



The Bank of East Asia, Limited

東亞銀行有限公司

(Incorporated in Hong Kong with limited liability in 1918)

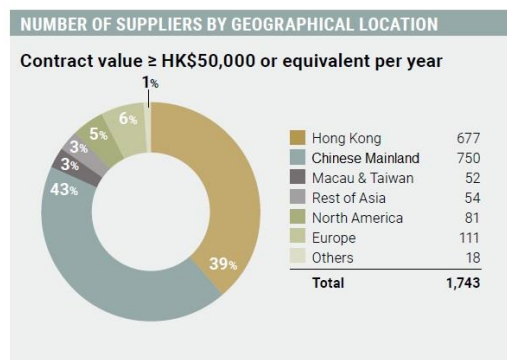
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Slavery and Human Trafficking Statement

1. About BEA

The Bank of East Asia, Limited (“BEA”) is a leading Hong Kong-based financial services group, providing a comprehensive range of wholesale banking, personal banking, wealth management, and investment services through approximately 130 outlets worldwide. With a focus on supporting people and businesses with links to Hong Kong and the Chinese Mainland, we maintain one of the largest retail networks of any bank in Hong Kong and operate one of the most extensive networks of any foreign bank on the Mainland, and have an established presence in Macau, Taiwan, Malaysia, Singapore, the United Kingdom (“UK”), and the United States (“US”).

In 2022, our Group engaged more than 1,700 suppliers¹. We source most goods and services from the markets in which we operate. Given the nature of our core business as a provider of financial services, the majority of our expenditure is indirect, meaning that we source goods and services that enable us to provide financial services rather than goods for resale. There is no inherent seasonality in our Group’s sourcing both in terms of the goods and services we source and the suppliers from whom we source.



2. Scope

This statement is issued in accordance with the UK’s Modern Slavery Act 2015, and sets out the steps that BEA has taken during the year ending 31st December, 2023 to ensure that modern slavery is not knowingly taking place in our own operations or supply chains. This statement applies to all members of our Bank Group, which

¹ This figure includes all suppliers with whom BEA has entered contracts of a total value of HK\$50,000 (or equivalent) or more in 2022.

includes but is not limited to The Bank of East Asia, Limited and The Bank of East Asia (China) Limited. For a list of major Group members, please refer to Note 37 of the Financial Statement of our 2023 Interim Report (pages 61 onwards).

3. Management Approach

BEA is committed to its environmental, social, and governance (“ESG”) responsibilities, and prohibits slavery and human trafficking in its business and supply chain. Aware that perpetrators of human trafficking may attempt to change the identity of their illegal proceeds so that it appears to have originated from a legitimate source, we have developed robust anti-money laundering compliance programmes to mitigate such risk. Meanwhile, the assessment of prospective corporate loan customers help flag ESG risks including human trafficking, child labour, forced labour, and sexual exploitation.

BEA is committed to working with suppliers that showcase best practice, while encouraging others to develop and demonstrate improvement within these fields. Communal wellbeing and the integrity of the environment is important to the BEA Group, hence we seek to promote sustainable development to all those within reach of our operations. We build relationships with suppliers that share our commitment to responsible and ethical operating practices, and will not knowingly work with suppliers that have a record of negative impact on the environment or society.

Our Supplier Code of Conduct (the “Code”) outlines the Group’s requirements and expectations for the social and environmental performance of suppliers. It also aligns with the values and principles of the United Nations Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organisation. We are committed to working together with suppliers on areas of weakness to improve their performance, and should they still fail to meet expectations, the Bank would take steps to exit the relationship.

We are committed to our people, providing them with development opportunities and rewarding them fairly. BEA also has policies in place to address requirements in preventing slavery and human trafficking including, but not limited to its:

- Human Rights Policy (Section 5: Suppliers);
- Occupational Safety and Health Policy;
- Statement on Anti-money Laundering and Counter-Terrorist Financing;
- Supplier Code of Conduct;
- Sustainability Policy (Section 5: Engaging Our Suppliers); and
- Whistleblowing Policy.

In addition, the Group has established a number of related policies that are available to staff members as internal documents including:

- Code of Conduct (Section 5: Ethical Values);
- Outsourcing Policy;
- Staff Grievance Procedure; and
- Whistleblowing Policy and Procedure.

All ESG-related policies generally follow the same procedure of development and review. Following development by the policy owner, policies are reviewed and updated by relevant members of the ESG Work Group before they are submitted to the ESG Steering Committee for concurrence, the Board-level ESG Committee for endorsement, and then the Board for approval. All such policies, which are part of the Group's corporate governance framework, are reviewed and approved as needed and at least annually.

4. Progress Update

In January 2023, the Bank established a Sustainable Procurement Policy which reaffirms the Bank's commitment to sustainable and ethical practices by ensuring that these principles extend across all BEA operations, including our supply chain.

Based on this new policy, a designated cross-divisional team has further expanded BEA's Guideline for the Procure-to-Pay Process, an operational document that provides guidance to procurement units on areas such as supplier compliance with the Group's Code. The amendment that was published in October 2023 elaborates on the Bank's preference towards suppliers who adopt ethical business practices as reflected by ISO 45001 certification among other internationally recognised standards, and who support the local economy and create job opportunities for socially vulnerable groups.

The Bank utilises its ESG risk assessment mechanism to evaluate supplier ESG risks and proactively looks for signs that point to the possible existence of slavery and human trafficking. Senior Management are provided quarterly updates on ongoing due diligence conducted across the Group, and for the year ended 31st December, 2022, there were zero cases of human rights breaches recorded by the Group.

Recognising that due diligence counts on all staff members staying vigilant, BEA continues to provide staff with ESG training that addresses human rights and social issues including child labour. To facilitate learning and renew awareness, refresher courses are provided and in 2023, the Bank leveraged an online micro-learning platform to deliver a new bite-sized multimedia training programme for all Group staff.

In a similar vein, the Bank continues to encourage a speak up culture and has in place a reporting channel for staff grievances and a whistleblowing procedure enabling all stakeholders to raise concerns in confidence and anonymity via the Bank’s website. Our Bank Culture Dashboard captures data related to any possible human rights violations, which is monitored by BEA’s Sustainability Department and reported to Senior Management throughout the year.

5. Policy Review and Approval

This Statement shall be reviewed annually and as required to ensure its relevance and effectiveness. Should there be any discrepancy between the English version and the Chinese version of this Statement, the English version shall apply and prevail.

This statement was approved by the Board of Directors of The Bank of East Asia, Limited on 27th November, 2023.

<p>(Signed)</p> <p>Adrian Li Co-Chief Executive</p>	<p>(Signed)</p> <p>Brian Li Co-Chief Executive</p>
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