

Corporate Social Responsibility

Our corporate social responsibility initiatives focus on supporting sustainable markets, caring for the community, protecting the environment and promoting staff wellness.

As a socially responsible organisation, we strive to incorporate corporate social responsibility (CSR) principles into our daily operational decisions and practices.

Governance

Our CSR efforts are coordinated by a dedicated committee which reports directly to the SFC's Executive Committee. The CSR Committee is chaired by the Chief Financial Officer and Senior Director of Corporate Affairs, and includes members from different units across the organisation.

The Committee is responsible for:

- formulating and developing our CSR vision, principles, framework and policies;
- organising and promoting CSR activities; and
- setting objectives, targets and key performance indicators to measure the effectiveness of our CSR efforts.

The CSR Committee has three working groups. Each is charged with planning and implementing initiatives under a specific theme.

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	Focus	2017/18	2018/19
Commission Volunteers Group 	Community	Reach out, help out, volunteer	Extend, expand
Green Working Group 	Environment	Environmental sustainability is our responsibility	Green in SFC, counts on you and me
Wellness Group 	People	Good health is your wealth	Being healthy, being well

We explain our CSR goals, principles and activities on our corporate website and intranet, and circulate a quarterly e-newsletter to update staff about the outcomes of our CSR initiatives. The newsletter is also a platform for participants to share first-hand accounts of our CSR activities and for all staff to provide feedback.

Our CSR efforts were recognised by the Hong Kong Council of Social Service which named us a “Caring Organisation” for the twelfth consecutive year.



Walking abandoned dogs



English practice with students

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Marketplace support

As a statutory body, we consider the impact of our regulatory work on Hong Kong's financial markets. We adopt measures to enhance industry-wide operational efficiency, minimise resource consumption and reduce paperwork for both the SFC and industry participants.

Raising industry-wide operational efficiency

In February 2018, we adopted a revamped process for applications for approval of post-authorisation changes and for authorisation of revised offering documents for funds¹. The revamped process provides timely notification of post-authorisation changes to investors and allows more efficient use of our resources.

We implemented a mandatory online submission initiative in 2017 which requires individual applicants and licensees to submit applications, notifications and annual returns via the SFC Online Portal. This enables us to handle an increasing number of applications and makes the licensing process more efficient.

To reduce the industry's compliance burden and paper consumption, we ceased to issue printed licences² to individuals in 2015. Details of licensed individuals are now only available on our online Public Register of Licensed Persons and Registered Institutions.

An online system to streamline the submission and posting of Rule 22³ dealing disclosures under the Code on Takeovers and Mergers has been in operation since 2014.

The Mixed Media Offer process, another measure to reduce paper consumption, allows listed applicants and listed companies to distribute paper application forms for public offers where an online prospectus is available.

Promoting professional competence

We have continuous professional training (CPT) requirements⁴ in place to enhance the competence of licensees. This year, our senior executives delivered 55 hours of CPT-eligible training to licensees.

We funded the Hong Kong Securities and Investment Institute's Advanced Learning Platform, an online portal launched in September 2017 enabling market practitioners to access learning resources at their convenience. We also provide funding to the Financial Reporting Council which aims to uphold the quality of listed companies' financial reporting, as well as to the Financial Dispute Resolution Centre to provide an effective, cost-efficient channel for financial institutions and their customers to resolve monetary disputes.



Christmas charity sale



Baking cookies with Fu Hong Society members



Making ornaments with Po Leung Kuk members

¹ See Investment products on pages 47-50.

² We continue to issue printed licences for licensed corporations and certificates of registration for registered institutions, and these must be exhibited prominently at their places of business.

³ Rule 22 of the Code on Takeovers and Mergers requires parties to an offer and their respective associates to disclose dealings in relevant securities of the offeree company and the offeror (in the case of a securities exchange offer) conducted for themselves or on behalf of discretionary clients during an offer period.

⁴ Under the SFC's Guidelines on Continuous Professional Training, licensees are required to complete a minimum of five CPT hours per calendar year for each type of regulated activity.

Community

We provide staff with volunteering and engagement opportunities to make a positive impact on the community. We offer volunteering leave to encourage staff participation in community service.

This year, 134 staff spent a total of 458 hours volunteering. Our staff engaged with different members of the community, including minorities, the single elderly, the intellectually challenged and the underprivileged.

Our staff also support community services through donations and fundraising events. This year, we raised a total of \$104,509 through the Standard Chartered Marathon, a Christmas charity sale and four Community Chest events: Love Teeth Day, Dress Casual Day, Skip Lunch Day and Green Day.

Donating used items to charities allows us to give back to the community and reduce wastage. This year, we

donated used computers, printers and servers to Caritas Hong Kong's computer refurbishment project which prolongs the lifecycle of computers and accessories and reduces landfill.

We partnered with Po Leung Kuk to make Christmas gifts with its members who are physically or intellectually challenged. We also engaged three other social enterprises, namely the Fu Hong Society, Hong Kong Down Syndrome Association and Hong Kong Society for Rehabilitation, to sell items made by their members at our in-house Christmas charity sale. We received orders worth more than \$8,100 and additional donations of over \$2,300 to these four charities.

As a participant in the ENGAGE programme organised by Community Business, we offered a two-week work placement opportunity to disadvantaged secondary students to raise their career aspirations.

Message from Chairman and CEO

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The joy of sharing

At Christmas 2017, our Chairman Mr Carlson Tong took part in the Carol Singing Festival to raise money for the Child Development Matching Fund, a charity which supports underprivileged youth. The Financial Secretary Mr Paul Chan, leaders from the financial sector and other guest singers also joined the children's choir to "sing for our next generation".



Director of Enforcement Denise Ip bakes for charity sale



Chairman Mr Carlson Tong joins Child Development Matching Fund's Carol Singing Festival

Cooking for charity

For the past three years, our staff have looked forward to our in-house Christmas charity sale where they could sample treats prepared by expert baker Denise Ip, Director of Enforcement, whose motto is "love to cook, cook for love". Denise creates her own recipes for delicacies ranging from mini panettone to organic chocolate truffles and also designs festive packaging to reflect the spirit of the season. Because her creations always sell out fast, this year colleagues were invited to place orders in advance to avoid disappointment.

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Volunteering events

Month	Activity	Purpose	Outcome
Apr 2017	Retail store visit with underprivileged students	To interact and practise English with underprivileged children	19 volunteers visited the flagship store of an audio-visual retail chain with 60 primary school students who spent the day practising English and learning about retail operations.
May 2017	Care for animals series 1: Abandoned rabbits	To raise awareness about abandoned rabbits' welfare	18 volunteers helped to feed abandoned rabbits and clean their cages, raising \$2,420 for the Hong Kong Rabbit Society.
Aug 2017	Baking cookies with the mildly visually impaired	To interact with the mildly visually impaired	20 volunteers spent quality time baking chocolate and butter cookies with Fu Hong Society members.
Sep 2017	Mid-Autumn series 1: Hot meal distribution to the homeless	To raise awareness about poverty	19 volunteers joined Sunshine Action to visit rough sleepers in Nam Cheong and Sham Shui Po and distribute meal packages to the needy.
Oct 2017	Mid-Autumn series 2: Elderly home visit and rice delivery	To connect with the elderly community	18 volunteers visited and delivered rice bags to the elderly during Mid-Autumn Festival.
Nov 2017	Care for animals series 2: Abandoned cats and dogs	To raise awareness about abandoned pets' welfare	14 volunteers visited cat kennels and walked abandoned dogs, raising \$2,650 for the Society for Abandoned Animals.
Dec 2017	Christmas gift-making with the physically and mentally impaired	To interact with and raise funds for the physically and mentally impaired	15 volunteers made tissue boxes and Christmas ornaments with Po Leung Kuk members.
Feb 2018	Chinese New Year activities with underprivileged children	To interact and practise English with underprivileged children	60 primary school students enjoyed a fun cooking experience with volunteers.

Contributions

	2017/18	2016/17	2015/16
Number of staff participating in volunteering activities	134	110	137
Total volunteering hours	458	471	548
Funds raised for community causes	\$104,509	\$70,648	\$186,789
Corporate sponsorships for community causes [^]	\$13,000	\$9,000	\$18,000

[^] Including donations in lieu of corporate gifts made in the names of guest speakers invited to our in-house training seminars.

Environment

We are committed to managing and reducing our impact on the environment and raising green awareness amongst staff and stakeholders. We encourage staff to reduce, reuse, repair and recycle through our internal protocol, *A guide to working "Green" at the SFC*.

We adopt a number of green practices in our workplace to encourage the smarter use of resources including:

- sharing meeting materials on tablet computers;
- using internal electronic processes for training course enrollments, conference room bookings, expense claims, overseas travel records, pay slips, leave applications, appraisals and paperless diaries to save time and paper;
- adjusting indoor lighting after office hours using auto timers;
- reducing electricity usage at our data centres;
- providing recycling bins for newspapers;
- sorting cans and bottles for recycling;
- replacing paper holiday greeting cards with e-cards; and
- recycling used red packets in support of Greener Action's campaign.



Mid-Autumn series: Elderly home visit and rice delivery



Cooking class with students

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We extend our green efforts beyond the workplace by supporting the World Wide Fund for Nature's global warming prevention and environmental conservation causes.

- No Shark Fins Policy: We have in place an organisation-wide policy pledging not to serve sharks' fins at any SFC event.
- Earth Hour 2018: We took part in this annual energy conservation event for the eighth year. In addition to encouraging staff to switch off lights for one hour, this year we also made a pledge as a corporate supporter.



Visit to Go Green Organic Farm

We engaged our staff in a number of initiatives to raise their environmental awareness throughout the year. To promote an eco-friendly lifestyle, we organised a handmade soap workshop where colleagues learnt how to make natural, bio-degradable soap. We arranged outdoor activities for our colleagues to explore Hong Kong's natural ecosystem, including an eco-tour to Mai Po guided by the World Wide Fund and a visit to Go Green Organic Farm to learn about biodiversity and environmental stewardship.

Consumption and recycling

	2017/18	2016/17	2015/16
Consumption			
Paper (pieces/head)	9,563	10,857	11,831
Electricity (kWh)	4,018,442	4,770,712	4,078,591
Recycling			
Paper (kg)	37,815	30,852	26,048
Toner and printer ink cartridges	1,106	1,130	1,008



Eco-tour to Mai Po

Workplace

The wellbeing of our staff is vital to us. In the past year, we organised activities to enhance health awareness and encourage healthier lifestyles including:

- Mental Health Month to raise awareness and promote open dialogue about mental health;
- a Pilates session to introduce physical exercise techniques;
- free on-site influenza vaccinations and health screening with individual consultations;
- lunchbox recipes to encourage healthier diets; and
- a health talk to illustrate the benefits of physical exercise.



Pilates class



Handmade organic soap workshop

Workplace mental health

We promote wellbeing in the workplace through our support for mental health initiatives. As a founding member of City Mental Health Alliance Hong Kong (CMHA HK) and a member of its Advisory Committee, we help strengthen the mental health awareness both of our staff and of the business community at large. Launched in 2017, CMHA HK is the Hong Kong chapter of London's City Mental Health Alliance which aims to build a supportive working environment where mental health issues can be openly discussed.

Our Chief Executive Officer (CEO) Mr Ashley Alder discussed mental health in the workplace at the Hong Kong Mental Health Conference 2017, a three-day event held in November.

In October 2017, our CSR Wellness Group invited staff to participate in CMHA HK's mental health survey to collect data for use in planning training and other events for the financial industry. In March 2018, the group organised Mental Health Month with talks, workshops and newsletters on various mental health topics for our staff.



Mr Alder, CEO, addresses the Hong Kong Mental Health Conference 2017



A staff talk on "Stress Management: Occupational Stress and Mental Health"

CSR activity calendar

April – June 2017

- Community Chest Green Day
- Handmade organic soap workshop
- **Beach clean-up**
- Retail store visit with underprivileged students
- Care for animals series 1: Abandoned rabbits
- Healthy lunchbox recipes



July – September 2017

- Organic farm visit
- Baking cookies with the mildly visually impaired
- **Mid-Autumn series 1: Distributing hot meals to the homeless**
- Health screening
- Pilates class
- Blood donation day

October – December 2017

- Community Chest Dress Casual Day
- Nutrition bar day
- Health talk
- Mid-Autumn series 2: Elderly home visit and rice delivery
- Community Chest Love Teeth Day
- **Care for animals series 2: Abandoned cats and dogs**
- Christmas series 1: Gift-making with the physically and mentally impaired
- Christmas series 2: Christmas charity sale



January – March 2018

- Red packet recycling
- Massage day
- Mental Health Month
- Chinese New Year series: Cooking class with underprivileged students
- **Eco-tour to Mai Po**