

HSBC Bank Canada

2021 Public Accountability Statement



HSBC
Bank

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About this document

This Public Accountability Statement is a Canadian regulatory report that describes HSBC Bank Canada's community investment and sustainability programs, contribution to the economy and initiatives that aim to meet the needs of our customers.

Unless otherwise stated, it describes the 2021 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 Investment Counsel (Canada) Inc.
 HSBC Securities (Canada) Inc.
 HSBC Trust Company (Canada)

Effective January 1, 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). Unless otherwise stated, HGCA is not included in this Public Accountability Statement. HSBC Canadian Covered Bond (Legislative) GP Inc. and HSBC Canadian Covered Bond (Legislative) Guarantor Limited Partnership are not included in this Public Accountability Statement.

HSBC Holdings plc (HSBC Group) contributes to the global economy by providing high-quality products and services to its customers, and 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.

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 do business and manage their finances here and internationally through four global businesses: Commercial Banking, Global Banking, Markets and Security Services, and Wealth and Personal Banking. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of USD2,958 billion at December 31, 2021, HSBC is one of the world's largest banking and financial services organizations.

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

** Effective from the fourth quarter of 2021, we have separated the business segment previously known as "Global Banking and Markets" into "Global Banking" and "Markets and Security Services" to reflect our new operating segments.

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Cover photo:

A depiction of artist Jacqui Comrie's "Heal" mural, displayed at the Toronto Distillery District in September 2021. The mural was commissioned by HSBC Bank Canada as part of Business Plan for the Planet, and uses LumActiv® technology to break down pollutants and improve air quality.

Global environmental, social and governance approach

We conduct our business to support the sustained success of our customers, people and communities. We want to be a well-managed organization that people are proud to work for, that has the trust of our customers and the communities we serve, and that minimizes its impact on the environment.

Our purpose is: 'Opening up a world of opportunity'. To achieve our purpose and deliver our strategy in a way that is sustainable, we are guided by our values: we value difference; we succeed together; we take responsibility; and we get it done.

HSBC Group's approach to environmental, social and governance (ESG) performance is embedded within our global strategy and pillars, which guide our work in Canada. We link performance with key ESG indicators on our executive incentive scorecards, both globally and here in Canada. For example, our HSBC Bank Canada CEO and members of our executive team have objectives related to climate risk, diversity and inclusion, environmental performance and sustainable finance.

Find out more

Global ESG information and disclosures can be found in the [HSBC Group Annual Report and Accounts ESG Review](#) and on our [ESG Reporting Centre website](#). Our global ESG Review sets out our approach to our climate, customers, communities, employees and governance. It also explains how we aim to achieve our purpose and deliver our strategy in a way that is sustainable and it describes how we build strong relationships with our stakeholders.

Canada-specific ESG information can be found within this Public Accountability Statement and in the [HSBC Bank Canada Annual Report and Accounts](#). ESG metrics can also be found on pages 17-20 of this report.

Awards in Canada



Best 50 Corporate Citizens, for the 10th year in a row
Corporate Knights



Excellence in Governance Award – Diversity, Equity and Inclusion category
Governance Professionals of Canada



Canada's #1 Trade Finance Bank and Best Bank for Service Quality
Euromoney



Best Retail Bank for frictionless banking experience
The Digital Banker

Climate

Making the transition to net zero, in line with the Paris Agreement, requires businesses and economies to undergo a fundamental transformation. We believe that finance has a crucial role to play in tackling climate change – and HSBC aims to be a leading partner in the transition to a low-carbon future.

In 2020, we announced our global ambition to support our customers in their transition to net zero and a sustainable future. In 2021, we continued to deliver on our climate plan, including measuring our financed emissions, reducing energy consumption in our own operations, supporting our customers through the transition, and unlocking climate solutions and innovation.

Canada 2021 Highlights



67%

increase in sustainable financing volumes from 2020



62%

reduction in greenhouse gas emissions from 2019 baseline¹



\$775,000

donated to accelerate and scale climate technology ventures

Visit our [Climate Strategy website](#) for more information.

Visit our [ESG Reporting Centre](#) for global information, including Taskforce on Climate-related Financial Disclosures (TCFD).

¹For more details on this figure, review page 4 (“becoming a net-zero bank”) and page 17.

Becoming a net-zero bank

We aim to reduce carbon emissions from our operations and supply chains to net zero by 2030 or sooner, and to align financed emissions from our portfolio of customers to the Paris Agreement’s goal of net zero by 2050 or sooner.

HSBC Bank Canada has been actively managing its environmental performance for many years. In 2021, we reduced our greenhouse gas emissions resulting from the energy used in our buildings and employees’ business travel by 62% and our energy consumption by 15% from our 2019 baseline in Canada. This was mainly attributed to travel restrictions impacting our employees’ business travel and the reduction of usage of our buildings due to the COVID-19 pandemic. As pandemic-related restrictions ease in future years, we will continue to review our work practices and travel policies to work towards our net-zero operations ambition.

We work closely with global colleagues on the delivery and operationalization of our net-zero finance strategy, ensuring it takes into consideration the unique needs of our clients and region.

Climate risk management

Strong governance and sustainability risk management underpin our climate strategy. Sustainability and climate-related risks are managed through our Group-wide risk management framework, and we support and contribute to HSBC Group's TCFD reporting, which is integrated into the HSBC Group Annual Report and Accounts.

In Canada, we established a Climate Risk Oversight Forum to oversee the local delivery of our climate risk management program and continue to evolve our risk appetite. We delivered education sessions to the HSBC Bank Canada Board and Audit, Risk and Conduct Review Committee to raise awareness and enhance oversight of sustainability and climate risks.

Unlocking climate solutions and innovations

The transition to a net-zero economy requires radical new solutions. We work closely with a range of partners to accelerate investment in natural resources, technology and sustainable infrastructure.

In Canada, we support MaRS Cleantech's Mission from MaRS: Climate Impact Challenge program, which aims to rapidly accelerate the adoption and commercialization of climate technologies. In 2021, MaRS announced its support for 10 carbon-reducing ventures in three greenhouse gas-intensive sectors: energy, real estate and transportation. Read more about MaRS and the other climate programs that we support in Canada on page 7.

Supporting customers to thrive in transition

Financing the transformation of businesses and infrastructure is key to building a sustainable future. HSBC Group's ambition is to provide and facilitate between USD750 billion and USD1 trillion in sustainable financing and investment globally by 2030 to support our customers to transition to more sustainable ways of doing business.

Our approach to sustainable finance in Canada

In Canada, we are a trusted partner to our clients in advancing their sustainability ambitions. In 2021, HSBC Bank Canada provided USD2.3 billion in sustainable financing, up 67% over 2020. See page 17 for sustainable finance volumes data.

Our Canada Climate Business Council, co-chaired by our President and CEO and made up of senior representatives from across our business, co-ordinates local sustainable finance activities and drives progress towards our global ambitions. We are also members of numerous industry organizations that are working to advance sustainability initiatives, including the Responsible Investment Association, Canadian Business for Social Responsibility and the Partnership for Carbon Accounting Financials.

In 2021, we accelerated our capacity to deliver sustainable finance products and solutions within our Commercial Banking business line. We launched the Canada [Sustainable Finance Hub](#) to provide clients with products, insights and support for their transition to a low-carbon economy. We created a dedicated sustainable finance advisory unit within our Commercial Bank, and appointed a Head of Sustainable Finance, Commercial Banking. This capability allows HSBC to share practical and global knowledge on how companies can obtain support to bring their sustainability objectives to life. We also launched a broad suite of sustainable finance products for corporate customers of all sizes, which you can read about on page 15.

HSBC Bank Canada delivers sustainable finance solutions across all of our business lines. We provide advisory services and facilitate the flow of capital and provide access to equity and capital markets through green and sustainable bonds. In 2021, we were selected as a co-green structuring advisor on the Government of Canada's inaugural green bond. We also introduced an Energy Efficiency Loan and an Electric Vehicle Loan for our personal banking customers. Our asset management subsidiary became a signatory of the [Canadian Investor Statement on Diversity and Inclusion](#) and pledged its commitment to promote diversity and inclusion with their Canadian investees, and internally within its own business structure.

Communities

HSBC has a long history of supporting the communities we call home. In Canada, we are aligned with the HSBC Group's focus on climate solutions, employability and financial capability. A portion of our donation budget is also set aside for causes that our employees are most passionate about and with whom they volunteer.

In 2021, HSBC Bank Canada focused its community investment on building back better from the impacts of the pandemic and transitioning to a net-zero economy. Knowing that addressing climate change requires innovation, we funded new programs that focus on scaling climate solutions. Another significant portion of our work is directed towards partnerships that prepare people for employment or self-employment and help them better manage their money. These programs, similar to those we supported in 2020, focus on vulnerable groups most impacted by the COVID-19 pandemic.

We are also members of Volunteer Canada's Corporate Community Engagement Council, with a mandate to work collaboratively to deliver strong leadership in the area of corporate citizenship.

Charitable giving

HSBC supports registered Canadian charities in the communities where we operate through donations and other charitable giving.

Donations

HSBC Bank Canada donated \$4,147,834 to community programs that have a measurable impact. An additional \$1,112,622 was donated by the HSBC Group, bringing our total donations in Canada to \$5,260,456.

Through these donations, our partners are expected to help more than 142,000 people access community programs.

Other charitable giving

HSBC committed \$457,192 to registered charities through sponsorships and initiatives that support our business objectives.

Canada 2021 Highlights



+\$5.2 million
donated to community programs



+142,000
people reached through community programs



+\$646,000
donated to United Way through the HSBC Giving Campaign, including corporate donation

Employee engagement

Investing in our communities goes beyond making donations. We work with our partners to create meaningful volunteering opportunities for our employees, whether through employment workshops, environmental stewardship programs or mentoring youth in entrepreneurship programs and global competitions. Each year, every employee is entitled to one paid day to volunteer with a charity of their choice. This year our employees volunteered more than 700 work hours. These self-reported volunteer hours are lower than pre-pandemic levels. In 2022, we will continue to support employees to report their volunteer hours and we will also be launching a new employee matching program to drive volunteerism and better capture reporting.

We also work with our employees to support causes that they are most passionate about. In 2021, we celebrated eight years of the HSBC Bank Canada Volunteer Fund, which provides micro-grants to charities that our colleagues volunteer with. One of these grants supported the Oakville Hospital Foundation with the purchase of essential medical equipment and programs that are not already funded by the government. More than 30 employees and their families delivered artwork and thank-you cards to doctors, nurses and staff who have been working tirelessly on the front lines.

Through our Climate Action Network across the country, colleagues also get involved in grassroots activities to support our climate strategy and better the environment through employee-led initiatives. In 2021, 400 employees participated in events that included eco-friendly gardening, waste cleanups, sustainable nutrition and a green holiday celebration.

Community investment programs

We supported 35 partners with local and global funding in 2021. These are some examples of the programs we supported:

Climate solutions: Accelerating climate technology ventures

We understand the need to find new solutions and increase the pace of change if the world is to achieve the Paris Agreement's goal of net zero by 2050. That is why the HSBC Group launched a global, five-year USD100 million philanthropic program to bring emerging climate solutions to scale.

In Canada, we are supporting programs that will help climate technology ventures to accelerate their path to commercialization and become scalable ventures with positive environmental and social impacts. In 2021, we donated \$775,000 across three programs with MaRS, the University of British Columbia and the University of Calgary, enabling them to reach over 60 ventures in sectors including energy, agriculture, carbon sequestration and removal, the circular economy and industrial innovations. The participating ventures will receive a variety of supports, including mentorship and connections to talent, capital and global markets.

Employability: United Way Centraide Canada

We support community employment programs that focus on preparing vulnerable, diverse and under-represented groups for sustainable and meaningful careers. In 2021, we partnered with United Way to provide employment programming for newcomers in Vancouver, Calgary, Edmonton, Toronto and Montreal.

Through our \$200,000 donation, United Way agencies will reach 450 newcomers with services such as workshops, training, mentorship and financial coaching from staff who specialize in strategies for sustainable employment and newcomer settlement. Colleagues also get involved as volunteers. One example is our team in Toronto who provided coaching and mentoring to new immigrants and individuals from diverse backgrounds.

Financial capability: ABC Life Literacy Canada

Through our focus on financial capability, we support Canadians of all ages to better manage their money. Our partnership with ABC Life Literacy Canada focuses on building the numeracy and financial literacy skills of children in grades 1-5 and their families with a particular focus on those whose first language is not English or French.

HSBC Family Literacy First is available online, for free, and is also delivered across the country by local community literacy groups, libraries and schools. In total, ABC Life Literacy Canada reached 119,500 children and parents in 2021 through direct program delivery and in-home downloads of the materials.

Colleagues also volunteer with the program. In 2021, colleagues recorded educational videos featured on ABC's YouTube channel and participated in virtual program delivery.



HSBC Bank Canada partners

We made charitable donations to the following organizations in Canada

- ◆ [ABC Life Literacy Canada](#)
- ◆ [ACCES Employment](#)
- ◆ [Alberta Children's Hospital Foundation](#)
- ◆ [BC Children's Hospital Foundation](#)
- ◆ [BGC Canada](#)
- ◆ [Canadian Red Cross](#)
- ◆ [Children's Aid Foundation of Canada](#)
- ◆ [The Donald Berman Yaldei Developmental Center](#)
- ◆ [Earth Rangers](#)
- ◆ [Enactus Canada](#)
- ◆ [Evergreen](#)
- ◆ [Food Banks Canada](#)
- ◆ [Indspire](#)
- ◆ [JA Canada](#)
- ◆ [Les amis de la montagne](#)
- ◆ [Montreal Children's Hospital Foundation](#)
- ◆ [Neil Squire Society](#)
- ◆ [Pathways to Education Canada](#)
- ◆ [RiverWatch Institute of Alberta](#)
- ◆ [Ryerson University](#)
- ◆ [Science World British Columbia](#)
- ◆ [SickKids Foundation](#)
- ◆ [Stanley Park Ecology Society](#)
- ◆ [United Way of the Lower Mainland](#)
- ◆ [University of British Columbia](#)
- ◆ [University of Calgary](#)
- ◆ [Yee Hong Community Wellness Foundation](#)
- ◆ [YWCA Metro Vancouver](#)



HSBC Group partners

The HSBC Group provided funding to the following organizations delivering programs in Canada

- ◆ [JA Worldwide](#)
- ◆ [MaRS Discovery District](#)
- ◆ [Prince's Trust Canada](#)
- ◆ [Technovation](#)
- ◆ [Youth Employment Services](#) – HSBC Career Accelerator Program
- ◆ Ashoka – Green Skills Innovation Challenge

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.

In 2021, we built on resilience and change initiatives to support our colleagues as they continued to adapt to changing work environments. With a global relaunch of our strategy, purpose and values, we focused our efforts to embed hybrid flexible working arrangements, support our customer-facing employees, listen to our people and promote well-being and mental health tools, while staying on track with our diversity and inclusion goals.

As part of the global re-launch of our strategy, we introduced hybrid working for our employees. Hybrid working is not only about where we work, but how we work. It creates a culture that promotes flexibility, collaboration, learning and well-being in both physical and virtual workplaces, and it allows our employees to be at their best and deliver exceptional outcomes for our customers.

We are considered a leader in employment equity and have received multiple Employment Equity Achievement Awards from the Canadian government. In 2021, we were recognized with the Governance Professionals of Canada Excellence in Governance Award in the Diversity, Equity and Inclusion category because our board of directors has remained gender-balanced since 2013.

Canada 2021 Highlights



43%

of our employee population identifies as a visible minority



+400 employees

have completed mental health training, including mental health first aid training



8 years

that our board has been continuously gender-balanced (2013-2021)

Visit our [HSBC Careers](#) website to find out about our approach to DEI.

Well-being

Our aim is to create an environment where everyone feels safe, supported and engaged. We provide mental health education to everyone through our digital platform, helping them to spot the signs of poor mental health, have open and supportive conversations, and directing people to appropriate professional help. Our health plan coverage has been enhanced to include 100% coverage for 18 visits to a mental health professional each year.

We have also focused on giving employees the confidence and competence to manage their finances. Learning modules covering saving strategies and healthy financial habits are now available to all employees. Our benefits suppliers are providing opportunities for our employees to learn more about our Defined Contribution Pension Plan and Flex Saving program. All employees also have access to a dedicated Employee Banking Concierge who is available to discuss employee financial benefits and share education and insights.

Learning and development

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.

In 2021, we enhanced our Future Skills curriculum to enable our employees to explore new skills and take greater ownership of their development. This included the launch of “Degreed,” an online platform that provides a best-in-class user experience for self-paced and guided learning.

Diversity, equity and inclusion

We are committed to fostering an inclusive environment where people are valued, respected and supported to thrive and fulfil their potential. By leveraging the diversity of ideas, backgrounds, styles and perspectives of our people, we are better able to meet the needs of our different clients and stakeholders and drive better business outcomes. A key cornerstone of our strategy is delivered through our nine employee resource groups (ERGs) in Canada. Our ERGs represent many intersectional groups at HSBC and celebrate the diversity of our workforce. More information about our approach to DEI can be found in our Employment Equity Report on the HSBC Careers website.

In 2020, HSBC made a global commitment to improve opportunities for Black and ethnic minority employees and boost the diversity of our senior leadership. This year we continued to make progress on our commitment to stand against all forms of racism and discrimination, including achieving 5% Black representation within student hires and 3% corporate donations to promote investment and create opportunities in the Black community. Both of these objectives are included in the [CEO pledge](#) as part of our commitment to the BlackNorth Initiative.

Truth and reconciliation

We recognize the history and impact of residential schools in Canada and understand that the effects are still felt to this day. In 2021, HSBC Bank Canada was proud to join the [Gord Downie & Chanie Wenjack Fund](#) as a Legacy Space Partner. Through this partnership, we committed to moving reconciliation forward by creating a safe, welcoming space that provides education and awareness about Indigenous history. Together with our Indigenous Canadians Employee Resource Group (ICERG), we have been designing our Legacy Space in Toronto that will be available to employees and customers and will serve as a reminder of the important work we all need to do to advance reconciliation.

During National Indigenous History Month in June, we took time to reflect on and learn about the history and contributions Indigenous peoples have made in shaping Canada. On National Indigenous People’s Day (June 21), we featured Indigenous dancers, singers, poets and other Indigenous talent during a national virtual event.

On September 30, we commemorated Canada’s inaugural National Day for Truth and Reconciliation. Together with ICERG and the Gord Downie & Chanie Wenjack Fund we hosted a virtual event that reflected on the history and legacy of the Indigenous residential school system, engaged in education and conversation about the injustices inflicted on Indigenous people, and took the opportunity to examine how we can all participate in reconciliation.

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 are valued and that we have a robust and diverse pipeline of talented employees. We continue to advance our diversity and inclusion efforts so that they enable the best and healthiest outcomes for our people, customers and stakeholders.

Wealth and personal banking customers

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 2021, we continued to support our customers with a wide range of products and services to meet their needs, and we made a number of digital enhancements that made it easier to bank with us. We also continued to be flexible in supporting our customers impacted by COVID-19, and maintained health and safety protocols by installing Plexiglas barriers and providing hand sanitizer and personal protective equipment for staff.

Canada 2021 Highlights



134

branches across Canada, including two new ones



39

online financial education sessions delivered, reaching 4,000 newcomers

Visit [hsbc.ca](https://www.hsbc.ca) to find out more about our accounts and services.

Digital enhancements

In 2021, we enhanced our online and mobile banking experience and introduced new features. We actively listened to customer feedback and delivered features that further deepened our relationships and empowered customers with the confidence to bank safely and confidently from home. Of the many digital banking enhancements delivered in 2021, two stand out: the HSBC EasyID™ expansion and an enhanced online banking interface.

HSBC was one of the first financial institutions in Canada to integrate digital identification verification into our credit cards and deposit account opening process. We've made HSBC EasyID™ even better by offering online account opening for international customers. Now, both domestic and international customers can conveniently open accounts from the comfort of their home.

We also released a cleaner look and feel for our online banking account summary dashboard. Customers now have easier access to make day-to-day banking transactions and account updates with a Quick Links menu. Additionally, InvestDirect balances and authorized HSBC credit card transactions not yet posted were also introduced to the platform.

Other digital enhancements:

- ◆ Direct calling from the HSBC Canada mobile app
- ◆ Digital student account opening
- ◆ Easy switch to paperless for HSBC credit card customers
- ◆ Digital void cheques
- ◆ HSBC Canada mobile app cheque deposit enhancement
- ◆ Conversational banking with MOBA (chat bot) and Apple Business Chat
- ◆ Greater online banking security through trusted browsers

Access to products and services

We aim to play an active role in opening up a world of opportunity for individuals by supporting them to build their financial health and removing the different barriers that individuals can face in accessing financial services.

We believe that a customer's background, income or credit history should not stand in the way of obtaining banking services. We offer products and services that take into consideration the needs of our customers.

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 our customers access to an appropriate basic account regardless of their personal financial circumstances.

We also provide financial relief to customers facing hardship, and take into consideration their unique circumstances on a case-by-case basis. Examples of the supports we provide are special payment arrangements on mortgages, loans and credit cards, and re-amortizing mortgages.

Youth and students

For youth under 19 years of age, our [Youth Savings Account](#) has no transaction fees, includes unlimited withdrawals and debits, and offers daily interest from the first dollar, paid monthly.

We also provide two chequing account options tailored for students. The Student Chequing Account is for full-time post-secondary students and has unlimited transactions, no monthly fees and no minimum balance requirement. Our Performance Chequing-Limited Account is also available for free to registered post-secondary and secondary students.

Newcomers

For new immigrants to Canada, we provide a number of products and services, and actively engage with community organizations to ensure that newcomers are supported when they arrive in the country. We have a dedicated team that focuses on the needs of this population, with team members specializing in permanent residents, work permit holders and students.

We provide newcomers with pre- and post-arrival account opening services, in both digital and non-digital formats. Our 90-Day Success Kit helps newcomers understand Canadian finances and provides advice for their settlement journey. We also offer other supports upon arrival, such as a partnership that provides medical insurance coverage for newcomers and temporary residents. We also connect job seekers to a dedicated HSBC recruitment website.

Following their immediate arrival, we provide newcomers with complimentary banking, cash back offers and no-fee wire transfers. To support them in building credit history, we offer credit cards, overdraft protection and mortgages without the requirement of a credit history in Canada. We also support newcomers in transferring their home country credit history for bigger purchases like mortgages. We also participate in the federal government's Student GIC Program, which helps students expedite the study permit application process.

A large part of our work is to connect with community partners and settlement agencies. For example, our Markville Mall branch delivered a session on financial well-being to youth at the Centre for Immigrant and Community Services, and we provided financial literacy webinars for international and newcomer students.

Many newcomers are interested in launching businesses, and we provide dedicated products for these individuals. More details can be found on page 14.

Seniors

Our Performance Chequing-Limited Account is available for free to seniors aged 60 years and over, and we offer our Performance Chequing-Unlimited Account with no minimum balance requirements and unlimited transactions for seniors who qualify for a full banking relationship with us.

Seniors represent a significant portion of our clients, and over the past year, we've made a number of improvements to support this client group. For example, our dedicated seniors banking website offers a seniors banking guide, annual report, and advice and support. In 2021, we completed clear language testing with an older audience and made various updates to a number of documents using best-practice guidance for communication with seniors, such as using a larger font size and clearer layout.

We also make special considerations for seniors in our account management and collections processes and are flexible to the unique needs of our customers.

Persons with disabilities

Our Performance Chequing-Limited Account is available for free to beneficiaries of Registered Disability Savings Plans, and our newly launched travel and cashback credit cards are designed with better accessibility in mind. The card number and cardholder's name are lasered in black text on the back of the card, which provides better visual contrast than the traditional raised and embossed characters. We also introduced a notch on the vertical card, allowing those that are visually impaired to know which way to tap their card or insert it into an ATM.

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 they are accessible to all Canadians. We also 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 branches have tools that help make the branch more accessible to clients with hearing and visual impairments. For example, branches have an OptiPlex text magnifier for enlarging text, and an advanced listening system that augments sound for clients who might not have a hearing aid. Our branches also have clear masks available to help clients and employees who read lips. In 2021, our Ability Employee Resource Group developed a guide for front-line employees to enhance communication with clients or co-workers who are hard of hearing.

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.

Small business and commercial banking customers

We help Canadian companies to do business by making international connections, sharing our global expertise and offering products specifically designed to support their needs. In 2021, we continued to participate in government relief programs and worked closely with customers to help them navigate the continued challenges faced through the pandemic.

Canada 2021 Highlights



1st bank in Canada

to apply sustainable finance market principles to both trade and deposit products



+10,000

Canadian businesses provided with \$76 million in debt financing (see page 20)

Visit [Small Business Banking](#) and Commercial Banking for more information.

Visit our [Sustainable Finance Hub](#) for more information about products and solutions.

Supporting business growth

We work with businesses of all sizes and provide products and services that aim to meet their needs both here at home and as they do business internationally. Our global reach and expertise help our customers —who range from small businesses focused on the Canadian market to large companies operating internationally – thrive and grow.

Small business banking

Our HSBC Fusion offering for small businesses with annual revenues up to \$5 million gives business owners control over their personal and business life. We offer three different account options to meet the diverse needs of our small business customers. All of our small business banking clients benefit from a dedicated customer service line supporting both personal and business inquiries, online banking portal and dedicated app.

Small business newcomer support

We launched a new offering designed to help newcomer entrepreneurs who are starting or purchasing a business in Canada. Our specialty team works with them to help them open an account and receive up to \$5,000 in credit upon arrival in Canada or in advance.

Government of Canada financing program

We started offering loans through the federal government's [Canada Small Business Financing Program](#). The program makes it easier for small businesses to get access to financing. The government partially shares the risk with lenders, and loans can be used to finance the purchase or improvement of land, buildings, equipment and leaseholds.

Canadian Business Growth Fund

We are proud to be a founding shareholder of the Canadian Business Growth Fund. Launched in 2018, this independently operated fund addresses a gap in the market by investing up to \$1 billion in Canadian businesses to bolster growth and innovation, making equity and associated investments in small and medium-sized Canadian companies.

Commercial Banking solutions

We provide our Commercial Banking clients with revenues above \$5 million with a suite of products that helps them grow their business. These include working capital solutions, term loans, payment services, international trade facilitation, project finance and enabling access to local and global capital markets.

For example, our International Subsidiary Banking team offers guidance to international companies who want to expand and invest in Canada. 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.

Sustainable finance products and solutions

We are committed to helping our customers transition to a more sustainable future by providing a range of sustainability products and solutions. In 2021, we launched five new sustainable finance tools for commercial and global banking clients, building on our existing suite of products.

With our comprehensive range of sustainable finance offerings, HSBC Bank Canada became the first bank in Canada to apply sustainable finance market principles to both trade and deposit products. Our sustainable finance product launches in 2021 included:

- ◆ Green deposits
- ◆ Green equipment financing
- ◆ Green loans and green revolving credit facilities
- ◆ Sustainability linked loans for Commercial Banking clients
- ◆ Sustainable trade finance

Visit our [Sustainable Finance Hub](#) to see the full suite of products, and read more about our approach to sustainable finance on page 5.

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 2021, HSBC Bank Canada and its subsidiaries will have paid more than \$346 million in taxes.¹

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.

For detailed tax information, read the HSBC Bank Canada [Annual Report and Accounts](#).

Taxes paid in 2021¹

(thousands of dollars)

	Income taxes ²	Capital taxes	Total taxes
Federal	140,282	-	140,282
Provincial/Territorial:			
British Columbia	44,291	-	44,291
Yukon ³	-	-	-
Northwest Territories ³	-	-	-
Alberta	5,615	-	5,615
Saskatchewan	826	2,178	3,004
Nunavut ³	-	-	-
Manitoba	403	1,953	2,357
Ontario	45,507	-	45,507
Quebec	8,009	1,867	9,876
Newfoundland and Labrador	269	-	269
New Brunswick	110	376	485
Nova Scotia	373	969	1,342
Prince Edward Island ³	-	-	-
Total income and capital taxes	245,684	7,344	253,028
Goods and services tax and provincial sales tax			50,263
Other taxes⁴			42,829
Total⁵	245,684	7,344	346,120

Notes:

1. Amount shown is an estimate and includes taxes paid and payable. Applicable tax filing deadlines fall in the second quarter of 2022.
2. A portion of income tax payments made in 2021 is expected to be applied against 2022 installments.
3. HSBC Bank Canada does not have operations in these provinces/territories.
4. Other taxes include employer-paid payroll taxes and municipal and property taxes.
5. May not add due to rounding.

Data tables

These figures relate to our communities, the environment, employees and customers specific to Canada. We also report global environmental, social and governance data in the HSBC [Group Annual Report and Accounts ESG Review](#) and on our [ESG Reporting Centre website](#).

Communities

(dollars)

	2021	2020	2019
HSBC Bank Canada charitable donations	4,147,834	4,006,649	4,046,000
HSBC Group charitable donations in Canada	1,112,622	1,383,114	203,995
HSBC Bank Canada other charitable giving	457,192	211,301	1,048,887
Total	5,717,648	5,601,064	5,298,882

- ◆ Other charitable giving includes contributions by our business lines and functions to registered charities for sponsorships and initiatives that align with our business goals.

Environment

	Units	2021	2020	2019
Greenhouse gas (GHG) emissions	tonnes CO ₂ e	4,403	6,004	11,541
Energy consumption	GJ	105,178	112,820	124,381
Waste produced	metric tonnes	1,432	1,554	1,396
Waste recycled	metric tonnes	1,018	1,088	1,003
Percent of waste recycled	%	70	70	72
Water consumption	m ³	38,409	40,146	32,813
Sustainable finance (providing and facilitating)	USD (millions)	2,325	1,394	1,302

- ◆ Assurance on emissions data performance and progress with the sustainable finance ambitions has been provided by PricewaterhouseCoopers LLP (UK) over selected information aggregated at Group level; these details are available on our [ESG Reporting Centre website](#).
- ◆ For definitions and North American reporting, refer to our global [ESG Data Pack](#) on the [ESG Reporting Centre website](#).
- ◆ Reporting is based on available data. Data is regularly reviewed and new tools and methodologies are adopted in an ongoing effort to improve data accuracy.
- ◆ **GHG emissions:** This includes material emissions from company facilities, vehicles and the energy purchased to run our operations (scope 1 and scope 2 emissions), as well as employee business travel (partial scope 3). It does not include client emissions. GHG emissions data for 2019 and 2020 has been adjusted based on changes to air travel emissions calculations.
- ◆ **Energy consumption:** Data for 2019 has been adjusted based on changes in heating degree days and updated square footage.
- ◆ **Waste production:** Starting in 2020, data was adjusted to better account for monthly variations where direct billing information was not available. Reporting year 2019 was not adjusted, resulting in lower metric tonnes reported for 2019.
- ◆ **Water consumption:** Starting in 2020, we standardized reporting methods globally, resulting in an increase in reported water consumption compared to 2019. The 2019 baseline was not adjusted.
- ◆ **Sustainable finance:** includes facilitation (e.g., green and sustainability bonds) and providing financing (e.g., green loans).

Employees

Headcount by province/territory (at December 31, 2021)

Province/territory ¹	Regular full-time	Regular part-time	Temporary full-time	Temporary part-time	Total
Alberta	269	32	2	-	303
British Columbia	2,169	157	16	2	2,344
Manitoba	18	4	-	-	22
New Brunswick	6	2	-	-	8
Newfoundland and Labrador	13	2	-	-	15
Nova Scotia	17	1	-	-	18
Ontario	1,989	97	20	4	2,110
Quebec	451	45	2	-	498
Saskatchewan	26	3	-	1	30
Total	4,958	343	40	7	5,348

- ◆ HSBC Bank Canada does not have operations in Yukon, Northwest Territories, Nunavut or Prince Edward Island.
- ◆ Effective January 1, 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). These employees are included in the table above.

Employee data year-over-year (as at December 31, 2021)

	Units	2021	2020	2019
Number of full-time-equivalent employees	#	4,942	5,069	5,340
Total employee costs	millions of dollars	667	672	701
Employee turnover	%	18.8	12.4	14.6
Employee engagement – snapshot survey	%	70	69	67
Total work-related fatalities	#	0	0	0
Defined benefit pension plan – assets	thousands of dollars	701,300	738,329	682,912
Defined benefit pension plan – projected obligations	thousands of dollars	723,148	773,370	722,116
Women on Board of Directors	%	44	44	44
Women in executive management positions	%	67	67	69
Visible minorities on Board of Directors	%	11	not reported	not reported
Visible minorities in executive management positions	%	7	7	13

- ◆ Effective January 1, 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). These employees are included in the table above.
- ◆ Total employee costs cover the sum of all employee salaries, benefits and variable pay.
- ◆ The employee engagement score is gathered through our global employee snapshot survey. For details about the questions that make up this score, see the [ESG Data Pack](#) on our [ESG Reporting Centre](#).
- ◆ Diversity data is based on self-identification. 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 of Directors has been gender-balanced since 2013. Starting in 2018, the size of the Board decreased from 10 to nine directors, and as at December 31, 2021, four of the nine directors were women. Starting in 2022, two additional directors were appointed. 2022 information is not included in this table.

Customers

Resolving customer complaints

We publish a detailed publicly available report on the number of complaints submitted by customers across all three lines of business in Canada. The report describes our complaints process and the steps that we take to address customer concerns.

Branch openings, closures and relocations

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
BC	Richmond	155 – 6699 River Road, V7C 0E6	1 branch & 2 ATMs
Ontario	North York	4806 Yonge Street, M2N 5M9	1 branch & 2 ATMs

Relocations

Province	City	Former address	Relocated address	ATM/Branch
Saskatchewan	Regina	1874 Scarth Street, S4P 4B3	1801 Hamilton Street, S4P 4B4	1 branch & 1 ATM
BC	White Rock	1493 Johnston Road, V4B 3Z9	1405 Johnston Road, V4B 3Z4	1 branch & 1 ATM

Closures

Province	City	Address	ATM/Branch
BC	Richmond	6800 No. 3 Road, V6Y 2C4	1 branch & 2 ATMs
Quebec	Trois-Rivières	1182 Rue Royale, G9A 4J1	1 branch & 1 ATM
Alberta	Edmonton	6230 – 199 Street NW, T5T 2K4	1 branch & 1 ATM
BC	Vancouver	999 West Hastings Street, V6C 1M3	1 branch & 1 ATM

Canadian Business Debt Financing (as at December 31, 2021)*Total amount of authorizations (thousands of dollars)*

Provinces/territories	\$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	4,389	23,128	50,457	118,748	259,076	1,807,514	18,840,911	21,104,223
Alberta	1,120	7,549	21,860	50,395	103,937	781,652	12,189,869	13,156,382
Saskatchewan/Manitoba	333	1,667	5,102	7,596	19,684	193,947	1,821,785	2,050,114
Ontario	3,304	22,061	62,913	115,140	225,584	1,930,702	26,499,355	28,859,059
Quebec	1,091	5,948	19,035	91,232	93,666	688,583	9,185,086	10,084,641
New Brunswick/Nova Scotia/ Newfoundland and Labrador	160	1,492	3,954	10,342	18,558	82,698	1,032,285	1,149,489
Total	10,397	61,845	163,321	393,453	720,505	5,485,096	69,569,291	76,403,908

Number of customers to which debt financing was authorized

Provinces/territories	\$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	742	406	299	311	354	734	647	3,493
Alberta	185	130	123	136	144	327	327	1,372
Saskatchewan/Manitoba	42	27	27	21	27	73	59	276
Ontario	617	389	378	305	295	711	841	3,596
Quebec	227	109	106	244	130	264	311	1,391
New Brunswick/Nova Scotia/ Newfoundland and Labrador	23	24	25	26	23	36	58	215
Total	1,836	1,085	958	1,043	973	2,205	2,243	10,343

The following considerations apply to the two tables above:

- ◆ HSBC Bank Canada does not have operations in Yukon, Northwest Territories, Nunavut and Prince Edward Island.
- ◆ Client counts and authorizations for Saskatchewan have been added to Manitoba data for the same dollar band to preserve confidentiality.
- ◆ Client counts and authorizations for New Brunswick have been added to Nova Scotia and Newfoundland and Labrador data for the same dollar band to preserve confidentiality.
- ◆ Totals may not add due to rounding.

Key contacts

Requesting a charitable contribution

HSBC Bank Canada supports community programs that provide a measurable impact in the areas of climate solutions, employability and financial capability. If you are a registered Canadian charity active in one of these areas and would like to be considered for a charitable contribution, please visit our [website](#) for more information.

Principal addresses

Vancouver

HSBC Bank Canada
885 West Georgia Street
Vancouver, British Columbia
Canada V6C 3E8

Toronto

HSBC Bank Canada
16 York St.
Toronto, Ontario
Canada M5J 0E6

HSBC Bank Canada general inquiries

Tel: 1 (888) 310-4722
[hsbc.ca/contact-us](https://www.hsbc.ca/contact-us)



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