

AiPEXAR

An AI Powered US Equity Adjusted Total Return Index

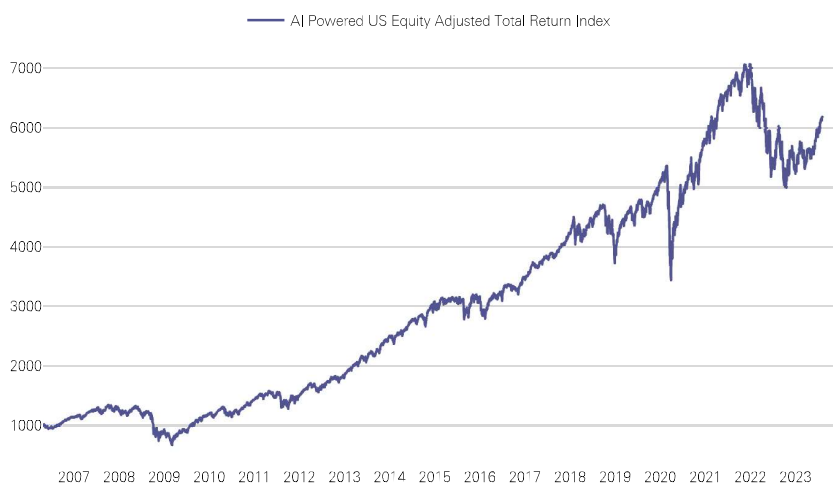


Monthly Performance Report - July 2023

About AiPEXAR

HSBC and San Francisco based asset manager EquBot have developed the AI Powered US Equity Adjusted Total Return Index ("AiPEXAR"). AiPEXAR is comprised of Large and Mid Cap U.S. publicly traded companies, selected monthly based on a 3-step selection process that utilizes objective artificial intelligence to dynamically select the underlying constituents. This investment process is intended to provide growth through a variety of market conditions. AiPEXAR is a total return index with a 5.0% per annum adjustment factor.

Performance: Historical & Simulated*



Index Overview

| | |
|-------------------------|---|
| Website | http://aipexar.gbm.hsbc.com/AiPEXAR.html |
| Bloomberg Ticker | AIPEXAR Index |
| Geographical Focus | United States |
| Launch Date | 7/14/2021 |
| Type of Return | Adjusted Return |
| Index Sponsor | EquBot, Inc. |
| Index Calculation Agent | Solactive AG |
| Adjustment Factor | 5.0% per year |

Index Performance: Historical & Simulated*

Index returns as of 7/31/2023

| | |
|----------------|---------|
| YTD | 16.36% |
| 1Y | 7.16% |
| 3Y | 22.32% |
| 5Y | 35.94% |
| 10Y | 178.86% |
| 10Y Volatility | 18.00% |

Source: Solactive, EquBot, HSBC, Bloomberg, from 4/27/2006 to 7/31/2023

Top 10 Holdings: As of 7/31/2023

| | Index Weight(%) | Sector |
|-----------------------|-----------------|-----------------------|
| APPLE INC | 3.36% | Electronic Technology |
| NVIDIA CORP | 2.53% | Electronic Technology |
| ALPHABET INC-CL A | 1.87% | Technology Services |
| MICROSOFT CORP | 1.82% | Technology Services |
| ALPHABET INC C-SHARES | 1.76% | Technology Services |
| META PLATFORMS INC | 1.72% | Technology Services |
| JPMORGAN CHASE & CO | 1.53% | Finance |
| EXXON MOBIL CORP | 1.45% | Energy Minerals |
| AMAZON.COM INC | 1.28% | Retail Trade |
| PROCTER & GAMBLE CO | 1.27% | Consumer Non-Durables |
| Total | 18.58% | |

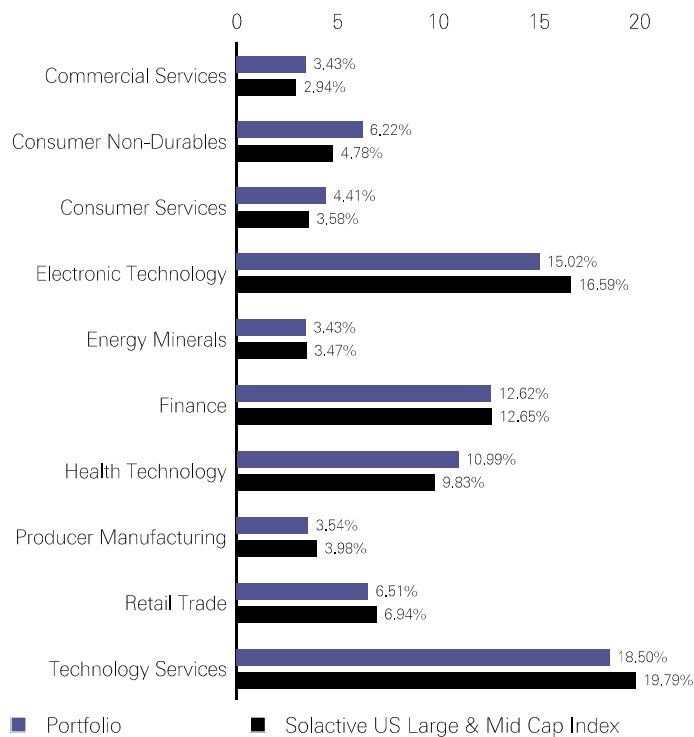
Annual Index Performance: Historical & Simulated*

| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|-------|-------|-------|--------|
| -30.3% | 30.8% | 21.4% | 4.4% | 22.2% | 37.6% | 21.0% | 2.7% | 10.6% | 22.3% | -5.5% | 28.0% | 14.2% | 20.6% | -24.3% |

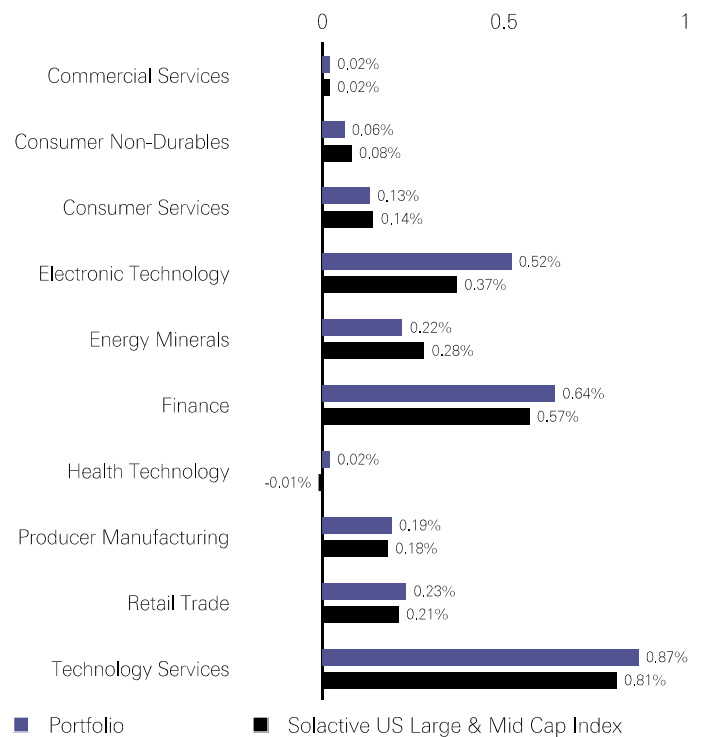
Source: Solactive, EquBot, HSBC, Bloomberg, from 4/27/2006 to 7/31/2023

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Top 10 Sector Allocations



Contributions to Return



Risks Relating to the Index

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The Index may be partially uninvested. The strategy tracks the excess return of a notional dynamic basket of equities and cash over a change in the ICE LIBOR USD 3 Month interest rate. The weight of a Cash Investment (if any) for a Monthly Reference Portfolio at any given time represents the portion of the Monthly Reference Portfolio that is uninvested in the applicable equity basket at that time. As such, any allocation to a Cash Investment within the Index, which also accrues at the ICE LIBOR USD 3 Month interest rate, will not affect the level of the Index. The Index will reflect no return for any uninvested portion (i.e., any portion represented by a Cash Investment). Accordingly, to the extent that the Index is allocated to the Cash Investment, it may not reflect the full increase of any relevant equity component. Under certain circumstances, the Index may be 100% allocated to the Cash Investment.

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Any historical performance information included in this document prior to August 9, 2019 represents only hypothetical historical results. No representation is being made that the AI Powered US Equity Index will achieve a performance record similar to that shown. In fact, there may often be sharp differences between hypothetical performance and actual performance. Back-testing and other statistical analysis material provided to you in connection with the explanations of the potential returns associated with an investment in a debt obligation or certificate of deposit linked to the AI Powered US Equity Index use simulated analysis and hypothetical assumptions in order to illustrate the manner in which the AI Powered US Equity Index may have performed in periods prior to the actual existence of the AI Powered US Equity Index. 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.

The back-tested data was produced by applying the AI Powered US Equity Index methodology to historical data, including information and sources available at each specific point of time in history. New information and sources were incorporated one timestep at a time and only information with validated time stamps was considered.

The results obtained from "back-testing" information should not be considered indicative of actual results that might be obtained from an investment or participation in a financial instrument or transaction referencing the AI Powered US Equity Index. You should not place undue reliance on the "back-testing" information, which is provided for illustrative purposes only. HSBC provides no assurance or guarantee that the AI Powered US Equity Index will operate or would have operated in the past in a manner consistent with the results presented in these materials.

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