

Our Community

Our Community Investment

Hang Seng is committed to contributing to a more prosperous and sustainable future for the communities in which we operate.

Our community investment strategy is underpinned by four pillars:

- ▶ **Future skills**
- ▶ **Promoting sustainable finance and financial literacy**
- ▶ **Addressing climate change**
- ▶ **Caring for the community**

Our strategic focus for 2022

At the heart of our 2022 focus is "Addressing Climate Change". Hang Seng has been an advocate of environmental sustainability for many years. We continue to build the capacity for resilience in our local community with a view to ensuring with a more sustainable future. The Bank has contributed to HSBC's net zero ambitions.

In collaboration with CarbonCare InnoLab ('CCIL'), we funded the Hang Seng Low Carbon Future – SolarCare Programme, a project which involved the installation of over 268 solar panels at the Breakthrough Youth Village in 2022, and the system is expected to generate 134 MWh of energy annually on average. The income generated from the solar panels will in turn be used to develop climate education programmes for young people.

For second year in a row, we continued to be the title-sponsor of the "2022 ESG and Green Finance Opportunities Forum" organised by the Chamber of Hong Kong Listed

Companies. Over 200 business leaders and ESG experts gathered at the forum to discuss how to navigate climate risks and to finance climate actions that can support a more sustainable future.

As a home-grown financial institution, Hang Seng is also dedicated to caring for the local community. At the time when the community was hit by the fifth wave of COVID-19, the Bank made a donation to arrange outreach programmes and to provide care packs to support people in need.

We believe young people are the future, and we are dedicated to enabling local youths to reach their full potential. In 2022, we expanded the scope of our financial education programmes to cover young people of different ages and backgrounds, including kindergarten children, university students and young parents.

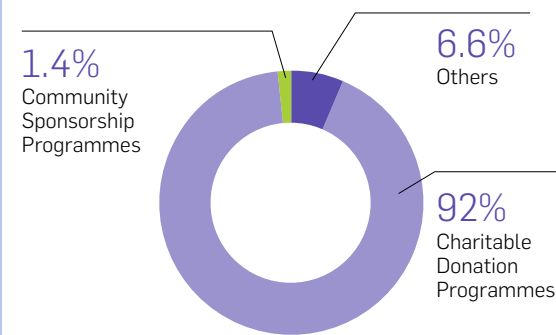
During 2022, we pledged nearly HK\$32 million on community investment initiatives, supporting local organisations to organise 16 programmes for over 77,000 direct beneficiaries. We were named a Caring Company for 20 consecutive years.

Over the past 10 years, we have pledged to invest about HK\$300 million in community initiatives.

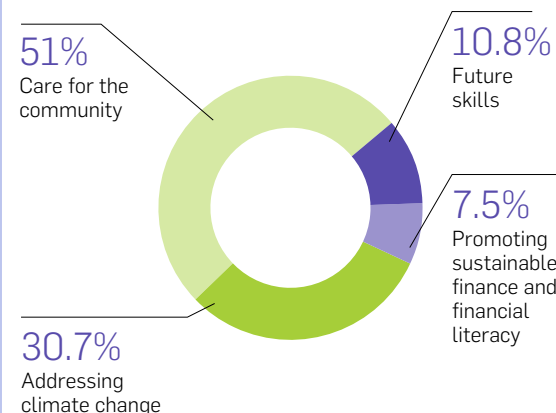
For more details about individual Hang Seng community investment programmes, please refer to: <https://www.hangseng.com/en-hk/about/esg/social/>

The Corporate Social Responsibility Working Group, which is chaired by the Bank's Head of Communications and Corporate Sustainability, supervises the development and implementation of our community investment strategy. The Working Group reports its progress on the Bank's various community investment initiatives to the ESG Steering Committee on a quarterly basis.

Breakdown of Hang Seng's pledge of support to the community:



Breakdown of community investment areas, in terms of monetary value, in 2022:



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Addressing Climate Change

Hang Seng's commitment to address climate change is demonstrated by our support for various initiatives.

We supported The Conservancy Association ('CA') in the Country Parks Plantation Enrichment Programme ('PEP'), which was launched by the Agriculture, Fisheries and Conservation Department. In June 2022, Bank volunteers helped plant 800 seedlings of native tree species in Tai Lam Country Park. The aim of the programme is to increase the biodiversity and ecological value of the planting area, with the goal of enhancing its sustainability by increasing the site's carbon sequestration capacity.

We also continued to provide support to the corporate membership programmes of the World Wide Fund for Nature Hong Kong and Business Environment Council. In addition, we supported Green Power by donating to Green Power Hike for 15 years.



The first solar power system under the "Hang Seng Low Carbon Future – SolarCare Programme" has been installed at the Breakthrough Youth Village. The programme will make use of the rebates resulting from the Hong Kong Government's Feed-in Tariff Scheme to organise various youth climate education activities.



Financial rebates are utilised to provide training for Hang Seng and youth volunteers, in order to equip them with the knowledge and skills needed to serve as guides for solar panel tours.



We have been working with The Conservancy Association to plant seedlings in local country parks.



23,200

Total number of trees planted to date: 23,200 seedlings over the past 16 years

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Future skills

We believe that young people are agents of change, and they play a significant role in the future development of our society. We continue to invest resources to create opportunities for the younger generation to learn future skills, helping them develop their employability and thrive in an ever-changing world.

Hang Seng has a long history of actively supporting youth development initiatives and programmes that are aimed at enhancing the community-wide understanding of climate change issues. We have supported youths from diverse backgrounds to help build their future readiness and competitiveness. This year, we launched the “Hang Seng x PolyU Sustainable Future Challenge: Textile and Fashion” to nurture the creativity and entrepreneurial mindset of young innovators, in an effort to drive the sustainable development of our community.



The “I am...” Youth Portal is a one-stop online platform that provides career guidance and mentorship to young people. In addition, the “Hang Seng Youth Career Planning Scheme” supports at-risk youth and ethnic minorities with entrepreneurship and career-related training.

Moreover, Hang Seng believes it is vital that all segments of society, and particularly disadvantaged groups, have the equal opportunity to learn future skills. Thus, the “Hang Seng Future Skills Fund” provides support to NGOs which currently do not receive ongoing government funding, to equip their service users to be future-ready with knowledge and skills such as financial and digital literacy and climate change awareness.

The “Community in Action” programme enables athletes to develop essential soft skills, which will enhance their future employability after their retirement from sports. Through these initiatives, we hope that every young person has an equal opportunity to learn and acquire the skills as well as develop the attitudes that will help them succeed in life.

Long-term Social Impact: Since the launch in 2019, the number of registered members on the “I am...” Youth Portal has grown to over 33,000. To gain a greater insight into young people’s views on their future readiness, we interviewed about 1,000 Form Four and Five students via the portal in 2022. The result of the interview shows that over 80% of high school students have specific further education or career aspirations, but only 30% are keeping themselves up-to-date with the information that will help them pursue their goals.

Promoting sustainable finance and financial literacy

As one of the Hong Kong’s leading banks, promoting sustainable finance and financial literacy is aligned with our core banking focus. We created a series of financial education programmes designed for different ages to build a stronger foundation for their fundamental financial knowledge.

In 2022, we launched the new “Money-wise Kids Financial Education Programme” to educate kindergarten children about basic financial management concepts and enhance their parents’ knowledge and skills on healthy financial management. Over 560 participants from 19 kindergartens took part in the programme.

We rolled out the “Elder-Youth-Transgenerational Financial Education Programme” aimed at enhancing financial literacy among 110 college students who will in turn help educate about 200 elderly people in Hong Kong. The programme helped foster cross-generational engagement between youths and the elderly by raising their awareness of issues such as online financial security and financial cybercrime.

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Care for the community

Over the past 30 years, Hang Seng has worked hand-in-hand with the Hong Kong Table Tennis Association to nurture talented home grown youths into world-class players and to help young people establish personal goals and develop valuable life skills through training programmes and other activities.



Hang Seng Table Tennis Academy

Co-organised with the Hong Kong Table Tennis Association, the Hang Seng Table Tennis Academy ('HSTTA') identifies and nurtures home-grown table tennis talents through high-quality, structured training sessions.

We are pleased to see the Hong Kong team achieving an outstanding performance at the 2022 World Team Table Tennis Championships, which was held in Chengdu in September 2022. In recognition of their outstanding performance and great team spirit, Hang Seng awarded the participating team with a HK\$350,000 special cash incentive.

Long-term Social Impact: Over 140 members of the Hong Kong Table Tennis Team and the Hong Kong Table Tennis Youth Team are graduates of the HSTTA, including seven out of ten players of the Hong Kong Table Tennis Team at 2022 World Team Table Tennis Championships, and five out of six core players of the Hong Kong Team at 2020 Tokyo Olympics. Since 2001, the HSTTA has provided training to more than 422,000 students over 7,900 activities.

Hang Seng Community COVID Support Programme

In response to the rapid spread of the virus during the fifth wave of the COVID-19 pandemic in Hong Kong, the Bank partnered with the Hong Kong Family Welfare Society to donate HK\$10 million worth of care packs that included RATs, surgical masks and disinfectant products to 25,000 senior citizens and grassroots families.

The funding also supported the setup and operation of the Emotional Well-being and General COVID Support Hotline from March to May 2022. Nearly 5,500 calls were answered to provide people with emotional wellbeing support and health information. Bank staff also participated to support these initiatives through donations and assistance with the hotline.

Supporting the Charitable and Fundraising Event hosted by The Community Chest of Hong Kong. Hang Seng has continued to provide support to The Community Chest of Hong Kong ('the Chest'). We are the Diamond Sponsor of Dress Casual Day for the 25th consecutive year. The Bank also supported the Chest's other programmes, including the Walks for Millions, Christmas Greetings for the Chest, Corporate & Employee Contribution Programme and the Corporate Challenge.



■ Our Community

Volunteering

As a responsible corporate citizen, Hang Seng supports its staff in giving back to their local community. Each employee is entitled to two days of volunteer leave each year, in order to participate in volunteer activities.

Our senior management members have also devoted their time to civic and volunteer activities. For example, the Bank's Executive Director and Chief Executive, Diana Cesar, is the Chairman of the Board of Governors at the Hang Seng University of Hong Kong, as well as a Director, Campaign Committee Co-Chairman and Member of Executive Committee of The Community Chest of Hong Kong.

Hang Seng Volunteer Team

The Hang Seng Volunteer Team comprised of over 350 staff members, partnered with various organisations to support a wide range of volunteering activities, including tree planting and Eco-rangers clean-up activities, the Money-wise Kids Financial Education workshops, and packing goody bags. Our ongoing efforts earned us the Hong Kong Volunteer Award 2022, presented by the Agency for Volunteer Service.

In-kind donations

We are continuing to donate second-hand laptops to the local community. Not only does this allow for a more responsible and environmentally-friendly use of resources, but it also helps facilitate digital inclusion and accessibility in the community. The total in-kind donations in 2022 amounted to around HK\$1.6 million.



Forward-looking strategic plans: financial inclusiveness

We provide comprehensive banking, payment and investment services anytime, anywhere, via e-banking, hangseng.com and mobile apps. We have also launched fintech initiatives e.g., mobile cheque deposit and payment to non-designated payee to provide even more digital solution to customers' increasingly mobile usage.

Customer can now place green deposit and other TMD products on our e-banking (DBB and HSBCnet) platform with 1-click function, which helps to achieve paperless and low carbon transformation (less processing time and without the need to visit branch).

Performance evaluation: Social

Digitalisation of business

Digitalisation of business is one of the key strategies to enhance the service dynamics of Hang Seng and is receiving our devoted efforts. The Bank has developed new features / platforms to facilitate online processing. Our new Open Banking Phase III API has been launched to target providing services to third-party service providers ('TSP'). Furthermore, the launch of mobile cheque deposit as a new fintech initiative to support the processing of cheques deposited via mobile apps, payments to non-designated payees and provide an online trading platform for bond products. The Bank continues to evaluate the effectiveness of digitalisation as a means for further enhancement of its offerings whilst at the same being committed to developing more leading digitalisation solutions to offer to customers.

Employees' future development

To align with the Bank's strategy for promoting the digitalisation of the business, the Bank has designed data and analytics training to employees in order to equip them with skills in applying data analytics for business and operations. This training has had a satisfactory participation rate and the Bank will plan for more applicable training programmes in the future.

Hang Seng has disclosed its gender pay gap data in this ESG Report for the first time and the Bank will continue to keep track of more ESG-related data.