

## GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

<b>Company Name</b>	Oversea-Chinese Banking Corporation Limited	<b>Date</b>	1 November 2012
<b>Address</b>	65 Chulia Street #32-01, OCBC Centre Singapore 049513	<b>Membership Date</b>	Since 21 Dec 2006
<b>Country</b>	Singapore	<b>Number of Employees</b>	22,892 (Group staff strength)
<b>Contact Name</b>	Koh Ching Ching	<b>Sector</b>	Banking and Finance
<b>Contact Position</b>	Head, Group Corporate Communications		
<b>Contact telephone no.</b>	6530 1531		

### Brief description of nature of business

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. It is also ranked by Bloomberg Markets as the world's strongest bank for the second consecutive year.

OCBC Bank and its subsidiaries offer a broad array of specialist financial services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has a network of over 500 branches and representative offices in 15 countries and territories, including more than 400 branches and offices in Indonesia that are operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which continued to gain industry recognition in 2011 including being voted the "Outstanding Private Bank in Asia Pacific" by Private Banker International.

For more information, please visit [www.ocbc.com](http://www.ocbc.com)

<b>PRINCIPLE 1</b>	<b>BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS</b>
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### **Our Commitment or Policy**

As a corporate citizen, OCBC is responsible for the impact that our activities and practices have on our customers, employees and general members of the public. We proactively promote public interest by encouraging community growth and development, voluntarily putting in place good business and employee policies, practices, and guidelines, and do our part in protecting the environments in which we operate.

In the area of community growth and development, our CSR programme focuses on helping children and young adults realize their full potential, and promoting education. Our community engagement activities expand across Singapore, Malaysia China and Indonesia.

### **A brief description of our Processes or Systems**

Beyond cash contributions, our employees also offer their time and skills to enrich the lives of the children and youths in the key countries that OCBC Bank operates in.

We provide our customers with simple-to-understand, relevant and timely information so that they can make informed decisions. Our front line employees are regularly trained and certified to ensure that they are equipped to offer our customers quality advice, recommending products and services that are suitable for them. The remuneration structure for our front line staff is also designed to align rewards with service quality, in addition to sales results. We handle customers' complaints independently, effectively and promptly in order to address their concerns and feedback.

A fair dealing committee was established in 2009 to provide clear oversight and governance to ensure that we deal with our customers in a fair and consistent manner, throughout OCBC. A framework was established to define the programmes that we will undertake to promote fair dealing in our business practices, and to deliver fair dealing outcomes to customers through clear strategies and alignment of organizational policies and practices. A Product Suitability Committee helps ensure that the products and services we offer are suitable for our target customer segments.

### **Actions implemented in the last year / planned for next year.**

### **Measurable Results or Outcomes**

<b>PRINCIPLE 2</b>	<b>BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES</b>
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**Our Commitment or Policy**

Our Human Resource policies, programmes and practices are aligned with our Core Value of People, which requires us to treat one another fairly and with respect, regardless of our race, language, nationality and colour. We have invested heavily in developing our talent pool, putting in place policies and programmes to help our employees realize their full potential.

**A brief description of our Processes or Systems****Actions implemented in the last year / planned for next year****Measurable Results or Outcomes**

<b>PRINCIPLE 3</b>	<b>BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING</b>
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**Our Commitment or Policy**

Our rank and file and officers are unionised and OCBC had good relations with these unions.

**A brief description of our Processes or Systems**

In Singapore, we have an open communication channel with the two relevant labour unions, namely, the Singapore Bank Employees' Union and the Singapore Bank Officers' Association. These two unions are linked to the International Labour Organisation. In Malaysia, the unions that we work closely with are the National Union of Bank Employees, the Association of Bank Officers, the Sarawak Bank Employees' Union and the Sabah Bank Employees' Union.

**Actions implemented in the last year / planned for next year****Measurable Results or Outcomes**

<b>PRINCIPLE 4</b>	<b>BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSARY LABOUR</b>
<b>PRINCIPLE 5</b>	<b>BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR</b>

### **Our Commitment or Policy**

We are in full compliance with the labour laws and regulations in the countries that we operate in, including the minimum age for employment. We do not support child labour.

### **A brief description of our Processes or Systems**

**Actions implemented in the last year / planned for next year**

**Measurable Results or Outcomes**

<b>PRINCIPLE 6</b>	<b>BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION</b>
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### **Our Commitment or Policy**

We support fair employment and do not support any form of discrimination against employees. We hire employees on the basis of their merit.

### **A brief description of our Processes or Systems**

Our employees are encouraged to take charge of their own careers, regardless of their ranks, through our Career Best Programme. This programme allows them to evaluate their strengths and career orientation, and find the best fit between their talents and OCBC's organizational needs.

**Actions implemented in the last year / planned for next year**

Our Human Resource policies, programmes and practices are aligned with our Core Value of People, which requires us to treat one another fairly and with respect, regardless of our race, language, nationality and colour. We have invested heavily in developing our talent pool, putting in place policies and programmes to help our employees realize their full potential.

OCBC introduced a structured three-year development programme in 2007 that charts the learning roadmaps for individual employees during their first 3 years of service with us. Thereafter, they have opportunities to hone their skills through on the job training, in-house training programmes and by attending courses through the Training Continuing Education Scheme and other Management Development programmes.

Our employees are encouraged to take charge of their own careers, regardless of their ranks, through our Career Best Programme. This programme allows them to evaluate their strengths and career orientation, and find the best fit between their talents and OCBC's organizational needs.

Employees are also given the opportunity to make career switches through our Internal Job-Posting Programme. By doing so, we help broaden their work experience and provide them with the incentive to maintain long-term careers with us. Overseas postings are offered to employees who have the right skill sets and who aspire to gain work experience in the different key markets that we operate in.

We promote work life balance through various programmes introduced at corporate and divisional levels. We encourage employees to take early time off on a regular basis to spend time with their families, and organize team building activities to promote staff bonding.

Our online Health and Security dashboard, introduced in July 2008, enables our employees to obtain a quick snapshot of the health and security profile of the countries in which OCBC has a presence. The Health Indicator highlights threats such as disease outbreaks, while the Security Indicator shows possible threats such as riots, terrorist activities or natural disasters. Employees who are planning to travel to these countries can quickly and easily refer to the online dashboard to understand any threats that may affect them. We also send travel advisory alerts to our employees to discourage travel to countries where their health or safety may be compromised.

We are in full compliance with the labour laws and regulations in the countries that we operate in, including the minimum age for employment.

## **Measurable Results or Outcomes**

<b>PRINCIPLE 7</b>	<b>BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES</b>
<b>PRINCIPLE 8</b>	<b>BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY</b>
<b>PRINCIPLE 9</b>	<b>BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES</b>

### **Our Commitment or Policy**

The green journey is an unending one and we started ours in 2007 by adopting environmentally friendly practices such as introducing energy saving measures in our premise and encouraging recycling initiatives.

### **A brief description of our Processes or Systems**

Our customers can now have the choice of receiving electronic versions of their statements of accounts. We use energy-saving light and air-conditioning systems and automatic sensor taps in toilets, and setting up recycling bins at our head office buildings. Through our ongoing effort, we hope to complement and support the growth and development of green practices in the wider community.

### **Actions implemented in the last year / planned for next year**

There are plans to go paperless in our in-house training by uploading learning materials onto electronic platforms.

### **Measurable Results or Outcomes**

In May 2011, we received the Building and Construction Authority's Green Mark Gold Award for OCBC Centre as well as OCBC Centre South. This award was presented in recognition of our efforts to promote sustainability in our built environment, which can be a challenge especially for older buildings. OCBC Centre is the oldest historic site to receive such an award. OCBC Centre's adjoining building, OCBC Centre East, received the same award in May 2012.

<b>PRINCIPLE 10</b>	<b>BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY</b>
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### **Our Commitment or Policy**

We have zero tolerance for corrupt practices.

### **A brief description of our Processes or Systems**

We are fully committed to integrity and fair dealing, and adopt corporate governance practices in conformity with the regulatory guidelines issued by the Monetary Authority of Singapore and the Singapore Exchange Securities Trading Ltd.

Our Purpose and Core Values underpin our framework to deliver the outcomes of fair dealing to our customers. By understanding the reason of our being as stated in our Purpose, our employees know that their roles in serving customers should not be purely profit-motivated. Instead, we help our customers across communities achieve their aspirations with innovative yet appropriate financial services that meet their needs. Our Core Values, including the Value of Integrity, are continuously and consistently instilled as principles to guide decisions and behaviour, and to inspire our employees across the organization.

### **Actions implemented in the last year / planned for next year**

OCBC is a signatory to the Multi-party Anti-Corruption & Compliance Declaration drafted by the Singapore Institute of International Affairs since 2009. As a regional bank, we acknowledge the wide diversity of social customs and cultural practices across communities and recognize that economic and political philosophies differ throughout the world. Despite such differences in the geographies that we operate in, we believe in upholding our Core Value of Integrity as a consistent standard in our business activities. Participating in this multi-party declaration signals our commitment to promote clean business practices.

### **Measurable Results or Outcomes**