

# Corporate Responsibility

Our commitment to core values such as excellence, integrity and innovation extend beyond the provision of banking and financial services into our actions as a responsible corporate citizen. We are determined to ‘walk the talk’ in supporting sustainable development as we strive to achieve international standards in the things we do.

We lead by example in continually working to improve our own sustainability performance as we encourage our staff, customers, suppliers and the general public to do the same through our procurement and financing policies as well as internal and external stakeholder engagement activities.

Our deep community roots are reflected in the long-term partnerships we have established with local organisations and institutions that are working to improve well-being and make a positive difference.

Our sustainability initiatives have earned us international recognition. We rank among Corporate Knights’ ‘Global 100 Most Sustainable Corporations in the World’ – the only Hong Kong company to hold such distinction.

In 2011, we became the first local bank in Hong Kong to be included as a constituent stock of the Dow Jones Sustainability Asia Pacific Index, which provides a benchmark for best-in-class corporate sustainability performance of companies in the Asia Pacific region, and we have been a constituent member of the FTSE4Good Global Index for 11 consecutive years.

In a concrete move to implement sustainability best practices, we are also the first local Hong Kong bank to attain an A+ Global Reporting Initiative Sustainability Reporting Guidelines rating – the top grade available – for our 2011 online Corporate Responsibility Report.

Our people are more than just employees – they are the ambassadors and relationship builders of our business. In addition to supporting their professional development through an extensive range of training and skills programmes, we organised two staff CSR forums in 2012 to promote awareness of key social and environmental issues and encourage greater engagement through experience sharing.

## Long-term partnerships, lasting positive change

We contribute to social and environmental betterment by building long-term relationships with local community partners. We collectively continue to grow as we work together to promote lasting positive change.



**1987**

The Community Chest of Hong Kong

**1991**

Hong Kong Table Tennis Association

**1994**

Hang Seng Bank Help the Police Fight Youth Crime Competition

**1995**

Tertiary education institutes in Hong Kong

**1996**

Hang Seng Athlete Incentive Awards Scheme

**1999**

Ming Pao Student Reporter Programme

**1999**

Universities in mainland China



投資未來

*Support for education and youth development is the cornerstone of our long-established commitment to promoting community betterment. By encouraging the attainment of knowledge and the adoption of positive life values, we are helping today's young people grow into well-rounded leaders of tomorrow.*

We used sports and recreational activities to foster good team spirit among colleagues – including the six sports competitions held under the Hang Seng Cup. A

family fun day formed part of our efforts to help employees enjoy a good work-life balance. Including staff family members and friends, over 21,000 people took part in Bank-arranged sporting events in 2012.

MAJOR EVENTS

## Nurturing positive life values among young people



Over 260,000 young people took part in the Hang Seng Bank – Help the Police Fight Youth Crime Competition in 2012 – an all-time high for this biennial event. Organised in partnership with the Hong Kong Police since 1994, the 2012 theme of this crime prevention programme was ‘Power of Friends’ with the aims of promoting greater awareness and positive action to combat drug use, theft and bullying.

In line with our emphasis on serving from the heart, our staff regularly give their time to support worthy causes and build the human connections that underpin a thriving and inclusive community.

Bank volunteers and their families contributed more than 25,000 hours in service during 2012. We facilitated this giving back to society by organising about 130 volunteer activities, with a particular focus on underprivileged children, elderly people living alone and environmental education.

## Youth development

In investing today for a brighter tomorrow, our corporate responsibility activities place a strong emphasis on education and youth development. We reached out to young people through 150 Bank-supported education programmes and workshops in 2012.

Since 1995, we have allocated more than HK\$56m to our various scholarship schemes, assisting over 1,700 students from Hong Kong and mainland China. In 2008, we implemented our Community Scholarships programme to reward outstanding undergraduate students in Hong Kong who have contributed to community development with a minimum of 100 hours of volunteer service in the previous 12 months.

We also support community service programmes organised by local universities, including The Chinese University of Hong Kong’s CUHK-Hang Seng I•CARE Local Service Project Scheme, which in 2012 brought together about 200 students and over 1,300 underprivileged children in a series of mutually enriching interactions.

Through the Hang Seng Bank – Help the Police Fight Youth Crime Competition, we work with the Hong Kong Police to promote good life values and positive civic action. Over 260,000 young people took part in the 2012 competition – an all-time high for this biennial event that we have sponsored since 1994 – which focused on combatting drug-taking, theft and bullying under the theme of ‘Power of Friends’.

The Hang Seng Bank Leaders to Leaders Lecture Series, organised by the Hong Kong Federation of Youth Groups and The University of Hong Kong, gave over 300 secondary school students a valuable opportunity to engage in direct dialogue with prominent community leaders on a broad range of issues related to globalisation.

Our sponsorship of the Ming Pao Student Reporter Programme – which includes a series of media workshops, newsroom visits and reporting activities – has helped almost 7,000 students in the past 16 years learn more about the work of the media while honing their critical analysis and writing skills.



The Tung Wah – Hang Seng Code Kidz Programme Supports Children with Specific Learning Disabilities (SLDs) promoted greater public awareness of the issues for families dealing with the challenges of SLDs, while giving about 600 youngsters the opportunity to explore their potential through alternative ways of learning.

### Arts and culture for all

We believe in broadening young people's exposure to the arts, which play an important role in encouraging creativity, communicating positive life values and stimulating discussion of social issues.

For young people facing special challenges, building greater confidence is an important step in unleashing their talents and abilities.

In partnership with the Jockey Club Creative Arts Centre, we organised over 50 Hang Seng Arts Empowerment Workshops throughout the year, providing 500 underprivileged and disabled children with the chance to express their emotions and develop a stronger sense of self-belief through a range of artistic activities.

Through the Field of Dreams – Hang Seng Bank Student Matinees, organised by The Hong Kong Repertory Theatre, nearly 4,000 students from low-income families learned about the inspiring story of eight amateur Hong Kong footballers who joined with players from the Mainland to enter the 1936 Berlin Olympics. Facilitated by post-performance talks and supporting materials, the theatrical production emphasised the importance of courage and determination in striving for one's dreams.

We also continue to facilitate greater access to the arts through our sponsorship of the Hong Kong Arts Festival Student Ticket Scheme.

### Sporting inspiration

Participation in sports helps promote community health and provides valuable lessons about the importance of teamwork, dedication and fair play.

Since 1991, we have allocated more than HK\$31m to promote table tennis in Hong Kong. Our establishment of the Hang Seng Table Tennis Academy in partnership with the Hong Kong Table Tennis Association in 2001 has since given over 215,000 participants the opportunity to have fun while improving their sporting skills through about 4,000 activities, including training courses, open assessment tests and competitions. We will provide HK\$7.5m in sponsorship to continue our support for the Academy between 2013 and 2015.

Hong Kong's top athletes contribute to community pride and are inspiring role models for our young sporting stars of tomorrow.

## MAJOR EVENTS

### Recognising local sporting excellence

Since 1996, we have partnered with the Hong Kong Sports Institute to recognise the hard work and determination of local athletes through the Hang Seng Athlete Incentive Awards Scheme – giving out over HK\$30m for sporting excellence at major national and international games. With outstanding performances by Hong Kong athletes at the London Olympic and Paralympic Games, incentives awarded in 2012 reached a record HK\$3.86m.



MILESTONES

## Leading the way in sustainability reporting

We continue to take steps to attain international standards in our role as a good corporate citizen. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines are a globally recognised set of benchmarks for reporting on sustainability performance. In 2012, we became the first local bank in Hong Kong to attain an A+ rating – the highest GRI accreditation available – for our 2011 corporate responsibility report. We are also the only company in Hong Kong included among the 2012 ‘Global 100 Most Sustainable Corporations in the World’ compiled by Corporate Knights.

Under the Hang Seng Athlete Incentive Awards Scheme, organised in partnership with the Hong Kong Sports Institute, we gave HK\$3.86m in financial rewards to Hong Kong athletes for their outstanding performances at the 2012 London Olympic and Paralympic Games – the highest amount ever awarded to Hong Kong Olympians and Paralympians. Since 1996, the Scheme has given out over HK\$30m to recognise and reward athletic achievement and encourage sporting excellence by Hong Kong athletes at major national and international games.

### Broad Environmental Vision

As a leading corporate citizen in Hong Kong, we are proud to be a local pioneer in promoting greater environmental responsibility. Beginning with our headquarters building in 2005, we have led the way in gaining ISO 14001 certification among local banks in Hong

Kong. In 2011, we became the first local bank to achieve this internationally recognised environmental accreditation for all Hong Kong offices and branches.

Since 2007, we have worked with The Conservancy Association through the Hang Seng Yunnan Biogas Project to bring a free and stable energy supply to people living in rural areas in Yunnan province on the Mainland. To date, we have helped establish 2,200 biogas facilities that are improving life for 9,000 villagers while saving 15,000 acres of forest every year (equivalent to an area about 95 times the size of Hong Kong’s Victoria Park) and reducing annual carbon dioxide emissions by 25,500 tonnes. In November, a team of Bank volunteers visited Yunnan to inspect the 550 facilities constructed in 2012. We have committed to build a further 800 facilities in 2013, benefiting about 3,000 people.

Our involvement with this renewable energy project led to a Gold Award for community relations at the 10th China Golden Awards for Excellence in Public Relations organised by the China International Public Relations Association.

Launched jointly with the Federation of Hong Kong Industries in 2007, the Hang Seng Pearl River Delta Environmental Awards (Awards) are part of our commitment to working with the southern China business community on environmental issues. By recognising the green initiatives of participants, the Awards are helping to accelerate the pace of positive environmental change among manufacturing companies in the Pearl River Delta region.

A record 188 participants submitted 672 projects in 2011/12, with collective achievements including cutting electricity consumption by over 91 million kWh –

equivalent to the electricity used annually by 14,000 average four-member households – and reducing waste by more than 650,000 tonnes.

In light of the Awards' success and to encourage more companies to improve their environmental performance, the 2012/13 Awards will expand to cover the pan Pearl River Delta region.

Other initiatives to promote the reduced consumption of natural resources include our e-Statement and e-InvestAdvice services, through which e-Banking clients can choose to receive account statements and other notices in electronic rather than paper format. By the end of 2012, the number of e-Statement and e-InvestAdvice subscribers had reached over 646,000 and more than 62,000 respectively – collectively saving over 31 million sheets of paper a year.

We also reach out to the wider community in partnership with green groups through our support for events such as Friends of the Earth (HK)'s 'Power Smart' Energy Saving Contest and the Hang Seng Green Carnival co-organised with The Conservancy Association.

We continue to take steps to support the conservation of biodiversity – both through our financing policies and within our own operations. We stopped serving shark's fin at Bank functions in 2003 and have since removed endangered reef fish from our menus. We comply with WWF Hong Kong's *Seafood Guide* and, in 2011, implemented a sustainable seafood menu endorsed by the same organisation at our banquet hall.



### Environmental Performance

	2012 <sup>#</sup>	2011 <sup>*</sup>	2012 vs 2011 (%)
Greenhouse gas emissions (kilotonnes CO <sub>2</sub> )	24.34	23.48	3.69%
Electricity consumption (GWh)	36.61	36.22	1.07%
Gas consumption (GWh)	0.33	0.40	-18.67%
Water consumption (000 m <sup>3</sup> )	65.90	68.22	-3.39%
IT/electrical waste recycled (tonnes)	54.94	70.52	-22.08%

Data coverage: Hang Seng Bank's Hong Kong operations

**KEY:** m<sup>3</sup> Cubic metres | CO<sub>2</sub> Carbon dioxide | GWh Gigawatt hours

\* From 1 Oct 2010 - 30 Sep 2011

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