

# HSBC Bank Canada in the Community

2019 Public Accountability Statement



# About this document

This Public Accountability Statement describes HSBC Bank Canada's community investment and sustainability 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 2019 activities and initiatives of HSBC Bank Canada and its Canadian subsidiaries and affiliates, which include:

HSBC Bank Canada  
 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 internationally through three global business lines: Commercial Banking, Global Banking and Markets, and Retail Banking and Wealth Management. HSBC serves customers worldwide from offices in 65 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and the Middle East and North Africa. With assets of US\$2,715bn at 31 December 2019, HSBC is one of the world's largest banking and financial services organisations.

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

 [@HSBC\\_CA](https://twitter.com/HSBC_CA)

 [@HSBCCanada](https://www.facebook.com/HSBCCanada)

 [HSBCCanada](https://www.youtube.com/HSBCCanada)

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

## What's inside

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



Cover photo:

Students and social entrepreneurs brainstorm at a **UBC Social Innovation Academy** Innovation Jam in Vancouver.

Photo credit: Gracia Chua Photography

# Sustainable Business

We recognize our wider role in society and believe we can make a positive impact with how we do business. We have a responsibility to our customers, employees and the communities in which we operate to support them to achieve success in the long term through sustainable business.

Now more than ever there is the need to develop the skills, business innovation and low-carbon solutions that will secure sustainable growth. Our commercial and philanthropic activities are structured around sustainable finance and future skills.

## Sustainable Finance

Finance has a crucial role to play in financing, managing and shaping the transition to a low-carbon world. Sustainable finance covers both the financing and investment activities needed to support the UN Sustainable Development Goals (SDGs), and in particular action to combat climate change. 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 low-carbon transition also extends to our own operations, and we have made commitments to reduce our environmental impact.

## Future Skills

In a world of rapidly changing technology and wealth inequality, new skills are needed for a sustainable future. That's why a key part of our strategy focuses on future skills – for our customers, employees and the people in the communities we serve. We are doing this by concentrating on two central areas: employability and financial capability.

## Top 50

one of [Corporate Knights'](#) Best 50 Corporate Citizens in 2019



## US\$1.3 billion

in sustainable financing in Canada in 2019



## 1,100

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



**For key facts about charitable giving, environmental performance and our employees in Canada, please see pages 16 and 17.**

**To find out more about our approach to sustainability, including global commitments, please visit [hsbc.com/sustainability](https://www.hsbc.com/sustainability)**

## HSBC Bank Canada Sustainable Finance Progress

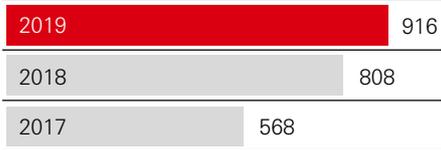
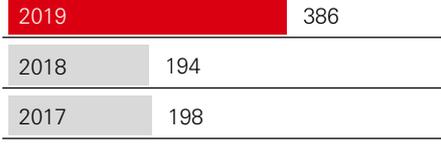
Globally, HSBC has made commitments to deliver our sustainable business strategy, and we provide regular updates on our progress and disclosure under the Task Force on Climate-related Financial Disclosures (TCFD) in the [HSBC Group Environment, Social and Governance Update](#).

Our Canada Climate Business Council, sponsored by our President and CEO and comprised of senior representatives from the businesses and functions, co-ordinates sustainable finance activities and works to address the evolving needs of our customers.

In 2019, we engaged our colleagues, clients and the wider community on sustainable finance. For example, more than 300 of our frontline staff participated in briefings on green products and a deep-dive on climate transition risk was delivered to our Board's Audit and Risk Committee. We are also members of industry organizations, including the [Responsible Investment Association](#), and supported important dialogue at events such as [GLOBE Capital](#) and [Movin' On](#).

We are making good progress on our pledge to provide and facilitate US\$100 billion of sustainable financing and investment by 2025, having already delivered \$52.4 billion of this commitment globally. In Canada, we have contributed more than US\$3 billion since 2017. Our sustainable finance data dictionary, including detailed definitions of contributing activities, can be found on: [hsbc.com/our-approach/esg-information](https://www.hsbc.com/our-approach/esg-information)

### Cumulative Sustainable Finance in Canada

	Cumulative Progress (US\$ millions) <sup>1</sup>	2019 Highlights						
<b>Facilitation</b> We provide advisory services to facilitate the flow of capital and to provide access to capital markets. Products include green, social and sustainable bonds; debt capital markets; and equity capital markets.	<b>2,292</b>  <table border="1"> <tr> <td>2019</td> <td>916</td> </tr> <tr> <td>2018</td> <td>808</td> </tr> <tr> <td>2017</td> <td>568</td> </tr> </table>	2019	916	2018	808	2017	568	#3 in green, social and sustainability bonds in Canada (according to Dealogic).
2019	916							
2018	808							
2017	568							
<b>Financing</b> We provide lending for specific sustainable finance activities. Products include project finance (e.g., financing of renewable infrastructure projects) and green loans (e.g., financing of eligible green products).	<b>779</b>  <table border="1"> <tr> <td>2019</td> <td>386</td> </tr> <tr> <td>2018</td> <td>194</td> </tr> <tr> <td>2017</td> <td>198</td> </tr> </table>	2019	386	2018	194	2017	198	Launched <a href="#">Green Finance products</a> to support Canadian businesses to meet their environmental and sustainability goals.
2019	386							
2018	194							
2017	198							

<sup>1</sup> May not add due to rounding. Global data is reported in our Environment, Social and Governance Update: <https://www.hsbc.com/our-approach/esg-information>

# Community Investment

HSBC Bank Canada’s community investment activities are part of the HSBC Group’s comprehensive global commitment to sustainable business. We contribute to registered Canadian charities, supporting community programs that have a measurable impact in the areas of sustainable finance 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 2019, HSBC supported registered Canadian charities in the communities where we operate through donations and other charitable giving:

- ◆ **Donations:** HSBC donated \$4,046,000 to community programs that have a measurable impact and that are aligned with our global themes and country priorities. An additional US\$155,000 was donated by the HSBC Group to Youth Employment Services through our global focus on Future Skills.

Through these donations, our partners will help 126,044 people access community programs, and 455 businesses will be supported to grow or become more sustainable.

- ◆ **Other Charitable Giving:** HSBC committed \$1,048,887 to registered charities in sponsorships and initiatives that support our business objectives.

## Employee Engagement

Investing in our communities extends beyond financial donations. We work with our partners to create opportunities for employee volunteerism, and our employees are entitled to one paid day each year to volunteer with a charity of their choice. In 2019, a record 22% of employees used their paid volunteer day, compared with 13% the previous year.

Our employees also raised more than \$293,995 during our annual United Way employee giving campaign, bringing the total matched and corporate contribution to \$806,360.

We also support causes our employees are most passionate about and volunteer with. For example, in 2019 we donated \$500,000 to four children’s hospitals across Canada after an employee survey identified children’s health as a top priority for charitable donations.

**\$4 million**

donated to community programs



**126,000**

people reached through community programs



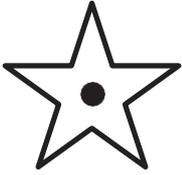
**\$800,000+**

donated to United Way as part of our annual campaign



To find out more about our response to COVID-19 relief efforts in 2020, please visit [about.hsbc.ca/community](https://about.hsbc.ca/community)

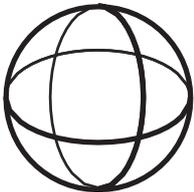
## Community Investment Donations



### HSBC Bank Canada Partners

Our local philanthropic support in 2019 focused on the following charitable partners:

- ◆ [ABC Life Literacy Canada](#)
- ◆ [Alberta Children's Hospital Foundation](#)
- ◆ [BC Children's Hospital Foundation](#)
- ◆ [Boys and Girls Clubs Big Brothers Big Sisters of Edmonton](#)
- ◆ [Boys and Girls Clubs of Calgary](#)
- ◆ [Breakfast Club of Canada](#)
- ◆ [Canadian Red Cross](#)
- ◆ [Children's Aid Foundation of Canada](#)
- ◆ [Columbia Institute \(Climate Smart\)](#)
- ◆ [The Donald Berman Yaldei Developmental Centre](#)
- ◆ [Earth Rangers](#)
- ◆ [Enactus Canada](#)
- ◆ [Evergreen](#)
- ◆ [Forum for Women Entrepreneurs](#)
- ◆ [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](#)
- ◆ [Ryerson University](#)
- ◆ [Segal Centre for the Performing Arts](#)
- ◆ [Science World British Columbia](#)
- ◆ [SickKids Foundation](#)
- ◆ [S.U.C.C.E.S.S. Foundation](#)
- ◆ [United Way Centraide Canada](#)
- ◆ [University of British Columbia](#)
- ◆ [University of Calgary](#)



### HSBC Group Programs

The HSBC Group funded the following philanthropic program through the Global Future Skills Programme:

- ◆ [Youth Employment Services](#)



## Delivering our Sustainability Strategy through Training

More than 100 employees in Vancouver and Toronto participated in the **Sustainability Training Programme (STP)** and **Sustainability Leadership Programme (SLP)** in 2019, facilitated in partnership with EarthWatch. These employee sustainability training programs were part of the **HSBC Water Programme**, an eight-year (2012-2019) US\$150 million global program that delivered clean water and sanitation to millions of people around the world, while contributing to scientific research.

The STP is a one-day program where employees learn how businesses and cities are preparing for a low-carbon economy, and the SLP is a three-day program for senior-level employees to enable them to embed sustainability into their roles at the bank. Through these programs, employees across all lines of business have made commitments that support HSBC's sustainability strategy.

Hilary Stevens, an HSBC employee based in Vancouver, attended the STP and connected with three like-minded colleagues. Shortly after attending the course, they co-founded a **Green Action Team** at their office to motivate and inform colleagues about embedding sustainability into their personal and professional lives. In 2019, they hosted guest speakers, organized educational tours of sustainable buildings and developed a zero-waste catering guide to help employees choose catering services that reduce packaging waste.

Participating in the program helped Hilary identify ways to reduce her own environmental impact, at work and at home. "I am proud to work for an organization that gives back and recognizes sustainability," she says. "The program offers a great opportunity for staff to learn about the bank's approach to sustainability, and to better understand the environment we live in."



## Catalyzing Innovation with the University of British Columbia

Through a \$250,000 donation from HSBC, the University of British Columbia launched the **Social Innovation Academy (SIA)** to accelerate the growth of social enterprises across Canada, while also building the employment-related skills of university students.

Working as fellows and analysts, students at universities across the country help organizations with strong social or environmental missions to build their capacity and solve a business problem. For some students, the experience has been life-changing. "The SIA helped me determine that finding a career that is values-aligned, meaningful and impactful is entirely possible," says Gaby Fekete, an SIA student analyst in Calgary. "This program has given me a trajectory for my future career path."

In 2019, 55 students worked with nearly 40 social-purpose organizations to gain valuable hands-on skills while implementing capacity-building projects for these innovative organizations. One such organization is [CleanStart](#), a social enterprise that hires people who face employment barriers to provide junk removal services. Considering expanding into two new cities, [CleanStart](#) benefited from student analysts' assessment of the market potential and competitive environment.

Skills-based volunteering is also an important part of the program. HSBC employees joined teams of students in Innovation Jams – rapid-paced competitions to design solutions for challenges faced by 18 social enterprises – across the country. "The SIA was a truly rewarding experience," says Madhu Sharma, one of the employee volunteers in Toronto. "I thoroughly enjoyed the opportunity to help solve social enterprise issues, something we do not always get to do in our day-to-day work."



## Empowering Families through Financial Capability with ABC Life Literacy Canada

In 2019, ABC Life Literacy Canada updated their HSBC Family Literacy First program with a new focus on family financial literacy. With \$170,000 in funding from HSBC over one year, the program helps Canadians develop their financial literacy skills as a family, with a focus on newcomers. The free learning materials are aimed at families with children aged six to 11 and are available online in multiple languages at [familyliteracyfirst.ca](http://familyliteracyfirst.ca).

“Everyone knows it’s important to read to your kids, but we often forget the importance of talking openly about money,” says Mack Rogers, Executive Director of ABC Life Literacy Canada. “Helping kids set good habits from a young age and acting as a role model with money is vital to improving children’s confidence and success in financial literacy.”

The program is also delivered through in-person workshops where HSBC volunteers work alongside children and their parents as they develop their financial literacy skills together. One of the families participating in the program this year was the Muthukumar family, who attended an event in Toronto. A family member shared their experience: “As a family, it’s a good get-together to let the kids know what’s the value of money [...] this way kids know that money does not come from trees!”

In 2019, the in-person workshops reached 36,600 people, and the learning materials were downloaded and distributed to 220,000 individuals from coast to coast to coast.



## Supporting Youth Employability with Four Leading Charities

In 2017, HSBC committed \$4 million to four leading charities over three years (2017-2020) to support young people to graduate from school and seek meaningful employment. The four charities – Children’s Aid Foundation of Canada, Indspire, Pathways to Education Canada and United Way – are making a profound difference through after-school programming, scholarships, bursaries and emergency funding. HSBC employees are also involved as volunteers, participating as mentors, organizing insight days, preparing backpacks for youth entering care and organizing speed networking events.

In 2019, Mahomed Taibo, an HSBC employee, volunteered with Indspire’s mentorship program – resulting in an unexpected career path for his Indspire mentee, Grady Coutu. Grady was a recipient of the Indspire **HSBC Indigenous Business Award**, and studying finance at the University of Saskatchewan at the time. According to Mahomed, “HSBC was not on his mind for employment, but as he started discovering more about our company, he started asking the right questions and showing interest.”

While HSBC wasn’t originally a part of Grady’s career plans, he applied for the **HSBC Graduate Training Program** after doing his own research and discussing HSBC with Mahomed. “I truly believe that the support I received through the program was vital in me achieving a position with HSBC and being able to move from Saskatchewan to Vancouver to start a new career,” says Grady.

This three-year program reached an important milestone in 2019, having reached almost 6,000 young people – including Indigenous youth, children and youth in-care, and youth living in low-income communities – through programs designed to help them reach their full potential.

# 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 strive to create 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.

In 2019, we were recognized by the Government of Canada with an Employment Equity Award in the Sector Distinction category, recognizing our strong commitment to employment equity. Chris Hatton, COO at the time, also received the Employment Equity Champion Award for his proven track record in championing inclusiveness in the workplace. 2019 marks the fourth year we have been recognized by the Federal Government Employment Equity Awards.

We know that there is always more work 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

This year, we were very proud to be recognized as one of [BC's Top Employers](#). Additionally, we were recognized as one of [Canada's Best Diversity Employers](#) for our commitment to advancing diversity and inclusion in the workplace and in our communities.



## Celebrating our Female Leaders

We also continued to 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. In 2019, three of our female leaders were acknowledged nationally for their contributions:

- ◆ Sandra Stuart, President and CEO, received the [Catalyst Canada Honours Award](#) in the Company Leader Category.
- ◆ Lisa Deakin, Head of Global Markets Corporate Sales, Western Canada, was one of 31 women across Canada named to the [Women in Capital Markets Emerging Leaders Program](#), which offers recipients the opportunity to enhance their leadership skills, build a broader industry network and plan for career advancement.
- ◆ Angie Hall, Assistant Vice-President, Commercial Banking, was named one of [Canada's Most Powerful Women: Top 100 Award Winners](#). She received a Future Leaders Award, which recognizes women under the age of 30 who have distinguished themselves early in their career.

50/50

HSBC Bank Canada's Board of Directors and executive management team have been gender-balanced since 2013.



8

Employee Resource Groups celebrate the diversity of our workforce



43%

of our employees are members of a visible minority



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

## HSBC Employees (at 31 December 2019)

Province/Territory	Regular Full-Time	Regular Part-Time	Temporary Full-Time	Temporary Part-Time	Total
British Columbia	2,007	192	21	8	2,228
Yukon <sup>1</sup>	–	–	–	–	–
Northwest Territories <sup>1</sup>	–	–	–	–	–
Alberta	279	35	2	3	319
Saskatchewan	26	4	–	–	30
Nunavut <sup>1</sup>	–	–	–	–	–
Manitoba	17	4	–	1	22
Ontario	1,850	96	21	5	1,972
Quebec	483	48	1	–	532
Newfoundland and Labrador	9	2	–	–	11
New Brunswick	6	2	–	1	9
Nova Scotia	15	2	–	–	17
Prince Edward Island <sup>1</sup>	–	–	–	–	–
<b>Total<sup>2</sup></b>	<b>4,692</b>	<b>385</b>	<b>45</b>	<b>18</b>	<b>5,140</b>

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

<sup>2</sup> Effective 1 January 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). HGCA employee headcount is not reflected above.

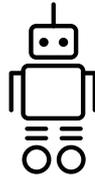
# Access to Financial Services

Our customers are at the heart of what we do, and we are continually seeking to improve their banking experience and ensure they have the financial tools they need to thrive. In 2019, 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 relocated some existing branches, providing more access points for our customers to bank with us face-to-face
- ◆ **Online and mobile banking:** We've made our mobile banking platform even more convenient, with an enhanced cheque deposit experience and the ability to add bill payees and receive online statements. Online banking now includes INTERAC e-Transfer® Autodeposit and the ability to view RRIF and RESP mutual fund accounts
- ◆ **Wealth:** We're giving our customers more choice with the launch of our T-series mutual funds, designed for those looking for a more predictable cash flow. And to keep our customers well informed, we've developed new investment education content available through our **Investment Insights Centre** and emailed to our customers directly



### Introducing Pepper

In 2019, HSBC Bank Canada welcomed Pepper, the engaging,

social humanoid robot, to serve our customers' needs in a retail setting. HSBC was the first major bank to bring this customer service robot to Canada. Developed by [SoftBank Robotics America](#), Pepper is based in Toronto and greets customers as they enter the branch, helps reduce wait times, and also provides basic product information.

"When talking with our customers, Pepper will help educate them to get the most out of our products and services. And when you meet Pepper, you can't help but smile," says Larry Tomei, EVP and Head of Retail Banking and Wealth Management, HSBC Bank Canada.

133

branch locations across Canada



2

new accounts launched in 2019 to support youth and students



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

In the first quarter of 2020, HSBC Group combined Retail Banking and Wealth Management ('RBWM') and Global Private Banking to create Wealth and Personal Banking ('WPB'). Therefore, going forward in 2020, RBWM has been renamed to WPB.

## Special Account Packages

We believe that income and 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:

- ◆ **Youth Savings Account:** For youth under 19 years of age, this account has no transaction fees, includes unlimited withdrawals and debits, and offers daily interest from the first dollar, paid monthly.
- ◆ **Student Chequing Account:** For full-time post-secondary students, this account has unlimited transactions, no monthly fees and no minimum balance requirement.
- ◆ **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, overdraft protection and access to an HSBC MasterCard and mortgage.

## 2019 Branch and ATM Openings, Relocations and Closures

HSBC Bank Canada's branch network aims to 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
ON	Mississauga	7205 Goreway Drive, L4T 4J1	1 branch and 2 ATMs
ON	Brampton	8335 Financial Drive, L6Y 1M1	1 branch and 2 ATMs

### Relocations

Province	City	Address From	Address To	ATM/Branch
BC	Vancouver	5812 Cambie Street, V5Z 3A8	583 W 41st Avenue, V5Z 2M7	1 branch and 2 ATMs
BC	Victoria	Gateway Village 100, 771 Vernon Avenue, V8X 5A7	Uptown Mall 111, 3500 Uptown Blvd, V8Z 0B9	1 branch and 2 ATMs

### Closures

There were no branch or ATM closures in 2019.

# 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. In 2019, we made significant investments to grow our business with Canadian companies.

## Small Business Banking

We know that small business owners have very specific needs, and we offer a suite of products focused on businesses with up to \$5 million in annual revenue:

- ◆ **HSBC Start:** For businesses with fewer monthly transactions or who may be working to understand their cash flow.
- ◆ **HSBC Smart:** A competitively priced option for small businesses with more frequent transactions and cash deposits.
- ◆ **HSBC Unlimited:** A simple option for high-volume-transaction businesses.

## Commercial Banking

We continue to make investments to improve the customer experience, help advance economic growth and accelerate the transition to a low-carbon economy.

Every day, our **Global Trade and Receivables Finance** team provides working capital risk mitigation solutions to help businesses unlock funds trapped in inventory or receivables to keep the supply chain – and their businesses – moving forward. In the past year, our **International Subsidiary Banking** team has helped international companies expand and invest in Canada, helping to drive the economy forward.

Here are examples of improvements introduced in 2019:

- ◆ **Green Loans:** Supporting Canadian companies to meet their environmental and sustainability goals with Green Loans, the first of their kind in Canada aligned to the Loan Market Association’s Green Loan Principles.
- ◆ **Simplifying processes:** We reduced turnaround time for new-to-bank customer onboarding by 50% by reducing paperwork and improving their journey.
- ◆ **Remote cheque deposit capture:** We introduced technology enabling us to reduce the number of paper cheques in circulation.



### A Fruitful Relationship

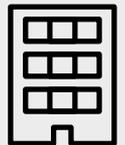
Founded in 1858 during the gold rush, [The Oppenheimer Group](#) (Oppy) is the oldest operating business in BC. With annual sales of over \$1 billion, the fresh produce grower, marketer and distributor has increased market share year over year thanks in part to its thriving relationship with HSBC.

“Our HSBC credit line enables our business to happen,” says Chairman, CEO and Managing Partner John Anderson. Looking ahead, Anderson says Oppy’s close relationship with HSBC gives the company the flexibility and confidence to move quickly when new opportunities emerge.

Read the full story [here](#).

3

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



#1

World’s Best Bank for Sustainable Finance, Euromoney Awards for Excellence (2019)



To find out more about **Small Business Banking**, please visit [hsbc.ca/small-business-banking](https://www.hsbc.ca/small-business-banking)

To find out more about **Commercial Banking**, please visit [business.hsbc.ca](https://www.business.hsbc.ca)

## Debt Financing for Canadian Businesses

### Amount of Debt Financing for Business (at 31 December 2019)

Authorizations (thousands of dollars)

Regional synopsis <sup>1</sup>	\$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	3,226	22,425	53,557	134,755	283,750	1,855,447	17,147,853	19,501,013
Alberta	938	7,762	29,204	58,218	144,194	826,697	13,101,667	14,168,680
Saskatchewan/ Manitoba <sup>2</sup>	232	1,463	5,679	8,900	19,455	177,469	1,615,338	1,828,537
Ontario	2,158	22,819	50,726	106,997	213,492	1,795,812	25,105,787	27,297,791
Quebec	926	6,728	23,809	88,579	97,187	818,147	8,920,831	9,956,207
New Brunswick/Nova Scotia/Newfoundland and Labrador <sup>3</sup>	155	1,971	3,781	11,277	18,851	100,628	864,710	1,001,374
<b>Total<sup>4</sup></b>	<b>7,635</b>	<b>63,169</b>	<b>166,756</b>	<b>408,726</b>	<b>776,930</b>	<b>5,574,200</b>	<b>66,756,187</b>	<b>73,753,601</b>

### Number of Businesses to Which Debt Financing was Authorized (at 31 December 2019)

Number of Customers

Regional synopsis <sup>1</sup>	\$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	520	380	318	350	385	765	652	3,370
Alberta	184	128	163	155	203	315	329	1,477
Saskatchewan/ Manitoba <sup>2</sup>	33	25	31	23	26	76	68	282
Ontario	502	387	311	283	285	722	778	3,268
Quebec	210	111	131	244	128	323	281	1,428
New Brunswick/Nova Scotia/Newfoundland and Labrador <sup>3</sup>	32	31	25	29	26	47	49	239
<b>Total<sup>4</sup></b>	<b>1,481</b>	<b>1,062</b>	<b>979</b>	<b>1,084</b>	<b>1,053</b>	<b>2,248</b>	<b>2,157</b>	<b>10,064</b>

<sup>1</sup> HSBC Bank Canada does not have operations in the following provinces and territories: Northwest Territories, Nunavut, Prince Edward Island, Yukon.

<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. Data includes relevant business lines, including Commercial Banking, Global Banking and Markets and Retail Business Banking.

# 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 2019, HSBC Bank Canada and its subsidiaries will have paid more than \$323 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 Canada in 2019<sup>1</sup>

(thousands of dollars)

	Income Taxes	Capital Taxes	Total Taxes
Federal	128,792	-	128,792
Provincial/Territorial:			
British Columbia	45,890	-	45,890
Yukon <sup>2</sup>	-	-	-
Northwest Territories <sup>2</sup>	-	-	-
Alberta	7,764	-	7,764
Saskatchewan	886	2,151	3,037
Nunavut <sup>2</sup>	-	-	-
Manitoba	337	1,412	1,749
Ontario	38,102	-	38,102
Quebec	7,671	1,681	9,352
Newfoundland and Labrador	289	1	290
New Brunswick	126	372	498
Nova Scotia	388	925	1,313
Prince Edward Island <sup>2</sup>	-	-	-
<b>Total Income and Capital Taxes</b>	<b>230,245</b>	<b>6,542</b>	<b>236,787</b>
<b>Goods and Services Tax and Provincial Sales Tax</b>			<b>45,005</b>
<b>Other taxes<sup>3</sup></b>			<b>41,623</b>
<b>Total<sup>4</sup></b>			<b>323,414</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 2020.

<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 2016.

## Charitable Giving

	Units	2019	2018	2017	2016
HSBC Canada charitable donations	CA\$	4,046,000	3,804,615	7,134,330	7,133,433
HSBC Canada other charitable giving (e.g., sponsorships)	CA\$	1,048,887	1,553,539	-	-
<b>Total</b>	<b>CA\$</b>	<b>5,094,887</b>	<b>5,358,154</b>	<b>7,134,330</b>	<b>7,133,433</b>
HSBC Group charitable donations in Canada	US\$	155,000	234,000	249,000	197,454

- Through “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.
- The HSBC 150th Anniversary Community Fund, an additional donation allocated over three years (2015-2017) in celebration of HSBC’s 150th anniversary, was no longer part of our donations budget starting in 2018.
- In 2018, we incorrectly reported our total United Way contribution as \$750,608; instead, our total contribution was \$727,027.

## Environment

	Units	2019	2018	2017	2016
Greenhouse gas emissions	tonnes CO <sub>2</sub> e	9,549	10,818	10,957	9,948
Energy consumption	GJ	137,815	157,600	165,144	167,850
Waste produced	metric tonnes	695	632	695	700
Waste recycled	metric tonnes	606	545	593	599
Percent of waste recycled	%	87.82	86.25	85.24	85.41
Water consumption	m <sup>3</sup>	32,813	41,065	40,435	43,825
Sustainable finance (facilitation and financing)	US\$ (millions)	1,302	1,003	766	-
Clean Revenue	% of gross revenue	-	0.52	0.49	-

- **Greenhouse gas emissions:** 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](#)
- **Greenhouse gas emissions:** In 2017, emissions increased disproportionately to energy consumption due to a change in emissions factors. Previously, emissions factors were sourced globally, but to increase accuracy, they are now sourced regionally.
- **Energy consumption:** In 2019, reduction was a result of the closure of facilities in the second half of the 2018 reporting period, ongoing implementation of energy conservation measures, and a significant reduction in heating degree days, which reduced gas required to heat buildings.
- **Waste:** In 2019, the estimation methodology for waste was adjusted to better account for month-to-month variations in the portfolio square footage, with an added emphasis on larger office spaces. The new methods resulted in adjustments to 2018 data for total waste and percentage recycled. The new methodology was carried forward into subsequent reporting quarters. Chart above reflects corrected data for 2018.
- **Water consumption:** In 2019, the primary reason for the reduction in water consumption was as a result of using a lower estimation ratio (based on actual meter readings) at a number of sites. Once this was extrapolated to the remaining sites, overall consumption was reduced. In 2018, water consumption slightly increased due to a leak that has since been fixed.
- **Sustainable finance:** Covers both the financing and the investment activities needed to support the UN Sustainable Development Goals, and in particular action to combat climate change. Data for 2016 is not available.
- **Clean revenue:** Calculated based on Corporate Knights’ methodology and is based on sustainable finance amounts listed above. Data for 2016 is not available.

**Employees**

	<b>Units</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Number of Full Time Equivalent employees	#	5,340	5,355	5,208	5,392
Total employee costs	CA\$ (millions)	507	500	526	526
Employee turnover	%	14.6	15.3	18.4	15.7
Defined Benefit Pension Plan – Assets	CA\$ (millions)	650,626	631,073	619,763	578,385
Defined Benefit Pension Plan – Projected Obligations	CA\$ (millions)	678,888	637,683	664,588	627,176
Women on Board of Directors	%	44	44	50	50
Women in Executive Management	%	50	67	61	65

- Effective 1 January 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). HGCA employee FTE is not reflected above.
- 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)

# Key Contacts

## Requesting a Charitable Contribution

HSBC Bank Canada supports community programs that provide a measurable impact in the areas of sustainable finance and future skills. If you are a registered Canadian charity active in one of these areas and would like to be considered for a charitable contribution, please email us at [corporate\\_sustainability@hsbc.ca](mailto:corporate_sustainability@hsbc.ca)

### Principal Addresses:

#### Vancouver:

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#### Toronto:

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Toronto, Ontario  
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### Commissioner of Complaints:

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### Privacy Officer:

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### HSBC Bank Canada General Inquiries:

Tel: 1 (888) 310-4722

Email: [Use our online form](#)

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