


CHAIRMAN'S STATEMENT

As Hang Seng Bank enters its 91st year, we continue to drive innovation for growth and prosperity. Our long-standing presence equips us for the emerging opportunities within the GBA, especially with the launch of our RMB counter at the HKEX and seven cross-boundary wealth management centres.





Our approach integrates sustainability into our business model, while maintaining our commitment to ethical practices.

As we navigate the changing financial landscape, Hang Seng Bank is prepared to tailor our services to better serve our customers, develop our team, and uplift the communities where we operate.

Our 90th Anniversary in 2023 is a significant milestone that underlines the long and deep relationship we have enjoyed with Hong Kong. We celebrated with events that resonated with our city's spirit, advancing inclusivity, well-being and social mobility.

In both the good and difficult times, we adhered to our commitment to improve the lives of our customers whilst delivering attractive returns. In addition, there has been increased focus on a wider social and environmental issues.

We understand this achievement would not have been possible without the support of our customers, our staff and shareholders.

Innovation

We introduced the concept of future banking to align our services with innovation, harnessing technology to streamline and enhance the banking experience. Our strategy leverages data analytics and digital tools, and we are continuously upskilling our workforce to ensure our customers benefit from the sophisticated and intuitive banking solutions.

We built bridges to the future with a focus on growth and learning. Our collaboration with the Chinese University of Hong Kong's Engineering FinTech Applied Research Academy, aligned with the Hong Kong Monetary Authority's ('HKMA') Industry Project Masters Network, is creating a pipeline of talent essential for the Greater Bay Area's ('GBA') emergence as an innovation hub.

We are actively nurturing the next wave of Fintech leaders through our support of startups and new economy ventures critical to the GBA's technological advancement. Our participation in the e-HKD initiative with the HKMA's Pilot Programme and our work on two e-HKD simulations reflect our commitment to shaping a digital finance infrastructure in step with the region's shift towards a cashless society.

We embrace innovation in banking and are proud to be one of the first to launch an RMB counter under the Hong Kong Exchanges and Clearing Limited's ('HKEX') HKD-RMB Dual Counter Model, strengthening Hong Kong's position as an offshore RMB hub and expanding currency choices for investors.

Sustainability

Aligned with global efforts to combat climate change, our aim is to reduce carbon emissions from our operations to net zero by 2030. Our headquarters has earned the distinction of being the first bank building in Hong Kong to be Gold-certified by the International WELL Building Institute, highlighting our focus on transformative, people-centric spaces.

We provide sustainable finance and investment to enable our clients to enhance their social environmental performance. These offerings are part of our strategy to support more sustainable business practices and reduce environmental impact.

Hang Seng Indexes Company Limited has introduced indexes that promote sustainability, covering themes such as hydrogen energy and low carbon emission companies. It also received multiple awards on different Environmental, Social and Governance ('ESG') index categories in 2023 from Asia Asset Management and The Asset.

In the community, we provided our first social loan to finance projects that improve educational access for children and those with special needs as well as improving housing affordability.

Board of Directors

During the year, Independent Non-Executive Directors Chiang Lai Yuen and Michael Wu Wei Kuo, retired. Kenneth Ng Sing Yip relinquished his role this year as Independent Non-Executive Director, together with his responsibilities as Chairman of the Risk Committee and Member of the Nomination Committee. Kenneth will retire at this year's annual general meeting.

All three directors have been on the Board for many years and have always been a source of technical expertise and business acumen. The Board is grateful for their dedication and contribution and we would like to thank them.

Xiao Bin Wang, Independent Non-Executive Director, will succeed Kenneth as the Chairman of the Risk Committee.

Cordelia Chung now assumes the role of Remuneration Committee Chairman, with Patricia Lam Sze Wan joining as a new member. Cordelia and Xiao Bin were also appointed as Nomination Committee and Risk Committee members respectively.

I look forward to working with them in their new roles.

The next 90 years and beyond

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Irene Lee

Chairman

21 February 2024