



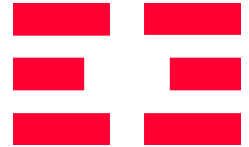
HSBC Holdings

Subsidiaries: HSBC Bank

Locations: United Kingdom (HQ)

Industries: Diversified Financials

RISK LEVEL:



High Risk

DESCRIPTION:

HSBC, an American bank, suspended an executive over his criticism of the company's tendency to "exaggerate" climate risks when investing. The executive later quit. HSBC scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, HSBC increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. HSBC forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. HSBC is committed to carbon neutrality by 2050. HSBC signed an open letter opposing the prohibition of the teaching of gender identity and sexual orientation to children and has supported World Pride in New York City. The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. For these reasons, HSBC receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. **High Risk**

HSBC suspended a senior executive, the global head of responsible investing, after he criticized the bank's policy on incorporating environmental risks into investing (1). He later quit, saying, "cancel culture destroys wealth and progress," and went on to start his own endeavor (2). HSBC received a score of 100 recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. **Lower Risk**

HSBC(1)(2).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion. **High Risk**

HSBC indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). HSBC does not provide

viewpoint protections for its employees (3).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk

HSBC opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (1). HSBC Asset Management is part of the Net Zero Asset Managers initiative, HSBC Bank Pension Trust is a member of the Paris Aligned Asset Owners, and HSBC Holdings PLC is a PCAF member, committed to carbon neutrality by 2050 (2)(3)(4). HSBC is a signatory of Climate Action 100+ (56). HSBCng indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (7)(8). By doing so, the company risks dividing employees, alienating customers and harming shareholders.

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

HSBC indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. (34).

Uses corporate political contributions for ideological, non-business purposes. High Risk

HSBC indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. HSBC (3)(4)(5).

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