



The Bank of East Asia, Limited

東亞銀行有限公司

(Incorporated in Hong Kong with limited liability in 1918)

(Stock Code: 23)

ENVIRONMENTAL POLICY

(reviewed and approved on 27th November, 2023)

1. Introduction

Both climate change and natural resource scarcity are of growing concern and importance globally. As a leading Hong Kong-based financial services provider, The Bank of East Asia, Limited and its group members (collectively “BEA” or the “Group”) are committed to doing our part to address these concerns by mitigating our environmental impact and acting in a manner that is both environmentally and socially responsible.

Given the rising frequency and intensity of extreme weather events, there is a growing urgency for climate action. Recognising this, BEA has established net zero roadmaps for its operations and financed activities and has reinforced its commitment to achieve net zero emissions in its operations by 2030 and in its financed activities by 2050.

Our major direct environmental impacts are through the energy and paper we consume as well as the waste that we generate. We embed sound environmental practices throughout our business operations to continuously enhance efficiency while reducing our environmental impact.

Our indirect environmental influence lies with the financial solutions we provide to empower our clients to pursue sustainable development. We integrate environmental considerations in our product and service offerings to support the development of a low carbon and more environmentally conscious economy and we are exploring opportunities to accelerate our progress.

This *Environmental Policy* (the “Policy”) makes reference to the United Nation’s Environment Programme Statement of Commitment by Financial Institutions on Sustainable Development and applies across BEA’s operations. Further, the Group complies with all relevant laws and regulations, such as environmental protection legislations in all locations where we operate.

The Policy, overseen by all three levels of the governance structure, sets out the environmental commitments of the Group, both internally and externally. It has been reviewed by the relevant members of BEA’s Environmental, Social, and Governance (“ESG”) Work Group (the “Work Group”), which comprises representatives of the Bank’s departments, as well as major Group members. The Policy has been concurred by BEA’s ESG Steering Committee comprising heads of divisions that play an important role in BEA’s ESG initiatives, as well as the Group’s Senior Management¹ and it has been endorsed by the Board-level ESG Committee and approved by BEA’s Board of Directors. Group members understand and agree with the content and scope of this Policy and strive to conduct their affairs in line with the Group’s commitments.

2. Our Approach to Implementation

To implement this Policy, we:

2.1 Responsible Business

- 2.1.1** Integrate sustainability principles into our business strategies and decisions and risk management to build resilience and financial sustainability, to deliver long-term value and support climate change efforts through the services we

¹ Senior Management includes Co-Chief Executives and Deputy Chief Executives of the Bank.

provide, and to minimise our adverse impacts on biodiversity and the ecosystem.

2.1.2 Finance or invest in companies and projects that seek to transition to a low carbon economy and create value for society and the environment.

2.1.3 Offer financial products that encourage customers to make environmentally responsible decisions and transition to a low carbon economy while enabling them to achieve their financial goals.

2.2 Responsible Operations

2.2.1 Set targets and seek ways to minimise our operational carbon footprint by conducting regular energy performance reviews, incorporating energy-efficient designs, selecting high energy efficiency equipment and materials, and installing on-site renewable energy systems.

2.2.2 Continuously review our water consumption performance, identify water saving opportunities, and implement water-efficient measures and programmes to optimise our water use efficiency.

2.2.3 Set targets and seek ways to optimise our resource use efficiency by reducing at source, recycling and reusing where practicable, and leverage the use of technology to move towards more sustainable operations, including paperless systems.

2.2.4 Monitor our environmental performance through our environmental management system and continuously assess our business operations to create more efficient processes and mitigate our environmental impacts.

2.2.5 Reduce our direct and indirect emissions of air pollutants, greenhouse gases, and other ozone-depleting substances, and mitigate the environmental impact of our buildings and branches. Please refer to the Group's *Sustainable Building Policy* for more information.

2.2.6 Promote greater environmental communication and stewardship among stakeholders, including suppliers and employees through ESG-related education and training amongst other means.

2.2.7 Handle environmental considerations and respond to environmental recommendations in a timely manner, taking all possible action to resolve any problems or concerns as soon as possible. Preventive measures are adopted to avoid the recurrence of any incidents, which may adversely impact the environment.

2.3 Responsible Citizen

2.3.1 Support causes that are in line with our three community investment focus areas, namely the environment, education, and social welfare through our charitable foundations and through the activities of our staff volunteers.

2.3.2 Engage and consult stakeholders on environmental issues to identify priorities, trends, emerging challenges, and feasible solutions.

- 2.3.3 Promote environmental considerations and a sustainable mindset among our staff and other stakeholders, and encourage participation in the Group's many volunteer opportunities.
- 2.3.4 Promote eco-friendly practices among employees and members of the general public by partnering with industry groups, environmental champions, and non-governmental organisations.

3. Monitoring and Reporting

- 3.1 To ensure that this Policy is enacted through our operations, BEA has appointed the ESG Work Group to be responsible for co-ordinating efforts to implement various environmental initiatives and reporting on progress. The ESG Steering Committee monitors the performance of the Work Group and reports on both achievements and challenges to the Board-level ESG Committee, which has oversight and accountability for the Bank Group's ESG performance.
- 3.2 We are committed to reporting on our environmental performance, communicating this Environmental Policy to our employees via internal channels and to external stakeholders via the BEA corporate website and the Group's annual ESG Report.

4. Review of This Policy

- 4.1 This Policy 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 the Environmental Policy, the English version shall apply and prevail.