

HSBC Bank Canada in the Community

2020 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 2020 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)

HSBC Canadian Covered Bond (Legislative) GP Inc. and HSBC Canadian Covered Bond (Legislative) Guarantor Limited Partnership are not included in this Public Accountability Statement.

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 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.

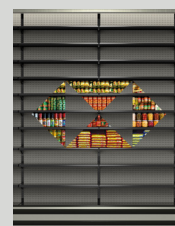
This Public Accountability Statement complements HSBC Group's Environmental, Social and Governance Review in the [Annual Report and Accounts](#).

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 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 USD2,984 billion at December 31, 2020, HSBC is one of the world's largest banking and financial services organizations.

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Cover photo: In response to COVID-19, we donated \$500,000 towards food relief efforts and vulnerable communities. Read more about how we supported our communities, employees and customers on pages 4, 7, 10 and 12.

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

Sustainable Business

We are committed to building our business for the long term. We want to be an organization that people are proud to work for, that has the trust of our clients and the communities we serve, and that minimizes its impact on the environment.

Finance has a crucial role to play in tackling climate change, and that's why in 2020 the HSBC Group announced its ambition to prioritize financing and investment that supports the transition to a net-zero global economy. We want to contribute to a future in which economic growth and sustainability go hand in hand, and return on investment pays both financial dividends, and environmental and social dividends too.

Making the transition to net-zero carbon, in line with the goals of the Paris Agreement, requires businesses and economies to undergo a fundamental transformation. Banks have a major role to play because the transition to net-zero relies on finance and investment.

Our climate plan has three overarching themes: we will support our customers in their unique transition journeys, unlock new climate solutions, and transform HSBC into a net zero bank.

Underpinning this climate plan is our approach to sustainability risk management. We support and contribute to HSBC Group's Task Force on Climate-related Financial Disclosures, a summary of which can be found in our [Annual Report and Accounts](#), with the full update in the [TCFD Update 2020](#).

Supporting our customers through the transition

The most significant contribution we can make to tackling climate change is financing the transition to net zero. We help customers cut their carbon emissions by providing them with world-class financial solutions and expert advice, while ensuring they continue to thrive through the transition period, creating durable growth and jobs in future-proofed industries.

Unlocking climate solutions and innovation

The transition to a net zero economy requires radical new solutions. We are pioneering new financing for nature-based climate solutions and supporting promising and innovative clean technologies. We are doing this through financing, investing and partnerships with non-governmental organizations and charities.

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 goals of net zero by 2050 or sooner.

Top 50

One of [Corporate Knights'](#) Best 50 Corporate Citizens in Canada



USD1.3 billion

in sustainable financing in Canada



1st

[green loan](#) in Canada completed with Concert Properties



For more information, global data and examples of our sustainability initiatives in action, visit [hsbc.com/sustainability](https://www.hsbc.com/sustainability).

Sustainable finance in Canada

HSBC Bank Canada’s approach to sustainable finance is part of our global climate strategy. Our Canada Climate Business Council, co-chaired by our President and CEO and made up of senior representatives from across our business, co-ordinates sustainable finance activities and drives initiatives towards our global commitments.

In 2020, we engaged our colleagues, clients and the wider community on sustainable finance. Our ESG Solutions team and network of green champions offered sustainable finance solutions to our customers. We engaged a wider audience of our colleagues through our four Climate Action Networks, grassroots networks of employees that help to deliver our sustainability goals. We launched a new partnership with MaRS Cleantech to unlock climate innovation solutions among Canadian businesses. See page 5 for more details.

We are members of numerous industry organizations, including the Responsible Investment Association, that are working to advance sustainability goals. As one of *Corporate Knight’s* Best 50 Corporate Citizens, we signed the statement for a bold resilient recovery to build back better post-COVID.

Sustainable finance progress in Canada

Globally, HSBC is making progress in financing the transition to a low carbon economy. In 2017, we committed that we would provide and facilitate USD100 billion of sustainable finance and investment by 2025. At the end of 2020, we had achieved USD93 billion of that goal. In October 2020, we set ourselves a new target of providing between USD\$750 billion and USD\$1trillion in sustainable finance and investment by 2030. In Canada, we have contributed more than USD4 billion since 2017 including more than USD1.3 billion in 2020 towards our new target.

	Cumulative progress (USD millions) ¹	2020 highlights								
<p>Facilitation and financing²</p> <p>We provide advisory services to facilitate the flow of capital and provide access to equity capital markets. Products include green, social and sustainability bonds.</p> <p>We also offer project financing (e.g., financing renewable infrastructure projects) and green loans (e.g., financing eligible green projects).</p>	<p>4,464</p> <table border="1"> <tr> <td>2020</td> <td>1,394³</td> </tr> <tr> <td>2019</td> <td>1,302</td> </tr> <tr> <td>2018</td> <td>1,003</td> </tr> <tr> <td>2017</td> <td>766</td> </tr> </table>	2020	1,394 ³	2019	1,302	2018	1,003	2017	766	<p>#3 in green, social and sustainability bonds in Canada (according to Dealogic)</p> <p>Completed six green loans, including a first in Canada with Concert Properties</p>
2020	1,394 ³									
2019	1,302									
2018	1,003									
2017	766									

Notes:

1. May not add due to rounding.
2. Sustainable finance data dictionary and policies can be found on our website and in the [HSBC Group Annual Report and Accounts](#).
3. 2020 amount contributes towards our 2020 commitment to provide between USD750 billion and USD1 trillion in sustainable finance and investment.

Community Investment

We have a long history of supporting the communities we call home through contributions to community programs that have a measurable impact. In Canada we align to the HSBC Group's focus on climate solutions, employability and financial capability. A portion of our donation budget is also set aside for causes and organizations that our employees are most passionate about and with whom they volunteer.

In 2020, we responded quickly to the impacts of COVID-19 through charitable donations; however, we know that the economic impacts of the pandemic will be felt for years to come. That is why we are focusing our community investments on building back better with proven programs that have measurable results. A significant portion of our work is directed towards programs that prepare people for employment or self-employment and help them manage money well. These efforts focus on people most impacted by the economic effects of the pandemic.

Charitable giving

In 2020, HSBC supported registered Canadian charities in the communities where we operate through donations and other charitable giving:

Donations:

HSBC Bank Canada donated \$4,006,649 to community programs that have a measurable impact and that are aligned with our global themes and country priorities.

An additional \$1,383,114 was donated by the HSBC Group, making our total donations in Canada \$5,389,763.

Other charitable giving:

HSBC committed more than \$211,000 to registered charities through sponsorships and initiatives that support our business objectives.

\$5.3
million+

donated to community programs



137,000+

people reached through community programs



\$779,000

donated to United Way Centraide Canada as part of our annual HSBC Giving Campaign



Supporting communities through COVID-19

The impacts of COVID-19 have been felt around the world, and the HSBC Group committed USD25 million in charitable donations to support relief and recovery efforts. In Canada, we donated \$500,000 to Food Banks Canada, United Way Centraide Canada and Breakfast Club of Canada. Through these donations, our partners have provided 480,000 meals to those in need, and reached an additional 8,300 vulnerable Canadians with programming to support basic needs and mental health.

We also continued to support our existing partners, recognizing the important work that they are doing to serve their communities and help them rapidly shift to virtual delivery where possible. For example, our donation to four children's hospitals across Canada focused on COVID-19 relief and support for families. Through our donation to BC Children's Hospital, we supported the virtual [Kelty Mental Health Resource Centre](#) for youth, which has seen a significant increase in usage during the pandemic.

Our colleagues mobilized to support communities through virtual volunteering and giving back safely. Notably, we saw colleagues participate in virtual events from across the country where they wouldn't have been able to before, as well as creative virtual team-building events like pumpkin-carving competitions to raise money for United Way Centraide Canada.

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 2020, we worked closely with our partners to offer virtual volunteering, webinars and innovative ways to give back while staying safe and following health and safety guidelines. Colleagues volunteered more than 1,200 hours on work time. Our employees also raised more than \$261,000 during our annual HSBC Giving Campaign, bringing the total matched and corporate donation for United Way Centraide Canada to \$779,000.

We also support the causes our employees are most passionate about and that are important to our local communities. For example, in 2020 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.

Community investment programs

We supported 28 partners with local and global funding, helping more than 137,000 people access community programs. These are a few examples of programs we supported in 2020.



Climate solutions: Mission from MaRS Climate Impact Challenge

MaRS developed this ambitious program to address the climate crisis. The initiative identifies Canada's most promising climate-technology ventures whose technology has the potential to rapidly reduce greenhouse gas emissions. MaRS works closely with them to help remove barriers that have slowed their commercial growth.

MaRS is North America's largest urban innovation hub that supports high-growth start-ups and scale-ups tackling key issues. Through the program, MaRS is seeking ventures in three key greenhouse-gas-emitting industries: real estate, transportation and energy. Selected ventures are paired with a curated team of investors, regulators, potential customers and corporate partners to address barriers to success and identify adoption opportunities.



Employability: Black Business and Professional Association

The Black Business and Professional Association (BBPA) launched a new program to support Black business owners to overcome systemic barriers and grow their business. The BBPA focuses on advancing Canada's Black community by delivering programs that support businesses, professional excellence, higher education and economic development. For more information about our approach to diversity and inclusion, please see page 8.

The Business Advisory, Implementation and Development Services (BAIDS) program will work with Black business owners by providing resources needed to tackle the challenges in a post-COVID recovery stage. Solutions include consulting with businesses to improve access to financing, workshops and mentorship.

HSBC's funding will additionally support the BBPA's Mentorship Program where youth aged 14 to 29 will receive mentorship and can participate in workshops in the areas of employability, entrepreneurship and technology.

HSBC colleagues will support both programs as mentors and speakers, directly engaging with program participants to support the growth of their business and on their employment journey.



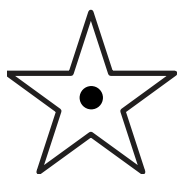
Financial capability: Junior Achievement Canada

We continued funding Junior Achievement (JA) Canada's More than Money program during the 2020-21 school year, enabling JA to rapidly shift to an online delivery model and reach more than 9,000 children with financial literacy programming. JA inspires and prepares youth to succeed by providing opportunities to learn about financial literacy, entrepreneurship and work readiness.

The More than Money program teaches young people from Grades 3 to 6 how to manage money, the role businesses play in their communities and how global economies and trade work. HSBC supports the program across Canada, with a focus on helping JA expand in communities with large Indigenous populations.

In response to the impact of the pandemic on in-school delivery, we designated funding to support urgent operational expenses and JA's digital platform. Instead of traditional in-classroom volunteering, HSBC colleagues got creative with virtual volunteering. They recorded videos for teachers to include in program delivery that, and delivered portions of the program virtually.

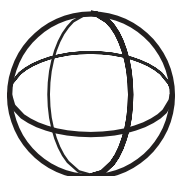
Community Investment Partners



HSBC Bank Canada partners

We made charitable donations to the following organizations in Canada

- ◆ [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](#)
- ◆ [Food Banks Canada](#)
- ◆ HSBC Bank Canada Volunteer Fund
- ◆ [Indspire](#)
- ◆ [JA Canada](#)
- ◆ [Montreal Children's Hospital Foundation](#)
- ◆ [Pathways to Education Canada](#)
- ◆ [RiverWatch Institute of Alberta](#)
- ◆ [Science World British Columbia](#)
- ◆ [SickKids Foundation](#)
- ◆ [United Way of the Lower Mainland](#)
- ◆ [University of British Columbia](#)



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

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.

In 2020, we supported our colleagues to adapt to changing work environments and launched new initiatives that supported professional development and delivered on our diversity and inclusion strategy. We were proud to receive an Employment Equity Award from the federal government, which we have won annually since 2016, with our latest recognition in the sector distinction category.

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 2020, we launched a new Future Skills curriculum that enables our employees to explore new skills and take greater ownership of their development. We also created an innovative internal talent marketplace that supports career development by matching the skills and aspirations of our people with business needs and opportunities.



Supporting colleagues through COVID-19

The pandemic immediately imposed changes on the way we work and do business. We provided employees with flexible working solutions, enhanced health and safety protocols, programs to support the transition to new working arrangements and lifestyles, and increased investments in mental health and well-being.

While we historically provided flexible working arrangements for many of our employees, the pandemic gave us a new appreciation of the scope of roles that can be performed outside of our offices. Most of our non-customer-facing employees worked from home through the majority of 2020 and into 2021. To support our home workers, we expanded coverage for home office equipment and implemented new platforms to enable communication and fast decision-making.

In branches, we worked to keep our essential workers safe and informed, and provided additional pay and vacation time to employees required to work on site in the early phase of the pandemic.

To create more open dialogue on mental health in the workplace, we rolled out a global program that helps our employees identify signs of poor mental health and build their confidence in holding healthier conversations. We launched a new partnership that offers colleagues a free membership to [Headspace](#), a mindfulness and meditation app. Colleagues also have access to a dedicated Employee Assistance Program that provides free resources to support mental, physical and financial well-being.

To support medical care for our employees, we launched Telemedicine through Sunlife, allowing them to virtually visit a physician when it is hard to get there in person.

43%

of our employee population identifies as a visible minority



9

Employee Resource Groups celebrate the diversity of our workforce



900+

employees accessed a free membership to Headspace, a mental health and mindfulness app



To find out more, please visit about.hsbc.ca/careers

Diversity, equity and inclusion

We are committed to enabling 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 strive to effectively meet the needs of our different clients and stakeholders and drive better business outcomes.

Responding to systemic inequalities

The pandemic and Black Lives Matter movement shed light on the systemic inequalities and racism faced by Black and Indigenous communities and Peoples of Colour both around the world and here in Canada. In response to this, we re-affirmed that HSBC does not tolerate discrimination, bullying, harassment or victimization on any grounds, including race, ethnic or national origin, or colour.

HSBC Bank Canada is proud to have signed the [BlackNorth Initiative's CEO Pledge](#) to end anti-Black and all forms of systemic racism, and create more opportunities for underrepresented groups. The Pledge lays out goals that include having at least 3.5% of executive and board roles held by Black leaders by 2025 as well as commitments to training and donations to support Black communities.

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.

HSBC employees in Canada (at December 31, 2020)

Province/Territory ¹	Regular Full-Time	Regular Part-Time	Temporary Full-Time	Temporary Part-Time	Total
Alberta	267	29	2	1	299
British Columbia	1,847	155	14	3	2,019
Manitoba	17	4	-	-	21
New Brunswick	7	2	-	-	9
Newfoundland and Labrador	9	2	-	-	11
Nova Scotia	15	2	-	-	17
Ontario	1,791	87	21	5	1,904
Quebec	466	48	3	-	517
Saskatchewan	25	3	-	1	29
Total²	4,444	332	40	10	4,826

Notes:

1. HSBC Bank Canada does not have operations in: Yukon, Northwest Territories, Nunavut and Prince Edward Island.
2. Effective January 1, 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). The approximately 670 employees of HGCA are not reflected in the table 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 2020, we helped our customers navigate through the uncertainty of the COVID-19 pandemic and we continued to invest in our Wealth and Personal Banking¹ business, updating our products and services to make it easier and faster for our customers to access them.

Accessing products and services

We offer a range of channels for customers to connect with us, including in-person, telephone, online and mobile banking. In 2020, we opened five new branches and expanded our online chat feature to include three languages, all to serve customers better.

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. In 2020, our Ability Employee Resource Group created a guide for front-line staff to enhance communication with clients or co-workers who are deaf or hard of hearing.

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 make sure that they are accessible to all Canadians.

Online and mobile banking

In 2020, we recognized the importance of investing in online and mobile banking to allow our customers to bank safely and confidently from home.

Notably, HSBC was one of the first financial institutions in Canada to integrate digital identification verification into our credit cards and our chequing and savings accounts. HSBC EasyID™ simplifies the account opening journey for new-to-bank customers by giving them the opportunity to open a bank account and verify their identity, all from the comfort of their home.

We continued to update digital banking features online and in our mobile app. For example, we enhanced online account-opening journeys for customers who are not yet in Canada and enabled registration for Canada Revenue Agency direct deposit from either online banking or the mobile app.

Note:

1. 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). Going forward, RBWM has been renamed WPB.

136

branches across
Canada



5,973

retail customers
supported through our
COVID-19 financial relief
program, 78% of which
was for mortgage
support



To find out more about our accounts and services, please visit www.hsbc.ca.



Supporting retail customers during COVID-19

We responded quickly to help our clients who were facing financial hardship navigate the uncertainty of the pandemic. There are many examples of where our front-line staff went above and beyond to serve those who were elderly or vulnerable. These include employees offering to serve elderly customers from the safety of their car and personally calling clients to update them on financial relief programs and ensure their banking needs were met.

From design and implementation to ongoing improvements, teams from across HSBC collaborated to offer meaningful relief to support our clients. This included:

Implementing new health and safety protocols: We kept our branches open to continue serving our clients, but with enhanced health and safety protocols such as reduced hours, physical Plexiglas barriers, hand sanitizer and personal protective equipment for employees. We also made transparent masks available to make it easier for those with hearing disabilities to read lips.

Offering financial relief product solutions: We enhanced the flexibility of our mortgage, credit card, lines of credit and instalment loans to respond to customers' unique needs. We supported almost 6,000 customers by allowing payment and interest deferrals for up to six months. To ensure minimal impact to the client, once clients resumed payments, the payments were applied to outstanding interest charges until these charges were paid off.

Supporting students: Working with the federal government, we made the Canada Emergency Student Benefit available to students and recent graduates who were unable to work due to COVID-19.

Increasing transaction limits: We increased transaction limits to encourage online banking and reduce face-to-face interactions for account transfers, bill payments, debit point of sale, ATM withdrawals and more.

Enhancing wealth management services: We provided educational resources and webinars during a time of unprecedented market volatility. This included enhancing our self-directed investment platform to make it easier for our customers to invest online.

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:

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

This account is 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, this program provides complimentary banking, overdraft protection and access to an HSBC Mastercard® and mortgage.

2020 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	Markham	9275 Markham Road, L6E 1A2	1 branch and 2 ATMs
ON	Markham	5000 Highway 7, Unit 2380, L3R 4M9	1 branch and 2 ATMs
ON	Markham	170 Enterprise Boulevard, Unit J107, L6G 0E6	1 branch and 2 ATMs
ON	North York	890 Don Mills Road, Unit 125, M3C 1V6	1 branch and 2 ATMs
ON	Oakville	275 Hays Boulevard, Unit G1, L6H 6Z3	1 branch and 2 ATMs

Relocations

There were no relocations in 2020.

Closures

Province	City	Address	Consolidated with	ATM/Branch
BC	Langford	2968 Jacklin Road, V9B 0A3	869 Douglas Street, V8W 2B9	1 branch and 2 ATMs
BC	West Kelowna	2133 Louie Drive, Westbank, V4T 3E6	384 Bernard Avenue, V1Y 6N5	1 branch and 2 ATMs

Supporting Canadian Business Growth

HSBC is well placed to help Canadian companies do business here at home and globally by making international connections, sharing our global expertise and offering products specifically designed to support business needs. In 2020, we participated in government relief programs and worked closely with customers to be flexible and meet their needs in response to the pandemic.

Small business banking

Our HSBC Fusion offering for small businesses with annual revenues up to \$5 million is designed to give business owners control over their personal and business life. In 2020, we launched new products and features to support customers:

Total relationship balance

We waived monthly fees on business accounts for customers who have both a business and personal account with HSBC.

Fusion mobile app

We launched a designated app for HSBC Fusion customers, allowing them to conveniently access business and personal accounts in one place.

Customer service enhancement

We launched a dedicated customer service phone line for our HSBC Fusion customers, meeting their business and personal needs.

Professionals Banking Program

We introduced a program for small business clients in professional occupations that offers a suite of business and personal products to meet their needs.

6

green loans, including a first in Canada, completed with Concert Properties.



50%+

of our client revenues are derived from businesses and individuals with an international presence



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).



Supporting businesses during COVID-19

We acted quickly to support our clients facing the unprecedented impacts of COVID-19. This included launching a loan deferral program for our small business customers that offered three to six months of deferrals when government programs were not available. We worked with the federal government to provide access to the Export Development Canada Business Credit Availability Program and the Canada Emergency Business Account. For a detailed breakdown of each program, please refer to pages 15-16 of our Canada [Annual Report and Accounts](#).

Our financing solutions helped several of our clients pivot their businesses to support COVID-19 relief efforts. For example, [Fluid Energy Group](#) was able to secure financing to produce hand sanitizer products that were safe for both consumers and front-line workers. The company has now supplied over seven million litres of hand sanitizer to help protect Canadians against COVID-19.

We did all that while helping our clients navigate the uncertainty of the pandemic. More than 3,000 people attended the close to 20 webinars we hosted on topics such as cash flow management and international trade.

Commercial Banking

No one is better placed than HSBC to help Canadian companies do business at home and globally, and we provide customers with working capital solutions, term loans, payment services, international trade facilitation and project finance. Here are some examples of how we improved the customer experience, helped advance economic growth and accelerated the transition to a low-carbon economy:

Global Trade and Receivables Finance (GTRF)

Every day, our GTRF 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.

International Subsidiary Banking

This team offers guidance to international companies who want to expand and invest in Canada, helping to drive the Canadian economy forward.

Canadian Business Growth Fund

We are proud to be a founding shareholder of this 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.

Simplifying processes

We invested in online solutions and simplified our processes so customers can bank safely and confidently. For example, we expanded the use of e-signatures and digitized trade products, including automated sanctions verification.

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. For example, we provided Canada's first Green Loan-Principles aligned loan to Vancouver-based Concert Properties for its Tapestry development in Victoria, BC. Find out more [here](#).

Debt financing for Canadian businesses

Amount of debt financing for Canadian businesses in 2020

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	4,278	26,591	52,604	131,717	281,581	1,741,654	17,607,007	19,845,432
Alberta	1,218	7,946	25,726	55,643	161,223	776,826	12,355,821	13,384,403
Saskatchewan/Manitoba ²	286	1,730	4,957	9,919	18,814	158,620	1,641,346	1,835,672
Ontario	3,271	24,422	66,845	104,739	234,422	1,823,259	24,016,333	26,273,291
Quebec	1,012	7,767	21,966	101,273	88,049	789,489	8,695,295	9,704,851
New Brunswick/Nova Scotia/ Newfoundland and Labrador ³	139	2,019	4,246	9,401	16,451	132,798	822,922	987,976
Total⁴	10,204	70,475	176,366	412,692	800,540	5,422,646	65,138,724	72,031,625

Number of businesses to which debt financing was authorized in 2020

Number of customers

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	595	456	311	344	379	705	649	3,439
Alberta	188	133	146	152	216	302	313	1,450
Saskatchewan/Manitoba ²	40	30	26	27	27	67	67	284
Ontario	534	408	399	281	313	725	786	3,446
Quebec	220	135	127	269	115	321	281	1,468
New Brunswick/Nova Scotia/ Newfoundland and Labrador ³	20	31	25	23	22	56	40	217
Total⁴	1,597	1,193	1,034	1,096	1,072	2,176	2,136	10,304

Notes:

1. HSBC Bank Canada does not have operations in: Yukon, Northwest Territories, Nunavut and Prince Edward Island.
2. Client counts and authorizations for Saskatchewan have been added to Manitoba data for the same dollar band to preserve confidentiality.
3. 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.
4. 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 2020, HSBC Bank Canada and its subsidiaries will have paid more than \$332 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 our Canada [Annual Report and Accounts](#).

Taxes Paid in Canada in 2020¹

(thousands of dollars)

	Income taxes	Capital taxes	Total taxes
Federal	134,297	-	134,297
Provincial/Territorial:			
British Columbia	44,993	-	44,993
Yukon ²	-	-	-
Northwest Territories ²	-	-	-
Alberta	8,190	-	8,190
Saskatchewan	892	2,488	3,380
Nunavut ²	-	-	-
Manitoba	377	1,759	2,136
Ontario	40,279	-	40,279
Quebec	8,024	1,753	9,777
Newfoundland and Labrador	301	-	301
New Brunswick	115	389	504
Nova Scotia	453	1,232	1,685
Prince Edward Island ²	-	-	-
Total income and capital taxes	237,922	7,621	245,543
Goods and services tax and provincial sales tax			45,230
Other taxes³			41,258
Total⁴			332,031

Notes:

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

Key Facts

These figures relate to charitable giving, environmental performance and our employees in Canada. We report global environmental, social and governance data in the Group [Annual Report and Accounts](#), and link performance against key indicators to executive incentive scorecards, both globally and here in Canada.

Charitable giving

	2020	2019	2018
HSBC Canada charitable donations	4,006,649	4,046,000	3,804,615
HSBC Group charitable donations in Canada	1,383,114	USD155,000	USD234,000
HSBC Canada other charitable giving	211,301	1,048,887	1,553,539

- ◆ HSBC Group charitable donations in Canada were only reported in US dollars prior to 2020.
- ◆ Other charitable giving: contributions to registered charities for sponsorships and initiatives that align with our business goals.

Environment

	Units	2020	2019	2018
CO ₂ emissions	tonnes CO ₂ e	5,681	8,583	10,818
Energy consumption	GJ	112,820	137,815	157,600
Waste produced	metric tonnes	1,554	1,396	632
Waste recycled	metric tonnes	1,088	1,003	545
Percent of waste recycled	%	70	72	86
Water consumption	m ³	40,146	32,813	41,065
Sustainable finance (facilitation and financing)	USD (millions)	1,394	1,302	1,003

- ◆ **CO₂ emissions from energy:** Includes material emissions from company facilities, vehicles, and the energy purchased to run our operations (scope 1 and scope 2 emissions). For definitions and North America reporting, refer to our global ESG Datapack.*
- ◆ **CO₂ emissions and energy consumption:** Data for 2019 has been adjusted based on changes in heating degree days and updated square footage
- ◆ **Waste:** In 2019, the estimation methodology for waste was adjusted to better account for monthly variations in the portfolio square footage. Reporting year 2019 contains three months which utilized the old methods and underreported waste – accounting for the discrepancy between 2019 and 2020.
- ◆ **Water consumption:** In 2019, water consumption was lower than 2018 due to a lower estimation ratio at a number of sites. In 2020, we standardized reporting methods globally, resulting in water increase over 2019.
- ◆ **Sustainable finance:** Visit our website for [definition and data dictionary](#).*
- ◆ *The emissions data performance and progress with the sustainable finance commitment are subsets of the information reported by HSBC Holdings plc (Group). Independent assurance has been provided by PricewaterhouseCoopers LLP (UK) over selected information aggregated at group level; the details of which are provided [online](#).

Employees

	Units	2020	2019	2018
Number of full-time-equivalent employees	#	5,069	5,340	5,355
Total employee costs	millions of dollars	479	507	500
Employee turnover	%	12.4	14.6	15.3
Total work-related fatalities	#	0	0	-
Defined benefit pension plan – assets	millions of dollars	699,228	650,626	631,073
Defined benefit pension plan – projected obligations	millions of dollars	722,660	678,888	637,683
Women on Board of Directors	%	44	44	44
Women in executive management positions	%	67	69	67
Visible minorities in executive management positions	%	7	13	-

- ◆ Effective January 1, 2019, certain central services were transferred to a separate entity, HSBC Global Services (Canada) Limited (HGCA). Full-time equivalent employees listed above includes employees of the HGCA. For 2020 headcount not including HGCA, see page 8.
- ◆ Total employee costs cover the sum of all employee salaries, benefits and variable pay.
- ◆ Total work-related fatalities and visible minorities in executive management data were not reported in the Public Accountability Statement prior to 2018.
- ◆ 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 and executive management have been gender balanced since 2013. Starting in 2018, the size of the Board decreased slightly from 10 to nine directors, and four of the nine directors are women.

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 email us at corporate_sustainability@hsbc.ca.

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