



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)

Supplier Code of Conduct

(reviewed and approved on 16th December, 2020)

1. Introduction

As a leading provider of banking, financial, and related services, The Bank of East Asia, Limited (“BEA”) and its major group members (collectively the “BEA Group” or “we”) are aware of the positive influence that we can have on our product and service providers¹ (“Suppliers”) and the communities in which we operate.

We aim to drive improved performance by incorporating and embedding sustainable practices and concerns into our supply chain management processes. The BEA Group is committed to working with the Suppliers that showcase best practice, while encouraging others to develop and demonstrate improvement within these fields. The well-being of our stakeholders and the integrity of the environment are important to the BEA Group, hence we strive to uphold our social and environmental responsibilities to all those within reach of our operations.

Through greater collaboration and scrutiny of environmental, social, and governance (“ESG”) concerns in our supply chain, we aim to make a difference together, fostering a better tomorrow.

The BEA Group has aimed to align this Supplier Code of Conduct (“Supplier Code”) with the values and principles set forth within a number of international documents including:

- the UN Universal Declaration of Human Rights;
- the UN Guiding Principles on Business and Human Rights (“UNGP”); and
- the fundamental conventions of the International Labour Organization (“ILO”).

As an organisation, we seek to reference the commitments enshrined within these documents, putting into practice relevant principles and standards within all our operations. We encourage our Suppliers to aspire to the same ideals by supporting and upholding elements of this Supplier Code, while paying heed to local traditions, cultures, and norms in all operating locations.

2. Compliance

All Suppliers are required to comply with the Supplier Code where an element of this Supplier Code is stipulated by the term “shall” (“Mandatory Element”).

Suppliers are required to comply with the mandatory elements of BEA’s Supplier Code for the duration of the contract period or the Supplier’s relationship with BEA, whichever is longer. Suppliers are required to acknowledge compliance with the mandatory elements of the Supplier Code before the commencement of a new or renewal contract with the Group by signing the “Acknowledgement and Confirmation by Supplier” section of this Supplier Code or by incorporating the wording used in said section in their written contracts or related documentation to indicate compliance with the Supplier Code. Alternatively, suppliers who have their own supplier codes of conduct, which they consider equally or more stringent than this Supplier Code, and to which their practices adhere, may submit a copy of said Supplier Code to BEA for consideration in lieu of acknowledgement of BEA’s Supplier Code in the written contract.

¹ While the Supplier Code is prepared on the basis that Suppliers are companies, Suppliers who are individuals are still required to comply with the elements of the Supplier Code to the extent that such elements are equally applicable to individuals. If in doubt, such Suppliers should contact the BEA Group for clarification.

At BEA's discretion, High Risk Suppliers², a subset of Suppliers with relatively high levels of risk in their business and supply chain may also be requested to perform a specialised audit at their own expense.

Where elements of this Supplier Code have been outlined using the term "**encourage**" or "**advise**", it is our hope that Suppliers will demonstrate continued improvement and move toward a state of full eventual compliance in those areas within a reasonable time.

If a Supplier is found to be in non-compliance with a Mandatory Element of the Supplier Code, the BEA Group will be unable to enter into business with such Supplier unless compliance can be confirmed or with the authorisation of BEA's ESG Work Group. The BEA Group would be pleased to provide a reasonable degree of support to assist a Supplier in achieving compliance.

If a Supplier falls out of compliance during the contract period and does not take immediate corrective steps to comply with the Supplier Code, the BEA Group may suspend the existing business arrangement with such Supplier unless compliance can be confirmed or with the authorisation of the BEA Group's ESG Work Group, or may terminate the existing business arrangement.

3. Social and Ethical Standards of Conduct

The BEA Group expects Suppliers to conduct their business in a manner that is both responsible and professional, practicing good corporate governance and exemplifying ethical and fair business practices throughout their operations.

Suppliers are expected at all times to adhere to the highest standards of social conduct, cultivating a culture of accountability and transparency:

- Suppliers **shall** comply with local and national legislation and avoid all forms of corruption and bribery.
- Suppliers **shall** avoid any illegal practices or misrepresentation when conducting business activities. We prohibit discrimination, human trafficking, child labour, and forced and compulsory labour while we support privacy, labour rights, land rights, indigenous people's rights, as well as diversity and inclusion. Our stance on these human rights issues is aligned with the fundamental conventions of the ILO and applies to the relationships we share with our suppliers, as well as our other stakeholders, and the activities we undertake with them.
- Suppliers **shall** establish relevant mechanisms and practices to ensure business integrity such as a Code of Conduct for staff members and its relevant promotion and applicability within the operations.

² As defined by the BEA Group

4. Conditions of Employment

In order to safeguard the dignity and rights of workers, Suppliers **shall**:

1. Provide a work environment that is reasonably safe and hygienic for its workers where due consideration has been paid and is accordance with the requirements of the applicable laws and regulations so as to prevent accidents or harm.
2. Ensure that their operations remain free from child labour³ and are in accordance with local and national regulation on minimum age requirements (if any).
3. Explicitly prohibit all forms of forced, indentured, or prison labour.
4. Ensure that employees are paid wages and receive pension contributions respective of local legislation (such as minimum wage and mandatory provident fund contribution requirements).
5. Ensure that working hours do not exceed maximums set by local and national laws.
6. Prohibit throughout their operations any form of discrimination, harassment, or victimisation on any ground in accordance with local and national legislations in the country where the supplier relationship is maintained (including but not limited to age, disability, national/ racial / ethnic origin, sex / gender (including pregnancy), nationality, religion, sexual orientation, family / marital status, political convictions, or union affiliation).
7. Prohibit throughout their operations the ownership or control of workers including the use of mental or physical threats to force workers to work or the physical constraint or restriction of workers' freedom, which may constitute modern slavery.
8. Ensure access to a grievance mechanism that meets the criteria of the UNGP.

5. Environment

The BEA Group recognises that the management of our environmental impacts is integral to our business, as outlined in BEA's Environmental Policy and Sustainability Policy, which can be viewed at www.hkbea.com (About BEA / Corporate Social Responsibility / CSR Reports & Related Policies). We are committed to re-assessing our business operations to create more efficient processes and manage our environmental impacts.

Suppliers **shall** at all times abide by all relevant local and national environmental legislation and act in a manner that works to ensure environmental preservation. We encourage Suppliers to join us in similar environmental efforts as appropriate to their business, and align with best practice activities including the following:

1. Suppliers are advised to minimise their environmental risks and direct impacts of their operations through the implementation of apt environmental policies and sound environmental management systems.

³ The term "child" refers to any person less than 15 years of age in accordance with the ILO Minimum Age Convention (C138).

2. Suppliers are advised to minimise energy consumption and resource use, creating efficient processes as a means to manage environmental impact.
3. Suppliers are advised to minimise the use of hazardous materials, store such materials safely, and maintain proper hazardous material records.
4. The BEA Group also urges the adoption of environmentally friendly technology.

6. Community

Suppliers are advised to be aware of the influence that they exert on the local community. The BEA Group encourages Suppliers to aim toward the positive development of all those in the communities in which they operate, while being mindful of the social and environmental opportunities and impacts of their operations.

Suppliers are advised to aim, where possible, to promote access of their services to the hearing, visually, or physically impaired, while also striving to develop products and services that support vulnerable groups including but not limited to the mentally and physically impaired, underprivileged, and the elderly.

The BEA Group reserves the right to review contents enshrined in this Supplier Code and adjust its content at any time with prior notice. This Supplier Code shall be subject to review on an annual basis by the BEA Group's ESG Work Group and ESG Steering Committee.

Acknowledgement and Confirmation by Supplier

We hereby acknowledge that we have read and understood the Supplier Code of Conduct issued by The Bank of East Asia Group (the “Supplier Code”) and confirm that we comply with at least all the Mandatory Elements (as defined in the Supplier Code). Should there be any changes in the status of our compliance during the period of any contract between us and any member of the BEA Group now or in the future, we shall notify the BEA Group immediately.

For and on behalf of:

Company / Individual Name (please print):
Signature of Authorised Company Representative / Individual:
Name of Authorised Company Representative, if applicable (please print):
Position of Authorised Company Representative, if applicable:

Date: