



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)

Slavery and Human Trafficking Statement

1. About BEA

The Bank of East Asia, Limited (“BEA”) is a leading Hong Kong-based financial services group, with branches in Greater China, Southeast Asia, the United Kingdom (“UK”), and the United States (“US”). We provide a comprehensive range of corporate banking, personal banking, wealth management, and investment services. We maintain one of the largest retail networks of any bank in Hong Kong. Our wholly-owned subsidiary, BEA China, operates one of the most extensive networks of any foreign bank on the Mainland. To support people and businesses with links to Hong Kong and Mainland China, we have established a presence in a number of markets including Macau, Taiwan, Malaysia, Singapore, the UK, and the US. Worldwide, the Group’s 9,000 employees serve our customers through approximately 150 outlets.

In 2020, our Group engaged approximately 1,400 suppliers. 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 United Kingdom’s Modern Slavery Act 2015, and sets out the steps that BEA has taken during the year ending 31st December, 2021 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 includes but is not limited to The Bank of East Asia, Limited; The Bank of East Asia

(China) Limited; and Blue Cross (Asia Pacific) Insurance Limited. For a complete list of Group members, please refer to pages 65-67 of our 2021 Interim Report.

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. We assess prospective corporate loan customers for ESG risks including human trafficking, child labour, and forced and compulsory labour.

We aim to drive improved performance by incorporating and embedding corporate social responsibility practices and concerns into our supply chain management processes. BEA is committed to working with suppliers that showcase best practice, while encouraging others to develop and demonstrate improvement within these fields. Communal well-being 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 and 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 developing our people, conducting sufficient due diligence, and developing practical performance measures to monitor our progress in this regard. BEA also has policies in place to address requirements in preventing slavery and human trafficking including, but not limited to its:

- Code of Conduct (for internal reference only – Section 5: Ethical Values);
- Sustainability Policy (Section 9: Engaging Our Suppliers);
- Human Rights Policy (Section 5: Suppliers);
- Group Policy on Anti-Money Laundering and Counter-Terrorist Financing;
- Occupational Safety and Health Policy;
- Outsourcing Policy;
- Staff Grievance Procedure;
- Supplier Code of Conduct; 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 submitted to the ESG Work Group and ESG Steering Committee for review, 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 annually.

4. Progress Update

In 2021, the Bank strengthened its supply chain management practices by requiring all suppliers of the Group to acknowledge compliance with at least the mandatory elements of the Code. In addition, BEA revised its Guideline for the Procure-to-Pay Process to enhance its alignment with the Code and the Sustainable Procurement workflow introduced in 2020. BEA also established a procedure to identify and report suppliers who do not confirm compliance with the Code, and to monitor high risk suppliers for any incidents of non-compliance including forced labour and human trafficking. Following the establishment of the Group Human Rights Policy (the "Policy") in 2020, a reporting channel was established in 2021 leveraging BEA's staff grievance channel and whistleblowing procedure available to all stakeholders via the Bank's website. Any cases that contravene the Group's Policy are reported quarterly to the Senior Management. Results of the investigation and corrective actions taken are managed by the relevant department. The reporting channel will help ensure that suspected supplier non-compliance is brought to the Senior Management's attention. In 2021, BEA also introduced an ESG training module that addressed human rights and social issues including child labour. All staff members of the Group were required to complete this training exercise.

To cope with the outbreak of the COVID-19 pandemic in early 2020, the Group implemented a series of precautionary measures including but not limited to maintaining stringent workplace environmental hygiene, self-quarantine, social distancing, work-from-home arrangements, and split operations. These measures have proven to be effective as no significant adverse impacts on the Group's operations, due to the COVID-19 pandemic, have been identified. To support external stakeholders including suppliers' workers who may be more vulnerable to modern slavery during the pandemic, BEA provided a whistleblowing procedure, which can be accessed via its website¹.

¹ <https://www.hkbea.com/html/en/bea-corporate-governance.html>

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 26th November, 2021.

 Adrian Li Co-Chief Executive	 Brian Li Co-Chief Executive
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