

# HSBC Bank Canada in the Community

2018 Public Accountability Statement



# About this document

This Public Accountability Statement describes HSBC Bank Canada's community investment programs, contribution to the economy and initiatives that are making it easier for our customers to reach their financial goals.

Unless otherwise stated, it describes the 2018 activities and initiatives of HSBC Bank Canada and its Canadian subsidiaries and affiliates, which include:

HSBC Bank Canada  
HSBC Capital (Canada) Inc.  
HSBC Finance Mortgages Inc.  
HSBC Global Asset Management (Canada) Limited  
HSBC Investment Funds (Canada) Inc.  
HSBC Mortgage Corporation (Canada)  
HSBC Private Wealth Services (Canada) Inc.  
HSBC Securities (Canada) Inc.  
HSBC Trust Company (Canada)

The HSBC Group contributes to the global economy by providing high-quality products and services to its customers, and also by paying remuneration to its employees, payments to its suppliers, dividends to its shareholders, and tax revenues to governments in the countries and territories where it operates.

This Public Accountability Statement complements the HSBC Group's [Environmental, Social and Governance Update](#), which outlines our contributions to society globally.

## About HSBC Bank Canada

HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in the country. We help companies and individuals across Canada to do business and manage their finances locally and internationally through three global business lines: Commercial Banking, Global Banking and Markets, and Retail Banking and Wealth Management. The HSBC Group is one of the world's largest banking and financial services groups with assets of US\$2,558bn at 31 December 2018. Linked by advanced technology, the HSBC Group serves customers worldwide across 66 countries and territories in Europe, Asia, North America, Latin America, the Middle East and North Africa.

[www.hsbc.ca](http://www.hsbc.ca)



## What's inside

1. Sustainable Growth
2. Community Investment
3. Our Employees
4. Access to Financial Services
5. Supporting Canadian Business Growth
6. Taxes
7. Key Facts
8. Key Contacts

\*Unless otherwise stated, all funds are expressed in Canadian dollars.

Cover photo: Grade 4 student in Vancouver learns how to manage money during a session of Junior Achievement's More than Money program. Photo credit: Herman Hui, a Vancouver-area employee.

# Sustainable Growth

Since its beginnings in 1865, HSBC has adapted to and helped meet the needs of a changing world. Now more than ever, there is an urgent need to develop the skills, business innovation and low-carbon solutions that will secure long-term prosperity for all. These are the key elements of sustainable growth that HSBC can influence. Our commercial and philanthropic activities are therefore structured around three key themes that we believe support sustainable growth: sustainable finance, sustainable networks and entrepreneurship, and future skills.

## Sustainable Finance

HSBC aspires to be a leader in financing, managing and shaping the transition to a low-carbon world. We anticipate and manage potential social or environmental risks that may arise through our lending and investment activities, and we are guided in our work by our sustainability risk policies and principles.

Our support of the transition to a low-carbon economy also extends to our own operations, and we have made commitments to reduce our environmental impact.

## Sustainable Networks and Entrepreneurship

HSBC aims to operate in a world where global supply chains support sustainable economic growth. As a leading global trade bank, we are ideally placed to help our customers and other companies do business with each other in a more responsible and sustainable way. We work with our corporate partners and charitable organizations to promote business practices that protect the environment and human rights, and we help new companies emerge and grow.

## Future Skills

HSBC has long supported education across the globe, and in a rapidly changing world, workplace skills and financial literacy are more important than ever. That's why we are focusing a key part of our strategy on future skills – for our customers, employees and the people in the communities we serve. We are doing this by concentrating on two key areas: employability and financial capability.

**For key facts about charitable giving, environmental performance and our employees in Canada, please see page 16.**



## Top 50

one of Corporate Knights' Best 50 Corporate Citizens in Canada.



## \$1.3+ billion

in sustainable financing in Canada.



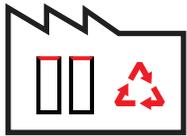
## 990

hours spent by employees in HSBC's Sustainability Training and Leadership programs in Canada.

## HSBC Group Sustainable Growth Commitments

Globally, HSBC has made commitments in the areas of sustainable finance, sustainable networks and entrepreneurship, and future skills.

For more information and updates on our progress towards these goals, see the HSBC Group's [Environmental, Social and Governance Update](#) and visit [hsbc.com/sustainability](https://hsbc.com/sustainability)



### Sustainable Finance

Sustainable finance is any form of financial service that integrates environmental, social and governance criteria into business or investment decisions. The HSBC Group has committed to:

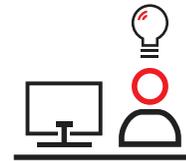
- ◆ Provide US\$100 billion of financing and investments by 2025 to develop clean energy, lower-carbon technologies and projects that contribute to the delivery of the UN Paris Climate Agreement and Sustainable Development Goals.
- ◆ Source 100% of our electricity from renewable sources by 2030, with an interim target of 90% by 2025.
- ◆ Reduce our exposure to thermal coal and actively manage the transition path for other high-carbon sectors.
- ◆ Adopt the recommendations of the Task Force on Climate-related Financial Disclosures.
- ◆ Help lead and shape the debate around sustainable finance and investment.



### Sustainable Networks and Entrepreneurship

The HSBC Group supports the sustainable development of our clients' supply chains, and we foster the sustainable, international growth of small and medium-sized enterprises. The HSBC Group has committed to:

- ◆ Introduce supply chain solutions that embed sustainability.
- ◆ Support apparel factories, tanneries and mills in China, India, Vietnam and Bangladesh to shift towards sustainability.
- ◆ Support the Roundtable on Sustainable Palm Oil and partner with NGOs, industry bodies and customers to increase demand for certified sustainable palm oil.
- ◆ Expand our review of the ethical risk posed by our suppliers.



### Future Skills – Employability and Financial Capability

Employability is a set of achievements, understandings and attributes that make individuals more likely to gain meaningful employment. Financial capability means having the skills, attitudes and tools to manage money effectively. The HSBC Group has committed to:

- ◆ Provide industry-leading learning and development for our employees.
- ◆ Help people in our communities develop the skills for the jobs of today and tomorrow through the HSBC Partnership for Skills.
- ◆ Make building financial capability a central part of the HSBC customer experience.
- ◆ Help people understand their financial needs and make the most of their money through education.

# Community Investment

HSBC Bank Canada’s community investment activities are part of the HSBC Group’s comprehensive global commitment to sustainable growth. We contribute to registered Canadian charities, and our donations support community programs that have a measurable impact in the areas of sustainable finance, sustainable networks and entrepreneurship, and future skills. A portion of our donation budget is also set aside for causes that our employees are most passionate about and that benefit local communities.

## Charitable Giving

In 2018, HSBC supported registered Canadian charities in the communities where we operate through donations and other charitable giving:

◆ **Donations:** HSBC donated \$3,804,615 to community programs with a measurable impact aligned with our global themes and country priorities. An additional US\$234,000 was donated by the HSBC Group to registered Canadian charities in these areas. The HSBC 150th Anniversary Community Fund, an additional donation allocated over three years (2015-2017) in celebration of HSBC’s 150th anniversary, is no longer part of our donations budget.

Through these donations, our partners will help more than 135,600 people access community programs, and 315 businesses will be supported to grow or become more sustainable.

◆ **Other Charitable Giving:** HSBC committed \$1,553,539 to registered charities in sponsorships and initiatives that align with our business goals.

## Employee Engagement

Investing in our communities extends beyond financial donations. We work with our partners to create opportunities for employee volunteerism, and employees are entitled to one paid day each year to volunteer with a charity of their choice. In 2018, employees reported spending 5,437 paid work hours volunteering. They also raised \$370,608 during our annual United Way employee giving campaign, bringing the total matched and corporate donation to \$750,608.

We also support causes our employees are most passionate about and that are important to our local communities. For example, in 2018 we partnered with four children’s hospitals across Canada after an employee survey identified children’s health as a top priority for charitable donations. We also supported causes that our employees actively volunteer with through the HSBC Bank Canada Volunteer Fund.



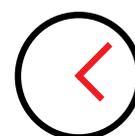
**\$3.8 million+**

donated to community programs.



**135,600**

people reached through community programs.



**5,400+**

hours volunteered by employees during work hours.

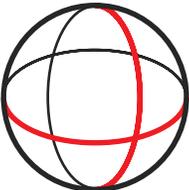
## Community Investment Donations



### HSBC Bank Canada Partners

Our local philanthropic support in 2018 focused on the following charitable partners and programs:

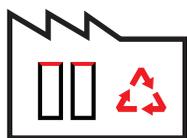
- ◆ [ABC Life Literacy Canada](#)
- ◆ [Alberta Children's Hospital Foundation](#)
- ◆ [BC Children's Hospital Foundation](#)
- ◆ [Breakfast Club of Canada](#)
- ◆ [Canadian Red Cross](#)
- ◆ [Children's Aid Foundation of Canada](#)
- ◆ [Columbia Institute](#)
- ◆ [The Donald Berman Yaldei Developmental Centre](#)
- ◆ [Earth Rangers](#)
- ◆ [Enactus Canada](#)
- ◆ [ENSEMBLE for the respect of diversity](#)
- ◆ HSBC Bank Canada Volunteer Fund
- ◆ [Indspire](#)
- ◆ [Junior Achievement of Canada](#)
- ◆ [Mon Sheong Foundation](#)
- ◆ [Montreal Children's Hospital Foundation](#)
- ◆ [Pathways to Education Canada](#)
- ◆ [RiverWatch Institute of Alberta](#)
- ◆ [Science World British Columbia](#)
- ◆ [SickKids Foundation](#)
- ◆ [S.U.C.C.E.S.S. Foundation](#)
- ◆ [Toronto Foundation](#)
- ◆ [United Way Centraide Canada](#)
- ◆ [University of British Columbia](#)
- ◆ [Youth Employment Services](#)



### HSBC Group Programs

The HSBC Group funded the following philanthropic programs that were delivered in Canada:

- ◆ [Canadian Red Cross](#) (disaster relief)
- ◆ [HSBC Water Programme](#)
- ◆ HSBC Youth Opportunities Programme
- ◆ [Junior Achievement More than Money](#)



## Sustainability Training

In 2018, over 100 employees across Canada participated in the **Sustainability Training Programme** and **Sustainability Leadership Programme** facilitated in partnership with EarthWatch. These programs are part of the **HSBC Water Programme**, an eight-year (2012-2019) US\$150 million global program that aims to provide and protect water sources and the ecosystems that they support, inform and educate communities in need, and enable people to prosper across the world. The program is delivered in partnership with global partners EarthWatch, WaterAid and WWF.

- ◆ **Sustainability Training Programme** (Vancouver and Toronto): A one-day immersive training experience where employees learn how businesses and cities are preparing for a low-carbon economy, and how their role at the bank relates to HSBC's sustainable growth strategy. Participants also contribute to important scientific research supporting green infrastructure and resilience to the impacts of a changing climate.
- ◆ **Sustainability Leadership Programme** (North America): A three-day training program for senior-level employees at the bank. The program is designed to increase both the capability and capacity of senior employees to enable HSBC to embed sustainability into all areas of business, leading to growth opportunities through the bank's sustainable finance commitments.

Through sustainability training, HSBC employees across all lines of business have made commitments toward our sustainable growth strategy and are engaging their colleagues in new ways to advance sustainable finance.

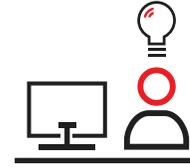
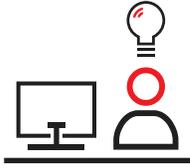


## HSBC Entrepreneurial Leadership Program

In 2018, HSBC increased its support for Enactus Canada with a renewed focus on entrepreneurship. With \$200,000 in funding from HSBC over one year, the **HSBC Entrepreneurial Leadership Program** will inspire and help entrepreneurial student leaders, with a focus on entrepreneurial women.

The program has three components. In the **HSBC Entrepreneurs Project Accelerator**, student teams develop projects to help entrepreneurs set up and grow. The **Student Entrepreneur National Competition** supports student entrepreneurs to grow their businesses, and the **HSBC Women's Entrepreneurial Leadership Program** provides skills-building opportunities for female entrepreneurial leaders.

With HSBC's support, Enactus will help student teams establish and grow more than 180 businesses. This support will also provide six student bursaries and 12 project grants for teams. HSBC employees also act as advisors and judges at Enactus events.



### HSBC Youth Opportunities Programme

In 2018, the global **HSBC Youth Opportunities Programme** marked its eleventh year in Canada, with a renewed focus on employability programs. This program supports vulnerable and under-represented young people. Since 2007, it has helped more than 7,000 youth in Canada with programs focused on developing life skills and employability.

Through HSBC's support in 2018, more than 500 children and youth will have access to programs that contribute to their future success, enabling them to develop the skills they need to thrive and reach their full potential. In Canada, US\$150,000 was distributed among five organizations:

- ◆ **Aunt Leah's Independent Lifeskills Society** (Vancouver): Youth involved in the foster system will receive support services that include monitoring their academic progress, advocating on their behalf and encouraging them to participate in extracurricular activities that build their employability skills.
- ◆ **SOS Children's Villages** (Vancouver): Young people transitioning out of care will have access to mental health, employment and educational resource assistance and guidance through a youth support worker, supporting their future success.
- ◆ **Boys and Girls Clubs of Calgary:** At-risk youth at the Avenue 15 youth homeless shelter will be supported with programs focused on meeting basic needs, counselling and employment with the goal of reuniting them with their support network or pursuing independence.
- ◆ **Boys and Girls Clubs Big Brothers Big Sisters of Edmonton:** Youth in low-income communities will participate in employment-related programming that includes career finding, job-finding skills, mentorship and financial planning.
- ◆ **ProAction Cops and Kids** (Toronto): Youth will have access to a range of programs to support life skills, trades training and certification in order to support their career journeys. Eligible students are also referred for potential participation in an internship program.

### Junior Achievement More Than Money

In 2018, Junior Achievement (JA) continued to expand the **More than Money** program to new locations in Canada through a combined donation of more than \$234,000 from HSBC Bank Canada and the HSBC Group during the 2018-2019 school year. Through HSBC's combined support, more than 7,000 students will participate in the program.

More than Money teaches young people from grades three to five how to manage money, the role businesses play in their communities and how global economies and trade works. HSBC's additional support in the 2018-2019 school year was used to increase the number of programs delivered in Saskatchewan. This brought HSBC's support to six JA Canada locations: British Columbia, southern Alberta, northern Alberta, Saskatchewan, central Ontario and Quebec.

HSBC employee volunteers also helped deliver the program in classrooms in their communities – working with students on real-world programs to introduce them to important money management skills. Since 2013, HSBC employees have participated in 710 volunteering opportunities in their communities, totaling 3,550 hours.

# Our Employees

HSBC's success is built on our ability to attract, develop and retain highly qualified, diverse and talented employees. We strive to make HSBC a great place to work and we're proud of our inclusive, positive, customer-first work culture. We reward performance and offer a wide range of training and career-development opportunities – both in Canada and abroad – as well as flexible benefit packages and working arrangements.

## Diversity and Inclusion

We are creating a workplace where diversity thrives, and we are proud of our record of inclusive employment. Employees are valued and respected regardless of age, gender, sexual orientation, gender identity, ethnicity, religion, physical ability or any aspect of personal difference. HSBC has eight Employee Resource Groups that champion education and awareness programs, facilitate open discussion of workplace issues and consult with senior leadership.

We know that there is always more to do, and we're working hard to ensure that HSBC remains a place where diverse viewpoints and life experiences are valued and celebrated, and that we have a robust and diverse pipeline of future leaders to support our continued growth.

## Recognition

HSBC Bank Canada was recognized for the third year in a row by the Government of Canada with the [Employment Equity Achievement Award](#) for outstanding commitment to creating a diverse and inclusive workplace.

We celebrate our strong female role models and recognize the role that women have played in paving HSBC's path to becoming a progressive financial institution. Three female executives from the organization were recognized in [WXN's Canada's Most Powerful Women: Top 100 Awards](#), as well as another senior leader, who was recognized with a Times of Canada Woman in Focus award.

To learn more about our approach to diversity and inclusion, benefits packages and career opportunities, visit [about.hsbc.ca/careers](http://about.hsbc.ca/careers)



**67%**  
of executive management are women.



**8**  
Employee Resource Groups celebrate the diversity of our workforce.



**47%**  
of our employees are members of a visible minority.

**HSBC Employees (at 31 December 2018)**

Province/Territory	Regular Full-Time	Regular Part-Time	Temporary Full-Time	Temporary Part-time	Total
British Columbia	2,544	195	28	8	2,775
Yukon <sup>1</sup>	-	-	-	-	-
Northwest Territories <sup>1</sup>	-	-	-	-	-
Alberta	287	37	4	2	330
Saskatchewan	28	2	-	-	30
Nunavut <sup>1</sup>	-	-	-	-	-
Manitoba	15	4	-	-	19
Ontario	1,973	102	28	1	2,104
Quebec	470	48	5	-	523
Newfoundland and Labrador	9	2	-	-	11
New Brunswick	7	2	-	-	9
Nova Scotia	17	1	-	-	18
Prince Edward Island <sup>1</sup>	-	-	-	-	-
<b>Total</b>	<b>5,350</b>	<b>393</b>	<b>65</b>	<b>11</b>	<b>5,819</b>

<sup>1</sup> HSBC Bank Canada does not have operations in these provinces/territories.

# Access To Financial Services

Our customers are at the heart of what we do, and we constantly seek to improve their banking experience and ensure they have the financial tools they need to thrive. In 2018, we continued to invest in our Retail Banking and Wealth Management business, updating our products and services to deliver simpler, faster and better service for everyone.

## Accessing Products and Services

We offer a range of channels for customers to connect with us, including in person and through telephone, online and mobile banking. This year we made additional investments to improve our customers' experience:

- ◆ **Branch network:** We opened two new branches and renovated some existing branches, creating welcoming opportunities for our customers to bank with us face-to-face.
- ◆ **Online and mobile banking:** We made it easier for customers to bank with us from any location, at any time. Improvements to our mobile banking platform enhanced security and now enable customers to open chequing and savings accounts and apply for credit cards online. We also introduced LiveChat, a service allowing customers to ask questions online through a chat service – and receive a prompt response.
- ◆ **Digital investing:** We introduced [Wealth Compass](#), a cost-effective way for customers who want to start investing in their future, from the comfort of their home, with the reassurance of knowing the recommendations are reviewed by qualified professionals.
- ◆ **Fee free sooner:** While most banks require customers to maintain a minimum balance in their chequing account to qualify for waived monthly banking fees, [HSBC Advance](#) offers greater flexibility by allowing our customers to bundle their personal deposits and investments.

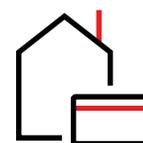
We provide barrier-free access at almost every HSBC branch and office across the country, and relay service is available at all HSBC call centres to enhance communication. Our employees must complete annual accessibility and customer service training to ensure they are able to help all customers safely access our premises, products and services. We adhere to the Web Content Accessibility Guidelines of the World Wide Web Consortium, and continue to review all our marketing and informational materials to ensure that they are accessible to all Canadians.

## Special Account Packages

We believe that income or credit history should not stand in the way of obtaining banking services, and we offer our customers access to an appropriate basic account regardless of their personal financial circumstances.

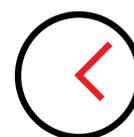
HSBC Bank Canada is a signatory to the federal government's initiative to ensure Canadians have access to basic banking services at low cost or no cost, and we offer accounts designed specifically to meet a variety of financial service needs:

- ◆ **Performance Chequing-Limited Account:** Available free to seniors aged 60 years and over, registered secondary and post-secondary students, youth (ages 0 to 18) and beneficiaries of **Registered Disability Savings Plans**.
- ◆ **Performance Chequing-Unlimited Account:** For seniors that qualify for a full banking relationship, we continue to offer this account with no minimum balance requirements and unlimited transactions.
- ◆ **Newcomers Program:** For new immigrants to Canada, a program designed to provide complimentary banking and access to an HSBC Mastercard.



# 131

branch locations across Canada.



# 63%

of our branches are open on a Saturday.

To find out more about our accounts and services, please visit [hsbc.ca](https://www.hsbc.ca)

## 2018 Branch and ATM Openings, Relocations and Closures

HSBC Bank Canada's branch network aims to reach and fulfil our customers' needs. When making decisions about changes to our branch network, we carefully consider the interests of our customers, staff and community.

### Openings

Province	City	Address	ATM/Branch
BC	Vancouver	2910 Virtual Way, V5M 0B2	1 branch and 2 ATMs
ON	Ottawa	Unit 1, 4245 Strandherd Dr., K2J 6E5	1 branch and 2 ATMs

### Relocations

There were no branch or ATM relocations in 2018.

### Closures

There were no branch or ATM closures in 2018.

# Supporting Canadian Business Growth

HSBC is well placed to help Canadian companies do business here at home and globally – making international connections, sharing our global expertise and offering products specifically designed to support business needs. Businesses are key to a strong local economy and thriving communities, and we made significant investments to grow our business with Canadian companies in 2018.

## Retail Business Banking

We launched a suite of products and services focused on businesses with up to \$5 million in annual revenue. Notably, we partnered with Biz2Credit to introduce [HSBC eCredit](#), which uses cutting-edge technology and security to turn the traditional approach to lending into a more small-business-friendly digital experience that allows for faster and more flexible credit applications.

We also launched [new accounts](#) specifically designed to meet the needs of small businesses:

- ◆ **HSBC Start:** A lower-cost option for the entrepreneur with fewer monthly transactions.
- ◆ **HSBC Smart:** A mid-priced option for small business owners with more frequent transactions and cash deposits.
- ◆ **HSBC Unlimited:** A simple option for high-volume-transaction businesses.

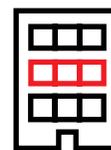
## Commercial Banking

We continue to make investments in our Commercial Banking business and launched several new solutions for our corporate customers with over \$5 million in annual revenue and more complicated banking needs. For example:

- ◆ **HSBCnet:** A new, intuitive design for our corporate banking platform includes simpler menus, fewer clicks to payments, a streamlined process to add new users, and intuitive trade application forms. HSBCnet is also available on mobile, accessible with Face ID and Touch ID.
- ◆ **Trade Transaction Tracker:** Customers can access a global view of their documentary credits, collections and guarantees across markets and countries, also viewable within the HSBCnet mobile app.
- ◆ **Remote Deposit Capture:** Customers with a high volume of cheques, or those who don't have a branch nearby, can deposit their cheques by taking a photo and uploading it to the HSBCnet mobile app.

- ◆ **31-Day Notice Account:** This deposit account allows customers who have excess cash to maximize the return on their term investment deposits.

To find out more about our accounts and services, please visit [business.hsbc.ca](https://business.hsbc.ca)



# 3

new chequing account packages to meet the needs of small businesses with up to \$5 million in revenue.



# #1

Trade Finance Bank and Best Bank in Canada for Service Quality – according to Euromoney.

## Debt Financing for Canadian Businesses

### Amount of Debt Financing Authorized for Business in 2018

(\$'000s)

	\$0 - \$24,999	\$25,000 - \$99,999	\$100,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1,000,000 - \$4,999,999	\$5,000,000 and over	Total
British Columbia	3,879	26,395	60,614	144,829	302,104	1,884,822	16,397,715	18,820,358
Yukon <sup>1</sup>	0	0	0	0	0	0	0	0
Northwest Territories <sup>1</sup>	0	0	0	0	0	0	0	0
Alberta	992	7,930	30,926	53,434	154,950	774,711	13,340,374	14,363,319
Saskatchewan/ Manitoba <sup>2</sup>	326	1,335	7,165	12,625	18,035	192,630	1,427,533	1,659,648
Nunavut <sup>1</sup>	0	0	0	0	0	0	0	-
Ontario	1,953	13,912	33,003	99,535	250,177	1,792,448	23,227,136	25,418,162
Quebec	1,548	9,883	27,529	54,904	91,737	854,905	9,176,756	10,217,262
New Brunswick/ Nova Scotia/ Newfoundland and Labrador <sup>3</sup>	182	3,326	4,893	12,807	19,115	164,971	732,780	938,074
Prince Edward Island <sup>1</sup>	0	0	0	0	0	0	0	-
<b>Total<sup>4</sup></b>	<b>8,879</b>	<b>62,781</b>	<b>164,129</b>	<b>378,134</b>	<b>836,118</b>	<b>5,664,488</b>	<b>64,302,294</b>	<b>71,416,823</b>

### Number of Businesses to Which Debt Financing was Authorized in 2018

	\$0 - \$24,999	\$25,000 - \$99,999	\$100,000 - \$249,999	\$250,000 - \$499,999	\$500,000 - \$999,999	\$1,000,000 - \$4,999,999	\$5,000,000 and over	Total
British Columbia	539	435	352	378	411	787	636	3,538
Yukon <sup>1</sup>	-	-	-	-	-	-	-	-
Northwest Territories <sup>1</sup>	-	-	-	-	-	-	-	-
Alberta	175	130	174	145	207	298	333	1,462
Saskatchewan/ Manitoba <sup>2</sup>	51	23	42	32	24	80	62	314
Nunavut <sup>1</sup>	-	-	-	-	-	-	-	-
Ontario	467	235	195	259	331	724	766	2,977
Quebec	240	165	164	145	119	337	263	1,433
New Brunswick/ Nova Scotia/ Newfoundland and Labrador <sup>3</sup>	34	48	28	33	25	65	34	267
Prince Edward Island <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Total<sup>4</sup></b>	<b>1,506</b>	<b>1,036</b>	<b>955</b>	<b>992</b>	<b>1,117</b>	<b>2,291</b>	<b>2,094</b>	<b>9,991</b>

<sup>1</sup> HSBC Bank Canada does not have operations in these provinces/territories.

<sup>2</sup> Client counts and authorizations for Saskatchewan have been added to Manitoba data for the same dollar band to preserve confidentiality.

<sup>3</sup> Client counts and authorizations for New Brunswick have been added to Nova Scotia and Newfoundland data for the same dollar band to preserve confidentiality.

<sup>4</sup> May not add due to rounding.

# Taxes

We support all levels of government and Canadian communities by paying income taxes, capital taxes, goods and services tax, provincial sales taxes and other taxes, including payroll taxes and municipal and property taxes. It is estimated that in 2018, HSBC Bank Canada and its subsidiaries will have paid more than \$330 million in taxes<sup>1</sup>.

HSBC Bank Canada does not enter into or promote tax avoidance and works diligently to comply with its Canadian tax requirements. We observe the spirit as well as the letter of the law and deal with tax authorities in an open and honest manner.

## Taxes Paid in 2018<sup>1</sup>

(thousands of dollars)

	Income Taxes	Capital Taxes	Total Taxes
<b>Federal</b>	138,265	-	138,265
<b>Provincial/Territorial:</b>			
British Columbia	47,801	-	47,801
Yukon <sup>2</sup>	-	-	-
Northwest Territories <sup>2</sup>	-	-	-
Alberta	8,980	-	8,980
Saskatchewan	1,069	2,464	3,533
Nunavut <sup>2</sup>	-	-	-
Manitoba	324	1,164	1,488
Ontario	42,031	-	42,031
Quebec	7,586	1,469	9,055
Newfoundland and Labrador	367	970	1,337
New Brunswick	153	334	487
Nova Scotia	498	759	1,257
Prince Edward Island <sup>2</sup>	-	-	-
<b>Total income and capital taxes</b>	<b>247,075</b>	<b>7,160</b>	<b>254,235</b>
<b>Goods and Services Tax and Provincial Sales Tax</b>			<b>37,040</b>
<b>Other taxes<sup>3</sup></b>			<b>39,436</b>
<b>Total<sup>4</sup></b>			<b>330,711</b>

<sup>1</sup> Amount shown is an estimate and includes taxes paid and payable. Applicable tax filing deadlines fall in the second quarter of 2019.

<sup>2</sup> HSBC Bank Canada does not have operations in these provinces/territories.

<sup>3</sup> Other taxes include employer-paid payroll taxes and municipal and property taxes.

<sup>4</sup> May not add due to rounding.

# Key Facts

These figures relate to charitable giving, environmental performance and our employees in Canada since 2015.

## Charitable Giving

	Units	2018	2017	2016	2015
HSBC Canada cash charitable donations	CA\$	3,804,615	7,134,330	7,133,433	7,105,337
HSBC Group cash charitable donations in Canada	US\$	234,000	249,000	197,454	432,000
HSBC Canada cash other charitable giving	CA\$	1,553,539	-	-	-
Employee volunteering in work time	hours	5,437	6,034	6,212	4,956

- The HSBC 150th Anniversary Community Fund, an additional donation allocated over three years (2015-2017) in celebration of HSBC's 150th anniversary, is no longer part of our donations budget starting in 2018.
- Through our other charitable giving, HSBC supports registered charities in sponsorships and initiatives that align with our business goals. This information was not reported prior to 2018.

## Environment

	Units	2018	2017	2016	2015
Greenhouse gas emissions	tonnes CO <sub>2</sub> e	10,818	10,957	9,948	11,158
Energy consumption	GJ	157,600	165,144	167,850	182,631
Waste produced	metric tonnes	581	695	700	712
Waste recycled	metric tonnes	502	593	599	604
Water consumption	m <sup>3</sup>	41,065	40,435	43,825	44,260
Clean Revenue	% of gross revenue	0.52	0.49	-	-

- Greenhouse gas emissions data is assured globally by PricewaterhouseCoopers LLP (PwC). Please see **HSBC CO<sub>2</sub> Emissions Reporting Guidance and PwC Assurance Report**: <http://www.hsbc.com/our-approach/measuring-our-impact>
- In 2017, greenhouse gas emissions increased disproportionately to energy consumption due to a change in emissions factors. Previously, emission factors were sourced globally, but to increase accuracy, they are now sourced regionally.
- In 2018, water consumption slightly increased due to a leak that has since been fixed.
- Clean Revenue as a percentage of gross revenue is calculated based on Corporate Knights methodology and is based on green bond and sustainable finance volumes of \$713m and \$249m respectively in 2017 and \$1,121m and \$247m respectively in 2018. 2015 and 2016 data not available.

## Employees

	Units	2018	2017	2016	2015
Number of full-time equivalent employees	#	5,355	5,208	5,392	5,551
Total employee costs	CA\$	550M	526M	526M	528M
Employee turnover	%	15.3	18.4	15.7	16
Defined Benefit Pension Plan – Assets	CA\$	631,073,000	619,763,000	578,385,000	568,962,000
Defined Benefit Pension Plan – Projected Obligations	CA\$	637,683,000	664,588,000	627,176,000	594,847,000
Women on Board of Directors	%	44	50	50	50
Women in Executive Management	%	67	61	65	55

- Total employee costs cover the sum of all employee salaries, benefits and variable pay.
- For more information about our approach to diversity and inclusion, read our Employment Equity Narrative Report at [hsbc.ca/careers](https://www.hsbc.ca/careers)
- The HSBC Bank Canada Board has been gender-balanced since 2013. In 2018, the size of the Board slightly decreased from 10 to 9 Directors, and 4 of the 9 Directors were women.

# Key Contacts

## Requesting a Charitable Contribution

HSBC Bank Canada supports community programs that provide a measurable impact in the areas of sustainable finance, sustainable supply chains and entrepreneurship, and future skills. If you are a registered Canadian charity active in one of these areas email us at [corporate\\_sustainability@hsbc.ca](mailto:corporate_sustainability@hsbc.ca).

### Principal Addresses:

#### Vancouver:

HSBC Bank Canada  
885 West Georgia Street  
Vancouver, British Columbia  
Canada V6C 3E9

#### Toronto:

HSBC Bank Canada  
70 York Street  
Toronto, Ontario  
Canada M5J 1S9

### HSBC Bank Canada General Inquiries:

Tel: 1 (888) 310-4722

Website: [www.hsbc.ca](http://www.hsbc.ca)

Email: [Use our online form](#)

Twitter: [@HSBC\\_CA](#)

Facebook: [@HSBCCanada](#)

### Commissioner of Complaints:

HSBC Bank Canada  
2910 Virtual Way  
Vancouver, British Columbia  
Canada V5M 0B2  
Tel: 1 (800) 343-1180  
Email: [commissioner\\_complaints@hsbc.ca](mailto:commissioner_complaints@hsbc.ca)

### Privacy Officer:

HSBC Bank Canada  
2910 Virtual Way  
Vancouver, British Columbia  
Canada V5M 0B2  
Email: [privacy\\_officer@hsbc.ca](mailto:privacy_officer@hsbc.ca)

© Copyright HSBC Bank Canada 2019

All rights reserved.

No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of HSBC Bank Canada.

Form number 1040241(04/19)

Published by  
Corporate Sustainability, HSBC Bank Canada

**HSBC Bank Canada**

885 West Georgia Street  
Vancouver, British Columbia  
Canada V6C 3E9  
[www.hsbc.ca](http://www.hsbc.ca)