



# Engaging with Our Communities

## Our Community Investment

We are dedicated to making a positive impact in the communities where we conduct business, with the aim of fostering a brighter and more sustainable future.

We firmly believe that young people hold the key to a brighter future, and we are dedicated to empowering local youth to unlock their full potential. In 2023, we expanded the scope of our financial education programmes to cater to young individuals from diverse age groups and backgrounds, ranging from kindergarten and primary students to university students and young parents.

During 2023, we pledged over HK\$30 million in community investment initiatives covering the four pillars.

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 Chairman of the Board of Governors at The Hang Seng University of Hong Kong, as well as a Director, Campaign Committee Co-Chairman and Executive Committee Member of The Community Chest of Hong Kong.

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

The Community Investments Working Group, led by the Bank's Head of Corporate Communications and Community Investments, oversees the formulation and execution of our community investment strategy. This dedicated group updates the ESG Steering Committee on the progress of the Bank's diverse community investment initiatives every quarter.



## Breakdown of Our Financial Support to the Community





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### Addressing Climate Change



For the third year in a row, we continued to be the title sponsor of the '2023 ESG and Green Finance Opportunities Forum', which was organised by the Chamber of Hong Kong Listed Companies. The forum served as a platform to gather business leaders and ESG experts to carry out discussions on green solutions, social impact investments and decarbonisation technologies to combat climate-risks and achieve a sustainable future.

The Bank supported The Conservancy Association by taking part in the Country Parks Plantation Enrichment Programme, which was launched by the Agriculture, Fisheries and Conservation Department. In 2023, our volunteers returned to the park to contribute to essential tree care activities, such as weeding, tree monitoring and assessing the progress of the native tree seedlings that were planted the previous year. The objective of the programme is to enhance the biodiversity and ecological value of the plantation site, thereby promoting

its long-term sustainability and boosting its capacity for carbon sequestration.

In addition to our ongoing support for the World Wide Fund for Nature Hong Kong and Business Environment Council, we participated in the Green Power Hike and the Green Earth Night Walk. These partnerships reflect our commitment to environmental conservation and sustainability.

The Bank has also shown its support to the EcoTrail Programme of the Hang Seng University of Hong Kong for the promotion of biodiversity, which included a tree-planting initiative in 2023.

### Future Skills

We believe that young people are instrumental in driving changes, and they hold potential for shaping the development of society. As a result, we invest resources to foster opportunities for the younger generation to acquire essential future skills that will enable them to flourish in a dynamic and evolving world.

This year, the Bank supported the 'FutureGEN Girls Leadership Summit 2023' organised by the JYC Girls Impact Foundation, providing an opportunity for secondary school students to develop their leadership skills and learn about STEM.





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In addition, we supported The Community Chest's 'Cinema Quintet: Film with the 5 Directors' project, which empowered local tertiary students to understand issues that the local community is facing and how they can be tackled. With the support of five local movie directors, the youth participating in the project turned their ideas into micro films.

We also recognise the importance of ensuring equal access to future skills education for all segments of society, especially disadvantaged groups. We have supported the 'Hang Seng Youth Career Planning Scheme' organised by SidebySide since 2014. By creating a safe and supportive platform, the scheme offers career planning services for young ex-offenders, inmates, supervisees and individuals with a history of mental illness.



### Promoting Sustainable Finance and Financial Literacy

We have developed a comprehensive range of financial education programmes tailored for individuals of various age groups.

We launched the Elder-Youth-Transgenerational ('EYT') Financial Education Programme, which provides financial education to both the elderly and to tertiary students in Hong Kong through a series of workshops. The young adults, after having received training on cross-generational communications skills and various finance topics, conduct financial literacy workshops for the elderly at elderly centres, covering topics such as personal finance management and investment. Through this initiative, young people and the elderly have the opportunity to interact and learn together about crucial topics, such as online financial security and financial cybercrime.

In 2023, we partnered with the Hong Kong Family Welfare Society to launch the Hang Seng Financial Literacy Academy, an education programme that offers a school-based and structured learning platform for both primary and secondary school students, their parents, teachers and social workers.

We also continued our efforts in delivering the Money-wise Kids Financial Education Programme, presented with Tung Wah Group of Hospitals, which is aimed at providing kindergarten students with knowledge of essential financial management. Parents were also provided with the necessary knowledge and skills to implement sound financial management practices.

In addition, we partnered with 'Walk in Hong Kong' to curate educational tours of Hong Kong's financial and banking history.

### Care for the Community

For the past three decades, we have collaborated closely with the Hong Kong, China Table Tennis Association ('Table Tennis Association') to popularise and advance elite table tennis in Hong Kong and help the youth set their personal goals, develop perseverance and enrich their life experiences through table tennis training.

#### Hang Seng Table Tennis Academy

In partnership with the Table Tennis Association, the Hang Seng Table Tennis Academy ('HSTTA') provides comprehensive and specialised training to nurture young talents in table tennis. Since its inception in 2001, the Academy has nurtured over 65,000 students, of which nearly 150 have joined the Hong Kong Table Tennis Team or Hong Kong Table Tennis Youth Team.



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The Hong Kong Team delivered an impressive performance at the 2023 Asian Games in Hangzhou. In acknowledgement of their achievements, including the Men's Singles bronze medal that was clinched by Wong Chun-ting, we provided a special cash incentive totalling HK\$450,000 to demonstrate our support and recognition of their outstanding accomplishment.

### Long-Term Social Impact:

# 7 / 10 players

representing the Hong Kong Table Tennis Team at the Asian Games are graduates of the HSTTA.

In 2023, the HSTTA organised

# >250 activities, with >12,600 participants



### Supporting the Charitable and Fundraising Events Hosted by the Community Chest of Hong Kong

We have maintained our longstanding support for the Community Chest of Hong Kong ('the Chest'). We were the Chest's sixth top donor in the year 2022/23. We have also been supporting the Chest's Dress Casual Day for 26 consecutive years. In addition, different forms of support were given to other worthwhile programmes, including Walks for Millions, Sports for Millions, Christmas Greetings for the Chest, the Corporate and Employee Contribution Programme, as well as the Community Chest Corporate Challenge.



### Volunteering

As a responsible corporate citizen, the Bank continues to empower our staff to make a difference in their local communities. We provide each employee with the opportunity to take two days of volunteer leave annually, enabling them to engage in meaningful volunteer activities. This commitment reflects our dedication to fostering a culture of social responsibility and positively impacting the communities we serve.

Our employees have made outstanding contributions to the betterment of their communities this year. Our services benefitted a wide range of needy groups, including the elderly, children and youth, and people with disabilities. We have also committed ourselves in engaging with various environmental protection campaigns. Over 100 staff volunteering activities were held in 2023, with the participation of over 1,400 staff volunteers.





## Engaging with Our Communities

### Engaging with Our Stakeholder Community

We proactively engage with stakeholders who are highly influential to our business, as well as those who could be significantly affected by our operations. Our stakeholder groups include customers, staff, shareholders, suppliers, business partners, regulators and the wider community. Understanding their concerns helps us better meet or even exceed their expectations regarding our governance, management and sustainability.

To prepare our ESG Report, we conduct a stakeholder engagement exercise on an annual basis. To ensure open dialogue and impartiality, this exercise was undertaken by an independent third party consultant with reference to the AA1000 Stakeholder Engagement Standard.

#### Stakeholder Overview

Our Directors and senior leaders are keen to contribute their valuable knowledge to the community. Some of them serve on the boards of other large Hong Kong companies, while others participate in think tanks that focus on economic and social issues, and act as members in regulatory and industry advisory groups. Some also hold senior positions on the boards and committees of statutory bodies, tertiary institutions and charities that focus on tackling the economic and social challenges in Hong Kong.

### Communication of ESG Issues

We actively work with business partners who provide strategic value to us. We engage with our business partners through various channels on a regular or need basis, such as partnerships with our ESG start-up companies, and participation in ESG seminars invited by or co-hosted with our business partners.

We demonstrate our values, and keep up-to-date with the industry trends, via memberships in various associations. These include:

- Business Environment Council Limited
- Employers' Federation of Hong Kong
- Federation of Hong Kong Industries
- The Hong Kong Association of Banks
- The Hong Kong Green Finance Association
- The Hong Kong Institute of Bankers
- The Hong Kong Investment Funds Association
- The Hong Kong Management Association
- The Hong Kong Retirement Schemes Association
- Hong Kong Securities and Investment Institute
- The Institute of Financial Planners of Hong Kong
- International Chamber of Commerce – Hong Kong
- International Swaps and Derivatives Association, Inc.
- Treasury Markets Association
- The Hong Kong Advertisers Association

### Advocacy of Climate and Sustainability Awareness

#### External Engagement

- Hong Kong Science and Technology Parks Corporation – ReThink HK 2023 – 'Green Tech for Low Carbon City Transition' thematic session
- Practising Governance – Annual Conference 2023
- The American Institute of Certified Public Accountants and The Chartered Institute of Management Accountants – CIMA Annual Conference 2023
- Institute of ESG & Benchmark and Institute of Financial Technologists of Asia – IESGB x IFTA Annual Conference
- Business Environment Council – EnviroSeries Conference
- Deloitte – Seminar on International Sustainability Standards Board regulations with HKEX and other sustainability practitioners

#### Internal Communications

We published internal communications in 2023 to enhance our staff's awareness and knowledge of ESG matters. These communications covered various ESG-related topics, including disclosures, carbon emissions, the calculation and mitigation of financed emissions, as well as how to differentiate between different loan types and establish criteria for the approval of ESG loans.

A number of our staff received training in the role of Green Ambassadors to support the implementation of our environmental management system. They are also tasked with raising awareness of environmental matters among their colleagues, families and friends, while providing regular updates on relevant policies and measures.



## Engaging with Our Communities

### Primary Engagement Channels

Stakeholders	Primary Methods of Engagement
 <b>Customers</b>	<ul style="list-style-type: none"> <li>● Daily operations and interactions</li> <li>● Financial market updates</li> <li>● Relationship manager visits and meetings</li> <li>● Seminars and conferences</li> <li>● Loyalty events</li> <li>● Satisfaction surveys</li> <li>● Online community</li> <li>● Net Promoter System</li> </ul>
 <b>Shareholders</b>	<ul style="list-style-type: none"> <li>● Annual General Meeting</li> <li>● Announcements and circulars to shareholders</li> <li>● Interim and annual reports</li> <li>● Results announcements</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>● Surveys</li> <li>● Focus groups</li> <li>● Face-to-face interviews</li> <li>● Training and workshops</li> <li>● Performance and development discussions</li> <li>● Business briefings</li> </ul>

Stakeholders	Primary Methods of Engagement
 <b>Employees</b>	<ul style="list-style-type: none"> <li>● Town hall meetings hosted by the Chief Executive and business/function heads</li> <li>● Regular exchange meetings hosted by the Chief Executive and managers</li> <li>● Symposiums</li> <li>● Forums hosted by businesses/functions to profile their work and expose staff to internal opportunities</li> <li>● Employee representation on the staff retirement committee</li> <li>● Intranet</li> <li>● Staff mobile app</li> <li>● Morning broadcasts</li> <li>● Volunteer activities</li> <li>● Community investment programmes and communications</li> <li>● Email blasts to all employees</li> </ul>
 <b>Business analysts and investors</b>	<ul style="list-style-type: none"> <li>● Results publications</li> <li>● Announcements and circulars to shareholders</li> <li>● Annual General Meeting</li> <li>● Investor relations meetings</li> </ul>

Stakeholders	Primary Methods of Engagement
 <b>Business partners</b>	<ul style="list-style-type: none"> <li>● Calls</li> <li>● Visits and meetings</li> <li>● Seminars and events</li> <li>● Reports</li> </ul>
 <b>Regulators</b>	<ul style="list-style-type: none"> <li>● Meetings</li> <li>● Compliance reports</li> <li>● On-site / off-site inspections</li> <li>● Ad hoc enquiries</li> <li>● Circulars and guidelines</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>● Briefings</li> <li>● Press materials</li> <li>● Senior leader interviews</li> <li>● Result announcements</li> </ul>
 <b>Non-governmental organisations</b>	<ul style="list-style-type: none"> <li>● Volunteer activities</li> <li>● Community investment programmes and communications</li> <li>● Visits and meetings</li> </ul>
 <b>Financial sector peers</b>	<ul style="list-style-type: none"> <li>● Hong Kong Association of Banks meetings and events</li> </ul>