

GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

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| Company Name | Oversea-Chinese Banking Corporation Limited | Date | 23 October 2015 |
| Address | 65 Chulia Street #32-01, OCBC Centre Singapore 049513 | Membership Date | Since 21 December 2006 |
| Country | Singapore | Number of Employees | 29,512 (Group staff strength) |
| Contact Name | Koh Ching Ching | Sector | Banking and Finance |
| Contact Position | Head, Group Corporate Communications | | |
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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. Recognised for its financial strength and stability, OCBC Bank has been ranked Asean's strongest bank and among the world's five strongest banks by Bloomberg Markets for five consecutive years since the ranking's inception in 2011.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management 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 over 620 branches and representative offices in 18 countries and regions. These include the more than 330 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and more than 90 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which has received increasing industry recognition as Asia's Global Private Bank, and was voted "Outstanding Private Bank in Southeast Asia in 2014" by Private Banker International.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com.

HUMAN RIGHTS

Business should:

1) support and respect the protection of internationally proclaimed human rights

2) ensure that they are not complicit in human rights abuses

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.

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 invest in developing our talent pool, putting in place policies and programmes in order to help our employees realize their full potential.

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 support communities in our core markets of Singapore, Malaysia, Greater China, Hong Kong and Indonesia.

Beyond cash contributions, our employees also offer their time and skills to enrich the lives of the families, the elderly, 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 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.

We established a fair dealing committee in 2009 to provide clear oversight and governance to ensure that we deal with our customers in a fair and consistent manner, across all units of the OCBC group. 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.

LABOUR

Business should:

3) Uphold the freedom of association and the effective recognition of the right to collective bargaining

4) Support the elimination of all forms of forced and compulsory labour

5) Support the effective abolition of child labour

6) Support the elimination of discrimination in respect of employment and occupation

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

In Singapore, we have an open communication channel with the country's two relevant labour unions, namely, the Singapore Bank Employees' Union and the Singapore Bank Officers' Association. These unions are in turn 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.

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

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, introducing policies and programmes to help our employees realize their full potential.

Since 2007, OCBC introduced a structured three-year development programme 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 external courses through our Training Continuing Education Scheme and other Management Development programmes.

In April 2013, OCBC became the first Singapore bank to dedicate a building in the country's central business district to meet our employees' learning and development needs. Our employees have choice of a wide range of training courses, ranging from technical banking and insurance courses to leadership and managerial skills programmes. These courses enable them to upgrade their skills and sharpen their leadership capabilities to prepare them for new challenges or expanded roles in the group.

In 2014, we achieved an average of 7.9 man-days of training per employee, surpassing our annual target of five days for the ninth consecutive year. The benchmark was introduced since 2003.

In September 2013, we launched a S\$1.6 million learning management system. My Learning Portal is a one-stop personalized online portal that enables our employees to manage their personal and team's learning activities. Learning resources available on the portal include online certification programmes, training videos, and e-learning courses on Banking & Finance, Leadership & Employee Development and Quality Service. Virtual classes are also available for employees across different geographies.

Our employees are encouraged to take charge of their own careers, regardless of their ranks. Our Career Best Programme enables 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.

We were included among the Best Companies for Mums by Singapore NTUC Women's Development Secretariat in recognition of our efforts to help working mothers achieve better work-life harmony, through activity like an in-house childcare facility, nursing rooms, the flexible work arrangement scheme and the provision of the family leave.

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 highlights 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. We do not support child labour.

ENVIROMENT

Business should:

7) Support a precautionary approach to environmental challenges

8) Undertake initiatives to promote greater environmental responsibility

9) Encourage the development and diffusion of environmentally friendly technologies

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.

We opened our first paperless and environmentally-friendly branch at the Singapore Sports Hub in June 2014. The branch features digital self-service kiosk which allows 10 common branch services to perform without the need for paper. This digital platform was subsequently rolled out at the orchardgateway branch in July 2014. By December, we equipped our front-line staff across all branches with tablets, to facilitate the conducting of paperless wealth needs assessments and conversations with customers at their convenience anywhere.

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.

We officially opened a shopping mall, branded orchardgateway, in April 2014. The adjacent hote, named Hotel Jen Orchardgateway commenced operations in 2014. The integrated development had won the Building and Control Authority's Green Mark Platinum Award in February 2012 for its energy-saving and environmentally-friendly design features.

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.

In June 2014, our volunteers helped build a water filtration system for Sabira Island. The effort has clinched the Indonesia Green Awards 2015, Water Resources Conservation category. We are the only financial institution to win an award in this grouping. Organised by the La Tofi School of CSR in collaboration with the Indonesian Ministry of Environment, the Ministry of Marine Affairs & Fisheries as well as the Ministry of Industry, the award recognised our joint effort with OCBC NISP to make clean water resources available to all residents on Sabira Island. The water supply on Sabira Island was unsuitable for consumption because of sea-water infiltration. The 800 residents living on the island collected rainwater as an alternative water source. With the improved water infrastructure and pump house that made use of reverse osmosis technology to produce potable water, it enabled the people living on the island to live a better quality life, fulfilling their daily clean water consumption needs

We continue to support WWF's Annual Earth Hour programmes including switching off all the non-essential lights in the common areas and façade lightings in our office buildings on designated Earth Hour observation days. We also invite all tenants in our buildings to join us in our efforts.

ANTI-CORRUPTION

Business should:

10) Work against corruption in all its forms, including extortion and bribery

We have zero tolerance for corrupt practices.

At OCBC, 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.

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.