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Our Vision is to be
YOUR PREMIER BANK

Our Mission is to

- Build** customer satisfaction and provide quality and professional service
- Offer** rewarding career opportunities and cultivate staff commitment
- Create** values and deliver superior returns to shareholders

Our Core Values are

- Social Responsibility** We care for and contribute to our communities
- Performance** We measure results and reward achievement
- Integrity** We uphold trustworthiness and business ethics
- Respect** We cherish every individual
- Innovation** We encourage creativity
- Teamwork** We work together to succeed

Combining the initials of mission and core values, we have
BOC SPIRIT



ABOUT BOC HONG KONG (HOLDINGS) LIMITED

In 1917, Bank of China established a branch in Hong Kong. After restructuring in 2001, the Hong Kong Branch of the Bank of China was registered as BOC Hong Kong (Holdings) Limited (“the Company”). The Company holds the entire equity interest of its principal operating subsidiary, the Bank of China (Hong Kong) Limited (“BOCHK”). Bank of China Limited holds a 66.06% equity interest in the Company through its indirect wholly-owned subsidiary, BOC Hong Kong (BVI) Limited. The Company began trading on the Main Board of the Stock Exchange of Hong Kong on 25 July 2002 and is one of the largest listed companies in Hong Kong, with stock code “2388” and ADR OTC Symbol “BHKLY”. As of 31 December 2015, the Company’s market capitalisation was HK\$250.6 billion, among the top 20 leading stocks on the Main Board of the Stock Exchange of Hong Kong in terms of market capitalisation.

BOCHK is a leading listed commercial banking group in Hong Kong with strong market positions in all major businesses. It has the most extensive local branch network and diverse service platforms, including about 220 branches¹, efficient e-channels with over 1,000 self-service machines, Internet and Mobile Banking Services. It offers a comprehensive range of financial services to personal, corporate, SME, multinational and institutional customers. BOCHK is one of the three note-issuing banks and the sole clearing bank for Renminbi (“RMB”) business in Hong Kong. With its strong RMB franchise, BOCHK is the first choice for customers in this business. Through deep collaboration with its parent bank, Bank of China, BOCHK provides a full range of high quality cross-border services to multinationals, cross-border customers, Mainland enterprises going global, central banks and super-sovereign organisations.

As a mainstream bank with roots firmly planted in Hong Kong for nearly 100 years, we are committed to fulfilling our social responsibilities to promote sustainable development and create greater value for our customers, shareholders, employees and the community.

ABOUT THIS REPORT

This report provides an annual summary of the corporate social responsibility (“CSR”) activities of BOC Hong Kong (Holdings) Limited and its subsidiaries (comprising BOCHK, Nanyang Commercial Bank² (“NCB”), Chiyu Banking Corporation Limited and others, collectively referred to as “the Group” or “we”) during the 2015 calendar year. Information in this report covers the Group’s CSR approach, stakeholder engagement, business development and growth, corporate governance, caring for employees, environmental performance, contribution to communities and supply chain management.

This is the first CSR Report prepared in accordance with the Global Reporting Initiative (GRI G4 Core) Guidelines. It is also the first time the Group has conducted a materiality assessment in order to better disclose its economic, environmental and social impacts. The report is also prepared in compliance with the Environmental, Social and Governance (“ESG”) Reporting Guide (Main Board Listing Rules Appendix 27) issued by the Hong Kong Exchanges and Clearing Limited (“HKEx”).

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

Your Feedback

To help us disclose our CSR performance more comprehensively, we sincerely hope that you could complete the feedback form and return it to us by email or mail. Please click [here](#) for the feedback form.

¹ On 18 December 2015, the Company announced the disposal of Nanyang Commercial Bank (NCB), and completed the share transfer on 30 May 2016. From this date onwards, NCB is no longer considered a subsidiary of the Company and BOCHK. The 220 branches do not include any Nanyang Commercial Bank (NCB) branches. There would be 262 branches if including NCB as of 31 December 2015.

² Unless otherwise specified, this report also covers the performance of NCB which was a member of the Group within the reporting period.

CHIEF EXECUTIVE'S MESSAGE

“ We will adhere to our strategic goal of Serving Society, Delivering Excellence and implement our sustainable development strategy. We are committed to creating greater value for our stakeholders, contributing to Hong Kong's economic development, improving the livelihood of the community, and working towards the long-term prosperity and stability of the community. ”

YUE YI
Vice Chairman &
Chief Executive



2015 was a year of considerable progress for the Group, with remarkable achievements in our banking business, financial performance and CSR activities. Adhering to our strategic goal of Serving Society, Delivering Excellence, the Group implemented a wide range of CSR initiatives, earning broad recognition from the communities. BOC Hong Kong (Holdings) Limited has been included as a constituent of the Hang Seng Corporate Sustainability Index Series for six consecutive years. In 2015, the Group was selected as a top 20 performer in the newly-launched Hong Kong Business Sustainability Index (HKBSI) in appreciation of our performance regarding CSR values, practices and impacts. The Group has also been named a Caring Company by the Hong Kong Council of Social Service since 2003. During the year, BOCHK was named the Strongest Bank in Asia Pacific and Hong Kong by *The Asian Banker* and the Bank of the Year in Hong Kong 2015 by *The Banker* magazine. We are committed to creating value for customers, employees, shareholders, investors and the general public.

Stakeholder Engagement

Attaching great value to stakeholders' feedback, we maintain effective communication with our stakeholders. During the reporting year, we continued to implement the Stakeholder Engagement Strategy and solicited opinions on our CSR performance from our stakeholders through a wide array of channels. In order to strengthen mutual communication with the staff, the Chief Executive's mail box has been newly set up to receive valuable comments and suggestions from employees. I have also visited our branches and business units to discuss with our colleagues in person to better understand their thoughts. In this year's stakeholder engagement survey, we have enlarged the scale of our interviewee pool. We have also conducted our first materiality assessment to better disclose the Group's economic, environmental and social impacts, which has proved helpful in enacting better CSR Policy and directing our efforts to more social causes. Our findings show that our stakeholders pay more attention to such issues as employees' welfare and development, social responsibility laws and regulations, product responsibility and financial performance. The relevant issues are fully reflected in the CSR Report 2015, and we will base on the opinions collected to further improve our CSR performance.

Supporting Economic Development and Serving the Public

As a major banking group in Hong Kong, we strive to contribute to the long-term economic development of Hong Kong and strengthen its position as an international financial centre, especially for its role as a major offshore RMB hub. During the year, we continued to strengthen our clearing bank infrastructure. We extended our clearing service hours for our RMB Real Time Gross Settlement System in Hong Kong and enhanced the real-time RMB clearing services for overseas participating banks and clearing banks. In 2015, the total transaction amount increased by 30% year-on-year to over RMB220 trillion, and the number of RMB transactions grew by about 43% to 4.25 million.

We have supported the business development and financial management needs of customers from different segments. In order to enhance our services and fully capitalise on the Group's most extensive branch network in Hong Kong, we have launched a branch transformation project to provide more customer-centric services which has enriched the product offerings and functions offered by branches. It has also reinforced our ability to serve corporate, SME and personal customers, and upgraded our investment and wealth management services. Meanwhile, we have optimised our business processes and operations to provide premier financial services to all customer segments.

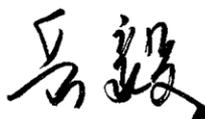
Caring and Benefiting Society

We proactively support CSR activities in a diverse range of areas, including charities, education, arts and culture, sports and environmental protection. BOCHK Charitable Foundation has contributed over HK\$200 million to the community since its establishment in 1994.

The Group continues to encourage customers, employees and the community to take part in different CSR activities. In the reporting year, we have collaborated with the Federation of Hong Kong Industries and launched the "BOCHK Corporate Environmental Leadership Awards Programme" which aims to recognise the environmental achievements of manufacturing and service enterprises in Hong Kong and the Pan-Pearl River Delta region. The programme received an overwhelmingly positive response with over 450 corporate participants.

We also encourage our employees to participate in community activities. Our Dynamic Volunteer Team consists of 1,400 of our employees. Last year, they have joined hands with family members and friends to take part in 136 volunteering activities and have contributed over 44,000 service hours, representing an increase of 89% year-on-year. The dedication of our volunteers has been recognised by the Social Welfare Department through its Gold Award for Volunteer Service for six consecutive years.

Looking ahead, we, as a mainstream bank with roots firmly planted in Hong Kong for nearly 100 years, will uphold our principle of "Serving where we are rooted" and continue to contribute to Hong Kong in pursuit of excellence. In line with the Group's development strategy, we will continue to develop innovative products and enhance our ability in recruiting and serving customers. As a systematically important domestic bank, we endeavour to enhance our management standards and proactively manage assets and liabilities. In addition, we will focus on heightening professionalism among our staff and increasing leanness and effectiveness in risk control, internal control and compliance in our operations as these are all essential for a sustainable and healthy business. Furthermore, we will further strengthen anti-money laundering management by implementing more specialised and effective monitoring procedures, systems and framework. We will continue to develop our corporate culture, upholding our philosophy of customer-centric service and market-oriented competitive concepts at all levels of the Group. We will also focus on reinforcing our culture of innovation, responsibility, communication and execution to enhance our overall competitiveness. Fulfilling social responsibility is an important commitment of the Group. Therefore, we will focus on enhancing our charity work, helping the underprivileged and supporting education and environmental protection. We are committed to creating greater value for our stakeholders, contributing to Hong Kong's economic development, improving the livelihood of the community, as well as working towards the long-term prosperity and stability of the community.



YUE YI

Vice Chairman & Chief Executive



OUR CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT APPROACH

We see being socially responsible as a means of strengthening our core competitiveness and raising brand value. Adhering to the strategy of “Serving Society, Delivering Excellence”, we consider CSR as an integral part of our business operation, incorporate CSR into our strategy and act responsibly. We set our CSR Policy and management structure and continue to make improvements in these areas. We also establish effective stakeholder communication mechanisms. We are committed to making positive impacts on our key stakeholders as well as the local economy, society and environment.

CSR Policy

The Group’s CSR implementation is guided by a CSR Policy and an Environmental Policy. These policies have been set with reference to various international and local guidelines on CSR, including the UNEP (“United Nations Environmental Programme”) Statement by Financial Institutions on the Environment and Sustainable Development, ISO 26000-2010: Guidance on Social Responsibility, and other sustainability-related principles. The Group also has a

Sustainable Procurement Policy and a Supply Chain Code of Conduct to ensure that our suppliers comply with our requirements on their ethics, corporate governance, environmental standards and fair labour conditions.

For effective implementation of our CSR strategies, we have established a management framework. We have a CSR Committee which is chaired by the Group’s Chief Executive and comprises the senior management of the Group and the subsidiaries. The Committee

is responsible for stipulating and reviewing CSR strategies and policies, and overseeing execution of the strategies.

Stakeholder Engagement Mechanism³

The Group attaches great value to stakeholders’ opinions and take them as important grounds when mapping out our overall development strategies. Through internal studies and discussions, we have identified the stakeholder groups related to



Senior management pays regular visits to business units and branches to enhance communication with staff

our business operation, and have developed effective communication channels and platforms. In October 2011, we devised the Stakeholder Engagement Strategy and confirmed the Stakeholder Engagement Plan from 2012 to 2016, so that we could regularly solicit stakeholders' expectations and views on the Group's performance. We would review and evaluate the Group's CSR performance based on their feedback, and better respond to our major stakeholders.

Assessment of Corporate Social Responsibility Issues⁴

In 2015, we have conducted assessment on the materiality of CSR issues. The assessment was done with reference to our Stakeholder Engagement Strategy, taking consideration of various factors including the economic, environmental and social conditions, and integrating them with stakeholders' opinions

and their possible impacts on the Group. We engaged an external consultant to conduct a survey via focus groups, face-to-face interviews and questionnaires with over 500 stakeholders inside and outside the Group, according to GRI-G4 Guidelines and the HKEx ESG Reporting Guide. The stakeholders participated included employees, customers, shareholders and the investment sector, the Government and regulators, professional institutions, suppliers, charity



Stakeholder Engagement Platforms⁵

Key Stakeholders	Key Engagement Platforms	
Customers	<ul style="list-style-type: none"> • Communications with front-line staff • Call centre • Customer satisfaction surveys • Collection of feedback • Focus group discussions 	<ul style="list-style-type: none"> • Online surveys • Corporate website • Quality Assurance Unit to respond to customers' opinions and suggestions • Customer talks and seminars
Employees	<ul style="list-style-type: none"> • Regular updates through staff magazine, intranet and announcements • Departmental meetings • Chief Executive's mail box • Online surveys • Focus group discussions 	<ul style="list-style-type: none"> • Platform to collect staff feedback and suggestions • Staff discussion forums • Staff hotline • Staff performance assessment • Staff networking events • Awards and recognition activities
Shareholders and the investment community	<ul style="list-style-type: none"> • Company's Annual General Meeting • Focus group discussions • Investor emails and meetings • Online surveys 	<ul style="list-style-type: none"> • Company announcements • Corporate website • Annual, interim reports and results announcements
Government and Regulators	<ul style="list-style-type: none"> • Regular meetings and communications • Compliance reports 	<ul style="list-style-type: none"> • Representatives at committees of major industries or government bodies • Forums
Supply Chain	<ul style="list-style-type: none"> • Meetings and communications • Regular supplier reviews • Supplier management 	<ul style="list-style-type: none"> • Online surveys • Focus group discussions
Community	<ul style="list-style-type: none"> • Sponsorships and donations • Seminars and forums 	<ul style="list-style-type: none"> • A diverse range of community activities for the grassroots and the underprivileged • Volunteer activities • Focus group discussions

⁴ GRI G4 Material Disclosure: G4-18, 27

⁵ GRI G4 Material Disclosure: G4-24, 27

partners and media. After studying the findings of the survey, we selected 23 material issues out of 48 social responsibility issues based on the importance level as suggested by the two reports mentioned above. The prioritisation principles include:

- Identification: Material aspects are identified through analysing social

policies, industry benchmarks and best practices, media reports, and social issues that are of concern to the public.

- Evaluation: Responses from stakeholders contribute to weighing of the CSR aspects' materiality scores. It is also based on the impact on our business.

- Ranking: Based on the materiality scores provided by our stakeholders, we prioritise the materiality of CSR aspects quantitatively, and identify aspects with greater importance. Aspects considered material will be discussed throughout this report.

The 23 Material Issues

CSR Categories ⁶	Material Issues ⁶	Impacts within the Group ⁷	Impacts outside the Group ⁸	Corresponding Sections in this Report ⁹
Economic	Overall financial performance ¹⁰	✓	✓	• Our Business Development
	Indirect economic impacts	✓	✓	
Product Responsibility	Protecting customer privacy	✓	✓	• Diverse Banking Services
	Providing products and services enclosed with clear statements and terms	✓	✓	
	Complying with product responsibility and service regulations	✓	✓	
	Responsible marketing communications	✓	✓	
Society	Anti-corruption	✓	✓	• Robust Corporate Governance System • Contribution to the Community
	Contributing to local communities	✓	✓	
Human Resources And Labour Practices	Employer-employee relationship	✓		• Caring for Employees
	Talent management and employee development	✓		
	Diversity and equal opportunity	✓		
	Labour relations	✓		
	Occupational health and safety	✓		
	Anti-discrimination	✓		
	Preventing inappropriate employee behaviour	✓	✓	
	Employee feedback mechanism	✓		
Environmental Requirements	Energy management and efficiency	✓		• Environmental Performance
	Carbon footprint	✓		
	Material consumptions	✓		
	Products and services with environmental considerations	✓	✓	
	Waste Reduction	✓	✓	
	Management and efficiency of water usage	✓		
	Overall environmental performance	✓	✓	

6 GRI G4 Material Disclosure: G4-19
7 GRI G4 Material Disclosure: G4-20
8 GRI G4 Material Disclosure: G4-21

9 GRI G4 Material Disclosure: G4-27
10 GRI G4 Material Disclosure: G4-17



OUR BUSINESS DEVELOPMENT

As a major bank rooted in Hong Kong for nearly a century¹¹, we fully leverage our competitive advantages to provide customers with comprehensive and high-quality services. While maintaining sustainable business growth, we make every effort to contribute to the enhancement of Hong Kong as an international financial hub and the long-term development of its economy. We have delivered another year of record results in 2015.

Business Performance¹²

Another Record Year with Healthy Key Financial Ratios

The Group's profitability continued to increase in 2015. Profit attributable to the equity holders achieved a new high of HK\$26,796 million, up 9.0%. Non-interest income reported strong growth. As of 31 December 2015, total assets were HK\$2,367,864 million, up 8.2% year-on-year. Return on average total assets ("ROA") and return on average shareholders' equity ("ROE") were 1.19% and 14.51% respectively. The Group maintained a strong capital base, with a total capital ratio of 17.86% and Tier 1 capital ratio of 12.89%,

up 0.35 percentage point and 0.51 percentage point respectively. Our liquidity position remained sound as we adhered strictly to regulatory requirements on the liquidity coverage ratio. In addition, our asset quality was benign, with the classified or impaired loan ratio staying at 0.24%, which was below the market average. The Group focused on disciplined cost control and improved operational efficiency, and at the same time supported long-term development through continuously investing resources in infrastructure. The cost to income ratio remained at a low level of 28.91%, while operating expense has increased by 10.3%.



2015 Financial Highlights

For the year	2015 HK\$m	2014 HK\$m	Change +/(-)%
Net operating income before impairment allowances (Continuing operations)	40,942	37,903	8.0
Operating profit before impairment allowances (Continuing operations)	29,106	27,175	7.1
Profit attributable to the equity holders of the Company	26,796	24,577	9.0
- from continuing operations	23,969	21,927	9.3
- from discontinued operations	2,827	2,650	6.7
Earnings per share			
- profit for the year	2.5344	2.3246	9.0
- profit from continuing operations	2.2670	2.0739	9.3
Return on average total assets (%)	1.19	1.19	
Return on average shareholders' equity (%)	14.51	14.65	
At year-end	2015 HK\$m	2014 HK\$m	Change +/(-)%
Total assets	2,367,864	2,189,367	8.2
Deposits from customers ¹³	1,407,560	1,276,887	10.2
Advances to customers ¹³	890,243	811,486	9.7
Classified or impaired loan ratio (%) ¹³	0.24	0.22	

¹¹ GRI G4 Material Disclosure: G4-5

¹² GRI G4 Material Disclosure: G4-17

¹³ Figures excluding NCB. Please refer to our 2015 Annual Report for further details



Leveraging Our Strengths, Steady Growth in Major Businesses

We are customer-centric to better serve our customers, and have continued to drive innovation in products and services. We provide a full range of financial, investment and wealth management services to personal, corporate, SME and institutional customers as well as high-quality cross-border services to multinationals, cross-border customers, Mainland enterprises going global, central banks and super-sovereign organisations. This led not only to the growth in our customer base but also to higher levels of customer satisfaction.

Our major businesses achieved satisfactory performance. Deposits from customers rose by 10.2% to HK\$1,407,560 million and advances to customer grew by 9.7% to HK\$890,243 million, with both outperforming the market, and gaining higher market shares as compared with that of the end

of last year. We maintained our leading market positions in areas such as RMB business, syndicated loans, residential mortgage loans and UnionPay cards. For the 11th consecutive year, we ranked first as the lead arranger for syndicated loans in the Hong Kong and Macau region, and maintained the largest market share of the IPO receiving bank business for five years in a row. Moreover, we gained the largest share of the market in new mortgage loans. Customer base of wealth management services expanded. The number of new securities accounts opened doubled from 2014. Securities, insurance and funds distribution recorded satisfactory growth as the Group successfully captured opportunities from increased transactions in the local stock market.

The Group further strengthened its leadership in RMB business. In 2015, we became the sole settlement bank for Shanghai-Hong Kong Gold Connect. We completed the world's

first repo transaction as an offshore RMB business participating bank in the interbank bond market on the Mainland, and successfully issued the first RMB financial bond ("Panda bond") by an international commercial bank in the Mainland interbank bond market. We maintained our status as one of the largest RQFII service providers in Hong Kong, and reinforced our market leadership in the RMB treasury business and insurance business.

Accelerating Diverse and Regional Development, Enhancing Sustainable Development Capabilities

In order to sharpen the Group's competitive edge, we defined our eight major business platforms, namely, credit cards, private banking, life insurance, asset management, cash management, custody, trust, and securities and futures. We are channelling more resources into these platforms to accelerate their development and have made good progress on this front so far.

The Company has accelerated to be in line with the implementation of the strategic plans in the ASEAN region and Hong Kong; we pushed forward the disposal of NCB and the proposed restructuring of the assets in the ASEAN region. This opened a new chapter in BOCHK's transformation from a local bank into a regional bank.

Furthermore, the Company has been actively pressing on with the transformation of our branch outlets and Internet finance strategy, promoting cross-channel integration and enhancing our platform. In order to fully capitalise on the Company's most extensive branch network in Hong Kong, we launched a branch transformation project to provide more customer-centric services. Through

this project, we aim to enrich the products and functions, optimise our business processes and operations, reinforce our ability to serve our corporate and SME customers, and upgrade our investment and wealth management services. In line with the ongoing development of the Internet, big data and cloud computing technologies, we set up an Internet finance development plan in order to integrate Internet technology with the traditional banking business, and to accelerate cross-channel integration and collaboration.

Supporting Economic Growth

The Group remained committed to strengthening Hong Kong's position as a major offshore RMB hub and promoting the continuous development of RMB internationalisation. As the sole clearing bank in Hong Kong's offshore RMB market, BOCHK has been making further improvements in its clearing facilities and capabilities. We strengthened our clearing bank infrastructure, extended our clearing service hours for our RMB Real Time Gross Settlement System (RMB RTGS) in Hong Kong to 20.5 hours a day to provide highly efficient, convenient and instantaneous clearing services to RMB participating banks across European, American and Asian time zones. Our efforts facilitated the robust development of the offshore RMB market. In 2015, the total RMB transaction amount increased by 30% year-on-year to over RMB 220 trillion, and the number of RMB transactions grew by about 43% to 4.25 million.

The Group also launched the innovative Extended Clearing Service in the RMB RTGS System by enhancing the system architecture and adding a new tier of participant called Global

Users. This new function provided convenience to participating banks' provision of real-time RMB clearing services to their corresponding banks. In addition, the Group continued to act as an active Primary Liquidity Provider with additional RMB liquidity to stabilise the market. BOCHK provided cross-border RMB loans and cross-border RMB capital pooling services to customers in the new pilot Free Trade Zones of Guangdong, Tianjin and Fujian.

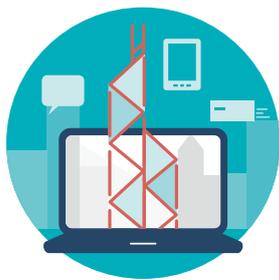
Further, we have captured business opportunities arising from the Belt and Road Initiative. The Belt and Road Initiative is a national development strategy which aims to optimise economic development settings. It creates new growing segments, facilitates connectivity of facilities, and broadens industrial investment as well as economic and trade cooperation. This initiative offers huge business and development opportunities to many industries such as finance, shipping and trade, industrial transfer, and service industries. Hong Kong, as an international financial centre and with a solid foundation in a wide array of sectors, is a point of focus across the Belt and Road. Being a major financial services institution in Hong Kong, BOCHK aims to seize the



national opportunities, play an active role in constructing financial corridors in collaboration with the parent bank, and support global corporations in exploring opportunities offered by the Belt and Road Initiative.

In 2015, the Group fully leveraged its own competitive advantages, and provided a wide variety of high-quality financial products and services that suit customer needs in the Mainland of China, Hong Kong, ASEAN and around the world. During the year, BOCHK strived to explore business opportunities related to the Mainland enterprises going global, and met customers' diverse financing needs arising from Belt and Road related infrastructure projects and stepped up our efforts in both cross-regional and cross business platform cooperation as well as product innovation in close collaboration with our parent bank.





DIVERSE BANKING SERVICES

To tie in with the customer-centric vision of the Group, we aim to provide various sectors of the society with excellent and convenient banking services. As of the end of 2015, the Group's had 262 branches in Hong Kong. With our branch network, and efficient e-channels of over 1,000 self-service machines (such as ATMs and Cash Deposit Machines), Internet and Mobile Banking Services, the Group offers a comprehensive range of financial products and services to meet the needs of customers. During the year, we continued to establish new concept branches in strategic districts, extend the coverage of self-service outlets and enhance mobile banking services, to optimise our services and provide our customers with convenient banking experience.

Well-established Customer Service Mechanism¹⁴

Listening to customers' opinions and enhancing our customer service mechanism help us keep improving. In order to communicate with customers in a more convenient way and gather their opinions, we continue to enhance the management of our Quality Service Management Unit which was established to handle banking service-related feedback, opinions and recommendations by personal customers. Opinions are also gathered through multiple channels such as focus group discussions, direct communication between frontline staff and customers, as well as customer satisfaction surveys. Through organising regular seminars

and interviews, we can better communicate with our corporate customers and understand their needs, which help them grasp business opportunities and expand their business.

BOCHK is a supporter of the "Treat Customers Fairly Charter" initiated by the Hong Kong Monetary Authority ("the HKMA"). Through training, we ensure that every staff member clearly understands the principles of the Charter and implements relevant policies and practices at work.

Protecting Customers' Privacy¹⁴

The Group formulates personal data privacy policies and management solutions in accordance with the Personal Data (Privacy) Ordinance, and requests all units to strictly enforce them by:

- properly collecting and keeping customers' information needed for banking services, and preventing any unapproved or unauthorised access, processing, distribution or usage;
- prohibiting any unauthorised direct marketing to customers in accordance with the Personal Data (Privacy) Ordinance;
- allowing the data subjects to exercise their right to notify the Group at any time to stop distributing messages for direct marketing, and to stop the Group from using or providing their data to others.

Our Privacy Policy Statement is available on the BOCHK website (www.bochk.com) for customers and relevant parties to access anytime.

Enhancing Customer Experience Through Innovative Technology

To provide customers with more flexible, efficient and convenient banking services, which elevate our customers' experiences, we continue to develop electronic service platform through innovative technology.

Mobile Banking Service

Smart phones have become daily necessity of the general public. As a bank serving the public, BOCHK introduced Mobile Banking Services in 2010. The latest version of Mobile Banking was introduced in 2015 with enhanced functions. The user interface can automatically adapt to different mobile devices. New functions such as "Information about China A-shares in the Shenzhen stock market" and "Mortgage e-Assessment" were added in order to provide more information to customers. In addition, we pioneered the use of enhanced verification technology for instant online approval of customers' loan application. As of the end of 2015, our customers using personal Internet Banking and Mobile Banking Services increased by 7.5% and 20.4% respectively, as compared with 2014.

While our official WeChat account provides banking and credit card account enquiry services, we have

also introduced the “Hong Kong Information” function in WeChat to promote cross-border business activities by publishing information on “Living in Hong Kong”, schools enrolling, Hong Kong accounts opening and migration to Hong Kong. Furthermore, we provide account opening reservation services via WeChat for customers from the Mainland of China.

E-Cheque Service

Our e-Cheque service has the longest cut-off time for cheque issuing or depositing among our peer banks to help customers save costs. To enhance customers’ understanding of the use of e-Cheques, we proactively promote this service. In 2015, we held business seminars for large associations, including The Chinese Manufacturers’ Association of Hong Kong, Hong Kong Small and Medium Enterprises Association, Federation of Hong Kong Industries and The Hong Kong Importers’ & Exporters’ Association. In total, we have engaged over 200 organisations.



Serving the Different Needs of Customers

The Group has the most extensive local branch network and 24-hour self-service banking centres, distributed across transportation hubs, shopping malls and residential areas in Hong Kong. For customers in remote areas and public housing estates, we have set up self-service banking centres for their convenience. In total, we have 34 round the clock self-service banking centres. In 2015, we have added 17 automatic banking sites, of which 7 are located in shopping malls of public housing estates¹⁵. In addition, we have added 12 new self-service banking centres throughout Hong Kong International Airport, providing convenient services for travellers.

We also provide barrier-free services for people with special needs. Protruding symbols are provided on all of our ATMs, around 95% of which have soft keypads on both sides of the screens for account/service selection. We are also the first and the only local bank to introduce Voice Navigation ATMs for the convenience of the visually impaired. To help wheelchair access to branches, we installed sloping platforms. We also have facilities in our branches like bells so that our Customer Service Ambassadors can provide timely assistance to those in need. In addition, our ATMs are installed at a level where the keypads and screens are suitable for wheelchair access.



CASE STUDY

Dr Simon Suen, JP, Founder and Chairman of SML Group

SML is a global business and branding solutions provider. In the past three decades, it has grown into a global company with a presence in 38 countries. From the time when Dr Suen recognised the unlimited potential of the woven label industry and first established the business after his trip to the United States, to today as he actively expands his business at a global scale with innovative technologies, BOCHK has always worked in close cooperation with SML. With its diverse banking products and services, BOCHK has helped Dr Suen take advantage of business opportunities. Over the years, BOCHK and Dr Suen have also developed a long-term cooperative partnership.



Reverse Mortgage

Ms Cheung, a retired teacher, is not familiar with reverse mortgages. After understanding her needs, our staff member, Mr Lo, explained to her the details of the programme and how reverse mortgage could help solve her personal living problems.

Letter from Ms Cheung to Mr Lo

The entire process was very smooth. Mr Lo has demonstrated his professional attitude and patiently introduced the programme and explained the details to me. Mr Lo was able to analyse my needs comprehensively and elaborated the benefits and risks of the programme. This has helped me on making the right decision. Mr Lo’s friendliness and sincerity have given me a deep impression, which has greatly increased my confidence in BOCHK. I hope to continue to enjoy BOCHK’s excellent services in the future.



Supporting Business Development of SMEs

SMEs are important drivers of Hong Kong's economic growth. They are also customers we treasure and support. In order to facilitate the business expansion of SMEs, we offer one-stop wealth management solutions and holistic cross-border financial services through Corporate Banking Centres and professional teams in various branches. During the year, we added the One-hour Preliminary Approval Service to our BOC Small Business Loan service, as well as providing the Hong Kong Mortgage Corporation Limited's SME Financing Guarantee Scheme and the Trade and Industry Department's SME Loan Guarantee Scheme. BOCHK has been sponsoring the "SME One", a consultancy centre, established by the Hong Kong Productivity Council, which aims to provide comprehensive information in relation to the latest market trends, technological developments and financing for SMEs.

Furthermore, we have regularly organised economic and business seminars to provide SME customers with market updates such as the "Seminar on investment strategies in the Mainland of China and Hong Kong" seminar series. Representatives of SMEs have expressed that the seminars' topics were rich and practical, and the seminars have provided them with useful business information. The Group has also helped promote cooperation between SMEs and Mainland enterprises through running exchange programmes, which has helped SMEs with business investments, technologies exchange and trade cooperation in the Mainland of China¹⁶, in a view to benefiting various parties.



Our family banking service enables customers to enjoy one-stop services on family savings, housing, investments and protection

In order to fully capitalise on our most extensive branch network in Hong Kong, and to be in line with our customer-centric vision, we facilitated our branch transformation project to advance our service capability for corporate and SME customers, as well as optimising our business processes and operation. Through customer segmentation, we are able to provide tailored and comprehensive financing and corporate services to local SMEs, so as to fully support local SMEs.

In recognition of the Group's long-standing support to SMEs in Hong Kong, BOCHK received the Best SME's Partner Award from the Hong Kong General Chamber of Small and Medium Business for eight years in a row. The judging panel which comprises government officials, representatives from the industry and the academic, selects the winning organisation based on its product, service, customer communication and corporate social responsibility performance, so as to recognise its contributions to local SMEs.

Young and Family Customers

In order to instil right concepts and attitudes of wealth management in young customers, we have extended the service base of i-Free Banking to secondary students aged 11 or above, offering savings account

services, Internet and Mobile Banking Services.

To further promote investor education, we have joined hands with 15 clubs from 12 tertiary institutions to hold the Hong Kong Tertiary Students Virtual Securities Investment Contest. Our goal is to help the participants enhance their investment knowledge, skills and strategies in response to market fluctuations. The Centennial College, in affiliation with the University of Hong Kong, invited BOCHK to introduce the Shanghai-Hong Kong Stock Connect and the overview of the Hong Kong stock market at two seminars.

Family is the core of our society. To meet our customers' needs on family savings, housing, investments and protection, we actively develop appropriate products and services including monthly savings plans, family securities products (e.g. Family Securities Accounts), and BOC Family Medical Insurance Plan. Customers and their family members can enjoy our one-stop services for enhanced experiences. During the year, we held a series of seminars and fun days to educate families on financial management. Experts were present to share topics such as financial management and advice on further education, which helps promote parent-child bonding and social harmony.

Senior Customers

To further improve our services to senior customers, we actively participate in the Reverse Mortgage Programme launched by the Hong Kong Mortgage Corporation. This programme allows qualified seniors to use their residential properties as collateral in return for a stream of annuity payments through mortgages. In this programme, seniors do not have to repay the loan and can stay in their residence. We are a major bank in this programme with over 70% of its successful cases¹⁷.

We organise seminars, presentations and film screenings in various districts on a continuous basis in order to introduce reverse mortgage products to seniors and to share the Reserve Mortgage Programme experience with people who have retired or who are planning to retire. With these flexible programmes, we can help promote capital growth and increase the quality and security of the retired people¹⁸.

We also participated in the Premium Loan Insurance Scheme launched by the Hong Kong Mortgage Corporation, which provides land premium mortgages to subsidised housing owners aged 50 or above. This allows owners to lease or sell

their properties in the market, hence providing higher flexibility for their retirement financial plans¹⁹.

To support the Portable Comprehensive Social Security Assistance Scheme and the new Guangdong Scheme for Old Age Allowance offered by the Social Welfare Department, we offer elderly customers preferential rates on remittances to the Mainland of China. Under both schemes, the elderly who have BOCHK accounts can continue to receive cash assistance in Guangdong or Fujian. In addition, we support the Senior Citizen Card Scheme of the Social Welfare Department by offering preferential interest rates on time deposits and a fee waiver on issuance of gift certificates.

In cooperation with the Hong Kong Association of Banks, we hold seminars at senior centres to promote self-service banking and assist seniors in learning about basic banking services. Furthermore, our volunteers visit elderly centres to educate senior citizens on the use of cards and ATMs²⁰.

Serving the Underprivileged²¹

We strive to provide convenient banking services to the underprivileged. We have waived

the minimum monthly balance charges and ATM card charges for their HKD savings accounts. Account holders aged 65 or above, or below 18, as well as recipients of Government Disability Allowances/ Comprehensive Social Security Assistance can enjoy a service fee waiver for counter transactions. Those who temporarily have special financial needs can also apply for such a fee waiver. In addition, no service fee is charged on dormant accounts in support of the HKMA's Treat Customers Fairly Charter.

We offer NGOs a comprehensive banking solution and discounts on charges to reduce their banking expenses. Additionally, we help increase their administrative efficiency through our comprehensive cash management solutions and facilitate donation collections with our Electronic Bill and Presentment and Payment Service. Charitable organisations can also enjoy waivers of the transaction processing fees for the donations made through BOC credit cards. We cooperate with New Home Association ("NHA"), a charitable organisation that provides services to new arrivals, ethnic minorities and the underprivileged in both Hong Kong and the Mainland of China, to provide convenient banking services to their members.



CASE STUDY

Mr Chan Wing On, Tai Hing Catering Group Chairman

Mr Chan established the first "Tai Hing Siu-mei (Chinese roast)" ("Tai Hing"), a fast food restaurant, at Sai Wan Ho in 1989. Tai Hing has developed and expanded the restaurant in 1995 and it currently owns eight brands with over 140 branches and more than 4,000 employees across the Mainland of China, Hong Kong and Singapore.

From Tai Hing's experience, Mr Chan deeply understands the importance of having a bank that provides reliable and excellent services. In recent years, Tai Hing has been actively expanding its business and has entered into the Mainland of China and Singapore. BOCHK has been very supportive to Tai Hing's business expansion, providing it with financial flexibility and tailored services. BOCHK's extensive branch network offers good services to meet the various business needs of Tai Hing, including employee payroll service and the MPF.



17 GRI G4 Material Disclosure: FS 7

18 GRI G4 Material Disclosure: G4-DMA-PR (Former FS16)

19 GRI G4 Material Disclosure: FS 7

20 GRI G4 Material Disclosure: G4-DMA-PR (Former FS16)

21 GRI G4 Material Disclosure: G4 FS14



ROBUST CORPORATE GOVERNANCE SYSTEM

We recognise the importance of high standards of corporate governance and maintain an effective corporate governance framework which delivers long-term target of the Group. The Company is strongly committed to embracing and enhancing sound corporate governance principles and practices. We have established a well-structured corporate governance framework that directs and regulates the business ethical conduct of the Company, to protect and uphold the interests of shareholders and stakeholders as a whole in a sustainable manner.

The Board of the Group is composed of a majority of Non-executive Directors and Independent Non-executive Directors that ensures the independence and objectivity of the decisions of the Board, as well as comprehensive and impartial control of the Management. Aiming to bring the greatest benefit to the Group as the top priority, the Board makes decisions objectively with a view to delivering long-term and maximum shareholder value, as well as fulfilling its corporate responsibilities for other stakeholders of the Group. Besides, through effective internal control mechanisms and comprehensive risk management, we have achieved a balance between risks and

returns, and have built trust with shareholders, employees, customers and the community.

To further enhance corporate governance standard, we revamp the corporate governance system and strengthen relevant measures by reviewing the corporate governance practices as adopted from time to time, and by referencing to market trend as well as the latest guidelines and requirements issued by regulatory authorities. We will maintain sound corporate governance standards and procedures, and strive to comply with relevant requirements of international and local corporate governance best practices.

Corporate Governance Essential Principles

Principles	
Eminent Board	The Board is responsible for supervising the management of the business and affairs of the Group with due regard to maximising shareholder value and enhancing corporate governance standard of the Group. The Board has a well-balanced composition of Executive Directors, Non-executive Directors and Independent Non-executive Directors. Both the number and percentage of the Independent Non-executive Directors are well above the requirements set by relevant rules and regulations. All Directors are eminent individuals from diverse disciplines with extensive professional experience and are able to make objective judgement.
Prudent Risk Management²²	The Board recognises the need for risk control and management being a vital component of the business of the Group. The Board formulates and oversees the risk management strategies, and the related framework and policies with the assistance of the Risk Committee and other relevant Board Committee(s). The Management performs the daily risk management responsibilities of the Group under the guidance of the Risk Committee.
Fair Remuneration System	The Company ensures that Directors' remuneration should be appropriate and reflects their duty and responsibility to fulfil the expectations of the shareholders and meet regulatory requirements. Directors' fees are subject to the approval of the shareholders. The Board, based on the recommendations of the Remuneration Committee which is mainly responsible for ensuring the fairness and reasonableness of the overall human resources and remuneration strategies, approves the remuneration policies of the Group. No Director shall be involved in deciding his or her own remuneration.

Corporate Governance Essential Principles (continued)

Principles	
Effective Disclosure Mechanism	The Board reviews and monitors from time to time the effectiveness of the Group's disclosure process for reports, announcements, price sensitive and inside information. It encourages and takes necessary steps to disclose information in a timely manner and to ensure the information concerning the Group is expressed and communicated in a clear and objective manner that enables the shareholders and the public to appraise the position of the Group to make informed investment decisions.
Upholding Shareholders' Rights	The Board respects the rights of shareholders as mandated by the articles of association of the Company and relevant applicable laws and regulatory requirements. The Board places utmost importance on maintaining effective communication with shareholders and also makes its best efforts to keep the shareholders informed of the business and affairs of the Company by maintaining various channels of communications and having direct dialogue with shareholders. In addition, the shareholders have the rights to obtain all available information of the Company, make proposals at general meetings, nominate a person for election as a director, and make enquiries about the Company.
Safeguarding Stakeholders' Interests	The Board has a fiduciary duty to protect the interest of all stakeholders of the Company including but not limited to employees, customers, business partners, suppliers, regulators and the community. All the interests of stakeholders of the Company are further safeguarded by strictly complying with applicable laws and regulations as well as governance policies.
Sustainable Corporate Social Responsibility	The Board attaches great importance to corporate social responsibility. The Company consistently supports and participates in activities that are beneficial to the community. It is committed to undertaking corporate social responsibility by strengthening relationship with its stakeholders with a view to contributing to the sustainable development of the economy, society and environment ²⁰ .
Pursuit of "Good to Great"	The Board encourages the pursuit of "Good to Great". With the assistance of the Nomination Committee, the Board ensures that each Board Committee shall conduct regular self-assessment of its effectiveness, and based on the evaluation results, the Board gives such feedback, directions and guidance as may be necessary to enhance its efficiency and effectiveness.

Corporate Governance Framework

Responsibilities of the Board and Management

The Board is at the core of the Company's corporate governance framework and there is a clear division of responsibilities between the Board and the Management. The Board is responsible for providing high-level guidance and effective oversight of the Management. The Board authorises the Management to implement the strategies as approved by the Board. The Management is responsible for the day-to-day operations of the Group and reports to the Board. For this purpose,

the Board has formulated clear written guidelines which stipulate the circumstances whereas the Management should report to and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Group. The Board will conduct regular review on these authorisation and guidelines.

Apart from formal Board meetings and annual general meeting, the Company arranges, on a regular basis, other communication events or casual events such as working meals for the Board members and the senior management to enhance their communication and interactions.

Roles of the Chairman and the Chief Executive²³

The positions of the Chairman and the Chief Executive of the Company are held by two different individuals. Their roles are distinct, clearly established and stipulated in the Board's Mandate. In short, the Chairman is responsible for ensuring that the Board properly discharges its responsibilities and conforms to good corporate governance practices and procedures. In addition, as the Chairman of the Board, he is also responsible for ensuring that all Directors are properly briefed on all issues currently on hand, and that all Directors receive adequate, accurate and reliable information in a timely



We attach a high degree of importance to continuous communication with shareholders, particularly through direct dialogue with them at our annual general meetings

manner. The Chief Executive is responsible for providing leadership for the whole Management and implementing important policies and development strategies as adopted by the Board. Led by the Chief Executive, the Management Committee fulfils responsibilities including management of the Group’s routine operation, implementation of business development strategies and realisation of the Group’s long-term targets and strategies.

Board Committees

Taking into consideration market practices and international best practices in corporate governance, the Board has established five standing Board Committees to assist

in performing its responsibilities. They are the Audit Committee, the Nomination Committee, the Remuneration Committee, the Risk Committee, and the Strategy and Budget Committee. Each of the Board Committees has a well-defined Mandate and makes recommendations to the Board on relevant matters within its scope of responsibilities or makes decisions under appropriate circumstances in accordance with the power delegated by the Board. In addition, according to their respective Mandates, the Board and each of the Board Committees will evaluate and review their work process and effectiveness annually, with a view to identifying areas for further improvements.



The Board of Directors

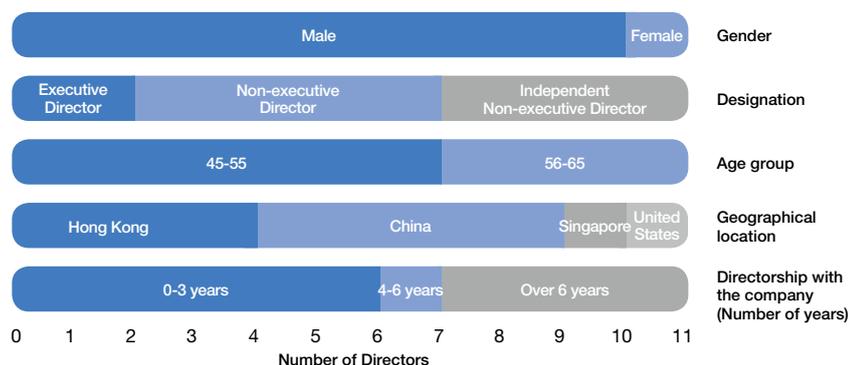
About the Board

The Board has eleven members, comprising four Independent Non-executive Directors, five Non-executive Directors and two Executive Directors. The Chairman of the Board is a Non-executive Director. During the year, eleven Board meetings were held with an average attendance rate of 82%.

Diversity and Independence of the Board Members²⁴

We recognise the importance and benefits of board diversity. In order to promote Board efficiency and standards of corporate governance, the guidance set out in the “Board Diversity Policy” adopted by the Board will be considered in identifying suitable and qualified candidates to be a Board member, which covers a number of aspects, including but not limited to gender, age, ethnicity, cultural and educational background, geographical location, professional experience, skills and knowledge, etc., in order to have an appropriate proportion in the Board composition from various aspects as afore-mentioned. At the same time, all Board appointments are made on merit, in the context of the skills and experience the Board as a whole required and the various perspectives of Board diversity elements as mentioned above shall also be adequately considered. Under the current board membership, all Directors possess extensive experience in banking and management. In addition, over one-third of them are Independent Non-executive Directors, some of whom are experts in strategic development, financial and/or risk management.

An analysis of the Board composition during the year is set out below:



The Board has formulated the “Policy on Independence of Directors” which stipulates the criteria on independence of Independent Non-executive Directors. We have received from each of the Independent Non-executive Directors an annual confirmation of his/her independence by reference to the independence policy. For details about the Board members, please refer to our website at www.bochk.com.

Risk Management and Internal Control

Raising Internal Management Standard and Avoiding Business Risks

As a systemically important domestic bank, we endeavour to enhance our management standard. We proactively managed our assets and liabilities, and paid close attention to changes in the macro-economic environment. We also continuously enhanced our internal control, refined our risk management policies and mechanisms to meet regulatory requirements.

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving our

strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. According to the Board’s scope of delegation, the Management is responsible for the day-to-day operations and risk management. The Management needs to provide a confirmation to the Board on the effectiveness of these systems.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss; to manage the risk of system failure; and to assist in the achievement of the Group’s objectives. In addition to safeguarding the Group’s assets, it also ensures the maintenance of proper accounting records and compliance with relevant laws and regulations.

The Group conducts an annual review of the effectiveness of its risk management and internal

control systems covering all material controls, including financial, operational and compliance controls as well as risk management. The review is conducted by reference to the guidelines and definitions given by the regulatory and professional bodies for the purpose of assessing five different internal control elements, namely, the control environment, risk assessment, control activities, information and communication, and monitoring. The assessment covers all the major internal controls and measures, including financial, operational and compliance controls as well as risk management functions. The review also considers the adequacy of resources, staff qualifications and experience and training of the Group’s accounting, financial reporting and internal audit functions. The review is coordinated by the Group’s internal audit which, after the Management and various business departments have performed their self-assessment and the Management has confirmed the effectiveness of the relevant systems, then carries out an independent examination and other post-assessment work on the review process and results. The results of the 2015 review, which have been reported to the Audit Committee and the Board, revealed that the Group’s risk management and internal control systems were effective and adequate.

The Group is committed to upholding good corporate governance practices and the internal control system of all subsidiaries are reviewed regularly. During the year of 2015, continuous improvements on the organisation structure and segregation of duty, the risk management policy and procedure, and the enhancement of disclosure transparency have been

The Group has a sound risk management mechanism to enhance shareholder value by maintaining risk exposures within acceptable limits.



undertaken by the Group. In response to internal and external changes in global economic condition, operating environment, regulatory requirement and business development, the Group has implemented a series of measures and undertaken an on-going review on the effectiveness of the internal control mechanism. In 2015, areas for improvement have been identified and appropriate measures have been implemented.

Risk Management²⁵

The Group believes that sound risk management is crucial to the success of any organisation. We attach a high degree of importance to risk management policies and procedures in our daily operations. Through reviewing and evaluating these policies and procedures annually,

and emphasising that a balance must be struck between risk control and business development, the Group aims to enhance shareholder value by maintaining risk exposures within acceptable limits. The principal types of risk inherent in our businesses are credit risk, interest rate risk, market risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. We have a defined risk appetite statement approved by the Board, which is an expression of the types and level of risk that the Group is willing to take in a controllable way in order to achieve its business goals and to meet the expectations of its stakeholders. We also conduct an annual review on risk management policies. Please refer to pages 42 to 47 of the Annual Report 2015 for more details of the Group's risk management.

Anti-corruption²⁶

Integrity is one of the Group's core values. We earn customers' trust through business activities that uphold trustworthiness and business ethics. We have enforced strictly a series of financial crime compliance measures and policies all along, and have established a highly effective transaction monitoring mechanism to monitor and collect suspicious transactions. In case of any suspicious transactions, we would investigate and take appropriate actions to minimise the risk of money laundering with our accounts. In 2015, in response to the new regulatory requirements, we have updated our internal measures and policies, and established a new dedicated department, in order to centralise resources to assess the risks of tax evasion and money laundering by the customers. In the future, we will regularly review relevant policies and measures according to the latest laws and regulations.

To raise staff awareness of preventing financial crimes, all new employees are required to complete relevant compliance training. Current staff are also required to complete regular refresher training to ensure all staff members fully understand the importance of financial crime prevention. Meanwhile, third-party professionals are invited to conduct regular anti-money laundering training with international insights so that our staff have a more in-depth understanding of global anti-money laundering practices, with an aim to reducing the Group's risks regarding money laundering.

For details about our corporate governance, please refer to our website at www.bochk.com and the Annual Report 2015.

25 GRI G4 Material Disclosure: G4-14
 26 GRI G4 Material Disclosure: G4-DMA-SO, G4-SO4



CARING FOR EMPLOYEES

The Group regards employees as important assets. With our people-oriented culture, we aim to improve our human resources management approaches and continue to attract, identify and train talents. We are dedicated to providing a harmonious, dynamic and friendly working environment for our employees to thrive.

People-oriented approach²⁷

The Group highly values team building and talent development. We are committed to providing an inclusive and fair working environment, adopting an open and fair recruitment policy to safeguard employment opportunities for individuals regardless of their age, gender, marital status or pregnancy,

family role, race, religion, nationality and physical conditions. In this regard, we expect all our employees to be respected in their workplace. When enacting our human resources management system, we have made reference to the Code of Practice on Employment under the Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance, Race Discrimination Ordinance, and Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation in Hong Kong. We adhere to the government laws, ordinances and regulations in the jurisdiction in which the Group operates. Our equal opportunities workplace practices are written into our Staff Code of Conduct. We require all employees to be compliant with

such clauses. We have zero tolerance for discrimination, harassment or assault in our workplace.

We recruit talents with diverse backgrounds for the Group's sustainable development. Through the assistance of various organisations (such as the Labour Department, law firms and non-governmental organisations), we identify capable ethnic minorities to join the Group. In 2015, we hired three South Asians to work in branches with more ethnic minority customers to support our service offerings to them. As an employer that advocates equal opportunities, in 2015, we signed the Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme initiated by the Labour and Welfare Bureau, the Rehabilitation



We regard employees as important assets

Advisory Committee, the Hong Kong Council of Social Service and The Hong Kong Joint Council for People with Disabilities, to demonstrate our commitment to offer internship and job opportunities to physically-challenged individuals. Together, we are building a barrier-free workplace and a caring community.

Remuneration and Benefits

We offer our employees competitive remuneration packages based on the requirements of our businesses and positions, as well as individuals' abilities and performance. We evaluate the remuneration packages and assessment criteria regularly. We also have incentive schemes in place to reward and recognise our employees for their performance. For staff working in sales team, we developed a scorecard mechanism to ensure that their assessments take into account such factors as sales performance and compliance standard.

We offer a basket of benefits to our employees, covering ORSO and MPF Schemes, life and accident insurance, free and regular health checks and medical plans, as well as paid leaves including maternity and paternity leaves. Our employees enjoy preferential rates on mortgages, personal loans and banking services, which help them manage their wealth in a flexible way. Retired employees also enjoy medical benefits.

There are a number of employee-care initiatives, such as offering our staff birthday, wedding and retirement gifts, as well as early leaves on birthday and at festivals. For staff that have psychological counselling needs, we provide free professional services to help resolve their problems. Employees working at the Bank of China Tower can enjoy subsidised meals at the canteen. Those working in other offices or going for business trips are also eligible for meal allowances.

Career and Talent Development²⁸

We strive to provide an ideal career development platform for our employees. We drive employees' upward mobility through an internal recruitment mechanism. This is for the mutual development of our employees and the Company.

The Group invests adequate resources in training and development to maintain our competitiveness. We have in place a well-established talent pool consisting of professionals from different backgrounds with versatile experiences, so as to support our succession planning. To align our staff development plan with the Group's medium- and long-term business strategies, we set up a Leadership Model and a Fundamental Competency Model to specify the respective competency levels for leadership and non-leadership roles. Both models provide clear objectives for personal development and serve as the foundation for our talent recruitment and staff performance assessments. In addition, we arrange appropriate training courses for middle and senior managers, and encourage staff to rotate to different units for sharing and training.

We attract graduates who aspire to join the financial services industry through the Management Trainee Program every year to bring new ideas to the Group, as well as developing new talents for the industry. We provide diversified lectures, on-the-job training, job rotations and executive shadowing for the trainees to prepare for their future career development according to the business streams that they are





CASE STUDY



Star of BOCHK 2015

Chan Pik Lin, Florence, Personal Banking and Product Management

"I have been with BOCHK for four years. From mortgages to stocks, from product development to business management, I reckon that the passion of Management at BOCHK to drive innovative products, quality services and excellent performance. As a sizable bank, we have to cater to the diverse needs of millions of retail customers, and during which, we have to face many challenges. However, with the guidance from my seniors and the supports from my passionate colleagues, we are able to resolve any problems together.



Outside of work, I am dazzled by the various entertainments, competitions and volunteering events arranged for the employees by the Bank. These activities enable us to relax away from our busy schedule. Many talented colleagues join such teams as the choir, lion dance and dancing teams. Through these platforms, we are able to show our talents and build friendship. I believe this is the reason why BOCHK has such an incredible team of loyal and responsible employees."

interested in. Some management trainees can even visit our corporate clients to gain valuable experiences.

Every year we select talented students who are interested in entering the banking industry from local, the Mainland and overseas tertiary institutions to join our internship programme. Apart from strengthening their knowledge in the economy and financial services industry, interns acquire valuable work experiences which serve as a cornerstone for their career development path. Those who demonstrate outstanding performance have opportunities to join the Bank through our Management Trainee Program or Graduate Program, so that they can have a long-term development.

The Group provides continuing education opportunities for employees. We offer subsidies for further studies, and devise career development plans that suit personal and the Group's long-term development by offering a wide range of learning courses and development platforms.

Through our "four-in-one" talent development culture, we encourage senior executives, department heads, human resources personnel and individual staff to devise training activities together. These training activities are designed to enhance employees' work performance and meet our business development needs which further strengthen employees' professional knowledge and skills²⁹.

We provide tailored training courses to new frontline staff which are aligned with their job requirements, and assist them to adapt to the Group's corporate culture. By making compliance training courses mandatory for every staff member, we have strengthened our compliance culture throughout the Group. In 2015, we organised seminars on specific topics and invited professionals to be our speakers. For example, we organised a series of training activities associated with new national strategies including the Belt and Road Initiative and our cooperation with the ASEAN, so that

our employees could understand new opportunities brought by these national strategies, as well as realising the Bank's strategic objectives and business development strategies. We also encourage staff to engage in continuous self-learning through our e-learning platform to fulfil their learning objectives. In 2015, every full-time staff member received over 53 hours of training on average.

We have designed a professional competency-based internal training curriculum, which links to the qualification requirements assigned by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, making the Group a qualified operator of Qualifications Framework Level 1-4 courses. Our curricula cover different business areas including Personal Banking, Corporate Banking and Operation Process Management. We are the first approved training operator which provides the most accredited programmes among banks in Hong Kong.



CASE STUDY



Management Trainee's sharing Zhao Wenxi, Effie, Human Resources Department

“What impressed me most was co-organising a volunteer event, “Society For The Welfare Of The Autistic Persons – Walking Hand in Hand”, with other management trainees during my first few weeks of work. The event aimed to increase our employees’ awareness and concerns for children with autism spectrum disorders, and has attracted many warm-hearted colleagues to participate in it. These colleagues keep in touch with the children after the event and visit them regularly.

Besides providing us with a good working environment and opportunities to develop our careers, BOCHK also encourages communication and interactions among the Company, employees and the community, which has increased our loyalty and sense of belongings, as well as our awareness of serving our community.”

Be the best bank, sing the best melodies Hu Shikui, Bank-Wide Operation Department

“If the sound of music is the origin of happiness, then BOCHK Choir is an ocean of joy.

Since I joined BOCHK more than three years ago, I have been privileged to be a member of the choir. I have participated in big or small teams in various social charity activities and performances every year. Through these activities, I wholeheartedly understand the meaning of a truly fulfilling life, which is not to enjoy yourself, but to share with others. We should express our care for the people around us and spread the positive energy.

I am grateful that BOCHK has established these marvellous corporate activity platforms for employees. We can make use of the off-work time to refine our personalities, improve our singing standard and make friends with those who have the same interest.”



Occupational Health and Safety

The Group is committed to providing a safe working environment to employees. We organise a series of regular training courses to enhance employees’ knowledge of occupational health and safety, including basic fire prevention programmes, occupational health and safety seminars as well as first aid certification programmes. These courses equip our employees with the necessary skills and knowledge to efficiently identify any potential safety risks and provide assistance to those in need. We have a designated team to coordinate and monitor the implementation of our

Occupational Health and Safety Policy, and conduct regular safety inspections to prevent medical emergencies and accidents.

We have also formulated “Three Lines of Defence” for Compliance Monitoring (The “three lines” are “defence from robbery”, “defence from fire” and “defence from physical damage”) to protect frontline employees. In order to protect employees from emergencies and harassment, the policy has outlined appropriate procedures in detail. We regularly organise relevant trainings for employees to enhance their capability for dealing with emergency situations³⁰.

Listening and Communication

We announce important messages of the Group through our intranet platform, emails, departmental briefings and our internal monthly magazine, so that employees are aware of our latest development.

We treasure any feedback from our employees. We offer three effective channels for soliciting employees’ opinions. The employee discussion forum on our intranet website serves as a platform on which employees can freely express themselves. Relevant units will respond to such employees’ feedback. Employees can also write to the Human Resources Department or call the staff hotline.

30 GRI G4 Material Disclosure: FS sectorial supplement, special requirement of G4-DMA-LA

In case of receiving staff complaints, the Human Resources Department will then establish an investigation task force within the Department or with the Audit Committee. The units involved are required to follow up and reply in a designated timeframe according to internal procedures. In 2015, we set up the Chief Executive's mail box to enhance communication and exchanges between senior management and staff, so that we can better understand our employees' ideas, comments and suggestions. We have received good suggestions from our staff since the establishment of the Chief Executive's mailbox. The Chief Executive meets relevant employees face-to-face in order to understand their thoughts and suggestions. We also collect opinions through an employee satisfaction survey to strengthen our communication with employees. We promise to provide appropriate feedback and take follow-up actions based on the opinions we collect, and continually optimise our working environment, management policies and measures.

To enhance employee morale, we organise an annual award presentation ceremony to recognise outstanding staff and teams. The management, winning teams and individuals, managers and staff representatives of each department attend the ceremony. The Chief Executive delivers a motivational speech which encourages our employees. He also disseminates important messages and management philosophy to the staff. The highlights of the ceremony, the speech delivered by the Chief Executive, as well as the winning teams and individuals' thoughts are featured in the internal monthly magazine, and are shared among all employees.

Work-life Balance

The Group advocates the importance of "work-life balance", and encourages employees to strike a balance between their career development and personal lives. Therefore, we organise a range of recreational activities, including yoga, handicrafts and photography classes,

singing contests, and basketball and athletic competitions. These activities not only enrich employees' leisure lives but also help them relieve stress. We also form sports and cultural performance teams such as football, tennis, dragon boat, women's basketball, lion dancing, table tennis, badminton, athletic, bowling, choir and dancing teams. The teams participate in performance and competitions within the industry and with Chinese enterprises from time to time, and have made impressive achievements. For instance, the basketball team won the "Hong Kong Chinese Enterprises Association North Mining Basketball Competition" championship, while the dragon boat team came first in the Tsuen Wan Dragon Boat Race. We also hosted a Staff and Family Members Carnival at Ocean Park Hong Kong to maintain good relationship between our staff and their family members, the Carnival attracted over 28,000 participants. At the same time, we encourage our employees and their relatives to join volunteer activities and contribute to our community together.



We organise a wide variety of recreational activities for staff and their family members

Sports and Cultural Teams

We advocate the importance of “work-life balance” by organising a range of recreational activities and forming different sports and cultural performance teams for our staff. The teams participate in various performances and competitions with impressive achievements.



DRAGON BOAT TEAM

Sai Kung Dragon Boat Lovers Championship –
Co-organised by the Federation of Dragon Boat & Water Sports and Blue Sky Sports Club

Tsuen Wan Dragon Boat Race –
Tsuen Wan Dragon Boat Championship Organising Committee

Mui Wo Dragon Boat Race – *Mui Wo Rural Committee*

Sha Tin Dragon Boat Race – *Sha Tin Sports Association*

Tsim Sha Tsui East International Dragon Boat Race –
Hong Kong China Dragon Boat Association and Hong Kong Tourism Board

Ap Lei Chou Small Dragon Boat Race –
Southern Small Dragon Boat Preparatory Committee

Sai Kung Summer Vigor Mini Dragon Boat Races –
Sai Kung Rural Committee and Hong Kong Amateur Dragon Boat Association



ATHLETIC COMPETITION

Green Power Hike –
Green Power/Henderson Land



BOWLING TEAM

The Chinese Banks' Association Limited Inter-Bank Bowling Tournament 2015 –
The Chinese Banks' Association Limited
Chinese Bankers Club, Hong Kong
Hong Kong Banking and Financial Industry “Shanghai Commercial Bank Challenge Cup” Bowling Tournament –
Chinese Bankers Club, Hong Kong



Work-life Balance



BASKETBALL TEAM



Hong Kong Chinese Enterprises Association North Mining Basketball Competition –
Hong Kong Chinese Enterprises Association

FOOTBALL TEAM



2015 Hong Kong Banking and Finance Football Competition –
Chinese Bankers Club, Hong Kong

DANCING TEAM



The Hong Kong Chinese Enterprises Association 7th Variety Show –
The Hong Kong Chinese Enterprises Association

CHOIR



The 3rd Asian International Choir Festival –
Asian Choir's Association

TABLE TENNIS TEAM



Wing Lung Bank Challenge Cup Table Tennis Tournament –
Chinese Bankers Club, Hong Kong

BADMINTON TEAM



BOCHK Challenge Cup – *Chinese Bankers Club, Hong Kong*
Bank of China Hong Kong, Macau, Guangdong, Shenzhen Badminton Exchange Games – *BOCHK*





ENVIRONMENTAL PERFORMANCE³¹

The Group is committed to environmental sustainability. We endeavour to reduce our impacts on the environment, promote environmentally responsible business practices and encourage our customers to support environmental protection. We integrate environmental sustainability and business development through implementing our Environmental Policy, and incorporating environmental sustainability into the Bank’s daily operation, services and products.

Promoting Energy Saving and Carbon Reduction³²

Enhancing energy and resources efficiency can reduce environmental impacts and save on operating costs. In 2015, the Group continued to take actions in various aspects including energy efficiency, water efficiency and carbon reduction to uphold our commitment to environmental protection.

Enhancing Energy Efficiency and Reducing Carbon Emission

To monitor energy consumption in our operation processes more comprehensively, we have implemented internationally applicable energy management systems in the Group’s major properties to ensure that our environmental management is on a par with international standards. Bank of China Tower (“BOC Tower”), Bank

of China Centre (“BOC Centre”) and Bank of China Wanchai Commercial Centre have all been certified with ISO 50001 Energy Management System Certification. BOC Tower, Bank of China Building (“BOC Building”), BOC Centre and Bank of China Wanchai Commercial Centre have all been certified with UKAS’s ISO 14001:2004 Certification, the international framework for environmental performance. In 2015, following the revamp of our Data Centre, we achieved a significant reduction of 41% in our electricity consumption as a result of the installation of energy-efficient cooling systems. The Data Centre was also awarded LEED-CI Silver Level Certification by the US Green Building Council. This certification represents an internationally recognised standard for high performance sustainable buildings and assesses green building design, construction, maintenance and operation.

When branches are renovated, we replace less energy-efficient light fixtures with more efficient T5 fluorescent tubes or even LED light fixtures. On the property management side, we replaced air-cooled chillers with water-cooled chillers for BOC Centre, achieving energy savings of 4,070 MWh, around 4.5% of our annual energy consumption. Through our energy saving measures, we have reduced our carbon emission by 3.6%, totalling 2,645 tonnes, equivalent to the amount of carbon dioxide which 115,000 trees could absorb in one year.

CO₂ Carbon Emission

↓ **2,645 tonnes**

or a reduction of 3.6%,
equalling to the amount of
CO₂ absorbed by 115,000
trees in a year

Paper Product Purchased in 2015

98%

FSC-certified paper

Waste Reduction and Water Saving

The Group has taken concrete steps to reduce solid waste generation. We have installed waste separation facilities in offices for sorting recyclable items such as papers, plastic bottles, aluminium cans, rechargeable batteries, computers, fluorescent tubes, compact fluorescent light-bulbs and red pockets. Collected items will be treated properly to become useful resources again. Since 2012, we have been working with Kowloon Biotechnology Limited to recycle food waste collected from our staff canteen at BOC Tower. An average of 960 litres of food waste are collected from our canteen per day and recycled into fish feed.

On the water-saving side, automatic faucets and water-saving flush tanks were installed in toilets at all our properties. Such water-saving measures have resulted in 9.61% savings, amounting to 20,560 m³ of reduction in water consumption in year 2015.

31 GRI G4 Material Disclosure: G4-16, G4-EN31
 32 GRI G4 Material Disclosure: G4-EN6, 7, 19

Paperless Office and Green Procurement

The Group actively promotes the use of electronic platforms to reduce consumption on papers. For instance, expense claims applications, personal information updates and filing of internal documents are achieved through electronic means. We also implement an e-Performance system to support the handling of our appraisal process electronically. As far as appropriate, we purchase and use paper products certified by the Forest Stewardship Council (FSC). FSC-certified paper accounted for 98% of all paper products purchased by the Bank in 2015. The furniture and electrical appliances that we purchase are subject to the green specifications of the Environmental Protection Department.

Ecological Conservation

Shark's fin, endangered reef species and black mosses have not been served at our corporate banquets since 2009. To promote marine conservation, the Group has joined the "No Shark's Fin Pledge" initiated by World Wide Fund (WWF) Hong Kong since 2011, pledging to discontinue the supply of and promotions related to shark's fin. During branch renovation, we also tried our best not to affect the local ecological environment. We successfully preserved bird nests when renovating the Tai Wai Branch in 2015 and received a thank-you letter from the Hong Kong Bird Watching Society.

Encouraging Customers' Use of e-Banking Services³³

To reduce paper consumption, the Group proactively promotes e-banking services to customers. According to the information provided by the Hong Kong Monetary



We fully support the launch of e-Cheque service for customers' convenience and environmental protection

Authority, 150 million cheques are issued in Hong Kong every year. Assuming half of those were replaced by electronic cheques, 18 million pieces of paper, or 1,800 trees could have been saved; carbon reduction as a result amounted to 130 tonnes, or a size of 28 standard swimming pools. In 2015, we launched the e-Cheques services for customers' convenience and environmental protection. To encourage the use of e-Cheque services, for every successful first-time transaction of an e-Cheque issued or deposited during the promotion period, we committed a HK\$5 donation to WWF-Hong Kong. A total donation of HK\$400,000 was contributed to support environmental education.

To motivate customers to adopt e-Statements, we offer 24-hour e-statement registration services. During the year, customers opting to receive consolidated statements in electronic form rose by 19.1%. Personal Internet Banking and Mobile Banking Services have also increased by 7.5% and 20.4% respectively, as compared with 2014. In our extensive branch network, we have implemented a paperless branch teller model to reduce our customers' average transaction duration by 24% and enhance their experiences.

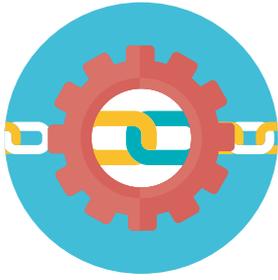
Advancing Green Finance Business³⁴

Integrating environmental considerations into our lending policies enables us to better manage our risks. We incorporate elements promoting environmental protection, energy and emissions reduction as well as public health and safety in our credit risk policy and procedures. The environmental performance of our customers and credit projects, including any potential positive and negative social or environmental impacts they might have, is one of the factors we consider when making credit decisions. In 2015, we extended loans to a number of companies to develop new energy sources, renewable energy and water conservation projects in support of environmental protection and community development.

During the year, BOCHK continued to provide the Energy Efficiency Loan Scheme, which was launched together with two local electricity companies, China Light and Power and HK Electric. The Scheme offers loans to commercial and industrial customers which intend to carry out energy-saving initiatives, and encourages the use of designs with enhanced efficiency during system and facility renovation to save energy.

³³ GRI G4 Material Disclosure: G4-EN27

³⁴ GRI G4 Material Disclosure: G4-DMA-PR



SUPPLY CHAIN MANAGEMENT³⁵

Sustainable Procurement Policy

The Group formulated the Sustainable Procurement Policy in 2011 to provide guidelines for the major categories of goods and services that the Group purchases, and encourages suppliers to reach certain social and environmental standards. We adopt the following principles for our procurement:



Principles	
<p>More Sustainable and Resource-efficient Products and Services</p>	<p>We will purchase and use more sustainable and resource-efficient products and services. For example, we will procure eco-friendly toner cartridges to fully replace the original ones, and select vehicles that fulfil the Euro V standard to reduce air pollutant emissions. We will only procure electrical appliances with Grade 1 energy labels and only purchase office furniture items which fulfil the green specifications of the Environmental Protection Department.</p>
<p>Ethical and Responsible Behaviour</p>	<p>We will adopt ethical and responsible behaviour in dealing with suppliers, and reduce potential environmental and social impacts brought by the Group’s supply chain through better selection and usage of the goods and services provided by suppliers. We will strive to raise suppliers’ awareness of sustainable development and offer feedback on their environmental social performance where possible.</p>
<p>More Business and Employment Opportunities for SMEs and NGOs</p>	<p>We will take steps to provide more business and employment opportunities to SMEs and non-governmental organisations directly or indirectly. During the year, we employed the Hong Kong Federation of Handicapped Youth Flower Workshop and Hong Chi Kwong Fuk Wai Yin Workshop to provide horticultural services.</p>
<p>Regular Training</p>	<p>We will offer regular training to procurement staff to ensure the procurement policy is implemented effectively.</p>

Products and services procured are in six major categories:



Enforcing Supply Chain Code of Conduct³⁷

To better implement the Group's Sustainable Procurement Policy, we formulated the Supply Chain Code of Conduct, with references to international labour standards and the principles of Decent Work based on the International Labour Organisation ("ILO") Core Conventions. The Code outlines the requirements for ethical, corporate governance, environmental standards and fair labour conditions that the Group expects all its suppliers to comply with.

The Group integrates the Code into its supplier selection procedures by assigning a weight to these factors when evaluating potential suppliers:

For new suppliers with potential annual purchases reaching or exceeding a certain value, they must submit a Supply Chain Code of Conduct Assessment Questionnaire and will only be considered if they

fulfil the Group's requirements. If our existing suppliers cannot fully comply with the requirements set out by the Code, we will communicate with them closely to improve their sustainability performance. If certain issues cannot be resolved and rectified, we will offer them improvement guidelines. We will consider terminating our co-operations if no improvement is observed. In 2015, a total of 129 existing recognised suppliers with an annual purchase value of over HK\$100,000 completed the Supply Chain Code of Conduct Self-Assessment Questionnaire. All of them satisfied our requirements.

For major suppliers with annual purchase value of over HK\$5 million, the Group conducts regular site visits to make sure that their sustainability performance are aligned with the results of their written self-assessment. We visited 12 suppliers in this category. Results have shown that all suppliers satisfied our required standards.

Strengthening Communication with Suppliers

For suppliers to strictly follow the Group's Supply Chain Code of Conduct, we formulated a supplier communication strategy, and trained our procurement staff so that they can communicate our standards and requirements to our suppliers. At the same time, we continued to engage with an independent consultant to conduct interviews with our suppliers to understand their expectations on the Group's sustainability performance, as well as evaluating the existing codes and relevant training content to further enhance the Group's and our suppliers' social and environmental performance. In the future, we will continue to communicate with our suppliers for achieving win-win solutions.

³⁶ GRI G4 Material Disclosure: GRI G4-12

³⁷ GRI G4 Material Disclosure: G4-HR10, G4-LA14



CONTRIBUTION TO THE COMMUNITY

Rooted in Hong Kong, the Group has been serving its local community with a dedication to developing harmonious relationships with community members and providing assistance to those in need. We value community investment. Through establishing the BOCHK Charitable Foundation (“Foundation”), BOCHK Dynamic Volunteer Team, as well as cooperating with charitable organisations and industry associations, we participate in community affairs through various means to benefit the society.



In 2015, about 1,400 employees in our Dynamic Volunteer Team contributed more than 44,000 hours of community services

Caring for the Community

The Group founded the Foundation in 1994 which is a locally registered charitable institution independent from the Group’s operation. The Group donates to the Foundation annually, and cooperates with the Foundation to actively participate in community activities in Hong Kong and the Mainland. These activities cover areas such as charities,

education, environmental protection and sports. By fulfilling the needs of different social strata, adhering to our principle of caring for the community and building a harmonious society, we share the fruits of our corporate development with the citizens.

The Foundation has cooperated with various charities to organise a wide array of charity events in the past 21 years, and has contributed over HK\$200 million to the community. The Foundation sponsored 29 community programmes in 2015.

To provide the underprivileged with the digital access, we launched the BOCHK-New Home Association (“NHA”) Computer Donation Programme with NHA, and donated 500 recycled computers to NHA’s members, including ethnic minorities, new immigrants, the underprivileged families and the elderly. Our staff members from Information Technology Department also volunteered their time to offer free computer courses to over 2,000 beneficiaries of the Programme.

We have long-term partnerships with various charities and NGOs to build mutual trust. As a longstanding supporter of the Community Chest of Hong Kong (the “Community Chest”), we, aside from making donations, also encouraged our staff members to take part in different fund-raising programmes. In 2015, we were presented with the President’s Award by the Community Chest.





CASE STUDY

BOCHK-NHA Computer Donation Programme

Understanding society through computers

Mrs Chan is one of the first batch of beneficiaries. Receiving a computer allows her to understand the world. When Mrs Chan just arrived in Hong Kong, she found it difficult to expand her social circle because she knew nothing about the new environment, the current affairs in Hong Kong and the contemporary entertainment, and she did not have any channels for external communication. Mrs Chan expressed that because she participated in a simple typing class in NHA, she could study the society via the Internet after receiving a computer. In addition, she was able to share common entertainment programmes and music with her son who is a primary 5 student. Mrs Chan said with a smile, “now I am not only the mother of my son, but also his music partner”.



Mr Stephen Sui, JP, Under Secretary for Labour and Welfare, also recognises that this programme as highly meaningful, “Hong Kong started to develop Internet technology at an early stage. However, new immigrants, ethnic minorities and the underprivileged often cannot afford to get a computer. This programme can provide them with digital access, making Hong Kong a Smart City.”

For the sixth consecutive year, we have supported the “Hong Kong Corporate Citizenship Programme” organised by the Hong Kong Productivity Council. This programme encourages enterprises to fulfil their social responsibilities and raises public awareness of CSR. More than 700 enterprises and 4,500 participants have participated relevant activities in the past six years.

We also funded the Hospital Authority Chinese Orchestra under the 2014-2015 “Caring Programme”, benefiting more than 3,800 chronically ill patients, medical staff and the elderly through a series of seasonal concerts and Chinese music therapy workshops at public hospitals.

Nurturing Talents

To nurture the next generation, the Group has awarded scholarships and bursaries of about HK\$18.65 million

to nine universities in Hong Kong, benefiting almost 2,500 students since 1990. We also provided internship opportunities to university students. In collaboration with the Hong Kong Institute of Vocational Education, we launched the professional training course “Part-time Customer Service Officer Programme” for students to work in branches to gain practical banking knowledge and learn customer service skills, thereby nurturing talents for the financial sector and the community.

In support of the underprivileged children, we joined hands with the Government’s Child Development Fund (CDF) in 2015 to sponsor the “Dreams come True” Mentorship Programme initiated by Tung Wah Group of Hospitals. The Programme helped 120 children participants set their personal development plans and cultivate a positive life attitude. We also opened savings accounts

for about 300 children of the CDF projects organised by Tung Wah Group of Hospitals and Caritas Hong Kong, helping them develop the habit of saving and achieve personal goals.

In 2015, our insurance arm BOCG Life sponsored the “Health Engineer Programme” organised by Hong Kong Sheng Kung Hui Welfare Council and the “Kids The Future Programme” organised by Hong Kong Family Welfare Society, enabling over 8,000 students from local primary schools to cultivate a positive life attitude and develop a healthy lifestyle. Through the “BOCG Life Young Anchor Programme”, initiated by the South China Morning Post, we helped secondary students explore their potential and build their self-confidence.





We support different community activities that benefit children and youth, the elderly and people with special needs

Serving the Community

We are proactive in carrying out volunteer activities and encourage our employees to make good use of their time and strengths to serve the community. About 1,400 employees are members of our Dynamic Volunteer Team. Trainings are arranged every year to strengthen the skills of our volunteers. In 2015, our volunteer team contributed more than 44,400 hours of community services which represented a significant increase of 89% as compared with 2014. The dedication of our volunteers has been recognised by the Social Welfare Department through its Gold Award for Volunteer Service for six consecutive years.

In 2015, our volunteers joined hands with their family members and friends to participate in 136 activities,

benefiting children and the youth, the elderly and people with special needs, as well as promoting activities for environmental protection. We organised money management workshops to help low-income families and teenagers understand more about savings and financial management. Through these activities and games, students could apply what they have learned about money management to their daily lives. Our volunteers participated in the Youth Financial Education Programme 2015 co-organised by the Hong Kong Association of Banks and St. James' Settlement to pass on financial management concepts to students. Over 1,500 secondary school students learned elements of personal finance such as savings, investments, insurance and loans, and experienced a "life journey" in a Simulated City.

We held Easter and birthday parties for children with developmental difficulties, together with The Spastics Association of Hong Kong. We also care about the needs of the elderly, so we organised "Heart Connection-Home Safety Action" activity in collaboration with the Yang Memorial Methodist Social Service and the "Chat with love & press the button" elderly home visit initiated by Yan Chai Hospital Mr & Mrs Yeung Wan Neighbourhood Elderly Centre. These visits aimed at improving the safety of seniors' living environment and enhancing their quality of life by raising awareness of home safety and helping them with simple home installations and renovations.

The Group's volunteer team also had an outing at Ma Shi Chau with the mentally handicapped, organised by the Hong Kong Joint Council of



CASE STUDY

The meaningful Hong Kong Corporate Citizenship Programme

The Secretary for the Labour and Welfare Bureau of the Government of HKSAR, Mr Matthew Cheung Kin-chung, GBS, JP, praised the meaning and the importance of the Corporate Citizenship Programme, "the Programme helps encourage companies to contribute to the society in many different ways, including integrating business operations with management strategies. It collaborates with the general public and the Government of HKSAR to develop policies that promote a more cohesive and caring society."





About 560 student participants of BOCHK Schools Sports Volunteer Scheme have contributed over 9,800 hours of volunteer services during the sports events

Parents of the Mentally Handicapped. This trip enhanced our volunteers' understanding and empathy for the mentally challenged.

Supporting Development of Sports

We advocate sports activities in order to promote health, team spirit and positive attitude. Since 1999, we have contributed more than HK\$15.85 million to support the development of badminton and have organised various badminton competitions, activities and training courses, with an accumulative participation of over 1.28 million people. We are also keen on nurturing badminton players. Ng Ka Long, Angus, an ace player of the Hong Kong team, is a good example. Mr Long was twice elected as an Outstanding Junior Athlete in elections organised by the Sports Federation & Olympic Committee of

Hong Kong, China. In August 2016, he represented Hong Kong in the 31st Olympic Games. Hong Kong Annual Badminton Championships and Hong Kong Youth Badminton Championships – Finals cum Award Presentation held in July and August 2015 attracted 4,500 general public members to participate. During the year, famous international and Hong Kong badminton team players were invited to visit the local communities and schools, and helped promote sports to the underprivileged through demonstrations and exchanges. Since 2002, we have been sponsoring

the Hong Kong Island & Kowloon Regional Inter-school Sports Competition to promote sports education development in secondary schools and nurture sportsmanship. The Competition is well received by the students. In 2015, around 80,000 athletes participated in over 8,000 matches in 20 sports events. About 560 student participants of the BOCHK Schools Sports Volunteer Scheme contributed over 9,800 hours of volunteer services.

Football is one of the most popular sports in Hong Kong. Through cooperating with The Hong Kong Football Association Limited (HKFA), BOCG Life offered title sponsorship for the 2015-2017 season of the Hong Kong Premier League to promote local football development and encourage more people to participate in this healthy activity. In addition, BOCG Life joined hands with Hong Kong Sheng Kung Hui Welfare Council and Hong Kong Football Association to organise "BOCG Life HKPL Young Fans Experience Tour". It aims to promote a healthy and happy "football for all" culture to the students.



We encourage students to participate in football by organising BOCG Life HKPL Young Fans Experience Tour



For six years in a row, we have supported the Hong Kong Corporate Citizenship Programme to promote CSR message among enterprises





CASE STUDY

Inter-school Athletics

“We thank BOCHK for its sponsorship over the years. It has allowed us to organise sports competitions in high quality, and helped sports associations and the Hong Kong Representative Team to nurture elite athletes. We also encourage students to get involved in charity services. For instance, they can join the BOCHK Schools Sports Volunteer Scheme so that they can make contributions in different aspects.”



Mr Lee Hing Yiu
 Honorary Secretary and Convenor, Promotion & Sports Development of The Hong Kong Schools Sports Federation – HK Island & Kowloon Secondary Schools Regional Committee



Lee Man Kit
 Student of Hoi Ping Chamber of Commerce Secondary School

“This year is my second year participating in the Sports Volunteer Scheme as a volunteer leader. Being a volunteer has taught me about team spirit. I have also made many friends. It is really rewarding!”

Supporting Environmental Conservation

The Group organised “BOCHK Corporate Environmental Leadership Awards Programme” in collaboration with the Federation of Hong Kong Industries. The Programme aimed to recognise the environmental achievements of enterprises in manufacturing and service industries in Hong Kong and in the Pan-Pearl River Delta region, and to minimise environmental pollution. One of the key features of the Programme was the “One Belt One Road Environmental Leadership Recognition Award” which acknowledged the outstanding performance of corporates in environmental protection within the related areas. The Programme received an overwhelming response of over 450 corporate participants.

For three consecutive years we have supported Greeners Action’s “Lai See Packets Recycling Campaign” with collection points at key office buildings and 60 branches to provide convenience for public involvement.

In 2015, we sponsored and participated in WWF’s Earth Hour initiative by turning off all non-essential lighting in major office buildings for an hour on 28 March. We aimed at raising public awareness in reducing energy consumption.

Since 2011, we have sponsored the “1,000 Environment-Friendly Youth Ambassadors Action” programme. Under this programme, more than 5,000 youngsters from the Mainland of China have been trained as ambassadors to promote energy saving and carbon reduction. We have also sponsored the “Green Monday School Programme” to encourage

students to adopt a vegetarian diet and reduce their carbon footprint, attracting around 600,000 student enrolments.

To continue to support “Hong Kong Geopark Charity Green Walk”, we organised 22 Hong Kong Coastal Geology and Ecology Tours in 2015 with 2,100 participants, including 350 students from underprivileged families. Of which around 1,000 students participated in “Conserve Geological Resources and Ecology of Hong Kong” seminars to enrich their green knowledge. A dedicated website was set up to raise public awareness of the importance of



Our green programme of Hong Kong Coastal Geology and Ecology Tours received overwhelming response from students and the public

Geopark conservation. The “Shoreline Clean-up Volunteer Programme” was launched and was recognised by the Environmental Protection Department as one of the activities that encouraged marine conservation. In the past six years, over 130 eco-tours have been arranged for more than 13,600 participants.

Culture and History

We support diverse arts and cultural activities. One of the major highlights in 2015 was the 42th Season Opening Concerts of the Hong Kong Philharmonic Orchestra by Tan Dun, who conducted his highly acclaimed Nu Shu: The Secret Songs of Women, which attracted over 3,000 audiences. Another highlight was the Hong Kong Art Gallery Week, organised by The Hong Kong Art Gallery Association, and sponsored by our Private Banking for the third



We support different programmes for the development of arts and culture in Hong Kong

consecutive year. For one week in November 2015, the public enjoyed free access to more than 50 local galleries, and they could join those talks, tours and exhibitions free of charge. To promote tea culture, we have sponsored the Hong Kong Trade Development Council’s Tea Sharing for five years in a row.

In addition, to commemorate the 70th anniversary of the Victory of the

Chinese People’s War of Resistance Against Japanese Aggression and the World Anti-Fascist War, we sponsored a series of commemorative activities. We hope to promote remembrance of the war of resistance against Japan and enhance the national spirit of the public and teenage students via various means and channels, such that everyone remembers our history, pays tribute to our martyrs and understands our country.

CASE STUDY

BOCHK Regional Badminton Training Programme



Ng Ka Long, Angus
A professional badminton player from Hong Kong

BOCHK has been a companion in my life as a badminton player

“When I was 11, I participated in the BOCHK Regional Badminton Training Programme. One year later, I become an Elite Squad. I was so in love with this sport that I even partnered with my dad and joined the family league and inter-school matches sponsored by BOCHK. Since 2007, I have joined the BOCHK Hong Kong Annual Badminton Championships and even won the championship.

This August, I will be representing Hong Kong at the Olympic Games in Brazil as a core member of the Hong Kong Badminton Team.

I would like to take this opportunity to thank BOCHK for its support, and wish the Bank all the best for its 100th anniversary.”



AWARDS AND RECOGNITION

FINANCIAL STRENGTH AND CORPORATE GOVERNANCE

- Bank of the Year in Hong Kong (*The Banker*)
- Strongest Bank in Asia Pacific and Hong Kong (*The Asian Banker*)
- Asian Excellence Recognition Awards – Best Investor Relations Company (*Corporate Governance Asia*)



THE ASIAN BANKER
STRONGEST BANK
IN ASIA PACIFIC &
HONG KONG 2014 & 2015
by balance sheet



SERVICE EXCELLENCE

- The Best Retail Bank in Hong Kong, Achievement Award for the Best Cash Management Bank in Hong Kong and Technology Implementation Award for Multi-Channel Project (*The Asian Banker*)
- Hong Kong Domestic Cash Management Bank of the Year, Mobile Banking Initiative of the Year – Hong Kong and Hong Kong Domestic Foreign Exchange Bank of the Year (*Asian Banking & Finance*)
- Asia Quality Best Practice Award (*International SixSigma Council*): Best Champion in Implementing Continual Improvement in Organization – Platinum Award Best Practice in Process Improvement with Lean – Gold Award
- Top bank in the Hong Kong-Macau syndicated loan market for 11 consecutive years (*Basis Point*)
- Best Overall Domestic Cash Management Services for Large Sized Corporates and Best Overall Cross-border Cash Management Services for Large Sized Corporates in Hong Kong (*The Asian Money*)
- Best Chinese Bank in Hong Kong and Best Chinese FX Bank in Hong Kong (*FinanceAsia*)
- USD STP Excellence Award (*Deutsche Bank*)
- The Best SME's Partner Award (*The Hong Kong General Chamber of Small and Medium Business*)
- Outstanding Import & Export Industry Partner Award (*The Hong Kong Chinese Importers' and Exporters' Association*)
- Thirteen honours in the Outstanding Financial Management Planner Awards (*The Hong Kong Institute of Bankers*)
- Financial Institutions Awards (*Bloomberg Businessweek*): Bank of the Year – Excellence Award Commercial Banking – Excellence Award Cross-border Financial Services – Excellence Award Corporate Finance – Excellence Award Retirement Planning – Excellence Award Life Insurance – Outstanding Performance Award Savings Plan – Outstanding Performance Award Retail Banking – Outstanding Performance Award Technology Usability: Online and Apps – Outstanding Performance Award Investor Education – Outstanding Performance Award



RMB BUSINESS

- Stars of China Awards – Best Onshore Interest Rate Hedging (*Global Finance Magazine*)
- Best RMB Bonds, Offshore (Three Years) and the Most Innovative Product – BOCHK All Weather CNY Equity Fund (*Asia Asset Management*)
- Fund of the Year Awards 2015 (*Benchmark*):
Best in Class Award – High Yield Fixed Income
Outstanding Achiever Award – RMB Fixed Income
- Hong Kong Offshore RMB Centre – RMB Business Outstanding Awards (*Metro Finance, Metro Finance Digital* and *Wen Wei Po*):
Outstanding Corporate/Commercial Banking – Cross-border All-round Services
Outstanding Retail Banking – Comprehensive Investment Services
Outstanding Retail Banking – Credit Cards
Outstanding Retail Banking –

- Cross-border Mobile Payment Services
- Outstanding Retail Banking – Traditional Business
- Outstanding Insurance – Endowment
- Outstanding Insurance – Annuity
- Outstanding Insurance – Universal Life
- Outstanding Insurance – Customer Service
- Excellent Brand of RMB Banking Services (*Metro Finance* and *Metro Finance Digital*)
- Outstanding RMB Business Award – Innovative and Comprehensive Cross-border Financial Services (*Wen Wei Po*)
- Offshore RMB Business – Excellence Award (*Bloomberg Businessweek*)



- The Hong Kong Leaders' Choice Brand Awards (*Metro Finance* and *Metro Finance Digital*):
Excellent Brand of Mortgage Services
Excellent Brand of Securities Services
Excellent Brand of Cross-border Services
Excellent Brand of Personal Credit Cards
Excellent Brand of Mobile Payments
Excellent Brand of Import and Export Trade Services – Banking
Excellent Brand of Foreign Exchange Services
- Sing Tao Service Awards (*Sing Tao Daily*):
Banking – Dual Currency Credit Card Services
Mortgage Services
- Wealth Management Awards (*Benchmark*):
Customer Onboarding – Best-In-Class
Service Innovation – Best-In-Class
Online Usability – Outstanding Achiever
- The Best Life Insurance Award (*Metro Daily* and *Metro Prosperity*)
- Asia Insurance Technology Awards:
Digital transformation Award (*Asia Insurance Review* and *Celent*, a research and consulting company in the U.S.)
- The Best of Mobile Banking Service Provider (*e-zone*)
- The Best Business Solution (Application) – Silver Award (*Hong Kong Computer Society*)
- My Favourite Personal Online Banking Service Award (*PC Market*)

- My Most Favourite Credit Card for Travelling Award (*U Magazine*)
- My Favourite MTR Shops – Ideal for Convenience Shopping (*Mass Transit Railway Corporation Limited*)

UnionPay International

- Outstanding Card Award (Commercial Credit Card) in Hong Kong
- Largest Card Number (Credit Card) in Hong Kong – Gold Award
- Highest Card Volume (Credit Card) in Hong Kong – Gold Award
- Highest Acquiring Volume in Hong Kong – Gold Award
- Highest Acquiring Volume Growth in Hong Kong – Gold Award
- Highest UPOP Issuing Volume Award in Hong Kong & Macau
- Highest UPOP Acquiring Volume in Hong Kong & Macau – Gold Award
- Bank of the Year Award in Hong Kong & Macau

MasterCard WorldWide

- The Best Contribution to Acquiring Fraud Management in Hong Kong
- The Highest Number of Contactless Transaction Taps in Hong Kong
- New World Card Launched in Hong Kong – Enrich Banking World MasterCard
- The Highest Market Share of Cross-border Cardholder Spending Volume in Macau
- The Highest Market Share of Cross-border Merchant Purchase Volume in Macau
- The Highest Market Share Merchant Purchase Volume in Macau
- The Highest Market Share Number of Open Cards in Macau
- The Highest Market Share Cardholder Spending in Macau



CARING FOR SOCIETY

- Included as a constituent stock of the *Hang Seng Corporate Sustainability Index* and *Hang Seng (Mainland and HK) Corporate Sustainability Index* respectively, and a constituent of the *Hang Seng Corporate Sustainability Benchmark Index*
- A top 20 constituent stock of the *Hong Kong Business Sustainability Index*
- A Caring Company (*The Hong Kong Council of Social Service*)
- President's Award (*The Community Chest of Hong Kong*)
- Gold Award for Volunteer Service and Award of 10,000 hours for Volunteer Service (*Social Welfare Department*)



BOCG Life

- Employer of Choice Award 2015 (*JobMarket*)
- Outstanding Social Caring Organization Award (*Social Enterprise Research Institute*)
- 2014/15 Good MPF Employer (*Mandatory Provident Fund Schemes Authority*)
- Corporate Caring Award (*Hong Kong Sheng Kung Hui Welfare Council*)

ENVIRONMENTAL PROTECTION

- Leadership in Energy and Environmental Design – Data Centre: Silver Certification (*U.S. Green Building Council*)

BOC Tower, BOC Building, BOC Centre and BOC Wanchai Commercial Centre

- ISO14001:2004 Environmental Management System Certification (*UKAS*)
- Indoor Air Quality Certificate – Excellent Class/Good Class (*Environmental Protection Department*)
- Certificate of Quality Water Recognition Scheme for Building (*Water Supplies Department*)

BOC Tower, BOC Centre and BOC Wanchai Commercial Centre

- ISO 50001:2011 Energy Management System (SGS)

BOC Tower

- BEAM Plus (*The Hong Kong Green Building Council*)

BOC Building

- Carbon Reduction Labelling (*Hong Kong Quality Assurance Agency*)

BOC Centre

- Hygiene Control Management System Standard (SGS)

BOCG Life

- Indoor Air Quality Certificate – Excellent Class (*Environmental Protection Department*)



TALENT DEVELOPMENT MANAGEMENT

- Distinguished Trainer Awardees of Award for Excellence (*Hong Kong Management Association*)
- The Certificate in Customer Service Officer, Advanced Certificate in Banking for Personal Banking Manager, Advanced Certificate in Banking for Corporate Banking and Product Management Assistant Relationship Manager, Certificate in Quality and Process Management for Operations, and Advanced Certificate in Quality and Process Management

for Operations training programmes accredited for meeting the Qualifications Framework standard at Level 3 or 4 (*Hong Kong Council for Accreditation of Academic and Vocational Qualifications*)

BOCG Life

- Outstanding Young Professional of the Year – Corporate (*The Hong Kong Federation of Insurers and Metro Finance*)



CSR PERFORMANCE DATA OVERVIEW

Employee Data³⁸

As of 31 December 2015, the Group had 15,479 employees.

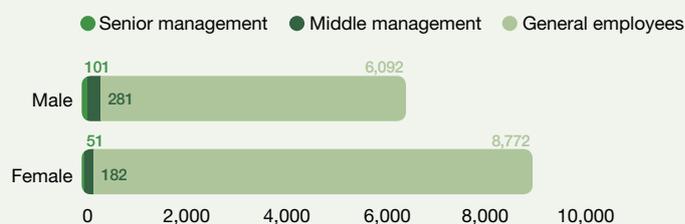
Total Workforce³⁹

(by Employment Contract and Gender)



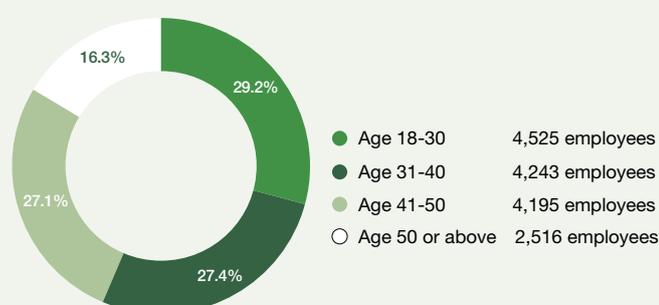
Total Workforce⁴⁰

(by Employee Category and Gender)



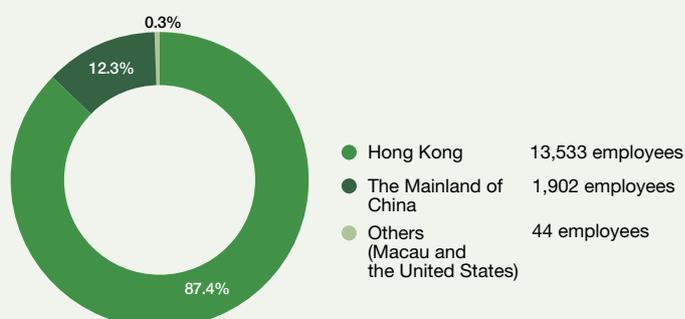
Total Workforce⁴¹

(by Age)



Total Workforce

(by Location)



Total Number of New Hires⁴¹

(by Location and Gender, and by Location and Age)

			Age			
			18-30	31-40	41-50	Over 50
Hong Kong	41.8%	48.7%	63.1%	15.4%	6.6%	5.4%
The Mainland of China	4.1%	4.9%	7.2%	1.5%	0.3%	0.1%
Others (Macau and the United States)	0.1%	0.3%	0.3%	0.1%	0.0%	0.1%

Total Number of
New Hires
3,368

Rate of Employee Turnover⁴¹

(by Age and Location)

	Age			
	18-30	31-40	41-50	Over 50
Hong Kong	7.8%	3.4%	1.3%	0.5%
The Mainland of China	0.8%	0.5%	0.1%	0.0%
Others (Macau and the United States)	0.1%	0.0%	0.0%	0.0%
Total	8.7%	3.9%	1.4%	0.5%

Overall Rate
14.5%

Return to Work and Retention after Parental Leave⁴²

(by Gender)

	Male	Female
Total number of employees who took parental leave	254	317
Return to work rate	100%	99%

38 GRI G4 Material Disclosure: G4-LA6

39 GRI G4 Material Disclosure: G4-LA1, G4-LA12

40 GRI G4 Material Disclosure: G4-LA12

41 GRI G4 Material Disclosure: G4-LA1

42 GRI G4 Material Disclosure: G4-LA3

Occupational Health And Safety Performance

	Male	Female
Injury rate ⁱ	0.3%	0.3%
Lost day rate per 100 full-time employees ^{i,ii}	8.9%	5.6%
Total number of work-related fatalities ⁱⁱⁱ	0	0

- i. All Injury Rates and Lost Day Rates are normalised to 200,000 worked hours, which is approximately equal to the number of hours worked by 100 full-time employees in one year
- ii. Number of lost days refers to the working days lost due to an occupational injury sustained by an employee for which the employee misses one or more scheduled workdays after the day of the injury
- iii. Fatality is the death of an employee or contractor as a result of an occupational injury incident in the course of employment

Economic Performance

	2015 HK \$ million	2014 HK \$ million
Direct economic value generated and distributed		
Net operating income before impairment allowance (Continuing operations)	40,942	37,903
Economic value distributed		
Operating costs (Continuing operations)	11,836	10,728
Employee compensation and benefits (Continuing operations)	6,568	6,033
Dividend	12,941	11,842
Hong Kong profits tax (Continuing operations – Current year taxation)*	4,452	3,859
Overseas Taxation (Continuing operations – Current year taxation)*	714	984

* If deferred tax and over-provision in prior years of current tax are included, total taxation of the Group's continuing operations of the year is: (HK\$ million) 4,284 (2015) and 4,943 (2014)

Environmental Performance⁴³

	2015
Paper	
Paper purchases (kg)	542,950
Total paper used (kg)	244,724
Total energy consumption	
Total electricity consumption (kWh) ⁱⁱⁱ	86,314,433
Total fuel consumption of towngas (unit) ⁱ	50,357
Total fuel consumption for vehicles (L) ⁱ	56,696.32
Energy intensity	
By number of employees (kWh/person)	5,618.70
Greenhouse Gas GHG emissionsⁱⁱⁱ	
Direct emissions (Scope 1)(tonnes) ⁱⁱ	1588.34
Indirect emissions (Scope 2)(tonnes) ⁱⁱ	70,109.45
Other indirect emissions (Scope 3)(tonnes) ⁱⁱ	102.21
Water	
Total water consumption (cubic metres)	193,371

- i. Per unit of towngas represents 48 megajoules of energy use.
- ii. It was calculated in accordance with the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for buildings (Commercial, Residential or Institutional Purpose) in Hong Kong (2010 Edition) prepared by the Environmental Protection Department (EPD).
- iii. In addition to the Group's main properties and office buildings, the data also includes most branches and dormitories.

Cases of Discrimination and Corruption

	2015
Total Number of Incidents of Discrimination ⁴⁴	0
Confirmed Incidents of Corruption ⁴⁵	0

43 Data includes the Group's main properties and office buildings.

44 GRI G4 Material Disclosure: G4-HR3

45 GRI G4 Material Disclosure: G4-SO5

General Standard Disclosures

GRI G4 Indicators	Description	References
Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organisation	Chief Executive's Message (p.4)
Organisational Profile		
G4-3	Name of the organisation	About BOC Hong Kong (Holdings) Limited (p.3); About this Report (p.3)
G4-4	Primary brands, products and services	Our Business Development (p.9); Diverse Banking Services (p.12); Company website
G4-5	Location of the organisation's headquarters	About BOC Hong Kong (Holdings) Limited (p.3); Company website
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report	About BOC Hong Kong (Holdings) Limited (p.3); Our Business Development (p.9); Company website
G4-7	Nature of ownership and legal form	About BOC Hong Kong (Holdings) Limited (p.3); About this Report (p.3); Company website
G4-8	Markets served	About BOC Hong Kong (Holdings) Limited (p.3); Our Business Development (p.9); Company website
G4-9	Scale of the organisation	About BOC Hong Kong (Holdings) Limited (p.3); Our Business Development (p.9); Company website
G4-10	Employee statistics	Caring for Employees (p.21); CSR Performance Data Overview (p.41)
G4-11	Percentage of total employees covered by collective bargaining agreements	Not applicable
G4-12	Organisation's supply chain	Supply Chain Management (p.30)
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain.	About this Report (p.3): On 18 December 2015, the Company announced the disposal of Nanyang Commercial Bank (NCB), and completed the share transfer on 30 May 2016. From this date onwards, NCB is no longer considered a subsidiary of the Company and BOCHK.
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Robust Corporate Governance System (p.16); Annual Report 2015 (p.42-47, 66-86)
G4-15	Externally developed economic, environmental and social charters, principles.	Diverse Banking Services (p.12); Caring for Employees (p.21); Environmental Performance (p.28); Contribution to the Community (p.32)
G4-16	Memberships of associations and advocacy organisations	Not applicable
Identified Material Aspects and Boundaries		
G4-17	Entities included in the organisation's consolidated financial statements	Our Business Development > Business Performance (p.9); Annual Report 2015 (p.300-301)
G4-18	Process for defining the report content and the aspect boundaries	Our Corporate Social Responsibility Management Approach > Assessment of Corporate Social Responsibility Issues (p.7)
G4-19	Material aspects identified in the process for defining report content	Our Corporate Social Responsibility Management Approach > The 23 Material Issues > Material Issues (p.8)

General Standard Disclosures		
GRI G4 Indicators	Description	References
G4-20	Aspect boundary within the organisation for each material aspect	Our Corporate Social Responsibility Management Approach > The 23 Material Issues > Impacts within the Group (p.8)
G4-21	Aspect boundary outside the organisation for each material aspect	Our Corporate Social Responsibility Management Approach > The 23 Material Issues > Impacts outside the Group (p.8)
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	No restatements of information
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	No significant change
Stakeholder Engagement		
G4-24	List of stakeholder groups engaged by the organisation	Our Corporate Social Responsibility Management Approach> Stakeholder Engagement Platforms (p.7)
G4-25	Basis for identification and selection of stakeholders with whom to engage	Our Corporate Social Responsibility Management Approach> Stakeholder Engagement Mechanism (p.6)
G4-26	Approach to stakeholder engagement	Our Corporate Social Responsibility Management Approach> Stakeholder Engagement Mechanism (p.6)
G4-27	Key topics and concerns that have been raised by stakeholder groups through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Our Corporate Social Responsibility Management Approach> Assessment of Corporate Social Responsibility Issues (p.7)
Report Profile		
G4-28	Reporting period	About this Report (p.3)
G4-29	Date of most recent previous report	From 1 January to 31 December 2014
G4-30	Reporting cycle	Annually
G4-31	Contact point for questions regarding the report or its contents	Feedback Form
G4-32	“In accordance” option the organisation has chosen, GRI Content Index (Core/ Comprehensive)	About this Report (p.3)
G4-33	Policy and current practice with regard to seeking external assurance for the report	The Group did not seek external assurance for the report content
Governance		
G4-34	Governance structure of the organisation	Our Corporate Social Responsibility Management Approach (p.6); Robust Corporate Governance System (p.16); Annual Report 2015 (p.66-86); Company website
Ethics and Integrity		
G4-56	Organisation’s values, principles, standards and norms of behaviour	Our Vision, Mission and Values (p.2); Chief Executive’s Message (p.4); Robust Corporate Governance System (p.16)
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity.	Robust Corporate Governance System (p.16); Caring for Employees (p.21)

Special Standard Disclosures

GRI G4 Indicators	Description	References
Economic Performance		
G4-DMA	Disclosures on Management Approach	Chief Executive's Message (p.4); Our Business Development (p.9); Annual Report 2015
G4-EC1	Direct economic value generated and distributed	Our Business Development (p.9); CSR Performance Data Overview (p.41); Annual Report 2015
Indirect Economic Impacts		
G4-DMA	Disclosures on Management Approach	Our Business Development (p.9)
G4-EC8	Significant identified positive and negative indirect economic impacts the organisation has	Our Business Development (p.9); Diverse Banking Services (p.12); Caring for Employees (p.21); Supply Chain Management (p.30); Contribution to the Community (p.32)
Materials		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN1	Total weight or volume of raw materials used	CSR Performance Data Overview (p.41)
Energy Management and Efficiency		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN3	Energy consumption within the organisation	CSR Performance Data Overview (p.41)
G4-EN5	Energy intensity	CSR Performance Data Overview (p.41)
G4-EN6	Reduction of energy consumption	Environmental Performance (p.28)
Water Management and Efficiency		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN8	Total water withdrawal by source	CSR Performance Data Overview (p.41)
Emissions and Emission Reduction Measures		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN15	Direct Greenhouse Gas (GHG) emissions (Scope 1)	CSR Performance Data Overview (p.41)
G4-EN16	Energy indirect (GHG) emissions (Scope 2)	CSR Performance Data Overview (p.41)
G4-EN17	Other indirect (GHG) emissions (Scope 3)	CSR Performance Data Overview (p.41)
G4-EN19	Reduction of GHG emissions	Environmental Performance (p.28)
Reduction on Sewage Discharges and Waste Generation		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN23	Total weight of waste by type and disposal method	CSR Performance Data Overview (p.41)
Products and Services Combined with Environmental Factors		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Environmental Performance (p.28)

Special Standard Disclosures

GRI G4 Indicators	Description	References
Overall Environmental Situation		
G4-DMA	Disclosures on Management Approach	Environmental Performance (p.28); Company website > Environmental Policy
G4-EN31	Total environmental protection, expenditures and investments by type	Environmental Performance (p.28); As stated in our Environmental Policy, we are committed to integrating the concept of environmental protection into daily business operation. Through cooperation with external customers, various relevant business units will take concrete action to support and invest in environmental projects in view of their business needs. Internally, we actively promote the concept of environmental protection and require various units to take practical actions to save energy, recycle waste and reduce carbon emissions. Meanwhile, we encourage employees to support environmental protection outside the Group.
Employment Relationship		
G4-DMA	Disclosures on Management Approach	Caring for Employees (p.21)
G4-LA1	Total number of new employee hires and turnover rate	CSR Performance Data Overview (p.41)
G4-LA2	Benefits provided to full-time employees	Caring for Employees (p.21)
G4-LA3	Return to work and retention rates after parental leave	CSR Performance Data Overview (p.41)
Labor/Management Relations		
G4-DMA	Disclosures on Management Approach	Caring for Employees (p.21)
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Not applicable
Occupational Health and Safety		
G4-DMA	Disclosures on Management Approach	Caring for Employees (p.21)
G4-LA6	Injury rate and lost day rate	CSR Performance Data Overview (p.41)
Talent Management and Employee Development		
G4-DMA	Disclosures on Management Approach	Caring for Employees (p.21)
G4-LA9	Average hours of staff training	Caring for Employees (p.21)
G4-LA10	Programs for skills management and lifelong learning	Caring for Employees (p.21)
Diversity and Equal Opportunity		
G4-DMA	Disclosures on Management Approach	Caring for Employees (p.21)
G4-LA12	Composition of governance bodies and breakdown of employee category	Robust Corporate Governance System (p.16); CSR Performance Data Overview (p.41); Annual Report 2015 (p.52-60)
Labor Practices Grievance Mechanisms		
G4-DMA	Disclosures on Management Approach	Chief Executive's Message (p.4); Caring for Employees (p.21)
G4-LA16	Formal grievance mechanisms	Chief Executive's Message (p.4); Caring for Employees (p.21)

Special Standard Disclosures

GRI G4 Indicators	Description	References
Non-discrimination		
G4-DMA	Disclosures on Management Approach	Diverse Banking Services (p.12); Caring for Employees (p.21)
G4-HR3	Incidents of discrimination	No such incidents were reported in 2015
Security Practices		
G4-DMA	Disclosures on Management Approach	We ensured that outsourced security personnel attended ethics courses provided by their employers.
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	The Group has a designated unit to standardise the management of internal security personnel in accordance to the "operation management and procedures" developed by the Group. Every year, all security personnel attend several training events relevant to "The Security Code of Conduct" in accordance with the above procedures, including training on the execution of the code of ethics in their daily work. Regarding the outsourcing of security personnel, the specified unit within the Group hired security companies qualified by the government in accordance with the management practices from regulatory bodies. Meanwhile, the security companies employed by the Group also undertake outsourced security work from other major industries. The Group regularly monitors whether it is in compliance with the regulatory requirement.
Contributing to Local Communities		
G4-DMA	Disclosures on Management Approach	Chief Executive's Message (p.4); Contribution to the Community (p.32)
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Diverse Banking Services (p.12); Contribution to the Community (p.32)
FS13	Access points in economically disadvantaged areas	Diverse Banking Services (p.12); Contribution to the Community (p.32)
FS14	Initiatives to improve access to financial services for disadvantaged people	Diverse Banking Services (p.12); Contribution to the Community (p.32)
Anti-corruption		
G4-DMA	Disclosures on Management Approach	Robust Corporate Governance System (p.16)
G4-SO4	Communication and training on anti-corruption policies and procedures	Robust Corporate Governance System (p.16); Caring for Employees (p.21)
G4-SO5	Confirmed incidents of corruption	No corruption lawsuits related to the Group happened.
Offering a Clear Explanation of Product and Service Provisions		
G4-DMA	Disclosures on Management Approach	Diverse Banking Services (p.12); Company website > CSR Policy
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling by type of outcomes	The Group is in strict compliance with the relevant legal compliance and voluntary basis for marketing, the rational use of the products and service information and labelling requirements.
G4-DMA (FS16)	Initiatives to enhance financial literacy by type of beneficiary	Diverse Banking Services (p.12); Contribution to the Community (p.32)

Special Standard Disclosures		
GRI G4 Indicators	Description	References
Responsible Marketing Strategy		
G4-DMA	Disclosures on Management Approach	Company website > CSR Policy
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	The Group is in strict accordance with the relevant legal compliance and marketing regulations on a voluntary basis via rational use of information and labelling of products and services
Protection on Customer's Privacy		
G4-DMA	Disclosures on Management Approach.	Diverse Banking Services (p.12); Company website
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	The Group strictly protects customer privacy in its daily business operation in accordance with the regulatory agencies and government laws and regulations governing proper handling and storage of customer information
Compliance on Product Liability and Regulatory Services		
G4-DMA	Disclosures on Management Approach	The Group is in strict compliance with the laws and regulations and guidelines from the regulatory bodies. It continues to review the execution of the Company's governance, and strives to meet the best practices of international and local requirements; Company website
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	The Group offers products and services to customers strictly in compliance with relevant laws and regulations from the regulatory authorities
Product Portfolio Strategy		
G4-DMA	Disclosures on Management Approach	Company website > CSR Policy; Annual Report 2015
FS6	Percentage of the portfolio for business lines by specific location, scale and industry	Annual Report 2015 (Sectoral analysis of gross advances to customers in p.168-173 and Segmental reporting in p.257-258)
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Diverse Banking Services (p.12)
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line divided by purpose	Environmental Performance (p.28)
Environmental and Social Policies and Risk Assessment		
G4-DMA	Disclosures on Management Approach	In accordance with the various risks faced by the Bank, different departments were set up to manage the respective risks, review and revise relevant policies regularly. The policies require the approval of the Board or the Group's management before implementation. Credit programs that may involve environmental and social risks will be reviewed in accordance with the Group's relevant policies and approval procedures. Risk analysis and assessment will be conducted and appropriate risk control measures will be taken accordingly.

Special Standard Disclosures

GRI G4 Indicators	Description	References
Integrating Environmental and Social issues into Investment Decision		
G4-DMA	Disclosures on Management Approach	Company website > CSR Policy and Environmental Policy
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	Regarding the environmental or social risks that may arise during the business cooperation with external companies, the Group has appropriate policies and procedures to carry out the monitoring.
FS11	Percentage of assets subject to positive and negative environmental or social screening	The Group conducts its credit business in accordance with the relevant internal credit approval policies, management practices and operating procedures. The Group's credit risk approval policy expressly mentions the approval principles for the environmental impact involved in the project, and strictly executes procedures in accordance with the principles.

HKEx ESG Index

General disclosures and KPI	Description	References
Aspect A1: Emissions		
General Disclosure		Environmental Performance (p.28)
KPI A1.1	Types of emissions and respective emissions data	Not applicable as the Group is a financial service organisation and does not generate significant amount of emissions
KPI A1.2	Greenhouse gas emissions in total	CSR Performance Data Overview (p.41)
KPI A1.3	Total hazardous waste produced	Not applicable as the Group is a financial service organisation and does not generate hazardous waste of significant quantities
KPI A1.4	Total non-hazardous waste produced	CSR Performance Data Overview (p.41)
KPI A1.5	Measures to mitigate emissions and results achieved	Environmental Performance (p.28)
KPI A1.6	How hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environmental Performance (p.28)
Aspect A2: Use of Resources		
General Disclosure		Environmental Performance (p.28)
KPI A2.1	Direct and indirect energy consumption	CSR Performance Data Overview (p.41)
KPI A2.2	Water consumption in total and intensity	CSR Performance Data Overview (p.41)
KPI A2.3	Energy use efficiency initiatives and results achieved	Environmental Performance (p.28)
KPI A2.4	Any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Environmental Performance (p.28)
KPI A2.5	Total packaging material used for finished products	Not applicable given the Group's business nature

General disclosures and KPI	Description	References
Aspect A3: The Environment and Natural Resources		
General Disclosure		Environmental Performance (p.28)
KPI A3.1	Significant impacts of activities on the environment and natural resources as well as the actions taken to manage them	Environmental Performance (p.28)
Aspect B1: Employment		
General Disclosure		Caring for Employees (p.21)
KPI B1.1	Total workforce and breakdown	CSR Performance Data Overview (p.41)
KPI B1.2	Employee turnover rate	CSR Performance Data Overview (p.41)
Aspect B2: Health and Safety		
General Disclosure		Caring for Employees (p.21)
KPI B2.1-2	Number and rate of work-related fatalities and lost day rate	CSR Performance Data Overview (p.41)
KPI B2.3	Occupational health and safety measures adopted	Caring for Employees (p.21)
Aspect B3: Development and Training		
General Disclosure		Caring for Employees (p.21)
KPI B3.1	The percentage of employees trained by gender and employee category	The Group has disclosed information and data related to staff training
KPI B3.2	The average training hours completed	Caring for Employees (p.21)
Aspect B4: Labour Standards		
General Disclosure		The Group's recruitment and other human resource management policies state that the Company must be strictly compliant with labour-related regulations. We do not use child or forced labour.
KPI B4.1-2	Measures to review employment practices to avoid child and forced labour, steps to eliminate such practices when discovered.	The Group's recruitment and other human resource management policies state that the Company must be strictly compliant with labour-related regulations. We do not use child or forced labour.
Aspect B5: Supply Chain Management		
General Disclosure		Supply Chain Management (p.30)
KPI B5.1	Number of supplier by location	Not Applicable
KPI B5.2	Description of engagement with suppliers	Supply Chain Management (p.30)

General disclosures and KPI	Description	References
Aspect B6: Product Responsibility		
General Disclosure		Diverse Banking Services (p.12); Company website > CSR Policy
KPI B6.1	Total products sold or shipped subject to recalls for safety and health reasons	Not applicable given the Group's business nature
KPI B6.2	Products related complaints received and handling	Any complaints received will be put on record by a responsible unit, and will be investigated following internal complaint management procedures. The Group will then respond to the complaining customer regarding to our investigation findings. The internal complaint management procedures based on IC-4 complaint handling procedures in the Supervisory Policy Manual of the Hong Kong Monetary Authority, and the Code of Banking Practice issued by the Hong Kong Association of Banks and the DTC Association.
KPI B6.3	Practices relating to observing and protecting intellectual property rights	The Group strictly follow the laws and regulations on protecting intellectual property rights in our day-to-day operations. Our legal units and marketing units are responsible for the legal advice and control on our compliance.
KPI B6.4	Quality assurance process and recall procedures	Not applicable given the Group's business nature
KPI B6.5	Consumer privacy protection	Diverse Banking Services (p.12)
Aspect B7: Anti-corruption		
General Disclosure		Robust Corporate Governance System (p.16)
KPI B7.1	Number of concluded legal cases regarding corrupt practices	None in 2015
KPI B7.2	Preventive measures and whistle-blowing procedures.	Robust Corporate Governance System (p.16)
Aspect B8: Community Investment		
General Disclosure		Contribution to the Community (p.32)
KPI B8.1	Focus areas of contribution	Contribution to the Community (p.32)
KPI B8.2	Resources contributed to the focus area	Contribution to the Community (p.32)