

Chief Executive's Message >>



I am pleased to present Hang Seng Bank's 14th Corporate Sustainability Report (CS Report). The past year marked a reinforced commitment to sustainable growth, one that saw the Bank continue its focus on employee well-being, engage with staff and stakeholders in the spirit of open dialogue, and strengthen partnerships throughout the community to effect meaningful, positive change.

As the leading domestic bank in Hong Kong, serving more than half of the city's adult residents, Hang Seng strives to be an exemplary corporate citizen. In 2018, for the 11th consecutive year, the University of Hong Kong's Public Opinion Programme rated us as having the best reputation for CSR among Hong Kong financial institutions. We were given the Best Corporate Financial Education Leadership of the Year award at the Institute of Financial Planners of Hong Kong's inaugural Financial Education Leadership Awards 2018. We have also been a constituent member of a number of sustainability indexes, including the FTSE4Good Developed Index, the MSCI Pacific ex Japan SRI Index, the Hang Seng Corporate Sustainability Index Series and the Hong Kong Business Sustainability Index.

We are committed to upholding high corporate governance standards and reinforcing our reputation as a financial services provider of choice. To ensure that our disclosures are transparent and address the concerns raised by our stakeholders, this report has been prepared in accordance with international and local environmental, social and governance (ESG) reporting guidelines, issued by Global Reporting Initiative (GRI) and Hong Kong Exchanges and Clearing Limited respectively.

Setting the service standard

We are constantly exploring ways to enhance, diversify and digitise our channels to make it easier for customers to manage their finances how and when they want. One key accomplishment in 2018 was the launch of the Faster Payment System (FPS), a smart banking initiative that links our personal and business banking platforms, both online and mobile, as well as our retail customer AI chatbot HARO for a user-friendly, real-time digital interbank payment service experience. We continued to invest in upgrading digital channels and innovative secure payment solutions to meet the evolving needs of our customers, providing greater convenience and an enhanced digital service experience.

Moving forward, integrity, innovation and inclusion will remain central to our actions as we strive to deliver sustainable growth and service excellence, both as a financial institution and a good corporate citizen. ♪♪



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Our people, our future

In a highly competitive job market, we believe that providing a supportive work environment, offering career growth opportunities and promoting staff well-being are the keys to having happy, healthy and engaged employees. We are promoting a flexi-work policy, which helps employees structure their work around their lives. In 2019, we will launch enhanced leave entitlements and medical plans for all our staff. Another major initiative was commencing with a series of renovations to make our workspaces more open and collaborative. We encourage a 'speak up and speak out' culture to foster trust, innovation and creativity. One example of this is the hosting of regular town halls and informal meetings, where employees can express their views and bring concerns to our attention.

Caring for our community

Young people are our future, which is why many of Hang Seng's corporate sustainability programmes are dedicated to equipping youngsters with the job and entrepreneurship skills they need to succeed. Since 2009, we have invested over HK\$277m in

different community initiatives and the majority of which is dedicated to support youth development programmes. One such investment is Youth Portal 'I am...', a first-of-its-kind chatbot and online mentorship initiative launched in 2019 that appeals to the digital native generation by providing instant, personalised access to school and career information. In 2018, we launched Hong Kong's first peer mediation mobile app, which is being used in local primary schools to teach conflict resolution skills. These are just two examples of how Hang Seng is at the forefront of using digital tools to engage tomorrow's leaders today.



Doing our part for a better world

Climate change is a global issue that affects us all, and Hang Seng is committed to making its operations as environmentally sustainable as possible. For example, we strive to recycle and reduce waste by adhering to a Centralised Bin Policy and consuming less paper and plastic. The past year also saw us record a number of environmental achievements, including the Peak Demand Management Outstanding Award under the CLP's first Smart Energy Award programme.



Building a better Hong Kong together

We should all be contributing to the well-being and positive development of our communities. Hang Seng is doing its part by engaging stakeholders, understanding their concerns, and employing progressive, latest technologies to provide solutions. Moving forward, integrity, innovation and inclusion will remain central to our actions as we strive to deliver sustainable growth and service excellence, both as a financial institution and a good corporate citizen.

Louisa Cheang

Vice-Chairman and Chief Executive
Hang Seng Bank