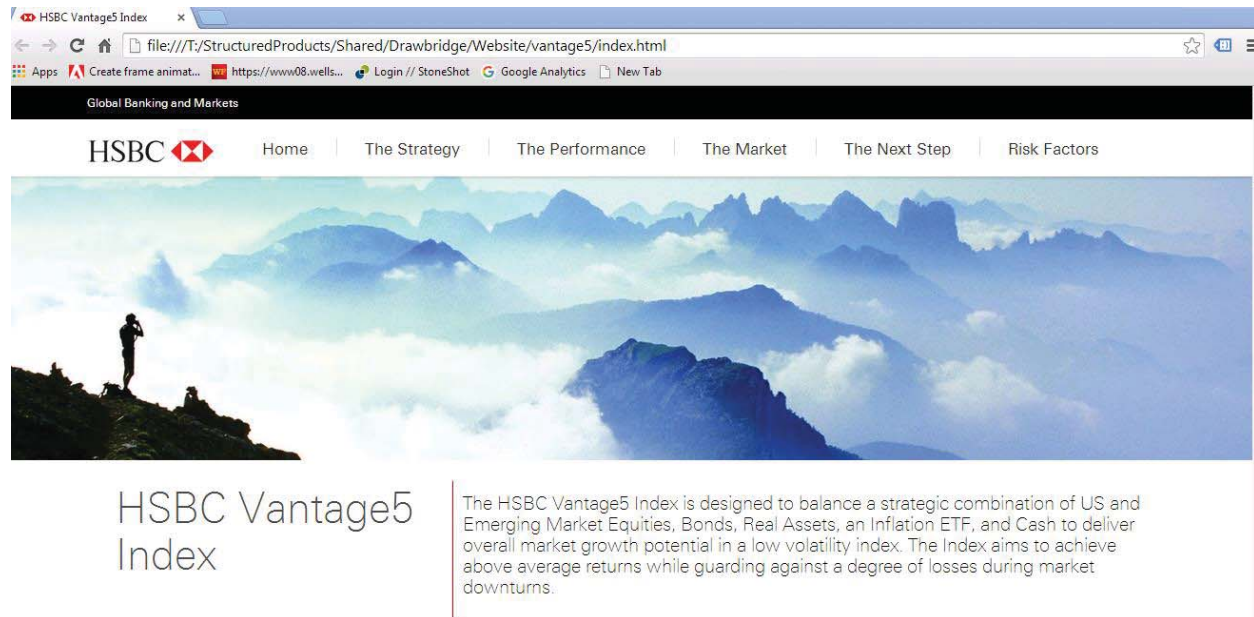


## Header/Top Section



The screenshot shows the top section of the HSBC Vantage5 Index website. At the top is a browser window with the address bar showing a file path. Below the browser is a black navigation bar with the HSBC logo and links: Home, The Strategy, The Performance, The Market, The Next Step, and Risk Factors. The main header image is a landscape with mountains and a person on a cliff. Below the image, the text 'HSBC Vantage5 Index' is displayed on the left, and a descriptive paragraph is on the right.

### HSBC Vantage5 Index

The HSBC Vantage5 Index is designed to balance a strategic combination of US and Emerging Market Equities, Bonds, Real Assets, an Inflation ETF, and Cash to deliver overall market growth potential in a low volatility index. The Index aims to achieve above average returns while guarding against a degree of losses during market downturns.

## HSBC Vantage5 In Brief



### The Index

The HSBC Vantage5 Index utilizes the investment concept of Modern Portfolio Theory and the related investment principle of Efficient Frontier in an attempt to maximize investment returns for a given level of market risk.



### Target 5%

The Index methodology is based on allocations from a basket of 13 ETFs and Cash to achieve a volatility target of 5%. The Index limits exposure to defined levels on both the ETFs and the Asset Classes to avoid an overconcentration in any single asset.



### Maintain & Capture

The HSBC Vantage5 Index uses a rules-based methodology to capture performance and maximize returns. Each month, the Index composition is made up of a portfolio of investment constituents based on both 3 month and 6 month historical returns to capture both long and short term market momentum.


## Strategy Section

File Edit View Favorites Tools Help

T:\StructuredProducts\Shared\Drawbridge\Website HSBC Vantage5 Index

Global Banking and Markets

HSBC Home The Strategy The Performance The Market The Next Step



### Achieving Balance

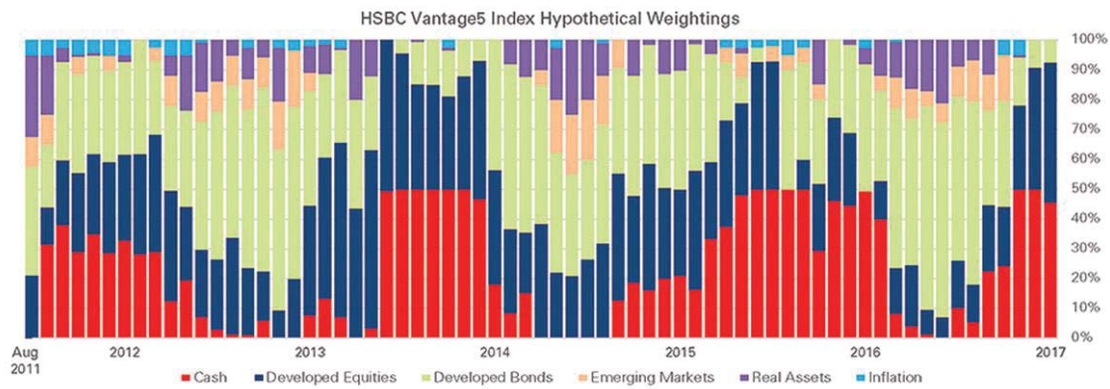
HSBC Vantage5 strategic allocation across multiple assets, and the option to invest up to 50% of the basket in cash, enables stability in turbulent markets.

### HSBC Vantage5 Index Components & Caps

Asset Class	EFT Name	EFT Ticker	ETF Cap	Asset Class Cap
Developed Equities	SPDR S&P 500® ETF	SPY	40%	60%
	iShares® Russell 2000 ETF	IWM	20%	
	PowerShares S&P 500 Low Volatility Portfolio	SPLV	20%	
	PowerShares QQQ	QQQ	20%	
	iShares® MSCI EAFE Index ETF	EFA	20%	
Developed Bonds	iShares® 20+ Year Treasury Bond ETF	TLT	40%	80%
	iShares® iBoxx Investment Grade Corporate Bond ETF	LQD	40%	
	iShares® iBoxx High Yield Corporate Bond ETF	HYG	15%	
Emerging Markets	iShares® MSCI Emerging Markets ETF	EEM	20%	30%
	iShares® JP Morgan USD Emerging Markets Bond ETF	EMB	10%	
Real Assets	iShares® US Real Estate ETF	IYR	20%	30%
	SPDR® Gold Shares	GLD	20%	
Inflation	iShares® TIPS Bond ETF	TIP	10%	10%
Cash	Cash – ICE LIBOR USD 3 Month		50%	50%

## HSBC Vantage5 Hypothetical Weightings

HSBC Vantage5 Index is designed to dynamically adapt to different market conditions. In volatile market conditions, the Index is designed to allocate its investments in lower volatility ETFs and Cash. The chart is an example of the Index's ETF allocation from August 2011 to February 2017.



The chart above sets forth the hypothetical Index Constituents allocation within Monthly Reference Portfolios (as defined herein) from July 28, 2011 through February 28, 2017, calculated by the Index Owner. The Index has only been calculated by S&P Dow Jones LLC since March 15, 2017. The chart below was calculated using the same selection criteria and methodology as is employed to select Monthly Reference Portfolios for purposes of calculating the Index return since its inception on March 15, 2017. However, the hypothetical back-tested Index Constituents allocation within Monthly Reference Portfolios prior to March 15, 2017 only reflects the application of that selection methodology in hindsight, since the Index was not actually calculated and published prior to March 15, 2017.

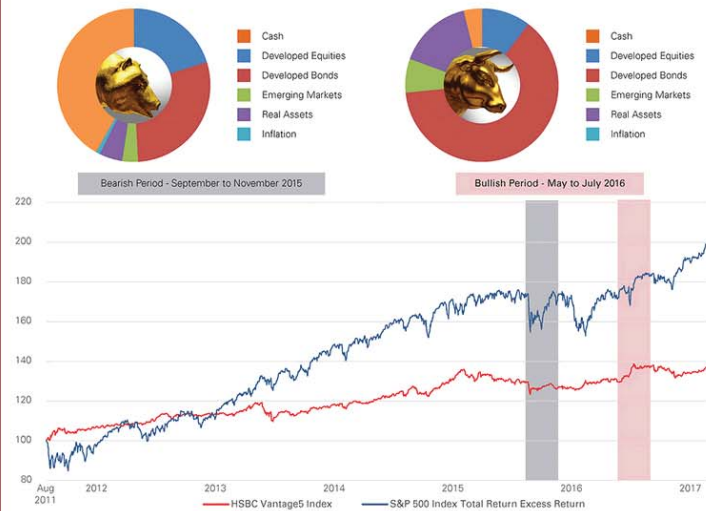
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## Market Adaptation - momentum capture

Observing both bearish and bullish periods in the US Equity markets, the Index would have reallocated among asset classes to capture the better performing ETFs within the required 5% volatility target.

During bearish periods, the average monthly asset allocation would have shifted to a heavier weighting in Cash and Bonds. Conversely, during bullish periods, the average monthly asset allocation would have experienced a greater shift toward equities.

Due to this principle of dynamic reweighting, the outcomes observed would have generally been smoother historical price performance with fewer draw-downs when compared to market benchmarks such as the S&P 500.

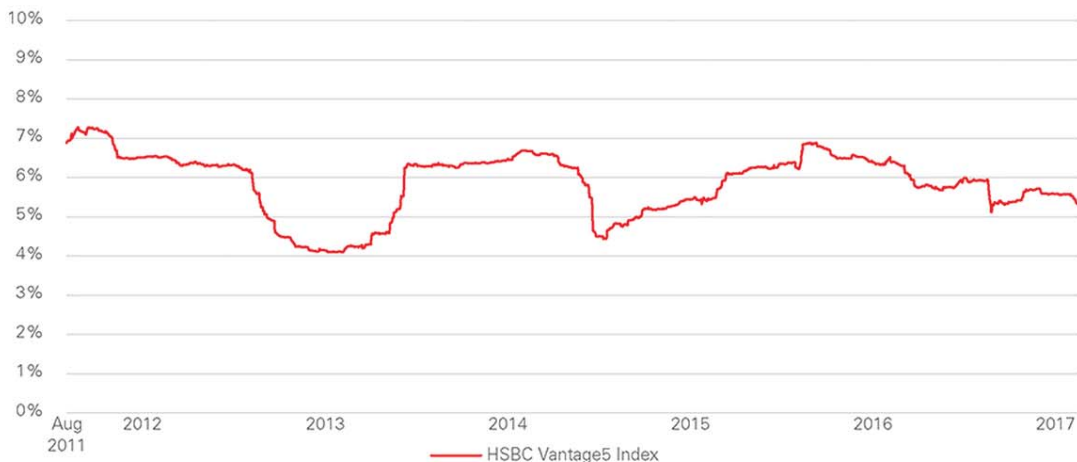


The graph above sets forth the hypothetical back-tested performance of the Index from August 1, 2011 through February 28, 2017. The Index has only been calculated by S&P Dow Jones LLC since March 15, 2017. The hypothetical back-tested performance of the Index set forth in the graph below was calculated using the selection criteria and methodology employed to calculate the Index since its inception on March 15, 2017. However, the hypothetical back-tested index data only reflects the application of that methodology in hindsight, since the Index was not actually calculated and published prior to March 15, 2017. The hypothetical back-tested index data cannot completely account for the impact of financial risk in actual trading. There are numerous factors related to the equities, bonds, real estate and commodities markets in general that cannot be, and have not been, accounted for in the hypothetical back-tested index data, all of which can affect actual performance. Consequently, you should not rely on that data as a reflection of what the actual Index performance would have been had the Index been in existence or in forecasting future Index performance. Any hypothetical upward or downward trend in the level of the Index during any period shown is not an indication that the level of the Index is more or less likely to increase or decrease at any time.

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## Hypothetical Volatility

The graph below reflects the hypothetical annualized rolling 252 day volatility\*



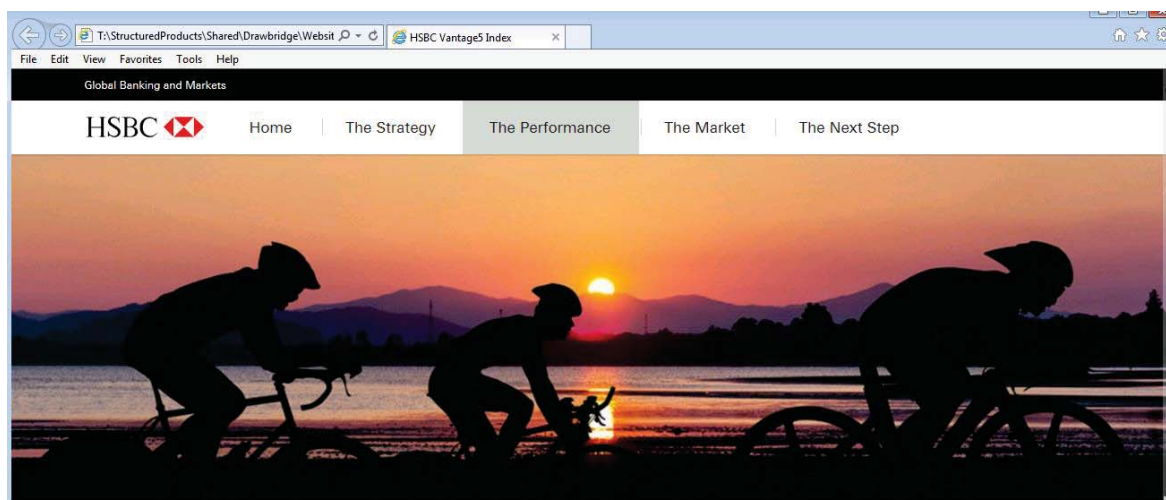
\*252 days represents the number of full business days in a calendar year, used when calculating one-year volatility.

The graph above sets forth the hypothetical back-tested performance of the Index from August 1, 2011 through February 28, 2017. The Index has only been calculated by S&P Dow Jones LLC since March 15, 2017. The hypothetical back-tested performance of the Index set forth in the graph below was calculated using the selection criteria and methodology employed to calculate the Index since its inception on March 15, 2017. However, the hypothetical back-tested index data only reflects the application of that methodology in hindsight, since the Index was not actually calculated and published prior to March 15, 2017. The hypothetical back-tested index data cannot completely account for the impact of financial risk in actual trading. There are numerous factors related to the equities, bonds, real estate and commodities markets in general that cannot be, and have not been, accounted for in the hypothetical back-tested index data, all of which can affect actual performance. Consequently, you should not rely on that data as a reflection of what the actual Index performance would have been had the Index been in existence or in forecasting future Index performance. Any hypothetical upward or downward trend in the level of the Index during any period shown is not an indication that the level of the Index is more or less likely to increase or decrease at any time.

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## Performance Section



### HSBC Vantage5 Key Drivers



#### Equity Universe

The HSBC Vantage5 Index utilizes equity ETF underlyings such as PowerShares QQQ and PowerShares S&P 500 Low Volatility Portfolio (SPLV) to potentially enhance equity returns.



#### Higher Equity Allocation

HSBC Vantage5 Index provides a greater maximum allocation to developed and emerging market equities (80%) compared to several other target volatility strategies. This may increase the potential for equity outperformance.



#### No Intra-Month Volatility Cap

The HSBC Vantage5 Index does not impose an intra-month cap on volatility which enables the Index to remain fully invested in the selected portfolio of ETFs for the duration of the month.

The HSBC Vantage5 Index as illustrated below demonstrates steady returns since its establishment in August of 2011. The dynamic reallocation across assets, along with a 5% volatility cap, attempts to mitigate the risk associated with inter-month excessive volatility.



The graph above sets forth the hypothetical back-tested performance of the Index from August 1, 2011 through February 28, 2017. The Index has only been calculated by S&P Dow Jones LLC since March 15, 2017. The hypothetical back-tested performance of the Index set forth in the graph below was calculated using the selection criteria and methodology employed to calculate the Index since its inception on March 15, 2017. However, the hypothetical back-tested Index data only reflects the application of that methodology in hindsight, since the Index was not actually calculated and published prior to March 15, 2017. The hypothetical back-tested Index data cannot completely account for the impact of financial risk in actual trading. There are numerous factors related to the equities, bonds, real estate and commodities markets in general that cannot be, and have not been, accounted for in the hypothetical back-tested Index data, all of which can affect actual performance. Consequently, you should not rely on that data as a reflection of what the actual Index performance would have been had the Index been in existence or in forecasting future Index performance. Any hypothetical upward or downward trend in the level of the Index during any period shown is not an indication that the level of the Index is more or less likely to increase or decrease at any time.

### HSBC Vantage5 Performance

HSBC Vantage5 Index	
3Y Annualized Return	4.6%
5Y Annualized Return	4.8%
Annualized Return	5.7%
Annualized Volatility	5.9%
Sharpe Ratio	0.96
Max Drawdown	-9.2%

Data from Aug '11 to Feb '17 Source: Bloomberg

INTERNAL

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## Index Administrator / Index Calculation Agent



S&P Dow Jones has been selected as the exclusive Calculation Agent and Index Administrator for the HSBC Vantage5 Index. The selection of S&P Dow Jones Indices is based on the firm's experience, expertise and its reputation as one of the industries benchmark index providers.

As Calculation Agent and Index Administrator, S&P Dow Jones Indices is responsible for:

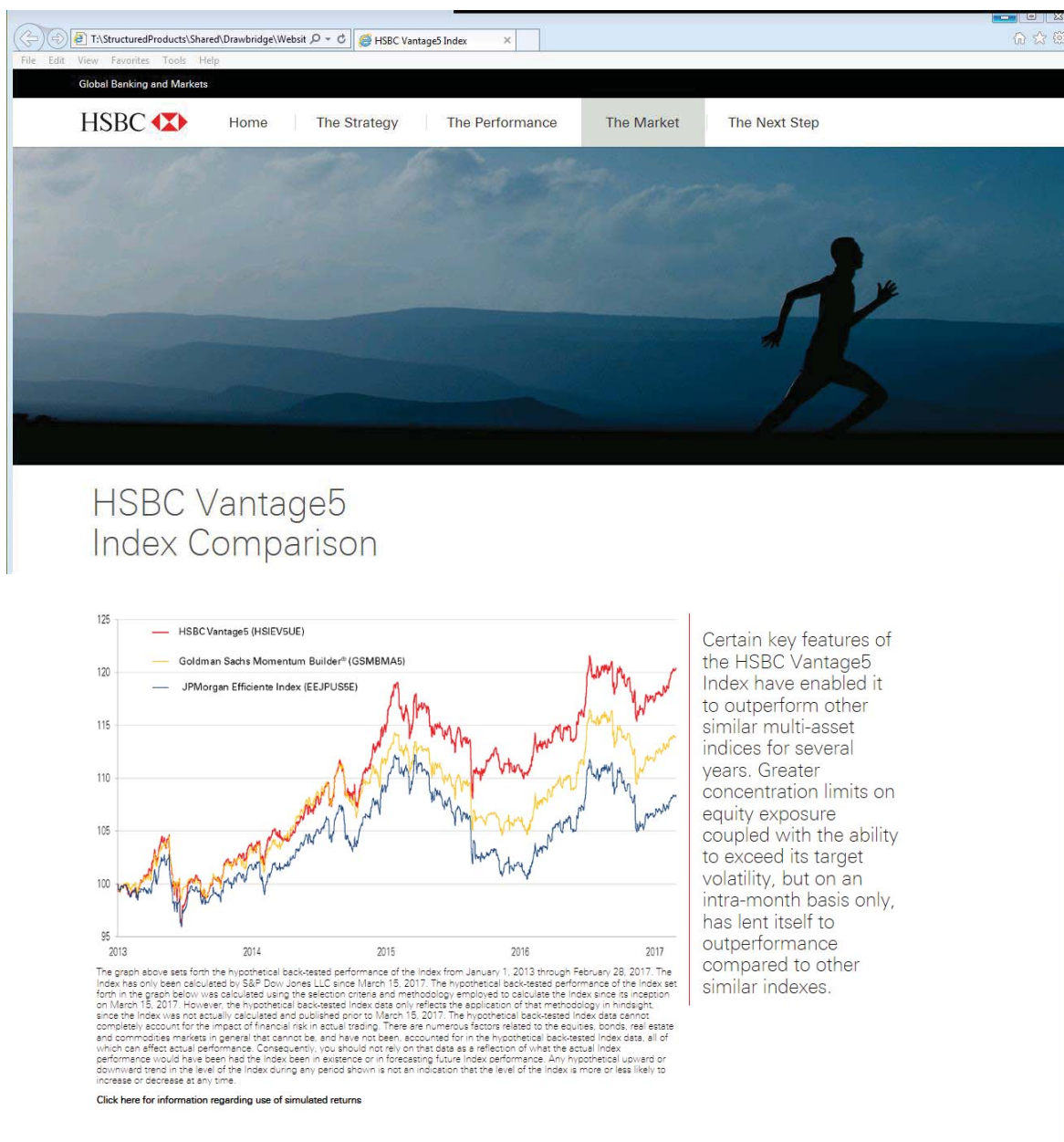
- The integrity of the historical data
- Ensuring consistency in the Index methodology and calculation
- Dissemination of Index information and performance
- Independently managing corporate actions in an unbiased and fair manner

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## HSBC Vantage5 Current Market Data

For the latest information on the HSBC Vantage5 Index, visit the index feed page >>[Click here](#)

## Market Section



	HSBC Vantage5 Index	S&P 500® Index	S&P 500® Index Total Return Excess Return
3Y Annualized Return	4.10%	6.60%	8.40%
5Y Annualized Return	4.50%	12.21%	14.19%
Annualized Volatility	6.06%	20.95%	20.96%
Sharpe Ratio	0.86	0.22	0.27
Max Drawdown	-10.15%	-56.78%	-57.17%

The table above sets forth the hypothetical back-tested performance of the Index from August 1, 2011 through February 28, 2017. The Index has only been calculated by S&P Dow Jones LLC since March 15, 2017. The hypothetical back-tested performance of the Index set forth in the graph below was calculated using the selection criteria and methodology employed to calculate the Index since its inception on March 15, 2017. However, the hypothetical back-tested Index data only reflects the application of that methodology in hindsight, since the Index was not actually calculated and published prior to March 15, 2017. The hypothetical back-tested Index data cannot completely account for the impact of financial risk in actual trading. There are numerous factors related to the equities, bonds, real estate and commodities markets in general that cannot be, and have not been, accounted for in the hypothetical back-tested Index data, all of which can affect actual performance. Consequently, you should not rely on that data as a reflection of what the actual Index performance would have been had the Index been in existence or in forecasting future Index performance. Any hypothetical upward or downward trend in the level of the Index during any period shown is not an indication that the level of the Index is more or less likely to increase or decrease at any time.

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## Next Steps Section

Global Banking and Markets

HSBC Home The Strategy The Performance The Market The Next Step

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Without prejudice to the foregoing, in no event shall the Index Owner, the Index Administrator nor the Index Calculation Agent, have any liability for any indirect, special, punitive or consequential damages (provided that any such damage is not reasonably foreseeable) even if notified of the possibility of such damages.



## Risks pop-up Section

The screenshot shows a web browser window with the address bar displaying `file:///T:/StructuredProducts/Shared/Drawbridge/Website/vantage5/index.html`. The page title is "HSBC Vantage5 Index". The main content area is titled "Risks relating to the index" and contains the following text:

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 is calculated by the S&P Dow Jones Indices LLC (the "Index Calculation Agent"). The Index Calculation Agent is responsible for calculating and maintaining the Index and developing the guidelines and policies governing its composition and calculation. It is entitled to exercise discretion in relation to the Index, including but not limited to the calculation of the level of the Index in the event of an Index Market Disruption Event. Although S&P, acting as the Index Calculation Agent, will make all determinations and take all action in relation to the Index acting in good faith, it should be noted that the policies and judgments for which S&P is responsible could have an impact, positive or negative, on the level of the Index. S&P may also amend the rules governing the Index in certain circumstances.

Judgments, policies and determinations concerning the Index are made by S&P. Furthermore, the inclusion of the ETFs in the Index is not an investment recommendation by S&P of the ETFs, or any of the securities, commodities or futures contracts underlying the ETFs.

**The Index comprises notional assets.**

The exposures to the ETF constituents and any cash investment are purely notional and will exist solely in the records maintained by or on behalf of the Index Calculation Agent. There is no actual portfolio of assets to which any person is entitled or in which any person has any ownership interest. Consequently, you will not have any claim against any of the underlying assets that comprise the Index.

**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 follows a notional rules-based proprietary strategy that operates on the basis of pre-determined rules. No assurance can be given that the investment strategy on which the Index is based will be successful or that the Index will outperform any alternative strategy that might be employed in respect of the ETFs. Furthermore, no assurance can be given that the Index will achieve its target maximum volatility of 5%. The actual realized volatility of the Index may be greater or less than 5%.

**The Index has a limited operating history and may perform in unanticipated ways.**

The Index was established on March 15, 2017 and therefore has a limited operating history. Hypothetical back-tested performance prior to the launch of the Index provided in this document refers to simulated performance data created by applying the Index's calculation methodology to historical prices of the ETFs that comprise the Index (including proxies for those ETFs when applicable). Such simulated performance data has been produced by the retroactive application of a back-tested methodology, and may give more preference towards ETFs or indices that have performed well in the past. Past performance should not be considered indicative of future performance.

The background page shows the HSBC logo and the text "Global Banking and Markets". On the left side, there is a sidebar with the heading "Risks to the investment" and a list of risk factors. On the right side, there is a sidebar with the heading "Factors" and a list of factors. The bottom of the page contains a footer with the text "© Copyright. HSBC".