

企業社會責任報告 **2015**
Corporate Social Responsibility Report



 **凝聚社區 發放正能量** Serving as a Positive Force 

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ABOUT THIS REPORT

Report Profile

This report describes the corporate social responsibility ("CSR") initiatives of The Bank of East Asia, Limited ("BEA" or the "Bank") and its major Group members (collectively the "BEA Group" or the "Group"). The Group reports annually against its material environmental, social, and governance ("ESG") issues, and has produced a standalone CSR report each year since 2012. In addition to our performance in 2015, we have reported our ESG progress over time, where possible. A list of the Group's material issues and related performance indicators is included in our [GRI Content Index](#). The report supplements information published in the Group's [2015 Annual Report](#).

Report Scope

Unless otherwise stated, the data and information in this report covers the performance of the following members of the BEA Group across their Hong Kong, Mainland China, and overseas operations:

▶ The Bank of East Asia, Limited	www.hkbea.com
▶ The Bank of East Asia (China) Limited ("BEA China")	www.hkbea.com.cn
▶ BEA Life Limited ("BEA Life")	www.hkbea.com
▶ Bank of East Asia (Trustees) Limited ("BEA Trustees")	www.hkbea.com
▶ Blue Cross (Asia-Pacific) Insurance Limited ("Blue Cross")	www.bluecross.com.hk
▶ Credit Gain Finance Company Limited ("Credit Gain")	www.creditgain.com.hk
▶ East Asia Futures Limited ("East Asia Futures")	www.eafutures.com.hk
▶ East Asia Securities Company Limited ("East Asia Securities")	www.easecurities.com.hk
▶ East Asia Electronic Data Processing (Guangzhou) Limited ("EAEDP")	
▶ Tung Shing (Brokers) Group ("Tung Shing")*	
▶ Blue Care Medical Services Limited ("Blue Care")	
▶ Tricor Holdings Limited ("Tricor")	www.tricorglobal.com
▶ BEA Union Investment Management Limited ("BEA Union Investment")	www.bea-union-investment.com
▶ Shaanxi Fuping BEA Rural Bank Corporation ("BEA Rural Bank")	
▶ BEA Wealth Management Services (Taiwan) Limited ("BEAWMS")*	

* Sold in 2016

Reporting Period

Unless otherwise stated, information and data in this report covers the period from 1st January to 31st December, 2015.

Reporting Guidelines

This report satisfies the requirements of the Core option of the Global Reporting Initiative ("GRI") G4 sustainability reporting guidelines. It also complies with the ESG Reporting Guide for listed companies issued by Hong Kong Exchanges and Clearing Limited ("HKEx").

Contact

To share any comments or suggestions related to this report, please contact BEA's Corporate Communications Department at 19/F, 10 Des Voeux Road Central, Hong Kong or by sending an email to CSR@hkbea.com.

CHAIRMAN'S MESSAGE

The banking industry enables people, companies, and communities to invest in themselves, and in the future. The industry exists to ensure that good ideas and positive energy are transformed into action plans and achievements. CSR is central to this mission.

To us at BEA, CSR is all about good business. To best serve our customers, we must cultivate a team of talented, innovative, and motivated employees. To attract and retain the best people, we must have a good reputation in the community. To ensure that we can continue to be effective over the long term, we must exercise good governance, use natural resources responsibly, and support our community.

Our approach is guided by our [CSR Policy](#), which outlines the environmental, social, and governance commitments of the Group. We engage with key stakeholders annually to understand their perspectives on our performance, and to review our goals and development focus. In 2015, the Group's CSR efforts placed us among the top 20 companies in the Hong Kong Business Sustainability Index.

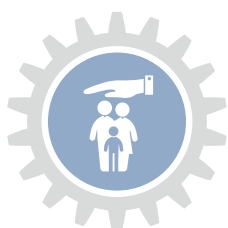
Employee development is a key priority for the Group. We recognise that, to maintain our dynamism and strength, we must continually enhance the skills of our people. The Group invested a combined HK\$13.7 million on over 183,000 hours of in-house and external training in 2015, and also launched an online leadership library to help managers stay informed of the latest business and leadership issues.

Many staff members are taking advantage of the professional development opportunities provided to them, and they express strong satisfaction with the quality and range of programmes offered. We very much hope that those who have not already enrolled in our development programmes will explore the existing course offerings, and also make suggestions for new programmes that cater to their own individual interests and needs.

Education is a powerful force, helping to make a community more productive and to make individual lives more fulfilling. Supporting education is a main pillar of our Group's community investment strategy, and The Bank of East Asia Charitable Foundation Limited ("BEA Foundation") and the Shanghai Soong Ching Ling Foundation – BEA Charity Fund (the "Charity Fund") were established in large part to promote educational opportunities for young people in Hong Kong and Mainland China. On the Mainland, our flagship Firefly Project has established 51 Firefly Centres since 2009, bringing computers, books, stationery, and other equipment to thousands of children in impoverished areas of 22 provinces.

We encourage all of our staff members, especially our younger staff and retired colleagues, to get involved in our volunteer teams. Community service presents an invaluable opportunity for personal growth and enhanced understanding of the challenges facing society today.

A new Group [Environmental Policy](#) was established in 2015, drawing upon best practice at individual Group members. We have made great strides in reducing the carbon footprint of the Bank's operations in Hong Kong, and this new initiative will enable us to further extend our achievements by leveraging existing experience across the Group.



- ▶ We have reduced paper consumption by digitising back office processes and actively encouraging our customers to opt for e-statements and digital transactions.
- ▶ By using more energy efficient equipment, we have reduced the total electricity consumption in our two main office buildings in Hong Kong by more than 10% since 2011.
- ▶ By introducing LED lighting in branches and sub-branches at BEA China, we have saved more than 204,000 yuan ("CNY") in the last four months of 2015 alone, illustrating that environmental stewardship makes strong business sense.

In addition, we introduced new Guidelines for Community Investment, to ensure that our support for charitable causes is deployed effectively across the Group in line with our [CSR Policy](#). Furthermore, our engagement with key suppliers and discussions between Group member companies has brought us closer to defining the specifics of our approach to developing a Supplier Code of Conduct and how we will proceed with its implementation.

As BEA approaches its centenary year, we will continue to focus on creating positive change and prosperity for our customers, our colleagues, and our community in order to achieve equitable and sustainable development.

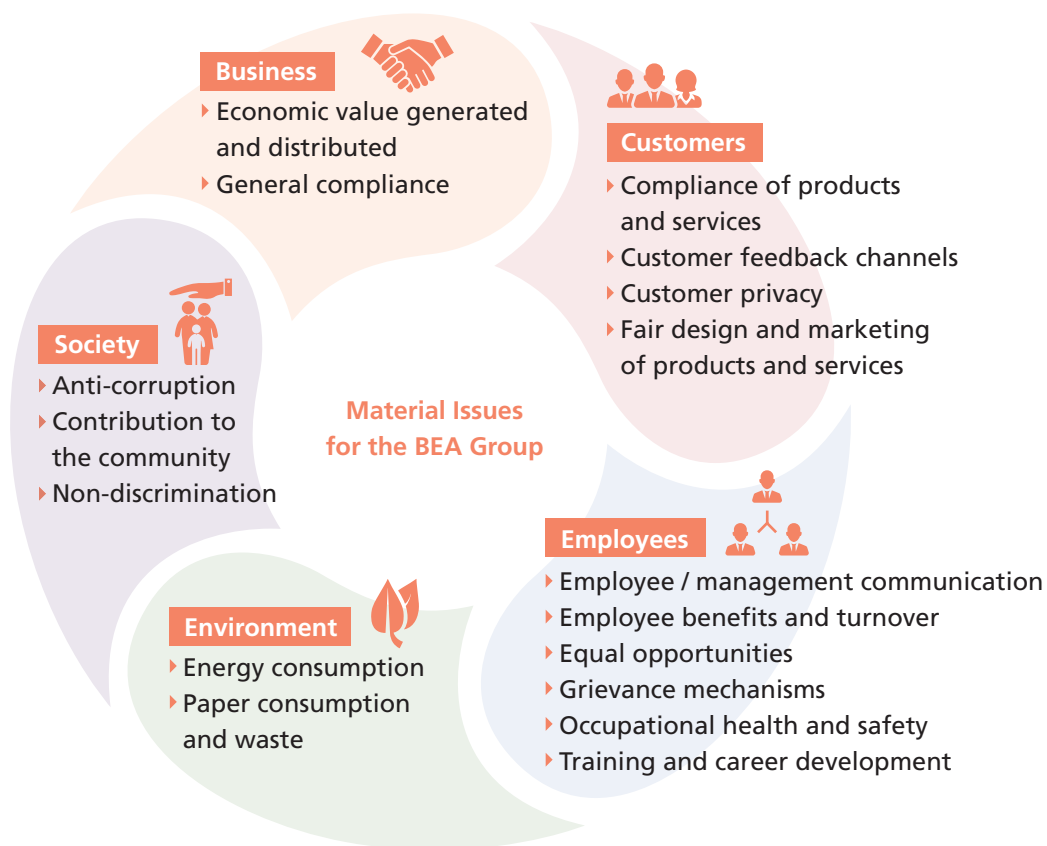


Dr. the Hon. Sir David Li Kwok-po
Chairman & Chief Executive

CSR MANAGEMENT APPROACH

By embedding CSR into our strategy and operations we ensure sustainable success for our business, gain greater respect from our stakeholders, and enhance the value of our brand.

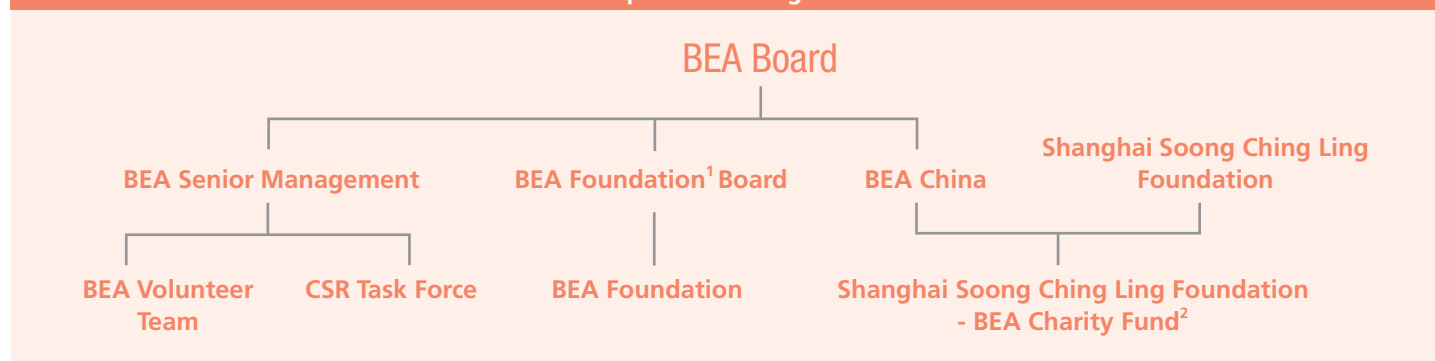
Our approach to CSR prioritises the Group's major environmental and social impacts, the areas in which we have a significant influence, and issues that are highly important to our stakeholders. Stakeholder engagement is central to the process by which we review our approach to CSR. Since 2013, we have invited selected employees, suppliers, investors, customers, and community partners to participate in an annual, independently-run engagement exercise to share their views on our CSR performance and material issues.



CSR Policies and Governance

CSR at the BEA Group is championed by BEA's Board of Directors and Senior Management, with whom ultimate responsibility for CSR rests. Development of our CSR policies is the responsibility of BEA's CSR Task Force, established in 2013 to align and strengthen the management of CSR across the Group. The CSR Task Force is comprised of representatives of the Bank's divisions and Group member companies, and meets at least twice per year. Tricor and BEA Union Investment have also established their own company level CSR committees.

The BEA Group's CSR Management Structure



¹ The Bank of East Asia Charitable Foundation ("BEA Foundation")

² Shanghai Soong Ching Ling Foundation - BEA Charity Fund (the "Charity Fund")

Responsibilities

Responsible Party	Responsibilities
The Board (Including the Chairman & Chief Executive)	<ul style="list-style-type: none"> ▶ Provides strategic guidance on the CSR direction of the Group ▶ Endorses and provides guidance on the Group's CSR reporting ▶ Endorses major CSR projects for the Group and BEA Foundation ▶ Reviews and provides guidance on how to address major stakeholder views and concerns
Senior Management (Including the Deputy Chief Executive & Chief Operating Officer)	<ul style="list-style-type: none"> ▶ Oversees BEA's CSR programme ▶ Drives the Bank's CSR strategy ▶ Reviews CSR-related policies ▶ Provides guidance on the content of CSR Report and the Group's material issues ▶ Reviews feedback and issues raised by stakeholders
General Manager and Head of Human Resources & Corporate Communications Division	<ul style="list-style-type: none"> ▶ Reports CSR matters directly to BEA's Deputy Chief Executive and Chief Operating Officer ▶ Supervises BEA's CSR programme and policies ▶ Heads the Group's CSR Task Force and supervises BEA's Corporate Communications Department ▶ Manages the BEA Foundation's budget and activities ▶ Drives stakeholder engagement Group-wide
CSR Task Force	<ul style="list-style-type: none"> ▶ Contributes to the development of the Group's CSR strategy and makes recommendations to the Senior Management and the Board ▶ Oversees the implementation of CSR-related policies within the Group's member companies and shares experiences, best practices, and feedback from staff members ▶ Coordinates the collection of ESG data ▶ Develops and annually reviews CSR-related policies
Corporate Communications Department	<ul style="list-style-type: none"> ▶ Coordinates and executes the Bank's CSR programme ▶ Organises and implements CSR initiatives as approved by the Chairman & Chief Executive and Senior Management ▶ Coordinates the activities of the CSR Task Force ▶ Coordinates the preparation of the CSR Report ▶ Promotes CSR internally and externally
Volunteer teams	<ul style="list-style-type: none"> ▶ Organise volunteering activities for employees
BEA Foundation and the Charity Fund	<ul style="list-style-type: none"> ▶ Provide funding for the Group's major community investment initiatives in Hong Kong and Mainland China

STAKEHOLDER ENGAGEMENT AND MATERIALITY

We value regular, honest, and open dialogue with our stakeholders. Stakeholder views have directly informed our CSR strategy, and helped us to identify the economic, environmental, and social issues that we need to manage and report on.

In daily operations, our people build strong relationships with customers, investors, regulators, and the wider community through meetings, events, newsletters, and other communications channels. Regular engagement allows us to respond quickly to stakeholder needs and market developments, effectively manage risks and seize opportunities to create value for our business and the communities in which we operate.

Every year since 2013, we have also systematically engaged stakeholders across our business and countries of operation specifically for the purpose of reviewing our CSR performance and material issues. An independent third party is commissioned to facilitate focus groups and interviews to ensure participants can speak freely.

Responding to Stakeholder Feedback

Stakeholder Groups Engaged	Issues Raised	BEA Group Response/Actions
<h3>Year 2015</h3>		
<ul style="list-style-type: none"> Community partners Customers Employees (under the age of 35) Suppliers Industry peers 	<ul style="list-style-type: none"> Establish better communication between operations and management staff to enhance efficiency and effectiveness of new internal processes and avoid creating additional workload Build corporate culture and team spirit by organising more cross-department and cross-subsidiary activities and sharing sessions Disclose more quantitative data on environmental performance Disclose more on supply chain issues Consider developing a web-based CSR report, which is more reader-friendly 	<ul style="list-style-type: none"> The Senior Management encourages inter-departmental communication and welcomes feedback from the bottom up on how the Group can improve efficiency and service quality. BEA will organise more town hall meetings to communicate corporate messages and strategies, and to foster a greater sense of team spirit. In 2014, we were one of the first companies to participate in the Carbon Footprint Repository for Listed Companies in Hong Kong and in 2015, we launched our Group's Environmental Policy. Going forward, we will continue to increase our transparency. We have disclosed quantitative metrics for our two material environmental issues, energy and paper, in the corresponding section of this report. We are making progress on our Supplier Code of Conduct, and aim to finalise it in 2016. In line with our efforts to reduce paper consumption, BEA's 2015 CSR Report will be issued online only.

Stakeholder Groups Engaged	Issues Raised	BEA Group Response/Actions
Year 2014		
<ul style="list-style-type: none"> Community partners Corporate customers Employees (General Managers) Suppliers 	<ul style="list-style-type: none"> Increase support to help ensure the mental well-being of employees working under pressure Strengthen succession planning at all levels within the Group to groom future leaders Further disclose the extent to which BEA provides employment opportunities to people with disabilities and promotes barrier-free access in its branches and online 	<ul style="list-style-type: none"> Organised wellness talks and provided a 24-hour counselling hotline for all staff members Reviewing workflow processes to reduce staff workload and improve efficiency Succession plan already exists for department head and higher levels. The Group will explore the extension of succession planning to the section head level Continuing to explore ways to create a more inclusive workplace
Year 2013		
<ul style="list-style-type: none"> Community partners Employees Investors Suppliers 	<ul style="list-style-type: none"> Set key performance indicators and allocate more resources to CSR Benchmark performance against leading companies and global standards of best practice in CSR Help to address Hong Kong's ageing population and widening wealth gap by supporting financial services designed for the elderly and low-income individuals Strengthen public communication on CSR initiatives Increase internal awareness of CSR issues and encourage staff participation in volunteering activities Reduce the environmental footprint of BEA's operations, particularly paper and energy consumption 	<ul style="list-style-type: none"> One of the first companies in Hong Kong to adopt the GRI G4 reporting guidelines Continued to support seniors and low-income individuals by offering preferential interest rates and service charge waivers respectively Launched annual CSR report Launched internal CSR newsletter Achieved our energy reduction target of 1.1% year on year in our main office buildings in Hong Kong

Materiality Assessment

We focus on addressing the Group's most significant impacts, and monitor issues that are most likely to influence our long term business success. Stakeholder perceptions of the Group can influence their actions – whether they open an account or apply for a job with the Bank, for example – so it is important that we also consider the issues that matter most to our stakeholders.

In 2013, we undertook a comprehensive assessment to identify issues that are most material to the Group and these issues were validated by the Group's Senior Management. Our methodology is aligned with the four-step process of the GRI G4 :

Assessment Process



1 Identification

A list of 46 relevant ESG issues was prepared.



2 Prioritisation

Internal and external stakeholders were asked to score the importance of each issue on a scale of one to six (six being most important). Separately, CSR Task Force members were asked to score each issue for its significance to the business, using the same scale. The resulting scores were used to plot a materiality matrix (see next page). The threshold for materiality was set at the overall average of each set of scores, and issues that fall in the top right quadrant of the matrix are considered material issues for the Group. It was decided that Energy Consumption and Paper Consumption and Waste would be included as material issues despite not falling into the material area, as interviews with external stakeholders had revealed their interest in disclosure on these issues.



3 Validation

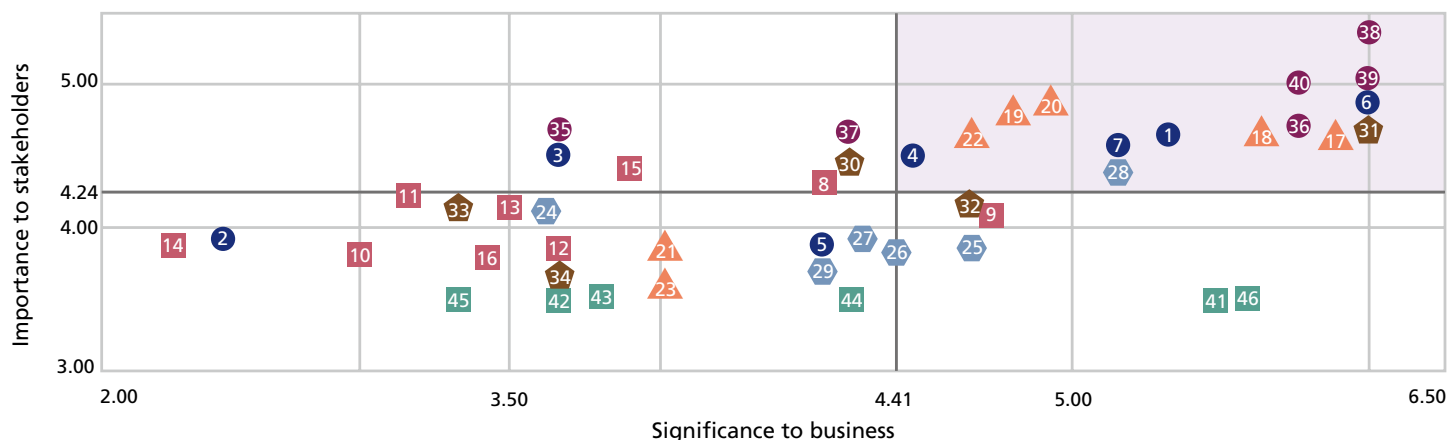
The final shortlist of 17 material issues was validated by Senior Management.



4 Review

Material issues are reviewed annually by stakeholders and by Senior Management.

Materiality Matrix



ESG Issues

Economic & General Issues

- 1 Economic value generated and distributed
- 2 The effect of climate change on BEA's business
- 3 Public benefits from investments in infrastructure / services
- 4 Contribution to the community
- 5 Procurement practices
- 6 General compliance
- 7 Grievance mechanisms

Environmental

- 8 Use of materials
- 9 Energy consumption
- 10 Water
- 11 Biodiversity
- 12 Emissions
- 13 Paper consumption and waste
- 14 Reducing emissions resulting from business travel
- 15 Investment in environmental efficiency / protection in BEA's operations
- 16 Assessing suppliers for impacts on the environment

Workplace Practices

- 17 Employee benefits and turnover
- 18 Employee / management communication
- 19 Occupational health and safety
- 20 Training and career development
- 21 Employee profile
- 22 Equal opportunities
- 23 Screening suppliers for labour practices

Human Rights

- 24 Investment agreements that include human rights clauses or have undergone human rights screening
- 25 Risk of child labour
- 26 Risk of forced labour
- 27 Human rights training of security personnel
- 28 Non-discrimination
- 29 Screening suppliers for human rights practices

Social Issues

- 30 Access to financial services for
marginalised groups
- 31 Anti-corruption
- 32 Public policy
- 33 Anti-competitive behaviour
- 34 Assessing suppliers for impacts
on society

Product Responsibility

- 35 Customer health and safety
- 36 Fair design and marketing of products and services
- 37 Promoting financial literacy
- 38 Customer privacy
- 39 Compliance of products and services
- 40 Customer feedback channels

Other

- 41 Succession planning
- 42 Transparency of staff promotion mechanism
- 43 Integrating ESG considerations into financing decisions
- 44 Integrating ESG considerations into risk assessment
- 45 Extending the retirement age from 60 to 65
- 46 Staff retention

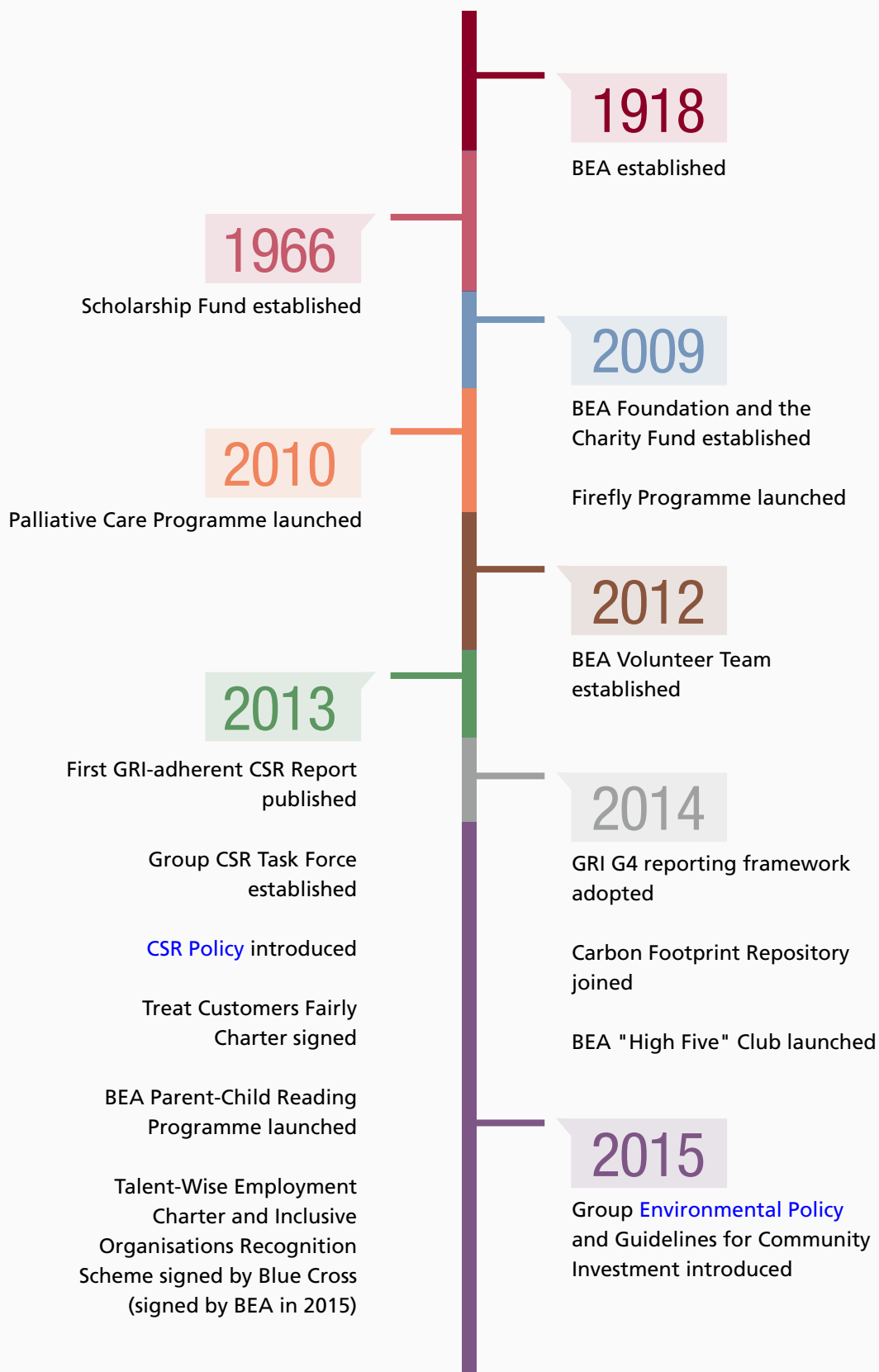
Boundary Mapping

To further focus our strategy, we have mapped where the most significant impact of each material issue is located along our value chain. A tick (✓) indicates that the material issue is relevant for that stakeholder group.

Material issues	Impact within the Group	Impact outside of the Group			
		Investors	Suppliers	Customers	Wider community and ecosystems
1 Customer privacy	✓	✓		✓	✓
2 Compliance of products and services	✓	✓		✓	
3 Customer feedback channels	✓	✓		✓	
4 Fair design and marketing of products and services	✓	✓		✓	
5 General compliance	✓	✓		✓	
6 Economic value generated and distributed	✓	✓	✓	✓	✓
7 Employee benefits and turnover	✓	✓			
8 Employee / management communication	✓	✓		✓	
9 Training and career development	✓	✓		✓	
10 Grievance mechanisms	✓	✓	✓	✓	
11 Occupational health and safety	✓	✓	✓	✓	✓
12 Equal opportunities	✓	✓			✓
13 Anti-corruption	✓	✓	✓	✓	✓
14 Non-discrimination	✓	✓		✓	✓
15 Contribution to the community	✓	✓		✓	✓
16 Energy consumption	✓	✓	✓		✓
17 Paper consumption and waste	✓	✓	✓	✓	✓

Please refer to our [GRI Content Index](#) for more information about our material aspects and associated disclosures.

Our CSR Journey

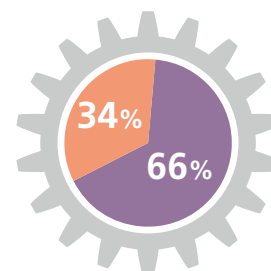
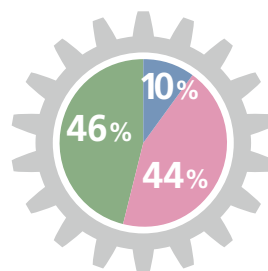
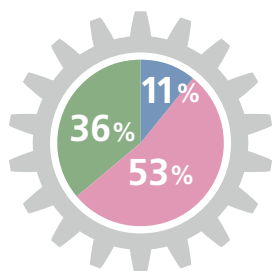


GROWING OUR BUSINESS RESPONSIBLY

Incorporated in 1918, BEA is the largest independent local bank in Hong Kong with total consolidated assets of HK\$781.4 billion (US\$100.8 billion) as of 31st December, 2015. We offer a comprehensive range of quality banking and financial services, and our Group subsidiaries further broaden our offering to our customers. With operations in 17 countries around the world, our major markets are Hong Kong and the rest of Greater China.

Our Main Impacts and Areas of Influence

- ▶ Our primary markets are Hong Kong and Greater China, which bring in 89% of our operating income
- ▶ 90% of our 13,653 employees are based in our primary markets
- ▶ More than half of our profit before taxation comes from our operations in Hong Kong



■ Hong Kong ■ Greater China (ex-Hong Kong) ■ Overseas ■ Hong Kong operations ■ Other



BEA was named "Most Innovative Bank of the Year" in the BAI-Infosys Finacle Global Banking Innovation Awards Programme.

Economic Value Generated and Distributed

The Group is fully committed to providing for our customers and realising our vision to be the leading Hong Kong-based bank serving the needs of Greater China in the 21st century. We believe that this commitment, combined with our unique franchise built over the past decades, will generate substantial value for our shareholders for many years to come.

By driving improvements in our basic systems and processes, we have already increased back-office efficiency by 30% in Hong Kong in the last three years. Our digital branch initiative will yield further improvements. We won a number of major international awards during the year under review for our digital and mobile initiatives, including "Most Innovative Bank of the Year" and "Channel Innovation" at the prestigious BAI-Infosys Finacle Global Banking Innovation Awards 2015.

As our business grows, we continue to invest in the long term development of our communities through charitable donations, our volunteering efforts, and by leveraging our financial services and expertise to support non-governmental organisations ("NGOs") and under-resourced members of our community.

	2015	2014	Difference
Economic value generated			
Operating profit (HKD million)	7,332	8,383	-1,051
Profit attributable to owners of the parent (HKD million)	5,522	6,661	-1,139
Cost-to-income ratio (%)	57.0	54.0	+3.0
Common Equity Tier 1 capital ratio (%)	12.2	11.8	+0.4
Economic value distributed (HKD million)			
Payment to providers of capital	2,635	2,927	-292
Payments to government (e.g. tax)	1,355	1,733	-378
Employee compensation and benefits	5,338	5,484	-146
Charitable donations	4.6	5.1	-0.5
Other indicators			
Bank outlets worldwide	246	244	+2
Digital branch outlets in Hong Kong	22	2	+20
Total workforce	13,653	13,103	+550

BEA Group

Group members covered by report

Hong Kong			Greater China (ex-Hong Kong)	Overseas
BEA	BEA Life BEA Trustees Blue Cross Credit Gain East Asia Futures	East Asia Securities Tung Shing* Blue Care Tricor BEA Union Investment	BEA China BEA Macau BEA Taiwan Credit Gain EAEDP Tricor BEA Rural Bank BEAWMS*	BEA Singapore BEA Malaysia BEA UK BEA US Tricor

* Sold in 2016

Products & services

<ul style="list-style-type: none"> ▶ Personal & corporate banking 	<ul style="list-style-type: none"> ▶ Life & general insurance ▶ Asset management ▶ Mandatory Provident Fund Services ▶ Money lending activities 	<ul style="list-style-type: none"> ▶ Securities & futures broking ▶ Corporate financial advisory ▶ Medical services ▶ Business, corporate, & investor services 	<ul style="list-style-type: none"> ▶ Personal & corporate banking ▶ Life & general insurance ▶ Money lending activities ▶ Back-office data processing ▶ Business, corporate, & investor services 	<ul style="list-style-type: none"> ▶ Personal & corporate banking ▶ Business, corporate, & investor services
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Corporate Governance

The Group has a robust structure to promote good corporate governance, which consists of three main groups: the Board of Directors, Senior Executives, and Shareholders.

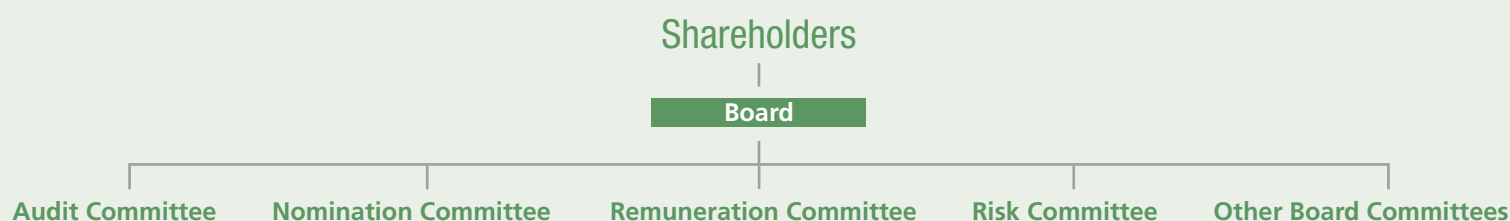
The Bank is committed to maintaining high corporate governance standards and considers such commitment essential in balancing the interests of shareholders, customers, and employees. It is also committed to upholding accountability and transparency.

The Bank is constantly looking for ways to enhance the effectiveness of our corporate governance practices to ensure that they are in line with the requirements of relevant rules and regulations.

During the financial year ended 31st December, 2015, the Bank complied with most of the Code Provisions of the Corporate Governance Code of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Bank has also followed the modules on Supervisory Policy Manual CG-1 on Corporate Governance of Locally Incorporated Authorized Institutions and Supervisory Policy Manual CG-5 on Guideline on a Sound Remuneration system, both issued by the Hong Kong Monetary Authority ("HKMA").

The Bank has in place a corporate governance framework which sets out a range of governance principles and practices to direct and guide the business conducts and affairs of the Group.

The following chart sets out the corporate governance structure of the Bank:



Under the corporate governance structure, the Board is responsible for promoting the success of the Bank by directing and supervising the Bank's affairs. The supervision of certain major functional areas is delegated to specialised Board Committees which were established with formal and clear delegation of authority, responsibilities and membership. The Board is responsible for providing strategic direction and overseeing effective implementation of pre-determined objectives by the Management. It delegates the day-to-day operation and administration of the Bank's business to the Management.

After the conclusion of the 2016 Annual General Meeting held on 8th April, 2016, the overall size of the Board will be 18 Directors, including 3 Executive Directors, 6 Non-Executive Directors ("NEDs"), and 9 Independent Non-Executive Directors ("INEDs").

The Bank recognises the importance of maintaining continuous communication with shareholders and constantly looks for ways to ensure we maintain an open and ongoing dialogue with the investment community. The Bank has in place a

[Shareholders Communication Policy](#), which sets out the practices in relation to communication with the shareholders and the investment community.

For more details of the Corporate Governance of the Bank, please refer to the [Annual Report 2015](#) under the Corporate Governance Report.

Risk Management and Compliance

In Hong Kong, as elsewhere, the financial services industry is heavily regulated. As the regulatory framework becomes increasingly complex, we proactively engage with regulators to ensure that systems and procedures are in place to meet all new requirements in a timely manner.

The Group has established an effective risk governance and management framework in line with the requirements set out by the HKMA and other regulators.

The Risk Committee stands at the highest level of the Group's risk governance structure below the Board. It is chaired by the Chairman & Chief Executive and includes two INEDs and three NEDs. The Risk Committee provides direct oversight of the formulation of institutional risk appetite, which documents the levels of risk that the Group is willing to undertake with regard to its financial capacity, strategic direction, prevailing market conditions, and regulatory requirements. The Risk Committee also ensures that the Group's risk appetite is reflected in the policies and procedures that Management adopts to execute its business functions.

Through the Crisis Management Committee, Risk Management Committee, Credit Committee, Asset and Liability Management Committee, and Operational Risk Management Committee at the executive level – and with overall coordination by the Risk Management Division – the Risk Committee regularly reviews the Group's risk management framework and ensures that all important risk-related tasks are performed according to established policies with appropriate resources.

To ensure that roles within the organisation are clearly defined in regard to risk management, BEA has adopted a "Three Lines of Defence" risk management structure.

1 st line of defence	The Bank's business units and functional units	Take responsibility for the management of the risks that they incur in the course of their activities
2 nd line of defence	Risk Management Division and Compliance Division	Provide independent oversight over the risk takers
3 rd line of defence	The Bank's Internal Audit Division	Reports directly to the Audit Committee, and conducts periodic reviews to assess the adequacy of the Bank's risk management framework, control, and governance processes designed by the first and second lines of defence

To identify and manage all potential risks in a more holistic and effective manner, the Bank aims to implement an enterprise risk management framework in the fourth quarter of 2016.

We understand that policies and procedures are not effective unless staff members understand and enforce them, thus we spend a great deal of effort to communicate policies to staff and conduct regular training. Across the Group, over 45,000 hours of training were provided in compliance, legal knowledge, and anti-corruption safeguards in 2015.

To address the growing regulatory requirements and enhance the "Three-Lines of Defence" model, the Bank upgraded its Compliance Department and Internal Audit Department to division status in April 2015 and September 2015 respectively. The Compliance Division is charged with overseeing and mitigating the compliance risks for the Group, communicating new regulatory requirements to affected units, delivering compliance advice for the implementation of relevant regulations, conducting regulatory compliance reviews on a risk-based approach, and regularly reporting compliance matters to the Senior Management. The Internal Audit Division independently assesses the design and operating effectiveness of the Group's risk management framework and internal control processes, and has a direct reporting line to the Audit Committee.

Anti-corruption and Anti-money Laundering

BEA Group's customers depend on our expertise, professionalism, and integrity. BEA's anti-corruption policies are clearly communicated to all staff members, from frontline employees to the Chief Executive, in the Bank's Code of Conduct, which is available via BEA's intranet. All employees are required to review the Code of Conduct on an annual basis, and sign to acknowledge that they understand and agree to the Code.

Refresher training is periodically arranged to ensure that all Group employees are aware of the Group's zero-tolerance position on fraud, money laundering, and corruption. BEA's subsidiaries and joint ventures have similar policies that are in line with the Bank's stipulations and values.

The Group Policy on Anti-Money Laundering ("AML") and Counter-Terrorist Financing ("CTF") provides guidance on meeting the customer due diligence and record-keeping requirements under the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance. It is mandatory for all Group Members to comply with the Group Policy to the extent permitted by local laws. The relevant Guidelines on AML/CTF provide detailed guidance to Group Members and assist them in understanding, implementing, and complying with the Group Policy. In 2015, we revised our Group Policy and Guidelines for AML/CTF to address increased regulatory requirements and emerging issues. Changes include a new guidance paper on AML Controls over Tax Evasion and non-discrimination of ethnic minorities in their access to banking services. This policy and guidelines are available to staff members via the BEA intranet.

Supply Chain Management

We recognise our ability to positively influence supplier behaviour through our purchasing decisions. The first step in effectively managing our supply chain is to understand our existing supplier universe and the environmental and social impacts

of our suppliers. Understanding which suppliers are, for example, more labour or resource intensive, allows us to develop a strategy for reducing the potential risks or negative impacts associated with our supply chain.

One challenge is that procurement is not a centralised function at the BEA Group. Group members, and even some departments within the Bank, deal directly with their own suppliers.

At the end of 2014, the CSR Task Force mapped out our most significant suppliers by type and expenditure. In 2015, we consulted several major suppliers on the proposed provisions of the Supplier Code of Conduct and the requirements of a supplier self-assessment questionnaire. We aim to finalise the Code in 2016.

The Group's primary suppliers include providers of information technology and telecommunications services, premises and equipment, legal and professional advice, advertising services, and communications, stationery, and printing.

SERVING OUR CUSTOMERS

Customer focus is one of the core values of the BEA Group. We are committed to providing an exceptional customer experience and a consistently high standard of service that puts customer needs at the forefront. To earn and keep the confidence and trust of our customers, we strive to treat them fairly at all stages of our relationship with them.

Customer Experience

Banks in Hong Kong today face several significant challenges including tightened regulations, soaring rents, and heavy competition for customers. One way BEA has enhanced service delivery is through the adoption of technology and the development of electronic applications. Today, more than 90% of BEA's banking transactions in Hong Kong are performed via e-channels. The Bank maintains an extensive branch network through which it deepens customer relationships, provides highly personalised services, and cross-sells more sophisticated financial products.

The Bank is at the forefront of service delivery innovation with the opening of digital branches. Using cutting-edge technology, we re-engineered our service delivery process to increase efficiency and convenience for our customers. Moreover, with paperless electronic applications, we generate less waste and have a reduced impact on the environment. As at the 31st December, 2015, the Bank operated 22 digital branches. BEA plans to roll out at least 30 additional branches in 2016, and by the end of 2016 over 50% of BEA's branches in Hong Kong will be digitalised.

Customer Privacy

Core to maintaining our customers' trust is handling their personal data with care. The Bank has established an Information Security Policy and takes its responsibilities under Hong Kong's Personal Data (Privacy) Ordinance seriously. Each year, all staff members are required to successfully complete a refresher course on personal data protection. The Head of BEA's Compliance Division serves as Group Data Privacy Officer.

BEA China, Blue Cross, Blue Care, Credit Gain, and other Group members make reference to the Bank's procedure and have developed their own customer data privacy guidelines, which are communicated to all staff members.

BEA has issued its [Privacy Policy Statement](#) and the [Personal Information Collection \(Customers\) Statement](#) in accordance with the Personal Data (Privacy) Ordinance in Hong Kong. Both documents are made available to the customers on BEA's website. In addition, the BEA website does not allow any personal or sensitive information to be maintained as browser cookies.

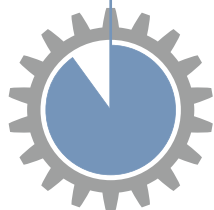
Located in a restricted area, the Bank's Call Centre follows strict control measures including the deletion of all customer information at the end of a telemarketing campaign to ensure customer information is not misused.

In 2015, the Group did not receive any substantiated complaints related to the loss of customer data.

More than

90%

of BEA's banking transactions in Hong Kong are conveniently performed via e-channels.



Customer Satisfaction

BEA is a signatory of the Treat Customers Fairly Charter endorsed by the HKMA. In addition, the Bank's New Products, New Legal Entities and Mergers & Acquisitions Policy requires oversight from the Senior Management and the involvement of relevant business units in the development of new products and services to ensure compliance with regulatory requirements.

Our customers interact with the BEA Group through our more than 400 service outlets worldwide, customer service hotlines, online enquiry forms, and many other channels. In compliance with the HKMA requirements, BEA acknowledges receipt of complaints within seven days, and sends a formal reply within 30 days. During the year under review, the Bank's response time for complaint handling was in full compliance with the HKMA's Supervisory Policy Manual IC-4.

In 2015, the Group recorded a 24.7% increase in substantiated customer complaints, year on year, across categories such as accounts and transactions, customer service, and fees & charges. This increase is in line with the general trend across sectors due in part to growing awareness among consumers of their rights, and their increasing expectations from service providers in Hong Kong and elsewhere. In addition to regulatory requirements, BEA strove to improve its complaint management process by launching its Resolution First, Investigation Later ("REFIL") mechanism in December 2015. REFIL aims to minimise customer frustration by quickly resolving customer dissatisfaction first and root causes second. The Bank also continued to conduct in-branch coaching sessions and courses on handling customer dissatisfaction. In June, BEA introduced dedicated Customer Experience Managers at select branches to enhance engagement between staff and customers. In 2015, the Group recorded a 97.8% increase in customer compliments, year on year.

Meeting Diverse Needs

BEA provides a range of financial products and services to meet diverse needs, and to bring improved access to financial services to underserved or vulnerable individuals and companies.

SMEs

The Bank continues to support local small and medium-sized enterprises ("SMEs"), an integral part of contributing to the community through our core business. SMEs may miss out on opportunities to expand their business due to limited human or financial resources. We offer a range of corporate banking services to SMEs in partnership with the Hong Kong Mortgage Corporation ("HKMC") through the SME Financing Guarantee Scheme or by tailor-making financial solutions for them through the Hong Kong government's SME Loan Guarantee Scheme. These schemes open the door for SMEs to enter new markets, expand their product line, or upgrade facilities, thus strengthening their competitiveness and their turnover.

Microfinance

Since 2012, the Bank has also participated in the HKMC's Microfinance Scheme for people who wish to start their own business, become self-employed, enhance their job skills, or obtain professional certification. CaixaBank, one of BEA's major shareholders, has shared its expertise in operating microfinance schemes, including approaches to customer due diligence, proposal assessment, and risk management.

Our customers interact with the BEA Group through our more than

400 

service outlets worldwide, customer service hotlines, online enquiry forms, and many other channels.



This Scheme provides access to finance for those who are unlikely or unable to get a loan elsewhere due to low credit ratings or lack of assets, and combines the Group's social values with a viable business strategy.

NGOs

Since 2013, the Bank has offered a special package of banking services for NGOs including concessions on banking fees and charges. This service has been particularly attractive to smaller NGOs that have limited resources and liquidity. In addition, we continue to offer our Online Donation Services programme, to raise awareness of charitable causes in Hong Kong and provide a convenient way for people to make donations. As at 31st December, 2015, a total of 66 NGOs had joined the platform.

Vulnerable Groups

We continue to offer preferential interest rates and service charge concessions to seniors as well as a waiver of monthly services fees for people under the Comprehensive Social Security Assistance Scheme.

We continue to participate in the HKMC's Reverse Mortgage Programme for senior citizens, enabling those who reside in their own flats to enjoy a monthly income stream for life.

Our FastCash Card provides simplified ATM service for elderly customers who may not be familiar with electronic services, so that they are not overwhelmed by service options and can access their money easily. The card has proven popular among elderly customers, who also appreciate the card's annual fee waiver.



BEA's digital branches enable the Bank to increase efficiency and enhance customer convenience while supporting a paperless workflow.



CASE STUDY:

BEA's i-TEAM – FACILITATING THE TRANSITION TO DIGITAL SERVICES

BEA has embarked on an ambitious journey to digitalise its banking services and back-office processes to enhance service quality and convenience for its customers. Since 2009, we have launched a variety of innovative digital services including the BEA App, i-Teller, card-less ATM withdrawals, and by 2018 we aim for all of our branches in Hong Kong to be paperless digital branches.

To ensure a smooth customer transition to digital banking, BEA's Call Centre has provided specialised training to a group of customer service representatives collectively known as the i-Team. Members of the i-Team are stationed at the Bank's digital branches in Hong Kong to help customers use the electronic devices and services such as the interactive i-Counter. The i-Team also conducts demonstrations to enhance customer understanding of BEA's mobile and internet banking channels, and to introduce new e-services and applications. In addition to helping customers, the i-Team provides training to the Bank's digital branch personnel, so they are equipped to help customers who may require assistance. Once training is completed, the i-Team moves on to another digital branch. Feedback from customers about the i-Team has been positive.



DEVELOPING OUR PEOPLE

Our people are our greatest asset. We believe that to serve our customers and community effectively, all of our employees must have the opportunity to realise their potential. We therefore invest heavily in training and professional development.

As at 31st December 2015, the Group had over 13,000 employees.



For a second year, BEA awarded scholarships to children of the Bank's staff members at a ceremony held on 6th August.

We provide competitive remuneration and benefits to attract and retain the best talent. Benefits include comprehensive health insurance, paid parental and volunteering leave, and preferential rates on deposits, loans, and overdraft facilities. Some benefits are extended to the families of our employees, for example the children of employees the Bank and its wholly-owned subsidiaries may apply for our university scholarship programme, and the Bank's Employee Assistance Programme offers wellness and counselling services to employees and their immediate family.

The average length of service in the Bank's Head Office is 9.49 years.

Employee Development

The BEA Group actively supports the professional development of its employees by providing training, offering scholarships, and encouraging lifelong learning. Each Group member company has its own approach to staff training and development. Continuous training and development are encouraged through sponsorship of selected professional development courses, as well as through an annual assessment of skill enhancement needs.

Overall investment in employee development in 2015 was over HK\$13.7 million. Apart from classroom and web-based training, the Bank also adopted a range of other training approaches including audio broadcasts and in-branch coaching. In addition, an online leadership library allows managers to keep abreast of the latest business and managerial trends.

As we execute our talent management initiatives at the entry and management levels, we are also considering ways to improve succession planning to groom competent people to succeed staff in senior positions who are nearing retirement.

Staff members
received more than

103,000
hours

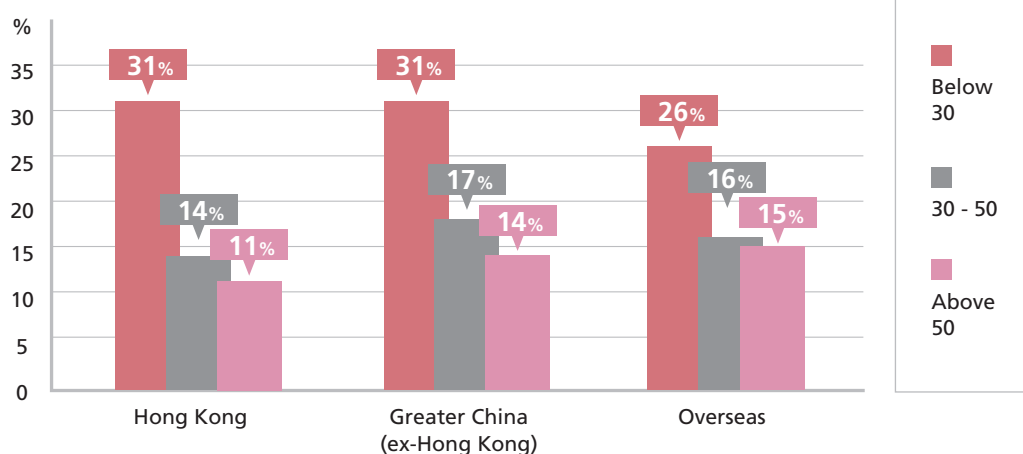
of training on
professional
development
topics, and over
80,000 hours on
other topics.



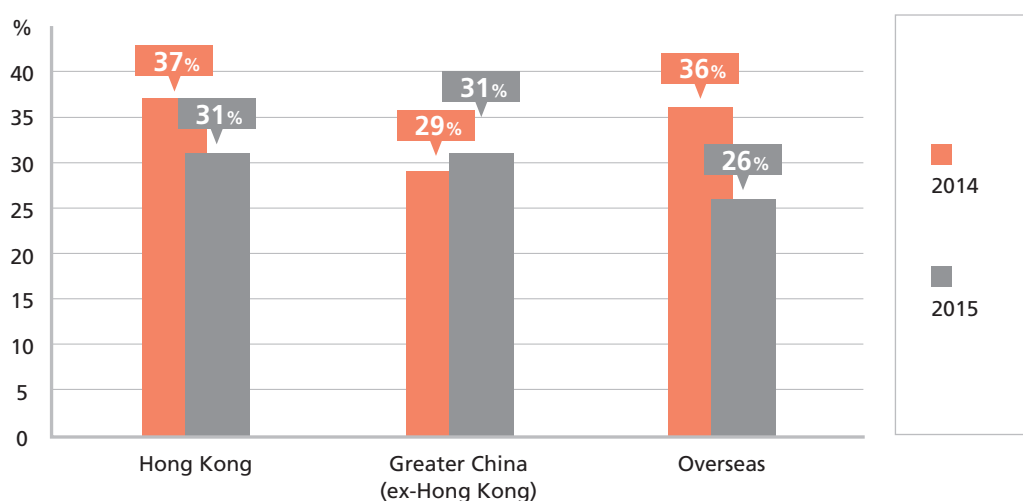
Since 2012, BEA and its wholly-owned subsidiaries have conducted succession planning at the department head level and above. All functional and business units are required to identify potential successors for their critical job positions, assess the readiness for succession, and identify development opportunities for potential successors. Based on the analysis, the management team formulates talent recruitment, deployment, and development strategies and actions.

BEA is the first bank in Hong Kong to obtain qualification from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications to conduct programmes at Qualifications Framework Level 4.

Group Turnover Rate by Age Group and Region

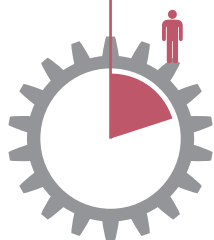


Change in Turnover Rate for Employees Below 30 Years of Age



20%

of the staff members who took advantage of the Bank's staff housing loan scheme were under the age of 30.



Turnover at the Group was 19.5% in 2015, down from 20.2% in 2014. While turnover is highest among younger employees below the age of 30, 2015 saw improved retention of junior employees in the Bank's Hong Kong and overseas operations, with a decrease in the turnover rate of 6 and 10 percentage points respectively. BEA attributes this improvement, in part, to its enhanced staff benefits package, which was introduced in 2015. During the year under review, 20% of the staff members who took advantage of the Bank's staff housing loan scheme were under the age of 30.

The majority of the Group's operations offer paid parental leave to permanent full time employees upon meeting certain conditions, such as successfully completing the probationary period. In 2015, 95% of the Group's workforce was entitled to parental leave, and about 3% of men and 6% of women took advantage of this benefit.

We endeavour to create a family friendly workplace. We want our people to feel that they have the support and flexibility they need to balance work and family life, so that we retain talented individuals. Eighty percent of those who returned to work from parental leave in 2014 were still working with the Group 12 months later.



 In December 2015, the Bank opened its Innovation Centre at BEA Tower, which provides staff members with a working environment conducive to free thinking and the development of innovative solutions.

CASE STUDY: BEA OPERATIONS TRAINEE PROGRAMME

The BEA Operations Trainee Programme was established in 2013 to build a pipeline of talent for the back office operations of the Bank. The 2.5-year programme combines extensive classroom training, job rotation, and project work. Each trainee is assigned a mentor who oversees their progress, and this provides junior employees with a direct communication channel with management.

Talented trainees can enjoy accelerated career advancement; those who perform well during job rotation, in their project work and on examinations leading to the Hong Kong Institute of Bankers' professional qualification are eligible for upgrades/promotions and salary increases at 6 to 9-month performance review intervals during the programme.

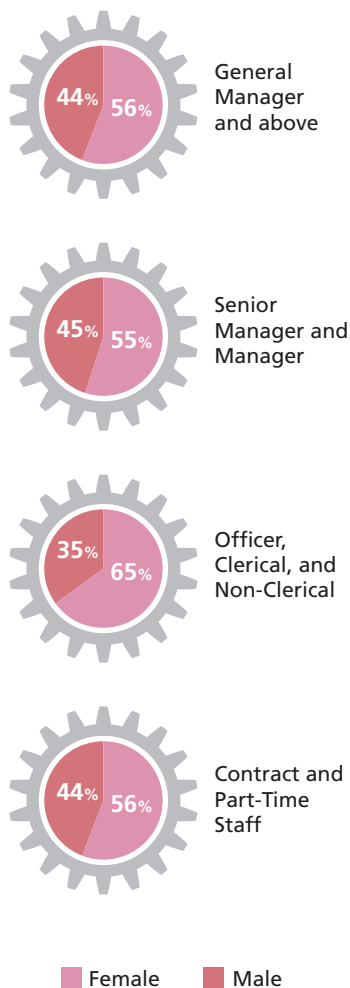
Our first intake of Operations Trainees have found that the job rotation – particularly the time spent working alongside frontline staff – has provided them with an invaluable understanding of the roles of different departments, as well as how back-office operations can support frontline staff more efficiently. At each performance review, trainees are asked to propose three Smart Suggestions based on their experience, which has generated several good ideas for increasing efficiency.

Operations trainees noted that supervisors have higher expectations of them and set more challenging work, and they rise to the challenge. One of our operations trainees, Frances Fan Yi-fan, won the 2015-2016 Qualifications Framework Award for Learning Experiences from the Banking Industry Training Advisory Committee, which encourages outstanding or emerging practitioners to develop a broader perspective through learning activities and developing their professional network outside of Hong Kong.



BEA adopts a wide range of training methods including off-site team-building and leadership development programmes.

Employee Gender Diversity by Category



Employee Communication

We encourage regular communication between staff at all levels. Employees receive regular updates on strategic issues and initiatives through:

- ▶ a bi-annual Managers' Meeting presented by the Chairman and Deputy Chief Executives;
- ▶ quarterly staff e-newsletters and bi-monthly CSR e-newsletters;
- ▶ regular meetings and performance appraisals with supervisors;
- ▶ staff interviews and other engagement channels, such as the Smart Suggestion Programme that proactively seek feedback; and
- ▶ our staff grievance policy and channels.

Employees can raise grievances with their direct supervisors, the Human Resources Department, or an appropriate management representative. Most of the Group's businesses have a staff grievances policy. Specific policy details and procedures for filing a complaint are made available through the staff handbook and internal communications platforms.

In 2015, two grievances were filed by Group employees. Both issues were resolved during the reporting period.

Staff Wellness

BEA endeavours to provide a safe and healthy working environment, and encourages employees to strike a good work-life balance.

The Bank's Staff Sports & Recreation Club ("SSRC") organises sports and recreational activities for the Bank's employees and their family members to enhance staff wellness and strengthen family bonds. During the year under review, SSRC organised 60 activities involving 25,840 staff participants and 2,807 friends and relatives. The Bank's well-established Employee Assistance Programme helps staff cope with any stress and anxiety arising from work, family issues, or personal challenges.

The Group's absenteeism rate, which is the rate of work days lost to sick leave and other absenteeism, was 1.3% in 2015, down 0.33 percentage points compared with 2014.

Inclusion and Equal Opportunities

We provide equal opportunities to all job applicants and staff members, regardless of age, gender, race, religion, marital status, sexual orientation, or physical ability. The Group complies with all applicable ordinances in Hong Kong and elsewhere regarding equal employment opportunities with respect to existing staff and job applicants.

There were no reported incidents of discrimination of Group employees in 2015.

The Bank joined the Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme organised by the Labour and Welfare Bureau in collaboration with the Rehabilitation Advisory Committee, The Hong Kong Council of Social Service ("HKCSS"), and the Hong Kong Joint Council for People with Disabilities. The Scheme is designed to encourage and facilitate employers from different sectors to hire persons with disabilities and integrate them fully into the workplace.

CONTRIBUTING TO THE COMMUNITY

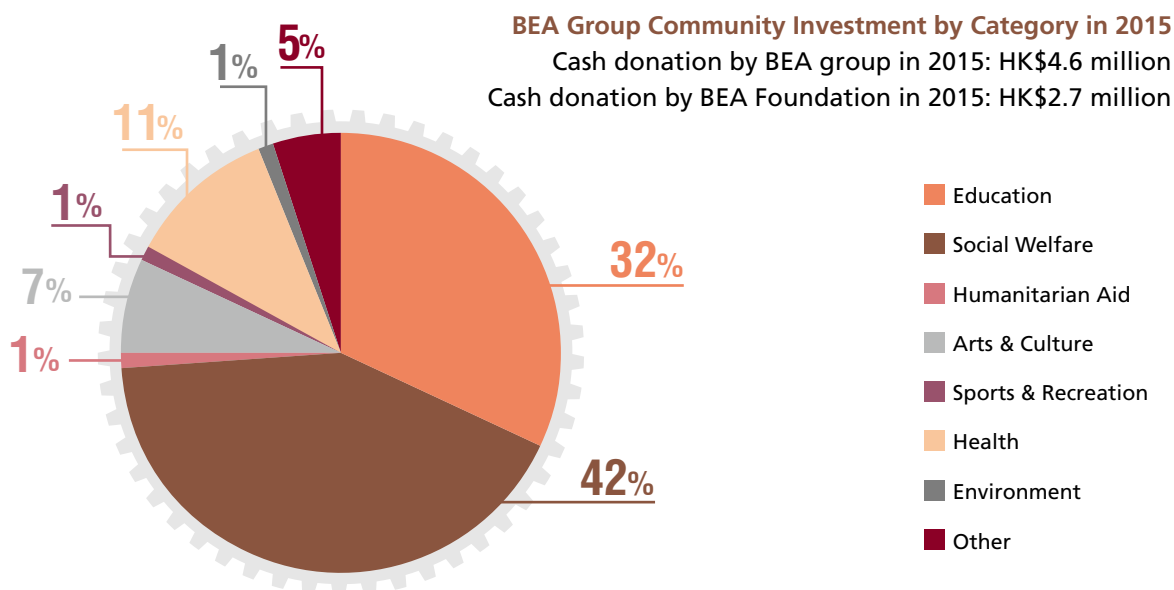
The BEA Group strives to be a positive, enabling force in the communities it serves. Beyond providing quality products and services, we are committed to investing our resources, time, and skills to help improve the lives of the people our business touches. The community investment activities of the Group are further supplemented by the work of the BEA Foundation in Hong Kong, and the Charity Fund in Mainland China.

The Group participates in a range of initiatives in the three core areas of our community investment strategy, namely, education, social welfare and the environment. In 2015, BEA launched the Community Investment Guidelines to ensure Group support for charitable causes is in line with its [CSR Policy](#).

The BEA Group contributed over HK\$4.6 million in charitable donations during the year under review while the BEA Foundation contributed an additional HK\$2.7 million to worthy causes.

In Mainland China, the annual Firefly Charity Night jointly hosted by BEA China and the Shanghai Soong Ching Ling Foundation has raised a total of CNY52.39 million since 2009 to support education for underprivileged children in rural areas of China.

We have built strong relationships with our NGO partners and are particularly focused on supporting smaller charities and societal issues, which might otherwise be under-supported. During the year under review, BEA worked closely with a team from the Department of Management and Marketing at The Hong Kong Polytechnic University ("PolyU"), which interviewed a number of NGOs using the Bank's Online Donation Service to determine how the utility of the platform could be enhanced for the NGOs and their donors.



Staff Volunteering

■ During staff members' own time

■ During office hours

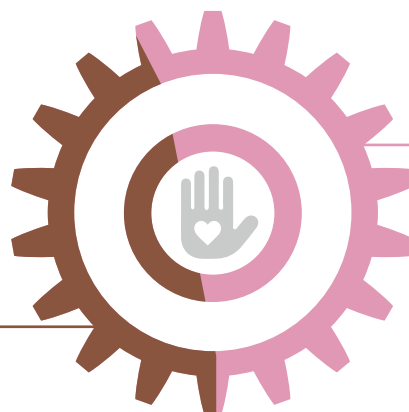
Contributed over

25,700
hours

of service to
meaningful causes

43%

57%



We also encourage our people to participate in the Group's volunteering teams to promote a greater understanding of societal challenges, and build a caring and cohesive corporate culture. In 2015, the Group's volunteers contributed over 25,700 hours of service to meaningful causes.

Education

Both the BEA Foundation and the Charity Fund are dedicated to improving educational opportunities in Hong Kong and Mainland China respectively.

The BEA Foundation supports the BEA Parent-Child Reading Programme run in partnership with Hong Kong Sheng Kung Hui's Religious Education Resource Centre. The programme aims to foster an interest in reading among children and strengthen parent-child bonds.

For the last 24 years, the Bank has also sponsored the Hong Kong Children Storytelling Competition organised by The Boys' and Girls' Clubs Association of Hong Kong, which encourages children to develop good reading habits, inspires them through meaningful stories, and nurtures their skills in creative thinking and public speaking.

For the fourth consecutive year, BEA supported the "Pilot Scheme for Cross-border Study Tour for Post-secondary Financial Talents" organised by the Financial Services and the Treasury Bureau of the Hong Kong government. In the Scheme, BEA provided 3-week internships to keen undergraduates in Shanghai and Hong Kong.

The Charity Fund supports two educational projects in Mainland China, its flagship Firefly Project and the BEA University Scholarship Programme. In 2015, the Charity Fund and "la Caixa" Foundation jointly committed a total of CNY9.03 million to develop new Firefly Centres equipped with computers, a library, and furniture in rural schools in impoverished areas across China.

In 2015, the BEA Parent-Child Reading Programme was extended from

64 ▶ 106
schools

and engaged

2,400
children



primarily from families
receiving Comprehensive
Social Security Assistance.



CASE STUDY: FIREFLY PROJECT

The Firefly Project was established to provide a brighter future for the younger generation in rural China and empower them with better education opportunities. It achieves its objectives by:

- ▶ establishing Firefly Centres, which are multi-media classrooms equipped with advanced computing facilities, internet connection, audio-visual equipment and a library of more than 2,000 books;
- ▶ donating "Firefly 60" Backpacks containing stationery, books and other school supplies to students in rural areas; and
- ▶ providing training for rural teachers and organising volunteers to support the centres.

Since 2009, 51 Firefly Centres have been established and more than 32,000 "Firefly 60" Backpacks have been distributed to children in 22 provinces across the Mainland.

2015 Highlights

- ▶ Established 12 new Firefly Centres
- ▶ Reached three additional provinces
- ▶ Trained 150 rural schoolmasters and teachers for a total of 9,676 hours
- ▶ Engaged 882 BEA China volunteers

“ The training is well arranged with a concise curriculum. The classes are really inspiring, which helps us to think from the perspective of the students and our local context, and be more innovative and caring in our education system. ”

Yu Chunsheng, a primary school principal involved in the training programme

“ We as volunteers hope to pass on the understanding of dreams and hope to the children. While volunteers come and go, we hope the seeds of dreams and hope can be planted in the hearts of the children. ”

Liu Ying, a BEA volunteer

“ I am really grateful that you taught us not only many new English words, but also how to use them in daily conversations in a lively way. We will miss you a lot and hope there will be chance to meet you again in Hong Kong some day in the future. ”

Kong Lingjia, a student from No.1 Primary School, Yulong County, Xingyang City, Henan Province



In October 2015, more than 70 staff members of the Bank took part in the Sun Hung Kai Properties Hong Kong Cyclothon, which raised funds for The Community Chest.





In October 2015, the Charity Fund signed an agreement with Tsinghua University PBC School of Finance to formally include the University in the BEA University Scholarship Programme.



Participants in the Happy Teens, Full of Fun Programme supported by Blue Cross acquired useful skills to help prepare them for future job opportunities.



In October 2015, Tricor employees in Malaysia participated in an executive run organised by the Labuan Financial Services Authority to raise funds for charity.

In 2015, the Charity Fund awarded scholarships totalling CNY100,000 to 15 students studying at Fudan University, Sun Yat-sen Business School, and Tsinghua University PBC School of Finance in need of financial aid. In Hong Kong, BEA awarded scholarships to 23 students totalling HK\$230,000.

For the third consecutive year, BEA China, the Shanghai Students Moral Education Development Centre, and the Shanghai Educational Press Group jointly organised the "Bank of East Asia Cup Financial Education School Tour", from September to November 2015. Designed to provide middle school students with an introduction to sound financial management, the programme was extremely successful, attracting about 10,000 students from over 100 schools and receiving recognition from the China Banking Regulatory Commission.

In the second quarter of 2015, staff members of BEA's New York Branch visited two primary schools to introduce basic banking services to students. To assist low-income minority students to gain a better understanding of the banking industry, the New York Branch joined forces with the non-profit organisation, Futures and Options, Inc., in November to arrange a branch visit for local high school students.

For the past four years, Blue Cross has supported the "Happy Teens, Full of Fun" Programme organised by the Hong Kong PHAB Association. Designed for tertiary students with disabilities, the 2015 programme included internships, volunteering, and practical training on a wide range of subjects including career planning, on-the-job skills acquisition, public speaking, and a special course on radio disc jockey training.

Tricor Singapore participated in a 6-month pro-bono service training programme run by Abilities Beyond Limitations and Expectations, in which Tricor staff provided four young people with disabilities with coaching in practical job skills, including preparing a statement of accounts.



The publication of the Palliative Care Practice Manual was announced at a symposium held by The Salvation Army on 9th October. The publication of this manual is an important milestone in the history of the Palliative Care in Residential Care Homes for the Elderly programme funded by the BEA Foundation, "la Caixa" Foundation, and The Salvation Army.

Social Welfare

In partnership with "la Caixa" Foundation and The Salvation Army Hong Kong and Macau Command ("The Salvation Army"), the BEA Foundation continued to support the "Palliative Care in Residential Care Homes for the Elderly" programme. The programme provides direct palliative and holistic care to terminally-ill elderly people in Hong Kong, and also promotes collaboration and dialogue between residential homes, public hospitals, and the government. In October 2015, The Salvation Army announced the publication of "The Palliative Care and End-of-life Care in Residential Care Homes Practice Manual". The publication is an important milestone in the development of palliative care in Hong Kong, as it is the first handbook to incorporate the long-term practical and clinical experience of residential homes.

Run in partnership with St. James' Settlement ("SJS"), the BEA "High Five" Club provides children from disadvantaged families with a safe place to go after school, giving their parents time to engage in full time employment. In addition to after-school care, learning activities, and hot meals, children participating in the Club enjoy the companionship of BEA staff volunteers, who will serve as "big brothers" and "big sisters". The volunteers visit the Centre regularly to serve as mentors and organise various activities and field trips to scenic locales around Hong Kong.

In China, the Charity Fund continued to provide financial support to various programmes under its "Funding Plan for NGOs". The NGO Funding Plan sets aside CNY1 million each year to help outstanding NGO projects reach more people in need of assistance. These included training organised by the Shanghai Qingcongquan Training Centre for Children with Special Needs, to assist children with early autism; rehabilitation services provided by the Shanggang Community Health Service Centre, for children with cerebral palsy; as well as various cultural, language, and vocational programmes. As part of this programme, the Charity Fund also sponsored the "Sunshine Home Programme" for elderly parents of Huangpu District who have lost their only child. Organised by the Shanghai Sunshine Goodness Public Affairs Centre, the Programme aims to provide assistance to the elderly through home visits and community activities.

A longstanding supporter of The Community Chest of Hong Kong ("The Community Chest"), BEA was actively involved in many programmes organised by the Chest in 2015, including The Community Chest Wheelock Swim for Millions together with Tricor.



Members of BEA's Volunteer Team lent a helping hand at "The Community Chest Wheelock Swim for Millions" supported by the Bank.





Over 500 children and parents from underprivileged families took part in the "BEA Summer FUN" Carnival in July 2015.



Staff members of BEA Union Investment took part in the Bloomberg Square Mile Relay in November 2015 to help raise funds for Unleash Foundation and the Agency for Volunteer Service.

For a second year, staff members of BEA's Labuan Branch and Kuala Lumpur Representative Office visited abandoned children living at My Father's House Children's Home in Port Dickson outside Kuala Lumpur. BEA's London Branch helped raise funds for Comic Relief Charity in support of the fight against poverty in the United Kingdom and around the world.

Staff members of BEA's Singapore Branch volunteered to visit elderly residents of the SASCO Senior Citizens Home, while staff members of BEA's Los Angeles Branch helped pack food at the Los Angeles Regional Food Bank for distribution to underprivileged seniors. In December, staff members of the Bank's New York Branch visited the city's Chinatown Senior Citizen Centre to provide advice on avoiding common fraud schemes.

Enabling Our People to Contribute to Society

We encourage and enable our people to contribute meaningfully to the causes they strongly believe in through volunteering and fundraising, and by sharing their skills, providing financial education, and serving as mentors. Since 2013, employees of the Bank who contribute at least 100 hours of community service can apply for up to two additional days of paid leave.

Employees are encouraged to join the Bank's BEA Volunteer Team, the BEA China Volunteer Team, or the teams of volunteers across our overseas branches and subsidiaries. Employees of subsidiaries like BEA Union Investment that do not have their own volunteer team are invited to participate in the activities of the BEA Volunteer Team.

The Bank's outreach programmes aim to introduce the wider community to important information on personal finances, and to encourage young people to consider a career in the financial services industry. During the year, BEA joined hands with non-profit making organisations and associations such as ARCH Community Outreach and Community Business to provide training, conduct career talks, and organise office tours for secondary school students from under-resourced communities.

Employees gave their time to support the Group's various community investment projects from running games stalls at the BEA Summer FUN Carnival to visiting Firefly Centres in rural China. Our people also participated in various external charity events, including sporting events like The Community Chest's Walk for Millions in Hong Kong, Sun Hung Kai Properties' Vertical Run in Shanghai, and the LA Marathon. Volunteer activities also included knitting scarves for the homeless, organising charity bazaars of donated items, mentoring students in the workplace, and visiting the elderly.

We recognise that the Group's impact can be greatly increased by involving our stakeholders in our community investment initiatives. By doing so, we also demonstrate the Group's commitment to external stakeholders. The BEA Foundation and the Charity Fund both work closely with "la Caixa" Foundation to increase the impact of their flagship projects, whilst BEA China invites customers and regulators alike to participate in volunteering initiatives.

ENHANCING OUR ENVIRONMENTAL PERFORMANCE

Securing a sustainable future will require that all stakeholders practise responsible stewardship of the Earth's resources. In 2015, we launched our [Environmental Policy](#) that describes the Group's commitment to mitigate the environmental impact across the Group's operations.

Our chief environmental impacts are through the energy and paper we consume, and the waste that we generate. We embed sound environmental practices throughout our business operations to address each of these areas, recycling our waste and minimising our energy and paper consumption in a manner that enhances efficiency while reducing environmental impact.

As a leading provider of banking, financial, and related services, we also have an indirect impact on the environment created by the financial solutions that we provide to our clients. We will explore opportunities to integrate environmental considerations in our product and service offerings.

Our influence extends to the positive impact we can have by promoting environmentally conscious behaviour in our employees, customers, suppliers and other stakeholders. We build our employees' awareness and knowledge of environmental issues through internal communication, training, and participation in external events and volunteering activities. We encourage our customers to save paper by switching to e-statements and using our digital branches and services.

The CSR Task Force is responsible for coordinating efforts to monitor the implementation and progress of various environmental initiatives, and for the annual review of our [Environmental Policy](#).

Energy Consumption

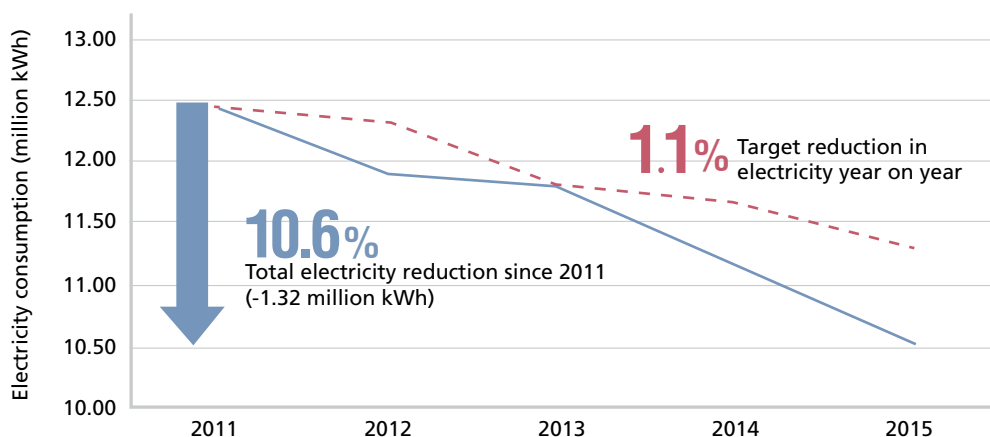
The Group continues to place a high priority on energy efficiency. With over 300,000 square feet of space in offices, branches, and a data centre, we consume a significant amount of energy, primarily electricity, across our operations. Just under 203,000 gigajoules ("GJ") of energy was consumed across the Group in 2015, which represents a 9% reduction in total energy consumption compared with 2014.

Whenever renovation projects are carried out at branches and offices, energy-efficient lighting and air-conditioning systems are installed in order to reduce energy consumption. In Hong Kong, the Bank saved an estimated 570 GJ of electricity by installing LED lights and energy efficient devices in newly renovated offices and branches. Blue Cross added an additional 10 GJ in annual savings at BEA Tower in Kwun Tong by installing a motion sensor and switching off equipment outside of office hours.

In March and April 2015, over 370 volunteers including BEA China's employees and their family members, customers, and NGO representatives participated in the "Protect Our Green World" campaign to promote environmental protection through various activities.



Combined Electricity Consumption of BEA Group's Main Office Buildings in Hong Kong (BEA Head Office and BEA Tower)



The Environment

For the seventh consecutive year, members of the BEA Group participated in "Earth Hour" organised by WWF. For one hour on 28th March, 2015, all non-essential lighting was switched off in the offices and selected branches of BEA in Hong Kong, Macau, Taipei, Singapore, Birmingham, and Manchester; as well as those of BEA China; BEAWMS; BEA Rural Bank; Blue Cross; Credit Gain; and Tricor.

On 22nd September, 2015, BEA received the Bronze Award in the Bank and Office category of the GREEN^{PLUS} Award programme organised by CLP Holdings Limited, in recognition of our efforts to reduce electricity consumption.

Paper Consumption and Waste

Paper is also a material issue for the Group. We use paper for various forms, customer communication, marketing collaterals, internal documents, and record keeping. Our approach to reducing paper consumption involves analysing our workflows to see where we can reduce or eliminate paper altogether. In addition, we opt for paper from sustainable sources where possible.

To further reduce the impact of our paper consumption, we endeavour to recycle our paper waste. Over 471 tonnes of paper was recycled by the Group in 2015, which represented 43% of our total paper consumption.

Green Finance

As stated in our [CSR Policy](#), we strive to integrate ESG principles into our operations and business strategies. In 2015, BEA established its Green Credit Management Policy based on the Green Credit Guidelines of the China Banking Regulatory Commission. To encourage green practices, BEA China reviews and approves corporate loan applications after evaluating each applicant's environmental performance. BEA China favours companies with good environmental track records, especially those in energy conservation, clean energy development, waste management, or the manufacture or installation of energy-saving equipment.

Almost

100%

of the copy paper used by BEA in Hong Kong, Taiwan, and the UK, and by Tricor was recycled paper or paper from Forest Stewardship Council ("FSC") certified sources.



Engaging Stakeholders in Environmental Initiatives

Recycling facilities are provided in our offices to encourage waste separation. In 2015, over 56,000 kg of paper, plastic bottles, cans, IT products, and other forms of waste were collected and recycled across the Group's global offices.

In 2015, BEA's e-statement and e-advice services helped save over

10 million
sheets of paper



or about

1,288
trees



CASE STUDY:

ENCOURAGING CUSTOMERS TO USE e-STATEMENTS

BEA actively encourages its banking customers to receive e-statements rather than paper statements, which can help to reduce the environmental footprint of our operations. As at the end of December 2015, approximately 30% of our credit cardholders received e-statements, compared with 21% at the end of 2014.

Since July 2009, only e-statements have been issued to the Bank's student credit cardholders. From October 2012 onwards, staff members of the Bank were not provided with the option to receive paper statements. Since August 2014, all successful credit card applicants were automatically registered to receive e-statements for their accounts. Customers may still choose to receive paper statements, for an annual fee of HK\$50.

In 2015, BEA's e-statement and e-advice services helped save over 10 million sheets of paper or about 1,288 trees.

These initiatives are part of the Group's wider efforts to reduce paper consumption throughout its business and operations. As at the end of December 2015, more than 58% of BEA's 9,000 registered shareholders and more than 82% of the 2,400 non-registered holders of BEA shares opted to receive corporate communications via the Bank's website.

RECOGNITION, MEMBERSHIPS, CHARTERS AND SCHEMES

Recognition

BEA

1 The Community Chest

"President's Award" (for the 16th consecutive year), "Diamond Award" in the Corporate & Employee Contribution Programme 2014/2015 (for the 21st consecutive year), "6th Top Fund Raiser Award" in the Dress Casual Day 2014 programme, and "Outstanding Walk Team Award for the 2014/2015 Walk for Millions"

2 HKCSS

Named "Caring Company" (for the 12th consecutive year); Blue Cross and Credit Gain were named "Caring Company" for the seventh and fifth year, respectively

3 East Week

"Caring Company Award" in the Hong Kong Service Award Programme 2015

4 PolyU, HKCSS, and Hong Kong Productivity Council

Named one of the top 20 companies in the Hong Kong Business Sustainability Index

5 Senior Citizen Home Safety Association

"Community Engagement **2 Stars Award"

6 Social Welfare Department's Central Office

"Gold Award for Volunteer Service" in 2015 (for the 3rd consecutive year)

7 The Office of the Government Chief Information Officer and the Equal Opportunities Commission

"Gold Award" (Website Stream and Mobile Application Stream) in the Web Accessibility Recognition Scheme

8 Hong Kong Awards for Environmental Excellence Programme ("HKAEE")

"Class of Excellence" EnergyWi\$e Label under Hong Kong Green Organisation Certification ("HKGOC") (for BEA's Head Office Building and BEA Tower)

9 HKAEE

"Class of Excellence" WasteWi\$e Label under HKGOC (for BEA's Head Office Building and BEA Tower)

10 Hong Kong Environmental Protection Association

Hong Kong Green Mark Honorary Certificate (for three years of excellence in sustainability)

11 CLP Holdings Limited

Bronze Award in the Bank and Office category of the GREEN^{PLUS} Award Programme

12 Environmental Protection Department and the Hong Kong Accreditation Service of the HKSAR Government

Indoor Air Quality Certificate (Good Class for BEA's Head Office Building and Excellent Class for BEA Tower)

BEA China

13 China Banking Association

"2014 Best CSR Financial Institution in the China Banking Industry"

14 Shanghai Banking Association

"Best Public Relations Programme among Financial Institutions in Shanghai" (for the 2015 BEA Cup Financial Education Tour for Middle School Students in Shanghai)

15 Shanghai Banking Association

"2015 Institutional Contribution Award" in the Annual Shanghai Financial Institutions Awards Programme

16 China Business News

"Best Practice Award" in the China Business News CSR Rankings in China

Blue Cross

17 Community Investment and Inclusion Fund, Labour and Welfare Bureau

"Social Capital Corporate Volunteer Challenge – Most Caring Award"

Credit Gain

18 GS1 Hong Kong

"Consumer Caring Scheme 2015 – Consumer Caring Company" (for the fourth consecutive year)

19 Tsuen Wan and Kwai Tsing District Co-ordinating Committee on Elderly Services of the Social Welfare Department

"Caring Agency Award 2014 – 1-Star Certificate" (for the second consecutive year)

20 The Evangelical Lutheran Church Social Service - Hong Kong

"Caring Corporation Award"

21 Mandatory Provident Fund Schemes Authority

"2014/15 Good MPF Employer Award"

BEA Union Investment

22 Mandatory Provident Fund Schemes Authority

"2014/15 Good MPF Employer Award"

Memberships

The BEA Group is actively involved in the community. We are a corporate member of the industry associations, NGOs and chambers listed below, and our Chairman & Chief Executive, Deputy Chief Executives, and senior executives hold key positions in universities, associations, chambers, and NGOs, which enable them to contribute to the long-term development of the communities we serve.

Title Held / Level	Name of Association, NGO, Chamber
BEA	
Corporate (Full Member)	Asia Pacific Loan Market Association Limited
Corporate	The Chamber of Hong Kong Listed Companies
Corporate	The Hong Kong Institute of Bankers
Institutional Membership	Treasury Markets Association
Member	Hong Kong Association of Banks
Silver Member	WWF - Hong Kong
Jade Member	HKCSS
Chairman of Executive Committee	SJS
Chairman of the Advisory Board	The Salvation Army
BEA China	
Vice President	China Banking Association
Vice President	Shanghai Banking Association
Deputy Director General	Shanghai Financial Association
Associate Member	Asset Management Association of China
Director	Shanghai Soong Ching Ling Foundation
Member	The 12th Shanghai Committee of the Chinese People's Political Consultative Conference
Honourary President	Hong Kong Chamber of Commerce in China
Director	Foreign Banking Working Committee of the China Banking Association
Vice President	China Banking Association
BEA's London Branch	
Member	Association of Foreign Banks
Member	Hong Kong Association
Member	Hong Kong Trade Development Council
Member	UK Chinese Bankers Association

Title Held / Level	Name of Association, NGO, Chamber
BEA's Macau Branch	
Member	The Macau Association of Banks
BEA's Taiwan Branch	
常務理事	Hong Kong Business Association in Taiwan
BEA WMS	
Member	中華民國信託業商業同業公會
BEA Life and Blue Cross	
Director	Chinese Insurance Association of Hong Kong Limited
Member of Consultative Group on Health Protection Scheme	Food & Health Bureau, HKSAR
Member of Task Force on Greater China Affairs	The Hong Kong Federation of Insurers
Member of Task Force on Healthcare Reform	The Hong Kong Federation of Insurers
Member of Insurance Authority Working Group	The Hong Kong Association of Banks
Tricor	
Vice President and Treasurer	UNICEF
Member of Corporate Governance Committee	UNICEF
Appointed Member of Users' Committee	Inland Revenue Department of HKSAR
HKSAR Government appointed lay council member, member of Audit Committee and three advisory boards	Hong Kong Institute of Certified Public Accountants
Member of Nomination Committee, Member of Professional Services Panel, Member of Special Entry Interview Panel	The Hong Kong Institute of Chartered Secretaries
Member of Professional Development Committee	The Hong Kong Institute of Chartered Secretaries
Council Member, Chairman of Audit Committee	The Hong Kong Institute of Chartered Secretaries
Council Member of Caritas Institute of Community Education	Caritas Hong Kong
Working Group Member of the HKICPA's annual QP Case Analysis Competition, Reviewer of the HKICPA's annual QP Case Analysis Competition	Hong Kong Institute of Certified Public Accountants
Our Lady of Mount Carmel Church	Member of Finance Committee
Chairman	Federation of Share Registrars Limited

Title Held / Level	Name of Association, NGO, Chamber
Tricor	
School manager on the Incorporated Management Committee - Hong Kong Red Cross Princess Alexandra School	Hong Kong Red Cross
Chairman	Barbados Branch of the Institute of Chartered Secretaries and Administrators
Pillar Champion of Governance	ASPIRE (NGO established to help the sustainability of Charities in Barbados)
Chair	Barbados International Business Association Service Provider and International Business Company Committee

BEA Union Investment

Corporate Member	Hong Kong Retirement Schemes Association
Member of Ethics Review Committee	Hong Kong Institute of Certified Public Accountants
Member of the Disciplinary Panel	Institute of Financial Planners of Hong Kong
Member	CFA Institute
Member of Executive Committee	Hong Kong Investment Funds Association

Charters and Schemes

Charter / Scheme	Name of Association, NGO, Chamber	Year charter was adopted	Locations where charter is applicable	Voluntary/ Mandatory
BEA				
Treat Customers Fairly Charter	HKMA	2013	Hong Kong	Voluntary
Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme	Labour and Welfare Bureau, the Rehabilitation Advisory Committee, HKCSS, and the Hong Kong Joint Council for People with Disabilities	2015	Hong Kong	Voluntary

BEA Cross

Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme	Labour and Welfare Bureau, the Rehabilitation Advisory Committee, HKCSS, and the Hong Kong Joint Council for People with Disabilities	2013	Hong Kong	Voluntary
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DATA TABLES

GRI Reference / HKEx ESG Guide Reference	Indicator		
Economic performance		2015	2014
G4-EC1	<i>Direct economic value generated</i>	HKD million	HKD million
	Revenue	17,435	18,407
G4-EC1	<i>Economic value distributed</i>		
	Operating costs	3,834	3,664
	Employee compensation and benefits	5,338	5,484
	Payments to providers of capital	2,635	2,927
	Payments to government (e.g. tax) in Hong Kong	804	812
	Payments to government (e.g. tax) in Greater China (ex-Hong Kong)	339	707
	Payments to government (e.g. tax) in other locations of operation	212	214
G4-EC1	Total value of charitable donations	5	5
G4-EC1	<i>Economic value retained</i>	4,268	4,594
Environmental performance		2015	2014
G4-EN3	<i>Energy consumption within the organisation</i>	gigajoules (GJ)	gigajoules (GJ)
	Total energy consumption	202,944.73	233,362.98
	Total electricity consumption	182,191.83	211,868.70
	Total heating purchased for consumption	1,690.12	3,042.37
	Total cooling purchased for consumption	4,369.66	1,445.01
	Total fuel consumption from non-renewable sources (towngas & vehicle fuel)	14,693.12	17,006.90
	Total fuel consumption from renewable sources	0.00	0.00
KPI A2.1	<i>Total direct and indirect energy consumption by type</i>	'000 kilowatt hours (kWh)	'000 kilowatt hours (kWh)
	Total energy consumption	56,373.54	64,823.05
	Total electricity consumption	50,608.84	58,852.42
	Total heating purchased for consumption	469.48	845.10
	Total cooling purchased for consumption	1,213.79	401.39
	Total fuel consumption from non-renewable sources (towngas & vehicle fuel)	4,081.42	4,724.14
	Total fuel consumption from renewable sources	0.00	0.00

G4-EN5	Overall energy intensity of the Group	Unit	2015	2014
	by Gross Floor Area	GJ/m ²	0.70	0.74
G4-EN6	Reduction of energy consumption	GJ	6,731.00	444.89
G4-EN23	Paper consumption and waste			
	Total paper used	tonnes	1,094.36	1,300.94
	Total paper recycled	tonnes	471.33	482.91
	Percentage recycled	%	43.1	37.1
G4-EN23	IT products			
	Waste recycled	tonnes	14.89	34.62
G4-EN23	Medical waste (Blue Care only)			
	Weight of waste disposed	tonnes	0.09	n/a
Workforce data				2015
G4-9	Total workforce		No. of people: 13,653	
G4-10 KPI B1.1	Total workforce by employment contract and gender		Male %	Female %
	Permanent Contract		36	58
	Fixed Term / Temporary Contract		3	3
G4-10	Total number of permanent employees by employment type and gender			
	Permanent full time		35	57
	Permanent part time		1	1
	Contract full time		3	3
G4-10	Total workforce by region and gender			
	Hong Kong		19	25
	Greater China (ex-Hong Kong)		17	29
	Overseas		3	7
KPI B1.1	Total workforce by region and age	Below 30 %	30-50 %	Above 50 %
	Hong Kong	11	25	8
	Greater China (ex-Hong Kong)	17	29	1
	Overseas	3	5	1

		Male %	Female %	Below 30 %	30-50 %	Above 50 %
G4-LA1	Total no. of new hires by region and gender, and region and age (permanent full time staff only)					Total: 2,936
	Hong Kong	16	22	22	14	2
	Greater China (ex-Hong Kong)	20	30	32	17	1
	Overseas	4	8	7	4	1
G4-LA1	Rate of new hires by region and gender, and region and age (permanent full time staff only)					Overall: 23%
	Hong Kong	20	20	47	13	6
	Greater China (ex-Hong Kong)	29	24	50	14	8
	Overseas	33	26	47	20	6
G4-LA1	Total no. of employee turnover by region and gender, and region and age (permanent full time staff only)					Total: 2,466
	Hong Kong	18	22	17	19	4
	Greater China (ex-Hong Kong)	24	26	24	25	1
	Overseas	4	6	5	4	1
G4-LA1 KPI B1.2	Rate of employee turnover by region and gender, and region and age (permanent full time staff only)					Overall: 20%
	Hong Kong	19	17	31	14	11
	Greater China (ex-Hong Kong)	28	17	31	17	14
	Overseas	26	17	26	16	15
G4-LA3	Return to work and retention after parental leave, by gender			Male %	Female %	
	Total number of employees entitled to parental leave			94	95	
	Total number of employees who took parental leave			3	6	
	Total number of employees who returned to work after parental leave			89	78	
	Total employees retained 12 months after returning to work after parental leave			94	89	
	Return to work rate			91	92	
	Retention rate			79	81	

G4-LA6	<i>Injury rate per 1,000 employees</i>					<i>Overall: 1.68%</i>
	Hong Kong	per 1,000 employees			2.84%	
	Greater China (ex-Hong Kong)	per 1,000 employees			0.79%	
	Overseas	per 1,000 employees			0.75%	
G4-LA6	<i>Lost day rate</i>					<i>Overall: 0.04%</i>
	Hong Kong				0.09%	
	Greater China (ex-Hong Kong)				0.00%	
	Overseas				0.00%	
G4-LA6	<i>Absentee rate</i>					<i>Overall: 1.30%</i>
	Hong Kong				2.01%	
	Greater China (ex-Hong Kong)				0.67%	
	Overseas				1.11%	
G4-LA6 KPI B2.1	<i>Total number of work-related fatalities</i>					<i>No. of people: 0</i>
G4-LA9	<i>Average hours of training per employee by gender</i>					hours
	Male				33.02	
	Female				32.77	
G4-LA9	<i>Average hours of training per employee by employee category</i>					hours
	General Manager and above				23.70	
	Senior Manager and Manager				29.72	
	Officer, Clerk and Non-Clerical				32.80	
	Contract and Part-Time Staff				33.00	
		Male %	Female %	Below 30 %	30-50 %	Above 50 %
G4-LA12	<i>Composition of the Board of Directors</i>					
	by gender	100	0			
	by age group			0	20	80
G4-LA12	<i>Percentage of employees per employee category by gender</i>					
	General Manager and above	44	56	0	49	51
	Senior Manager and Manager	45	55	3	81	16
	Officer, Clerical and Non-Clerical	35	65	41	52	7
	Contract and Part-Time Staff	44	56	56	3	11
G4-LA16	<i>Number of grievances about labour practices filed, addressed, and resolved</i>					<i>Number: 2</i>

Human rights and society			2015
G4-HR3	<i>Total number of incidents of discrimination and corrective actions taken</i>	number	0
G4-SO5	<i>Confirmed incidents of corruption and actions taken</i>	number	0
G4-SO8	<i>Monetary value of significant fines for non-compliance with laws and regulations</i>	HKD	0
G4-SO8	<i>Total number of non-monetary sanctions for non-compliance with laws and regulations</i>	number	0
Product responsibility			2015
G4-PR7	<i>Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications</i>	number	0
G4-PR8	<i>Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data</i>	number	0
G4-PR9	<i>Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services</i>	HKD	0

GRI CONTENT INDEX

General standard disclosures				
GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Strategy and analysis				
G4-1	Chairman's message		2-3	
Organisational profile				
G4-3	Name of organisation		1	
G4-4	Primary brands, products, and services		13	
G4-5	Location of headquarters		-	Hong Kong
G4-6	Countries of operation		12	
G4-7	Nature of ownership		-	Listed on the Stock Exchange of Hong Kong; Also refer to Annual Report 2015 .
G4-8	Markets served		12	Also refer to Annual Report 2015 .
G4-9	Scale of the organisation		13	
G4-10	Employee statistics	KPI B1.1	40-41	
G4-11	Percentage of employees covered by collective bargaining agreements		-	27% of the employees of BEA's Singapore branch
G4-12	Supply chain description	GD B5	16-17	
G4-13	Significant changes to organisation size, structure, ownership or supply chain		-	Sumitomo Mitsui Banking Corporation subscribed to 222,600,000 new ordinary shares of the BEA Group in March 2015.
G4-14	Report how precautionary approach is addressed		31-33	Also see Environmental Policy on BEA website www.hkbea.com . (About BEA/CSR Reports & Related Policies/ Environmental Policy)
G4-15	Charters		38	
G4-16	Memberships		36-38	

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Identified material aspects and boundaries				
G4-17	Entities included in financial statements; mention those not covered by this report	Reporting guidance 10	-	Please refer to Annual Report 2015 .
G4-18	Process for defining report content and aspect boundaries	Reporting guidance 11	8-10	
G4-19	List of material aspects	Reporting guidance 6	10	
G4-20	Aspect boundary within the organisation		10	
G4-21	Aspect boundary outside the organisation		10	
G4-22	Effect of and reasons for any restatements of information provided in previous reports		-	None
G4-23	Significant changes in scope / aspect boundary		-	None
Stakeholder engagement				
G4-24	List of stakeholders engaged		6-7	
G4-25	Basis of identification and selection of stakeholders		-	Stakeholders engaged specifically for this report were identified based on their understanding of BEA group's operations and / or CSR issues.
G4-26	Stakeholder engagement approach and frequency	Reporting guidance 6	6	
G4-27	Key topics and concerns raised by stakeholders and the organisation's response		6-7	

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Report profile				
G4-28	Reporting period		1	
G4-29	Date of last report		-	CSR Report 2014 published in May 2015.
G4-30	Reporting cycle		-	Annual
G4-31	Contact point		1	
G4-32	GRI 'in accordance' option chosen		1	Core
G4-33	External assurance		-	No external assurance for report content
Governance				
G4-34	Governance structure		14-15	Also refer to Corporate Governance Report in the Annual Report 2015 .
Ethics and integrity				
G4-56	Describe the organisation's values, principles, standards and norms of behaviour		2-3, 14-17	Also refer to Corporate Governance Report in the Annual Report 2015 .
Specific standard disclosures				
Economic value generated and distributed				
Disclosure of Management Approach ("DMA")			12-13, 25-30	Group Guidelines for Community Investment launched in 2015.
G4-EC1	Economic value generated and distributed		12-13, 39	Also refer to Annual Report 2015 .

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Energy consumption				
DMA		GD A2	31-32	Also refer to Environmental Policy .
G4-EN3	Energy consumption within organisation	KPI A2.1	39	
G4-EN5	Energy intensity	KPI A2.1	40	
G4-EN6	Reduction of energy consumption	KPI A2.3	31-32, 40	
Paper consumption and waste				
DMA		GD A2	32	
G4-EN23	Total weight of waste by type and disposal method	KPI A1.4	40	Only paper is considered material for the Group.
Employee benefits and turnover				
DMA		GD B1	21-23	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	KPI B1.2	41	
G4-LA3	Return to work and retention rates after parental leave, by gender		41	
Employee / management communication				
DMA			24	
G4-LA4	Minimum notice periods regarding operational changes		-	While the Group does not have a minimum notice period, we strive to ensure that employees are kept informed, as soon as practical, of any operational changes that could significantly affect them.

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Occupational health and safety				
DMA			24	The Group operates in the service industry where the risk of fatalities and severe injuries on the job is minimal. We have chosen to discuss staff wellness, as stress is a significant risk in our industries.
G4-LA6	Types of injury and rates of injury, lost days and absenteeism, and total number of work related fatalities by region and gender	KPI B2.1 KPI B2.2	42	
Training and career development				
DMA			21-22	
G4-LA9	Average hours or training per year per employee by gender, and by employee category	KPI B3.2	42	
Equal opportunities				
DMA		GD B1	24	
G4-LA12	Composition of governance bodies and employees per employee category by indicators of diversity		42	
Grievance mechanisms				
DMA			24	
G4-LA16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms		24, 42	Both grievances were successfully resolved.

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Non-discrimination				
DMA		GD B1	24	
G4-HR3	Total number of incidents of discrimination and corrective actions taken		-	There were no incidents of discrimination in 2015.
Anti-corruption				
DMA		GD B7	16	
G4-SO5	Confirmed incidents of corruption and actions taken	KPI B7.1	16, 43	
Compliance				
DMA			15-16	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		43	
Contribution to the community				
DMA			25-26	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes		-	We regularly engage with local communities in all our locations of operation through our volunteer teams and community investment initiatives.
Customer feedback channels				
DMA			19	
G4-PR5	Results of surveys measuring customer satisfaction	KPI B6.2	19	

GRI G4 Indicator	Detail	HKEx ESG Guide Reference (General disclosure)	Page	Remarks
Fair design and marketing of products and services				
DMA		GD B6	18-20	BEA's New Products, New Legal Entities and Mergers & Acquisitions Policy requires oversight from the Senior Management and the involvement of relevant business units in the development of new products and services to ensure compliance with regulatory requirements.
G4-PR7	Total number and incidents of non-compliance with regulations and voluntary codes concerning marketing communications		43	None
Customer privacy				
DMA		KPI B6.5	18-19	
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data		43	None
Compliance of products and services				
DMA		GD B6	15-16, 18-19	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		43	None

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