%             | 1.7% | 0.0%        | 8.2%  | 0.0%      | 0.0%  |
| Q2 2019 | 0.0%               | 17.8% | 0.0% | 1.8%  | 0.0% | 30.2%        | 29.1% | 0.4% | 3.3%             | 5.0% | 5.7%        | 5.7%  | 0.8%      | 0.0%  |
| Q1 2019 | 0.0%               | 7.4%  | 0.0% | 0.0%  | 0.0% | 32.3%        | 15.5% | 0.0% | 2.9%             | 6.5% | 3.7%        | 16.7% | 0.0%      | 15.1% |
| Q4 2018 | 11.3%              | 18.6% | 1.2% | 3.0%  | 0.0% | 0.0%         | 4.2%  | 5.2% | 0.0%             | 0.0% | 11.5%       | 6.7%  | 0.0%      | 38.3% |

|         |       |       |       |       |       |       |       |       |       |       |       |       |      |       |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|-------|
| Q3 2018 | 1.0%  | 4.3%  | 11.3% | 6.3%  | 0.0%  | 5.4%  | 2.4%  | 11.7% | 0.0%  | 0.0%  | 14.0% | 0.2%  | 5.0% | 38.3% |
| Q2 2018 | 0.0%  | 0.0%  | 9.6%  | 11.2% | 0.0%  | 2.6%  | 0.0%  | 4.7%  | 0.5%  | 0.0%  | 2.4%  | 14.9% | 4.0% | 50.0% |
| Q1 2018 | 30.3% | 4.7%  | 2.1%  | 13.6% | 0.0%  | 1.9%  | 0.2%  | 0.5%  | 11.5% | 1.8%  | 0.0%  | 8.6%  | 1.3% | 23.6% |
| Q4 2017 | 30.9% | 5.0%  | 5.0%  | 5.1%  | 13.3% | 5.9%  | 3.9%  | 0.0%  | 18.1% | 0.7%  | 2.2%  | 6.0%  | 0.0% | 3.9%  |
| Q3 2017 | 7.6%  | 13.2% | 0.0%  | 12.0% | 16.4% | 18.3% | 14.0% | 0.0%  | 16.9% | 0.0%  | 1.5%  | 0.0%  | 0.0% | 0.0%  |
| Q2 2017 | 12.2% | 10.9% | 1.0%  | 20.0% | 11.7% | 2.2%  | 4.4%  | 0.0%  | 7.8%  | 4.0%  | 0.0%  | 7.3%  | 0.0% | 18.2% |
| Q1 2017 | 24.3% | 0.0%  | 8.1%  | 13.3% | 1.5%  | 0.0%  | 0.0%  | 8.1%  | 0.1%  | 0.4%  | 0.0%  | 1.6%  | 0.0% | 42.5% |
| Q4 2016 | 0.7%  | 0.0%  | 10.4% | 12.3% | 0.0%  | 0.3%  | 12.7% | 15.0% | 2.4%  | 6.6%  | 0.0%  | 4.1%  | 3.3% | 32.2% |
| Q3 2016 | 0.0%  | 4.3%  | 6.7%  | 1.0%  | 0.0%  | 19.8% | 27.6% | 13.3% | 1.3%  | 8.8%  | 3.4%  | 8.7%  | 0.0% | 5.2%  |
| Q2 2016 | 3.9%  | 10.3% | 0.5%  | 0.0%  | 0.0%  | 21.1% | 31.1% | 5.0%  | 0.0%  | 8.3%  | 3.8%  | 11.4% | 0.2% | 4.6%  |
| Q1 2016 | 0.0%  | 10.9% | 0.0%  | 1.4%  | 0.0%  | 33.1% | 1.1%  | 0.0%  | 0.0%  | 1.7%  | 0.5%  | 5.8%  | 0.8% | 44.7% |
| Q4 2015 | 0.0%  | 12.5% | 0.0%  | 7.7%  | 0.0%  | 10.3% | 18.6% | 0.0%  | 0.0%  | 3.3%  | 0.0%  | 4.9%  | 0.8% | 41.8% |
| Q3 2015 | 1.6%  | 3.3%  | 7.0%  | 10.8% | 5.8%  | 9.9%  | 3.4%  | 1.6%  | 0.0%  | 3.3%  | 0.0%  | 0.0%  | 3.2% | 50.0% |
| Q2 2015 | 0.0%  | 0.0%  | 12.5% | 5.5%  | 12.7% | 18.0% | 2.7%  | 0.9%  | 0.9%  | 3.3%  | 1.5%  | 0.7%  | 1.7% | 39.6% |
| Q1 2015 | 0.3%  | 16.7% | 4.3%  | 11.9% | 0.0%  | 39.4% | 0.8%  | 0.0%  | 0.0%  | 0.0%  | 7.6%  | 0.0%  | 0.0% | 19.1% |
| Q4 2014 | 8.3%  | 11.1% | 0.0%  | 18.6% | 0.0%  | 38.5% | 0.2%  | 0.0%  | 1.4%  | 1.7%  | 4.4%  | 0.0%  | 0.0% | 15.8% |
| Q3 2014 | 8.1%  | 6.7%  | 0.0%  | 11.4% | 0.3%  | 35.8% | 0.0%  | 0.0%  | 15.4% | 3.3%  | 16.6% | 2.1%  | 0.3% | 0.0%  |
| Q2 2014 | 13.0% | 6.1%  | 0.0%  | 7.9%  | 0.0%  | 24.4% | 16.9% | 5.0%  | 2.6%  | 5.0%  | 11.7% | 1.6%  | 0.8% | 5.1%  |
| Q1 2014 | 16.5% | 0.0%  | 1.1%  | 20.0% | 0.2%  | 0.1%  | 22.8% | 12.3% | 0.0%  | 0.0%  | 0.9%  | 1.8%  | 0.0% | 24.3% |
| Q4 2013 | 9.6%  | 0.0%  | 3.8%  | 18.2% | 3.1%  | 0.7%  | 4.4%  | 9.1%  | 0.0%  | 0.0%  | 0.0%  | 0.3%  | 0.8% | 50.0% |
| Q3 2013 | 17.1% | 8.8%  | 7.9%  | 10.0% | 0.0%  | 0.8%  | 0.4%  | 5.1%  | 0.0%  | 0.0%  | 0.0%  | 0.2%  | 0.0% | 49.8% |
| Q2 2013 | 19.9% | 20.0% | 7.9%  | 0.0%  | 6.2%  | 26.3% | 0.0%  | 4.4%  | 0.0%  | 0.0%  | 11.0% | 0.0%  | 0.8% | 3.4%  |
| Q1 2013 | 0.0%  | 6.7%  | 11.2% | 0.0%  | 16.8% | 13.8% | 20.0% | 7.7%  | 3.2%  | 5.0%  | 6.4%  | 0.0%  | 2.2% | 7.0%  |
| Q4 2012 | 2.3%  | 6.7%  | 0.0%  | 1.9%  | 5.3%  | 11.3% | 38.8% | 6.3%  | 2.0%  | 10.0% | 1.4%  | 10.0% | 1.7% | 2.4%  |
| Q3 2012 | 0.0%  | 14.3% | 0.0%  | 11.2% | 0.9%  | 34.4% | 9.9%  | 3.7%  | 0.0%  | 10.0% | 11.6% | 0.2%  | 0.3% | 3.7%  |
| Q2 2012 | 5.8%  | 13.3% | 0.0%  | 14.6% | 0.0%  | 28.6% | 0.0%  | 0.0%  | 0.0%  | 4.8%  | 8.4%  | 0.0%  | 4.2% | 20.3% |

#### Risks related to the index

Please review carefully these risk factors, and any risk factors in an offering document for any security or financial instrument referencing the Index, before making any investment.

- S&P, the Index Calculation Agent, may adjust the Index in a way that affects its level, and S&P has no obligation to consider your interests.
- The Index may not be successful and may not outperform any alternative strategy that might be employed in respect of the ETFs or achieve its target volatility.
- The Index has a limited operating history and may perform in unanticipated ways.
- The ETFs composing the Index may be replaced by a substitute ETF in certain extraordinary events.
- The Index may perform poorly during periods characterized by short-term volatility.
- An investment linked to the Index carries the risks associated with the Index's momentum investment strategy.
- The Index may be partially uninvested.
- Correlation of performances among the ETFs may reduce the performance of the Index.
- The Index is subject to market risks
- Changes in the value of the ETFs may offset each other.
- The level of the Index will include the deduction of a change in the ICE LIBOR USD 3 Month interest rate and a fee.
- The Index comprises notional assets.



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Back-testing and other statistical analysis material provided to you in connection with the explanations of the potential returns associated with an investment in the Index use simulated analysis and hypothetical assumptions in order to illustrate the manner in which the Index may have performed in periods prior to the actual existence of the Index.

The hypothetical back-tested annualized performance and annualized volatility of the Index have inherent limitations. These performance and volatility results were achieved by means of a retroactive application of a back-tested volatility model designed with the benefit of hindsight. All hypothetical levels shown have inherent limitations. Alternative modelling techniques or assumptions may produce different hypothetical information that might prove to be more appropriate and that might differ significantly from the hypothetical information set forth above. Actual annualized performance and volatilities may vary materially from the information shown.

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Data sourced and calculated by Bloomberg and HSBC.

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<sup>1</sup> This cap can increase in increments of 10% (subject to a maximum weight of 100%) as described further in the offering document.

