

BASE PROSPECTUS SUPPLEMENT DATED 19 FEBRUARY 2020



HSBC Bank plc

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

as Issuer

This base prospectus supplement (the "**Base Prospectus Supplement**") is supplemental to and must be read in conjunction with (i) the registration document prepared by HSBC Bank plc (the "**Issuer**") dated 22 May 2019 (the "**Registration Document**"), (ii) the base prospectus dated 22 May 2019 relating to the Debt Issuance Programme and the supplements thereto dated 6 August 2019 and 6 December 2019 (the "**DIP Base Prospectus**"); (iii) the base prospectus dated 31 May 2019 relating to the issuance of Market Access Notes and Warrants under the Programme for the Issuance of Notes and Warrants and the supplements thereto dated 6 August 2019 and 6 December 2019 (the "**Market Access Base Prospectus**"); (iv) the base prospectus dated 19 June 2019 relating to the issuance of Index-Linked Notes and Warrants under the Programme for the Issuance of Notes and Warrants and the supplements thereto dated 6 August 2019 and 6 December 2019 (the "**Index-Linked Base Prospectus**"); (v) the base prospectus dated 19 June 2019 relating to the issuance of Preference Share-Linked Notes under the Programme for the Issuance of Notes and Warrants and the supplements thereto dated 6 August 2019 and 6 December 2019 (the "**Preference Share-Linked Base Prospectus**"); and (vi) the base prospectus dated 19 June 2019 relating to the issuance of Interest Rate-Linked and Inflation-Linked Notes under the Programme for the Issuance of Notes and Warrants and the supplements thereto dated 6 August 2019 and 6 December 2019 (the "**Interest Rate-Linked and Inflation-Linked Base Prospectus**") (the DIP Base Prospectus, the Market Access Base Prospectus, the Index-Linked Base Prospectus, the Preference Share-Linked Base Prospectus and the Interest Rate-Linked and Inflation-Linked Base Prospectus together being hereafter referred to as the "**Base Prospectuses**"), each prepared by the Issuer in connection with the applications made for Notes, Warrants or Certificates (as applicable) to be admitted to listing on the Official List of the Financial Conduct Authority (in its capacity as competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (the "**FSMA**")) and to trading on the regulated market of the London Stock Exchange plc.

This Base Prospectus Supplement constitutes a supplement for the purposes of Directive 2003/71/EC, as amended or superseded (the "**Prospectus Directive**") and a supplementary prospectus for the purposes of section 87G of the FSMA. Terms defined in the Base Prospectuses shall have the same meaning when used in this Base Prospectus Supplement.

To the extent that there is any inconsistency between any statement in this Base Prospectus Supplement and any other statement in, or incorporated by reference in, the Base Prospectuses, the statements in this Base Prospectus Supplement will prevail.

The purpose of this Base Prospectus Supplement is to:

- disclose that on 18 February 2020, the Issuer published its annual report and accounts for the year ended 31 December 2019 (the "**Annual Report and Accounts**"), which contains the audited consolidated financial statements of the Issuer and the independent auditors' report thereon, in respect of the financial year ended 31 December 2019. The Annual Report and Accounts are available at <https://www.hsbc.com/investors/results-and-announcements/all-reporting/subsidiaries>. The Annual Report and Accounts, other than information incorporated by reference therein, is hereby incorporated by reference into the Base Prospectuses. The non-

incorporated parts of the Annual Report and Accounts are either not relevant to investors or are covered elsewhere in this Base Prospectus Supplement;

- update the Summaries contained in the Market Access Base Prospectus, Index-Linked Base Prospectus, Preference Share-Linked Base Prospectus and Interest Rate-Linked and Inflation-Linked Base Prospectus (extracts of such revised elements to the Summaries being set out in Annex 1 hereto) with certain of the information disclosed in the Annual Report and Accounts, namely:
 - updated trend information relating to the economic outlook in the UK and eurozone as set out in Element B.4b (*Known trends affecting the Issuer and the industries in which it operates*); and
 - updated financial information relating to the year ended 31 December 2019, as set out in Element B.12 (*Selected key financial information, no material adverse change and no significant change statement*); and
- replace paragraph 2 of the "*General Information*" section of the Registration Document (which is incorporated by reference into the DIP Base Prospectus and each of the other Base Prospectuses), paragraph 8 of the '*General Information*' section of the Market Access Base Prospectus, paragraph 10 of the '*General Information*' section of the Index-Linked Base Prospectus, paragraph 8 of the '*General Information*' section of the Preference Share-Linked Base Prospectus and paragraph 10 of the '*General Information*' section of the Interest Rate-Linked and Inflation-Linked Base Prospectus with the following statement:

"There has been no significant change in the financial position of the Issuer and its subsidiaries nor any material adverse change in the prospects of the Issuer since 31 December 2019."

To the extent that any document or information incorporated by reference itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Base Prospectus Supplement or any of the Base Prospectuses for the purposes of the Prospectus Directive, except where such information or documents are stated within this Base Prospectus Supplement as specifically being incorporated by reference or where this Base Prospectus Supplement is specifically defined as including such information.

Save as disclosed in this Base Prospectus Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectuses has arisen since the publication of the Base Prospectuses.

In circumstances where Article 16(2) of the Prospectus Directive (as implemented in the United Kingdom by Section 87Q(4) of the FSMA) applies, investors who have agreed to purchase or subscribe for any Notes, Warrants or Certificates (as the case may be) prior to the publication of this Base Prospectus Supplement may have the right to withdraw their acceptance. Investors wishing to exercise any such right should do so by giving notice in writing to the person from whom they agreed to purchase or subscribe for such Notes, Warrants or Certificates no later than 21 February 2020 which is the final date for the exercise of such right to withdraw.

The Issuer accepts responsibility for the information contained in this Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

ANNEX 1

EXTRACTS OF THE AMENDED ELEMENTS TO THE SUMMARIES OF THE MARKET ACCESS BASE PROSPECTUS, INDEX-LINKED BASE PROSPECTUS, PREFERENCE SHARE-LINKED BASE PROSPECTUS AND INTEREST RATE-LINKED AND INFLATION-LINKED BASE PROSPECTUS

<p>B.4b</p>	<p>Known trends affecting the Issuer and the industries in which it operates:</p>	<p>Following the general election on 12 December 2019, the UK's political landscape has changed substantially. With a large majority in Parliament, the government presided over Brexit – the UK's withdrawal from the European Union ('EU') on 31 January 2020. After a transition period lasting until the end of 2020, the UK is set to move to a new trading relationship with the EU. The UK economy continues to face uncertainties. First, it remains to be seen what form the UK's future relationship with the EU, and other trading partners, will take. Second, the government has yet to outline its fiscal plans in detail– they will be set out at the Budget on 11 March 2020. Third, the economic data are sending mixed – and not always encouraging– signals. On the data, the economy saw zero growth in the final quarter of 2019, following a 0.5% increase in the third quarter. Annual retail sales growth in November dropped below 1% for the first time in more than a year and a half, and annual consumer price inflation sunk to 1.3% in December, well below the Bank of England's 2% target. Importantly though, these data refer to activity taking place around the time of the election, when political uncertainty was elevated. Business surveys point to a post-election boost to economic growth, but it is unclear how large and sustained that will be. Given these continued uncertainties, HSBC Research maintains a cautious outlook. Its forecast is for below-average GDP growth of 1.1% in 2020, then an acceleration to 1.4% in 2021, driven, in part, by looser fiscal policy. But this subdued outlook is unlikely to deliver much inflationary pressure. Given that, HSBC Research forecasts Bank Rate to be reduced from 0.75% to 0.50% in May this year, then to remain on hold until at least the end of 2021.</p> <p>Eurozone real economic growth saw a slight slowdown through the course of 2019. Having started the year at 1.4%, the annual pace of economic growth slowed to 1.0% in the fourth quarter. While the slowdown has been modest, it masks big divergences across sectors and countries. Household spending growth has picked up slightly and investment has been surprisingly resilient. But there has been significant weakness in trade and industry. This weakness has been felt most acutely in Germany, where the manufacturing sector has been in recession for more than a year. That said, there are early signs that the eurozone has left the worst of the manufacturing weakness behind it – having slumped earlier in the year, manufacturing indicators have broadly stabilised. Alongside the slowdown in economic growth, the annual 'core' rate of eurozone consumer price inflation, which strips out volatile energy and food prices, remains low, at 1.1% in the January 'flash' estimate. But of course, this is still materially below the European Central Bank's ('ECB') target of 'below, but close to, 2%'. Given the stabilisation in leading indicators, HSBC Research forecasts quarterly economic growth to pick up very gradually over the next two years. However, full-year eurozone economic growth in 2020 is expected to be soft, at 0.7%, while growth in 2021 is expected to be only a little firmer, at 1.0%. Fiscal policy is likely to be somewhat supportive, but a large scale stimulus package seems unlikely. Against this subdued growth backdrop, HSBC Research expects eurozone inflation to remain below the ECB's target through this year and next. Monetary policy is likely to remain highly accommodative– the ECB is expected to keep rates on hold through 2020 and 2021, with the deposit rate at -0.50%. An openended Asset Purchase Programme (quantitative easing) is also set to continue.</p>
<p>B.12</p>	<p>Selected key financial information, no material adverse change and no significant</p>	<p>The selected key financial information regarding the Issuer set out below has been extracted without material adjustment from the audited consolidated financial statements of the Issuer for the years ended 31 December 2018 and 31 December 2019.</p>

change statement: ¹			
	<i>Footnotes</i>	2019	2018¹
For the year (£m)			
(Loss) / profit before tax (reported basis)		(872)	1,974
Profit before tax (adjusted basis)	2	603	2,100
Net operating income before change in expected credit losses and other credit impairment charges (reported basis).....	3	6,044	9,468
(Loss) / profit attributable to shareholders of the parent company.....		(1,013)	1,506
At year-end (£m)			
Total equity attributable to shareholders of the parent company.....		23,503	26,878
Total assets		636,491	604,958
Risk-weighted assets		125,413	143,875
Loans and advances to customers (net of impairment allowances)....		108,391	111,964
Customer accounts.....		177,236	180,836
Capital ratios (%)			
Common equity tier 1	4	14.2	13.8
Tier 1		17.6	16.0
Total capital		27.9	26.2
Performance, efficiency and other ratios (annualised %)			
Return on average ordinary shareholders' equity.....	5	(9.2)	4.2
Return on tangible equity	6	0.6	5.1
Cost efficiency ratio (reported basis).....	7	112.2	77.6
Cost efficiency ratio (adjusted basis)	7	87.9	76.1
Ratio of customer advances to customer accounts.....		61.2	61.9
<p>¹ Comparatives for the year 2018 include the discontinued operations (HSBC UK Bank plc) until 30 June 2018.</p> <p>² Adjusted performance is computed by adjusting reported results for the effect of significant items as detailed on pages 14 to 15.</p> <p>³ Net operating income before change in expected credit losses and other credit impairment charges is also referred to as revenue.</p> <p>⁴ Capital ratios are detailed in the Capital section on pages 75 to 76.</p> <p>⁵ The return on average ordinary shareholders' equity is defined as profit attributable to shareholders of the parent company divided by the average total shareholders' equity. Dividends paid on AT1 should be net of tax in the calculation.</p> <p>⁶ The RoTE is calculated as reported profit attributable to ordinary shareholders less changes in goodwill and present value of in-force long-term insurance business divided by average tangible shareholders' equity.</p> <p>⁷ Reported cost efficiency ratio is defined as total operating expenses (reported) divided by net operating income before change in expected credit losses and other credit impairment charges (reported), while adjusted cost efficiency ratio is defined as total operating expenses (adjusted) divided by net operating income before change in expected credit losses and other credit impairment charges (adjusted).</p>			
		<p>There has been no material adverse change in the prospects of the Issuer since 31 December 2019.</p> <p>There has been no significant change in the financial position of the Issuer and its subsidiaries since 31 December 2019.</p>	

¹ Element B.12 (Selected key financial information, no material adverse change and no significant change statement) of the Summary has been amended for the updated financial information, as set out in the Issuer's Annual Report and Accounts for the year ended 31 December 2019.