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)

Statement on Anti-Money Laundering and Counter-Financing of Terrorism ("AML/CFT")

Guiding Principle

Money laundering ("ML") and terrorist financing ("TF") activities are of major concern to governments and financial institutions worldwide. In addition, tax evasion has become a serious problem for jurisdictions all over the world. Both the private and public sectors place a very high priority on combating ML, including fight against tax evasion, and TF activities. The BEA Group ("Group") always gives high priority and is fully committed to policies and actions necessary to combat these activities.

Commitment Statements

- The Group makes every effort to ensure that its operations are conducted with integrity and in compliance with all applicable legal and regulatory requirements on AML/CFT.

- The Group acts prudently in the conduct of customer relationships and not, knowingly or deliberately, aid and abet tax evasion, or facilitate the laundering of the proceeds of tax evasion, by the customers.

- The Board of Directors are committed to strong AML culture and fully support the implementation and continuous improvements of AML/CFT policies, procedures and controls ("AML/CFT System") to adequately mitigate the nature and level ML/TF risks assumed by the BEA Group, including the deployment of new techniques and technologies to facilitate risk monitoring and control implementation.

- Management of business/operation units must recognize the importance of the AML/CFT functions, deploy appropriate resources, and extend full support and cooperation to ensure that effective AML/CFT System are in place. Where deficiencies are identified, rectification must be taken expeditiously.

- The protection of the Group, its management and staff against the reputational, regulatory, criminal and financial risks associated with inadequate AML/CFT policies, procedures and controls is the responsibility of every member of staff.

- Group AML/CFT policies take precedence over all other considerations. Any action staff takes in line with AML/CFT policies will be fully and positively supported by the Board of Directors and Senior Management of the Bank.

- The Group's policy on the prevention of ML/TF applies to all the jurisdictions in which the Group Members operate and to all business activities within those jurisdictions. If the AML/CFT requirements in the jurisdiction where a Group Member is located (i.e. host jurisdiction) differ from those relevant requirement in the Group Policy, the higher standard of requirements would be applied, to the extent that the host jurisdiction's laws and regulations permit.

AML/CFT Framework

- The Group Chief Compliance Officer, General Manager & Head of Compliance Division has been appointed as the Compliance Officer ("CO") of the Group and the Money Laundering Reporting Officer ("MLRO") of the Bank. In addition, the Head of Financial Crime Compliance Department and the Section Head of the FCC Investigation and Fraud Section of the Financial Crime Compliance Department are also appointed as the MLROs of the Bank. Both the CO and MLROs assist the Senior Management in managing the Group's ML/TF risks and maintaining an effective AML/CFT System.

- Understanding ML/TF risks assumed by the Bank Group is essential for building a strong and effective AML/CFT System; hence, conducting institutional risk assessment covering all risk areas, subject to periodic review and update, is a fundamental process within the Group's AML/CFT framework.

- The Group's AML/CFT framework has been documented in the Group Policy on Anti-Money Laundering and Counter-Financing of Terrorism ("Group AML Policy"), the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism ("AML Guideline") and the Guideline on Suspicious Transaction Reporting.

- The Group's AML/CFT framework includes but is not limited to:

    - Establishing requirements on Customer Due Diligence/ Know Your Customer to manage money laundering, proliferation financing, terrorism financing, tax evasion and sanctions risks;

    - Controls, identification and risk management of higher risk customers such as Non-Local politically exposed persons, transactions monitoring system to identify potential ML/TF red flags;

    - Screening customers and transactions against global and local sanctions lists that are applicable to the Group is in place;

- Investigation and reporting of suspicious activity to the appropriate regulatory bodies;

- Co-operation with information request made by government or law enforcement agencies during their investigations;

- Record keeping of identification, account opening, transactions, staff training, internal compliance monitoring and suspicious activity report according to the applicable legal and regulatory requirements.

- Group Members are prohibited to establish or continue direct or indirect business relationships / process transactions, pertaining to the prohibitions stipulated in international mandates, with any people/entities who are:
  - designated terrorist suspects; or
  - designated parties subject to applicable financial sanctions;

  or directly/ indirectly associated with the above mentioned persons/entities.

  In addition, Group Members must not:
  - open or maintain any anonymous account or account in fictitious names for any Customer;
  - establish or continue a Correspondent Banking relationship with a Shell Bank; and
  - establish or continue a cross-border correspondent relationship with a Shell Financial Institution or Shell VASP.

- Proportionate risk-mitigating measures and controls are applied to detect and prevent ML/TF activities by taking into account the following four risk factors in the customer assessment framework of the Group:
  - customer;
  - country;
  - product/ service/ transaction; and
  - delivery channel.

- A Group-wide risk assessment on ML and TF has been established with an aim to identify, assess and understand the ML/TF risks exposure of the Group in order to allow the Group to manage and mitigate those identified risks by imposing commensurate AML/CFT resources and measures. High residual risk is not accepted in accordance with the Group's risk appetite.

- A comprehensive and standardised risk assessment process and tools have been established to set a risk rating for every customer, so as to ensure that the appropriate level of customer due diligence and ongoing monitoring measures are applied based on the assessed risk.

- AML/CFT training programmes are organized to ensure that staff members are aware of their legal obligations under the applicable laws and regulations, and the Group's AML/CFT-related policies and procedures, including tax evasion and sanctions.

- The Group has established the reporting mechanism of regulatory breaches, non-compliance or potential non-compliance incidents.

- Each staff member is expected to be familiar with and adhere to the Group AML Policy and AML Guideline in relation to his/her roles and responsibilities; ignorance is no excuse for any deviation causing non-compliance.

- The Group has built compliance and risk management goals into the annual staff performance evaluation. AML/CFT compliance is every employee's responsibility.

- Non-compliance with the Group AML Policy is not tolerated and no departure from the AML Guideline is permissible. In particular, staff members who fail to adhere to the Group AML Policy and the AML Guideline will be subject to supervisory and disciplinary actions.

- The AML/CFT System is subject to independent reviews in order to assist the Senior Management to identify areas of weakness or matters requiring enhancement.

This statement will be reviewed at least on an annual basis.

(reviewed and approved on 19th November, 2026)