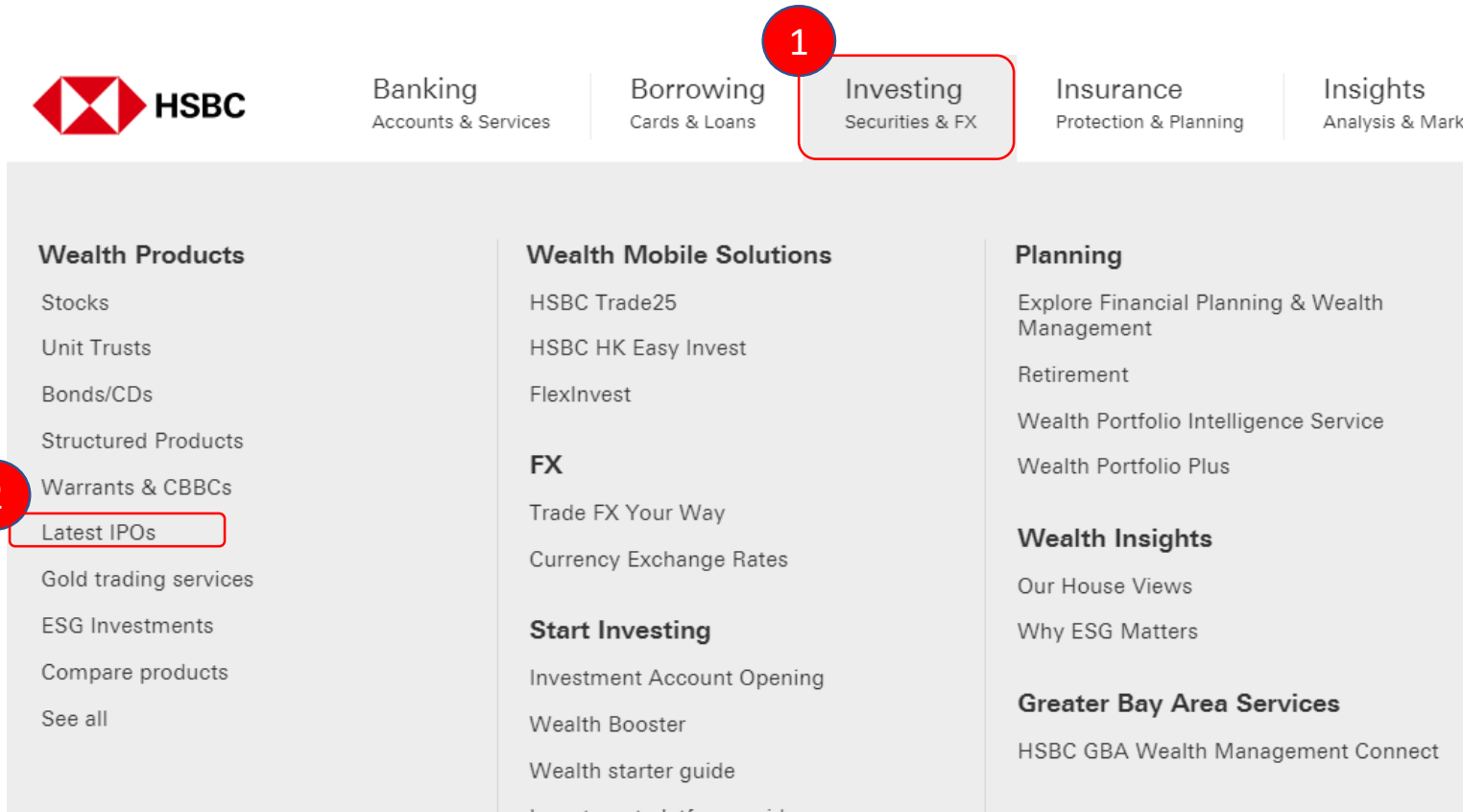

HSBC Bonds/ Certificate of Deposits (CDs) Initial Public Offering (IPO) Online Guidance

Aug 2022

Step 1. Access Latest IPOs Page



- Access to HSBC Public Website
- To access the Latest IPOs Page, go to

- 1 Investing
- 2 Latest IPOs

Step 2. View IPO Current List

1 | IPO Current List

Stock/Bond Code	Name	Next Steps
		2 Apply Info

1 View IPO Current List

2 Click "Apply" and you will be directed to logon to HSBC Internet Banking

Step 3. View Product Details

1

HSBC Back to Portfolio English Log off

10,000.00 HKD

Offer period: [redacted] to [redacted] HKT
via HSBC IPO business service

Price fixing date: 30 Sep 2022

Issue date: 30 Sep 2022

Interest rate (Payment frequency)
[redacted] per annum (Semi-annually)

Maturity date
[redacted]

Principal amount / Denomination
10000 HKD per Note/CD / 10000 HKD per Note/CD

Minimum Application Amount
10000 HKD per Note/CD (Subscription Price of 100% x principal amount + handling fee)

Subscription period
[redacted] to [redacted] HKT

Product risk rate
[redacted]

Information for application

Please note that the order will be cancelled if total subscription amount does not meet the minimum issue size indicated in the Offering documentation or the final yield at pricing is below the Minimum Yield indicated in the application without further notification from HSBC.

HSBC acts as agent in the subscription of the Certificates of Deposit, and receives a distribution fee of [redacted] from the issuer of the Certificates of Deposit.

Please ensure that you maintain sufficient available funds in your selected settlement account when you submit your application, otherwise your application will not be processed.

Please refer to Frequently asked questions at <https://www.personal.hsbc.com.hk/hk/investments/faq>.

References to times are to Hong Kong time.

2

- 1 View the Product Details
- 2 Expand and read the Information for application
- 3 Read the IPO related documentation, including Terms and conditions, Disclaimer, Offering document(s), Conditions for applications, Reminder on Offering document(s) and Declaration on Application.
- 4 Tick the checkbox to confirm you have read, understood and accepted the related documentation, and confirm the Bank has not solicited the transaction or provided any recommendation of, or advice on, the transaction.

3

IPO information

- Terms and conditions >
- Disclaimer >
- Offering document(s) >
- Conditions for application >
- Reminder on Offering document(s) >
- Declaration on Application >

4

I have read, understood and accepted the **Terms and Conditions, Disclaimer, Offering document(s), Conditions for application, Reminder on offering document(s), and Reminder on application.**

I confirm that the Bank has not solicited the transaction or provided any recommendation of, or advice on, this transaction. This transaction is executed based on your own judgement.

Step 3. View Product Details

Your Risk Tolerance

5a Case 1: If Product Risk Level is within customer's risk tolerance

According to your latest risk level assessment, your risk tolerance is Very Cautious.

Your Risk Tolerance

5b Case 2: If Product Risk Level is higher than customer's risk tolerance

According to your latest risk level assessment, your risk tolerance is Very Cautious.

The Product Risk Level is higher than your risk tolerance and the product may not be suitable for you. You may choose products with lower risk level. Or if you would like to proceed with the subscription, please click the checkbox below.

I am aware that the Product Risk Level is higher than my risk tolerance, and I confirm to proceed with the subscription.

[← Back to IPO list](#)

6

For Certificates of Deposit (CD) IPO, customer's risk tolerance will be checked against Product Risk Level

5a If the Product Risk Level is within customer's risk tolerance (i.e. Product risk level the same or lower than customer's risk tolerance), customer's risk tolerance will be shown for reference.

5b If the Product Risk Level is higher than customer's risk tolerance, a reminder message would be popped up. If you want to proceed with the subscription, tick the checkbox to confirm that you aware the product risk level is higher than your risk tolerance and you confirm to proceed with the subscription.

Remark: For Retail Bond IPO, "Risk Tolerance" section is not applicable.

6 Click "Accept" to proceed

Step 4. Input Application Details

HSBC Bank in Hong Kong

IPO application

Application details

Notes/CD name and code

Note denomination
10,000.00 HKD

Min. principal amount
10,000.00 HKD

1 Principal amount of notes/CD applied for
HKD 10,000.00

Summary of fees

Premium
The premium (if part thereof) will be refunded to the applicant if the actual subscription price of the Notes/CD is less than the application amount paid by the applicant.
0.00 HKD

Handling fee
0% of principal amount of notes and premium
0.00 HKD

Application amount to be paid
10,000.00 HKD

2 Settlement instructions

Investment account
HSBC Premier Investment Service

Settlement account
Please ensure that you maintain sufficient available funds in your selected settlement account when you submit your application, otherwise your application will not be processed.
HSBC Premier HKD Savings

Allotment result notification
We will send a free SMS to your mobile phone number maintained in the bank's record to inform you the allotment results.

Please check your details carefully and make any necessary corrections before you proceed to apply.

By clicking on the "Continue" button below, you undertake and confirm that:
you have personally read a complete copy of offering document(s) of the Bond/CD IPO;
you are applying in full compliance with the Terms and Conditions, application procedures and selling restrictions of the Public Offer.

3 More IPO application FAQs >

4 Continue

[Back to previous page](#)

1 Input the principle amount for application

2 Select investment and settlement account

3 You may refer to IPO application FAQ (if needed)

4 Click "Continue" to proceed

Step 5. Verify the IPO application

The screenshot shows the HSBC website interface for verifying an IPO application. At the top, there is the HSBC logo, a 'Back to Portfolio' link, and a 'Log off' button. The main content area is titled 'Verify' and contains several sections:

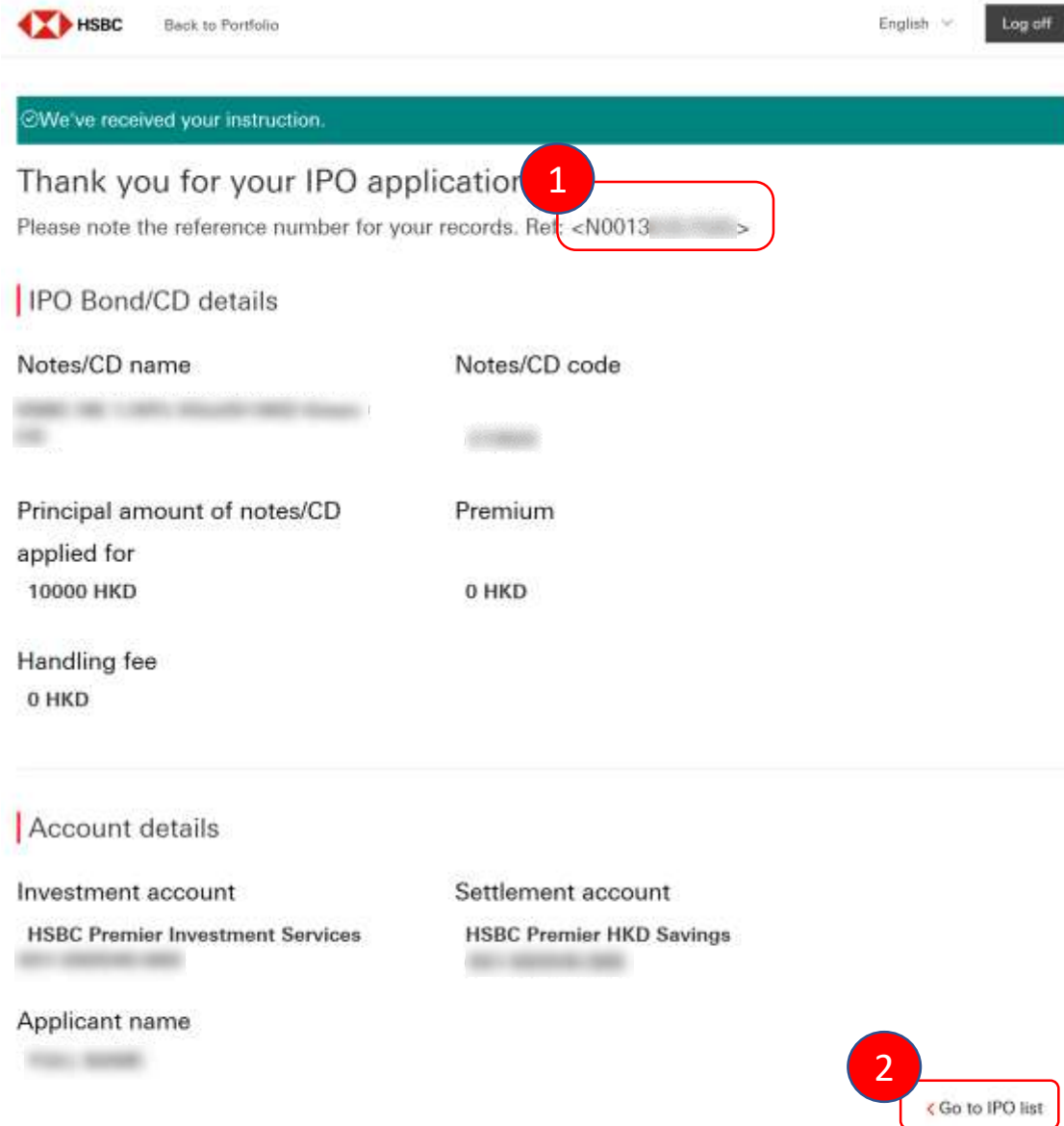
- 1 Verify**: A red circle highlights the 'Verify' title.
- IPO Bond/CD details**: A table with the following information:

Notes/CD name	Notes/CD code
[Redacted]	[Redacted]
Principal amount of notes/CD applied for	Premium
10000 HKD	0 HKD
Handling fee	
0 HKD	
Total amount of payment	
10000 HKD	
- 2 Account details**: A red circle highlights the 'Account details' section, which includes:
 - Investment account: HSBC Premier Investment Services
 - Settlement account: HSBC Premier HKD Savings
 - Applicant name: [Redacted]
- 3 IPO loan outstanding payment**: A red circle highlights a link to view the IPO loan outstanding payment.
- 4 Message for joint account applicant**: A red circle highlights a link to view a message for joint account applicants.
- 5 < Back to previous page**: A red circle highlights a button to return to the previous page.
- 6 Confirm**: A red circle highlights a red 'Confirm' button.

- 1 Verify the application details
- 2 Verify the account and applicant details
- 3 Read the IPO loan outstanding payment if you have applied for IPO loan
- 4 Read the Message for joint account applicant if you apply the IPO via joint account
- 5 You may Click "Back to previous page" to amend the application if needed
- 6 Click "Confirm" to confirm the application

Remark: The confirmed IPO application is irrevocable, please double check before confirming the application.

Step 6. Application Acknowledgment



The screenshot shows the HSBC application acknowledgment page. At the top, there is a teal banner with the text "We've received your instruction." Below this, a message reads "Thank you for your IPO application" followed by a red circle containing the number "1" and a red box around the reference number "<N0013...>". The page is divided into two main sections: "IPO Bond/CD details" and "Account details".

IPO Bond/CD details

Notes/CD name	Notes/CD code
[Redacted]	[Redacted]
Principal amount of notes/CD applied for	Premium
10000 HKD	0 HKD
Handling fee	
0 HKD	

Account details

Investment account	Settlement account
HSBC Premier Investment Services	HSBC Premier HKD Savings

Applicant name: [Redacted]

At the bottom right, there is a red circle containing the number "2" and a red box around a button labeled "< Go to IPO list".

1 The application is confirmed with reference number. You may keep the reference number for record / enquiry purpose.

After closing of IPO subscription period, an application advice will be sent to you.

2 Click "Go to IPO list" to check for see other IPO

Bonds/ CDs Risk Disclosure

Important Risk Warning

- A bond is an investment product. The investment decision is yours but you should not invest in this product unless the intermediary who sells it to you has explained to you that the product is suitable for your financial situation, investment experience and investment objectives.
- Bonds and Certificates of Deposit (CDs) are NOT equivalent to a time deposit. CDs are not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.
- Issuer's Risk - Bonds and CDs are subject to both the actual and perceived measures of credit worthiness of the issuer. There is no assurance of protection against a default by the issuer in respect of the repayment obligations. In the worst case scenario, you might not be able to recover the principal and any coupon if the issuer defaults on the bond and CD.

Risk Disclosure

- Bonds/CDs are mainly medium- to long-term fixed income products, not for short-term speculation. You should be prepared to hold your bonds/CDs for the full tenor; you could lose part or all of your principal if you choose to sell the bond/CDs prior to maturity.
- It is the Issuer who pays interest and repays principal of bonds/CDs. If the issuer of your bond/CD defaults, you might not be able to receive back the interest and principal. You bear the credit risk of the issuer and have no recourse to HSBC unless HSBC is the issuer itself.
- Indicative price of bonds/CDs are available, but prices will fluctuate with market changes. Factors affecting market price of bonds/CDs include, and are not limited to, fluctuations in Interest Rates, Credit Spreads, and Liquidity Premiums. The fluctuation in yield generally has a greater effect on prices of longer tenor bonds/CDs. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling bonds/CDs.
- If you wish to sell bonds/CDs, HSBC may repurchase it based on the prevailing market price under normal market circumstances, but the selling price may differ from the original buying price due to changes in market conditions.
- Bonds are generally subject to Interest rate risk. Bonds are more susceptible to fluctuations in interest rates and generally prices of bonds will fall when interest rates rise.
- There may be exchange rate risks if you choose to convert payments made on bonds/CDs to your home currency.
- The secondary market for bonds/CDs may not provide significant liquidity or may trade at prices based on the prevailing market conditions and may not be in line with the expectations of holders of bonds / CDs.
- If bonds/CDs are redeemed early, you might not receive the same rates of return when you use the funds to purchase other products.

For renminbi (RMB) products:

- There may be exchange rate risks if you choose to convert RMB payments made on the bonds to your home currency.
- RMB debt instruments are subject to interest rate fluctuations, which may adversely affect the return and performance of the RMB products.
- RMB products may suffer significant losses in liquidating the underlying investments if such investments do not have an active secondary market and their prices have large bid/offer spreads.
- You could lose part or all of your principal if you choose to sell your RMB bonds prior to maturity.

Bonds/ CDs Risk Disclosure

Sustainable Investments:

- “Sustainable investments” include investment approaches or instruments which consider environmental, social, governance and/or other sustainability factors (collectively, “sustainability”) to varying degrees. Certain instruments we include within this category may be in the process of changing to deliver sustainability outcomes.
- There is no guarantee that sustainable investments will produce returns similar to those which don’t consider these factors. Sustainable investments may diverge from traditional market benchmarks.
- In addition, there is no standard definition of, or measurement criteria for sustainable investments, or the impact of sustainable investments (“sustainability impact”). Sustainable investment and sustainability impact measurement criteria are (a) highly subjective and (b) may vary significantly across and within sectors.
- HSBC may rely on measurement criteria devised and/or reported by third party providers or issuers. HSBC does not always conduct its own specific due diligence in relation to measurement criteria. There is no guarantee: (a) that the nature of the sustainability impact or measurement criteria of an investment will be aligned with any particular investor’s sustainability goals; or (b) that the stated level or target level of sustainability impact will be achieved.
- Sustainable investing is an evolving area and new regulations may come into effect which may affect how an investment is categorised or labelled. An investment which is considered to fulfil sustainable criteria today may not meet those criteria at some point in the future.

Green, Social and Sustainability Bonds:

- Green, Social and Sustainability (GSS) Bond labelling is a voluntary and recommended process and framework established by ICMA, the International Capital Markets Association. It aims to promote the integrity of the green, social and sustainability bond market. The intention is to encourage transparency and disclose on the specific use of proceeds to show investors the environmental and/or social projects financed by the financial instrument. The ICMA framework recommends a specific approved list of use of proceeds, a process for project evaluation and selection, management of proceeds and annual reporting on use of proceeds.
- Although the use of proceeds for a GSS bond can be verified by a second party opinion, third party verification or other equivalent process, the Bank cannot guarantee the issuer will indeed manage the use of proceeds to fund green or social projects throughout the life of the outstanding bond as there is no legal way to enforce the declared use of proceeds.

Sustainability-Linked Bonds:

- Sustainability-Linked Bonds are any type of bond instrument for which the financial and/or structural characteristics can vary depending on whether the issue achieves predefined sustainability/ESG objectives. Sustainability-Linked Bonds (SLBs) labelling is a voluntary and recommended process and framework established by ICMA, the International Capital Markets Association. The objectives are (i) measured through predefined Key Performance Indicators (KPIs) and (ii) assessed against predefined Sustainability Performance Targets (SPTs). There is no guarantee SLBs will deliver on their Sustainability Performance Targets and the proceeds of the instrument are not tied to specific environmental and/or social projects.
- Although the progress made against the KPIs and SPTs can be verified by a second party opinion, third party verification or other equivalent process, the Bank cannot guarantee the issuer of the financial instrument is making progress against those Sustainability/ESG objectives.