

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL REVIEW

Financial Performance

For the year 2009, the BEA Group recorded a profit after tax of HK\$2,638 million, representing an increase of HK\$2,534 million, or 2,445.1%, compared to the HK\$104 million earned in 2008. Basic earnings per share reached HK\$1.36. Return on average assets and return on average equity were 0.6% and 7.7%, respectively.

Against the persistently low interest rate environment in the wake of the financial tsunami, the Group recorded a slight decrease in net interest income in 2009, earning HK\$6,747 million. Following the disposal or write-down of the Bank's entire collateralised debt obligation ("CDO") portfolio in 2008, coupled with an increase in trading profits in 2009, non-interest income grew by HK\$3,777 million to HK\$3,441 million. Total operating income grew by 57.8% to HK\$10,188 million.

Operating expenses increased by 6.1% compared to 2008, reaching HK\$6,129 million, due to the continuing expansion of the Group's activities. The cost-to-income ratio dropped from 89.5% in 2008 to 60.2% in 2009.

Operating profit before impairment losses was HK\$4,059 million, an increase of HK\$3,381 million, or 498.8%, as compared with 2008.

Impairment losses on loans and advances increased by HK\$547 million, or 98.0%, mainly due to deterioration in overseas credit markets. Impairment losses on available-for-sale financial assets shrank to HK\$14 million. As a result, total impairment losses increased by HK\$193 million, or 20.3%, when compared with the previous year.

Operating profit after impairment losses was HK\$2,918 million, an increase of HK\$3,188 million, or 1,178.2%, as compared with 2008.

Net profit on disposal of available-for-sale financial assets dropped to HK\$102 million. With the buoyant property market in Hong Kong, the Bank recorded a valuation gain on investment properties of HK\$206 million. This contrasts with a valuation loss of HK\$168 million in 2008. Due to the strong performance of associates, the Group shared after-tax profits from associates of HK\$264 million.

After accounting for income taxes, profit after taxation was HK\$2,638 million, an increase of 2,445.1% compared to the HK\$104 million recorded the previous year. Profit attributable to owners of the parent was HK\$2,565 million, representing an increase of 6,510.0%.

Financial Position

Total consolidated assets of the Group stood at HK\$434,082 million at the end of 2009, an increase of 4.5% over the HK\$415,254 million at the end of 2008. Advances to customers increased to HK\$247,654 million, a rise of 7.5%. Total equity increased to HK\$39,523 million, up 21.7%.

Demand deposits and current accounts combined increased by HK\$10,048 million to HK\$46,380 million. The balance of savings accounts increased to HK\$81,711 million, a rise of HK\$35,930 million. The value of time deposits at year-end 2009 stood at HK\$214,437 million, a drop of HK\$27,252 million compared to the balance at the end of 2008. Total customer deposits rose by 5.8% to HK\$342,528 million, while certificates of deposit decreased by 48.8% to HK\$2,812 million. After taking into account certificates of deposit issued, the loan-to-deposit ratio was 71.7% at the end of 2009, 1.8% higher than the 69.9% reported at the end of 2008. Subordinated debt issued stood at HK\$12,359 million.

During 2009, BEA issued HKD fixed rate certificates of deposit with a face value of HK\$300 million and HKD floating rate certificates of deposit with a face value of HK\$270 million. The Bank redeemed a quantity of certificates of deposit amounting to HK\$2,387 million equivalent upon maturity, and repurchased its own certificates of deposit amounting to HK\$465 million equivalent.

At the end of December 2009, the face value of the outstanding debt portfolio was HK\$2,992 million, with a carrying amount equal to HK\$2,812 million.

執行董事報告書

財務回顧

財務表現

在2009年度，東亞銀行集團錄得除稅後溢利港幣26億3,800萬元，相比2008年度溢利港幣1億400萬元，增加港幣25億3,400萬元，或2,445.1%。每股基本盈利上升至港幣1.36元。平均資產回報率為0.6%，而平均股本回報率為7.7%。

受金融海嘯影響，利率持續低企，本集團於2009年的淨利息收入因而輕微減少至港幣67億4,700萬元。非利息收入則增加港幣37億7,700萬元，至港幣34億4,100萬元，原因是本集團於2008年全數出售所持有的債務抵押證券或將其價值撇銷至零，以及2009年度內交易溢利有所增加。經營收入總額增加57.8%，至港幣101億8,800萬元。

本集團業務不斷擴展，經營支出總額相比2008年上升6.1%，至港幣61億2,900萬元。成本對收入比率由2008年的89.5%下跌至2009年的60.2%。

2009年的未扣除減值損失之經營溢利為港幣40億5,900萬元，比對2008年增加港幣33億8,100萬元，或498.8%。

本集團貸款減值損失增加港幣5億4,700萬元，或98.0%，主要因為海外信貸市場轉差。可供出售金融資產的減值損失縮減至港幣1,400萬元，故此減值損失總額相對上年度增加港幣1億9,300萬元，或20.3%。

已扣除減值損失之經營溢利較2008年增加港幣31億8,800萬元，或1,178.2%，至港幣29億1,800萬元。

出售可供出售金融資產的淨溢利下降至港幣1億200萬元。

隨著本港地產市道轉為活躍，本行錄得投資物業重估盈利港幣2億600萬元，2008年度估值損失為港幣1億6,800萬元。由於聯營公司的業績優異，本集團可佔聯營公司除稅後溢利為港幣2億6,400萬元。

經計入稅項後，除稅後溢利為港幣26億3,800萬元，相較上年度溢利港幣1億400萬元，上升2,445.1%。可歸屬於集團股東溢利為港幣25億6,500萬元，上升6,510.0%。

財務狀況

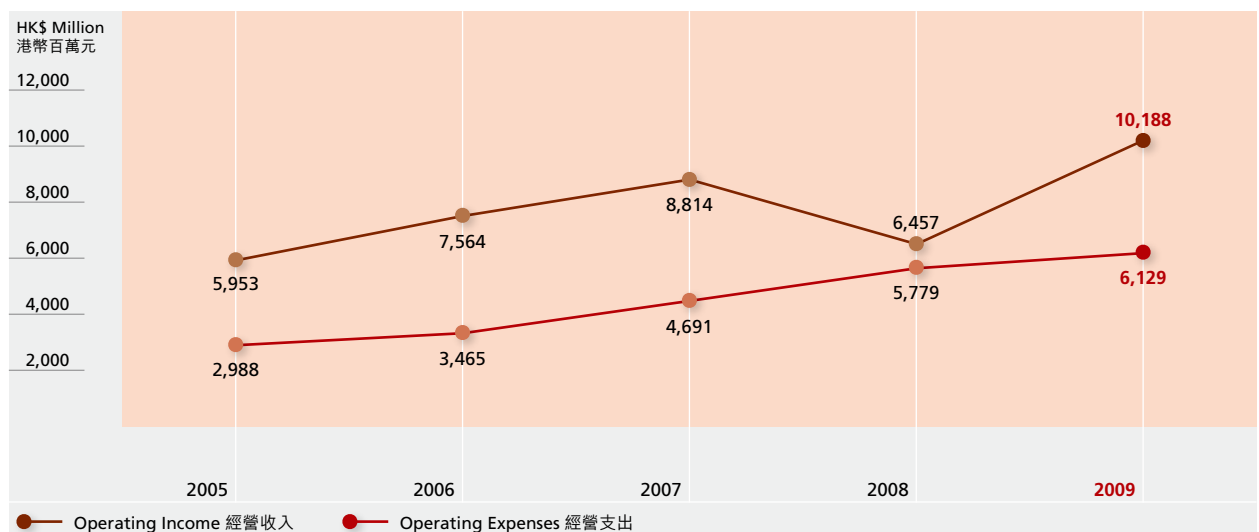
在2009年年底，本集團綜合資產總額為港幣4,340億8,200萬元，較2008年年底總額港幣4,152億5,400萬元，上升4.5%。客戶貸款增加7.5%，至港幣2,476億5,400萬元。股東權益總額上升21.7%，至港幣395億2,300萬元。

活期存款和往來存款合計港幣463億8,000萬元，增加港幣100億4,800萬元。儲蓄賬戶結餘為港幣817億1,100萬元，增加港幣359億3,000萬元。2009年年底的定期存款為港幣2,144億3,700萬元，對比2008年年底結餘減少港幣272億5,200萬元。總體客戶存款上升5.8%，至港幣3,425億2,800萬元。存款證總額減少48.8%，至港幣28億1,200萬元。經計及所有已發行存款證後，本行於2009年年底的貸款對存款比率為71.7%，較2008年年底的69.9%上升1.8%。已發行後償債券總額為港幣123億5,900萬元。

本行於2009年發行面值港幣3億元的港元定息存款證和面值港幣2億7,000萬元的港元浮息存款證。本行於到期時贖回等值港幣23億8,700萬元的各類存款證，和購回其等值港幣4億6,500萬元的存款證。

2009年12月底，債務組合總面值為港幣29億9,200萬元，賬面值為港幣28億1,200萬元。

OPERATING INCOME VS OPERATING EXPENSES 經營收入及經營支出



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Maturity Profile of Debts Issued

As at 31st December, 2009

(All expressed in millions of dollars)

	Currency	Total Face Value	Year of Maturity				
			2010	2011	2013	2014	2015
Floating Rate Certificates of Deposit							
Issued in 2008	HKD	100	100				
Issued in 2009	HKD	270	120	150			
Issued in 2008	USD	30		30			
Fixed Rate Certificates of Deposit							
Issued in 2008	HKD	500	500				
Issued in 2009	HKD	300	300				
Issued in 2008	USD	65	50	15			
Zero Coupon Certificates of Deposit							
Issued in 2007	USD	140			40	50	50
Total Debts issued in HKD equivalent		2,992	1,407	499	310	388	388

Maturity Profile of Loan Capital

As at 31st December, 2009

(All expressed in millions of dollars)

	Currency	Total Face Value	Year of Maturity		
			2015	2017	Perpetual
Issued in 2005	Note 1	USD	550		
Issued in 2007	Note 2	USD		600	
Issued in 2007	Note 3	GBP	300		300
Total Loan Capital issued in HKD equivalent		12,667	4,265	4,653	3,749

Notes:

1. Callable on 14th December, 2010

2. Callable on 22nd June, 2012

3. Callable on 21st March, 2012 and on each interest payment date thereafter

Risk Management

The Bank has established comprehensive risk management procedures in line with the requirements set out by the Hong Kong Monetary Authority to identify, measure, monitor and control the various types of risk that the Bank faces, including credit risk, market risk, liquidity risk and operational risk, and, where appropriate, to allocate capital against those risks. All risk management policies have been approved by the Board of Directors, and risk management mechanisms have been established at different levels throughout the Group. This is supplemented by active management involvement, effective internal controls and comprehensive audits.

The risk management mechanisms are built around a centralised framework and incorporate specialised risk management committees, namely: Credit Committee; Asset and Liability Management Committee; and Operational Risk Management Committee. These mechanisms capture the different risk-related management activities on a Group basis, including formulation of policies, setting up of procedures and control limits, ongoing monitoring for observance, etc., before the same are reported via the Risk Management Committee to the Board of Directors so as to ensure compliance with Bank policies, and legal and regulatory requirements in Hong Kong, China and overseas.

執行董事報告書（續）

已發行債務證券的年期

2009年12月31日

(以百萬元位列示)

		貨幣	總面值	到期年份				
				2010	2011	2013	2014	2015
浮息存款證								
2008年發行	港元	100	100					
2009年發行	港元	270	120	150				
2008年發行	美元	30		30				
定息存款證								
2008年發行	港元	500	500					
2009年發行	港元	300	300					
2008年發行	美元	65	50	15				
零息存款證								
2007年發行	美元	140			40	50	50	
所有已發行債務證券（相等於港元）		2,992	1,407	499	310	388	388	

借貸資本的年期

2009年12月31日

(以百萬元位列示)

		貨幣	總面值	到期年份		
				2015	2017	無到期日
2005年發行	附註1	美元	550	550		
2007年發行	附註2	美元	600		600	
2007年發行	附註3	英鎊	300			300
所有已發行借貸資本（相等於港元）			12,667	4,265	4,653	3,749

附註：

1. 於2010年12月14日可贖回
2. 於2012年6月22日可贖回
3. 於2012年3月21日和其後各利息支付日期可贖回

風險管理

本行已建立一套符合香港金融管理局規定的完善風險管理程序，以識別、衡量、監察和控制本行所承受的各類風險，包括信貸風險、市場風險、流動資產風險和營運風險，並在適當情況下分配資金以抵禦該等風險。所有風險管理政策均經董事會批准。本集團已在各業務層面建立風險管理機制，並結合管理層的積極參與、有效的內部監控和完善的稽核程序。

風險管理機制以中央架構為中心構建，設置專責風險管理委員會——信貸委員會、資產負債管理委員會和營運風險管理委員會。風險管理委員會掌握整個集團內不同的風險相關管理工作，包括制訂政策、訂立程序及控制限度、持續監控合規等工作，其後方經由風險管理委員會向董事會匯報，確保已遵守香港、中國內地和海外的各銀行政策、法例和監管規定。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

OPERATIONS REVIEW

Hong Kong Operations

Corporate Branding

To enhance its corporate brand image, BEA unveiled a new brand platform in May 2009, based on the concept "Extending Your Reach". The new platform reflects BEA's commitment to helping people realise their dreams by enabling them to manage their finances more effectively. Graphically, the platform is represented by a soaring arc in BEA's corporate colours, which reinforces the dynamic and progressive image that is central to the Bank's service commitment. BEA introduced the new concept to the market in an advertising campaign and the new positioning was also widely applied to communication materials to further reinforce the Bank's enhanced brand image.

Recognition

During the period under review, the Bank received many awards, reflecting its outstanding achievements, including:

- the 10th Annual Asia Risk Awards 2009 – "House of the Year, Hong Kong", from *Asia Risk* magazine;

- "Best Bank Bond" in "The Asset Asian Awards 2009" from *The Asset* magazine for the Bank's US\$500 million Hybrid Tier 1 Capital Issue;
- for the second consecutive year, winner of the "Best SME's Partner Award", organised by The Hong Kong Chamber of Small and Medium Business Limited;
- "2008 Top Merchant Sales Volume Acquiring Bank Award – Visa", in the Visa Explorer Award Program;
- second runner-up in the "2008 Highest Growth Rate in Number of Open Cards in Hong Kong – MasterCard"; and
- silver prize for "2008 Highest Card Number Growth (Credit Card) in Hong Kong – China UnionPay".

BEA's subsidiaries, including The Bank of East Asia (China) Limited ("BEA China"), BEA Union Investment Management Limited ("BEA Union Investment"), Blue Cross (Asia-Pacific) Insurance Limited ("Blue Cross") and Credit Gain Finance Company Limited ("Credit Gain"), were also recognised for their achievements. Details of such recognitions are set out in the respective sections below.



The new branding platform reflects BEA's ability to help customers realise their dreams by enabling them to improve their financial prospects.
全新企業品牌平台彰顯本行一直不遺餘力，協助客戶實現夢想的服務理念。

BEA won the "House of the Year, Hong Kong Award" as part of the "10th Annual Asia Risk Awards 2009".

榮獲《亞洲風險》雜誌第10屆「亞洲風險大獎」之「2009年度最佳銀行（香港）」。



The Bank's US\$500 million Hybrid Tier 1 Capital Issue was named "Best Bank Bond" in "The Asset Asian Awards 2009" organised by *The Asset* magazine.

本行發行5億美元之混合一級資本工具，獲得《財資》雜誌「2009年度財資亞洲獎項」之「最佳銀行債券大獎」。



For the second year in a row, BEA was the winner of the "Best SME's Partner Award".

連續2年榮獲香港中小型企業商會有限公司之「中小企業最佳拍檔獎」。

執行董事報告書（續）

業務回顧

香港業務

企業品牌

為提升企業品牌形象，本行於2009年5月推出以「跨越新領域」為主題的全新企業品牌計劃，藉以彰顯本行一直不遺餘力，協助客戶妥善理財，實現夢想的服務理念。嶄新品牌平台使用一個配以企業色彩的向上延伸弧形作為構圖，強化本行積極進取的形象，貫徹本行服務為本的承諾。本行推出廣告計劃向市場介紹新的品牌概念，並將新概念廣泛應用於其他推廣宣傳品，傳遞鮮明而統一的品牌訊息。

榮譽與獎項

本行於年內榮獲多個獎項，反映本行的卓越表現，其中包括：

- 《亞洲風險》(Asia Risk) 雜誌第10屆「亞洲風險大獎」之「2009年度最佳銀行（香港）」(House of the Year, Hong Kong)；

- 本行發行5億美元之混合一級資本工具，獲得《財資》雜誌「2009年度財資亞洲獎項」(The Asset Asian Awards 2009)之「最佳銀行債券大獎」(Best Bank Bond)；
- 香港中小型企業商會有限公司之「中小企業最佳拍檔獎」(連續2年獲獎)；
- 「Visa商戶大搜尋獎勵計劃」之「2008最高Visa商戶簽賬額營業員大獎」；
- 萬事達國際組織之「2008香港區最高發卡量升幅獎銅獎」；及
- 中國銀聯之「2008香港區發卡量升幅獎（信用卡）銀獎」。

東亞銀行多間附屬公司，包括東亞銀行（中國）有限公司（「東亞中國」）、東亞聯豐投資管理有限公司（「東亞聯豐」）、藍十字（亞太）保險有限公司（「藍十字」）和領達財務有限公司（「領達財務」），亦憑超卓表現獲取殊榮，詳情載於以下相關章節。



BEA's credit card business was recognised by Visa, MasterCard, and China UnionPay for its outstanding achievements in 2009.

本行信用卡業務成就卓越，屢獲殊榮，於2009年獲得Visa、萬事達國際組織及中國銀聯頒贈多個獎項以作表揚。



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Corporate Banking

The local corporate loan market exhibited weakness in the first quarter of 2009, as the impact of the financial tsunami reverberated through the economy. Loan demand was mainly driven by refinancing needs. Commercial loan and trade finance business fell at the beginning of the year, as local companies suffered a sharp slowdown in orders from overseas trading partners. The weak first quarter was followed by a rebound from the second quarter onwards.

Corporate Lending

Bargain-hunters took advantage of the improving local credit environment from the second quarter to pursue investment opportunities, leading to a gradual revival in corporate lending business during the year. As a result, the Bank registered satisfactory growth in corporate loan volume combined with enhanced overall pricing for 2009 as a whole.

In light of the relatively quiet syndicated loan market and the tenuous nature of the economic recovery, BEA is taking a proactive approach to expanding its client base by focussing on high quality local and Mainland enterprises. With its strong Mainland network, BEA is particularly well positioned to serve local and Mainland customers, and meet both their onshore and offshore financing needs.

Share-financing activity rebounded strongly in the second half of the year, as Mainland enterprises took advantage of the surging appetite for China-oriented stocks to list on the Stock Exchange of Hong Kong. BEA acted as

a receiving bank for a total of 12 IPO projects in 2009, firmly establishing itself as one of the market leaders in this highly competitive business and further broadening its non-interest income base. For 2010, BEA will continue to develop the IPO receiving bank business, and look to additional business opportunities in pre-IPO financing, targeting Mainland enterprises in particular.

Commercial Lending and Trade Finance

The Bank actively supported the Hong Kong Government's Special Loan Guarantee Scheme to assist local small and medium sized enterprises, granting more than HK\$2 billion in loans under the Scheme. As a result, BEA recorded a substantial rise in commercial loan business in 2009. The Bank will continue its active participation in the Scheme, which has now been extended to June 2010.

To further complement the Bank's range of commercial products, BEA introduced factoring in the second half of the year. This will provide additional flexibility to customers in managing their business, by improving the efficiency of collection of receivables, enhancing cash flow management and providing protection against buyer default.

In line with the Central Government's recent policy initiatives on settlement of cross-boundary trade in Renminbi, BEA was among the first banks to provide Renminbi one-stop trade settlement services. This new policy applies to enterprises based in Hong Kong and the Mainland, and covers RMB deposit accounts for trade settlement, currency exchange, fund transfers and trade finance. These new services bring greater flexibility and reduce exchange rate risk and trade costs for clients involved in cross-boundary trade with the Mainland.



The Bank rolled out various programmes to help corporate banking customers meet their financing needs and facilitate business expansion.

本行推出多項貸款計劃，滿足企業銀行客戶不同的資金需要，以協助其業務發展。

BEA participated in the World SME Expo 2009 organised by the Hong Kong Trade Development Council.

本行積極參與香港貿易發展局舉辦的中小企業國際推廣博覽2009。

執行董事報告書（續）

企業銀行業務

2009 年首季，本港經濟持續受到金融海嘯的影響，企業貸款市場疲弱，本地貸款需求主要為再融資業務所帶動。由於本地公司在年初從香港主要海外貿易夥伴所接獲的訂單大幅減少，本行商業貸款和貿易融資業務於去年首季下跌，及至第 2 季始見回升。

企業貸款

有見於本地信貸環境改善，進取及觸覺敏銳的投資者於第 2 季起積極物色投資機會，帶動年內企業貸款業務逐漸轉好。2009 年內，本行企業貸款總額錄得理想增長，貸款利率和其他收費保持穩定。

鑒於銀團貸款市場相對淡靜，加上經濟復蘇的步伐尚未確定，本行採取積極進取的態度擴展客戶基礎，著重優質的本地和內地企業。在內地設立的龐大業務網絡令本行位佔先機，能為本港和內地客戶提供周全妥善的服務，滿足他們對本地和離岸融資的需要。

由於不少內地企業趁中資股熱潮，申請在香港聯合交易所上市，本地股票融資活動於去年下半年轉趨活躍。年內，

本行擔任 12 個新股上市項目的收票銀行，鞏固本行在該競爭激烈業務的領導地位，同時亦藉此擴大非利息收入基礎。2010 年，本行在繼續拓展新股上市項目收票銀行業務的同時，也會致力發掘上市前融資項目的商機，尤其著眼於內地企業的上市融資。

商業貸款和貿易融資

本行積極支持香港政府的特別信貸保證計劃，協助本地中小型企業。在計劃下中小企獲得超過港幣 20 億元的貸款，令商業貸款業務於 2009 年錄得顯著增長。該計劃申請期現已延長至 2010 年 6 月底止，本行將會繼續積極協力推廣。

為進一步加強商業貸款產品，本行於下半年推出應收賬融資業務，讓客戶可透過此新服務提升收賬效率、改善現金流和防範買家拖欠的風險，更靈活地管理業務。

配合中央政府近期推出的跨境貿易人民幣結算政策，本行為首批銀行之一，率先提供一站式的人民幣貿易結算服務。該新政策適用於香港和內地企業，範圍涵蓋貿易結算人民幣存款賬戶、人民幣兌換、轉賬和貿易融資。從事與內地跨境貿易的客戶，可藉此新服務靈活而有效地降低匯率風險和交易成本。



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Asset Based Finance

Following the acquisition of a sizeable equipment loan portfolio from the market in 2008, BEA focussed on rationalising the portfolio in 2009. Affected by the global financial crisis, equipment loan demand shrank. Notwithstanding the difficult market conditions, BEA expanded its equipment dealership network as well as its marketing team in 2009. This has put the Bank in a position to fully exploit emerging business opportunities as the market turns for the better.

Meanwhile, BEA's Hong Kong commercial vehicle financing portfolio for taxi and public light buses expanded by more than 10% during the year. The quality of the loan portfolio remained satisfactory, with zero loan loss despite fluctuations in the value of taxi and public light bus licences.

Personal Banking*Branch Distribution and Services*

The Bank's retail marketing initiatives focussed on developing long-term customer relationships, targeting key market segments including tertiary students and professionals.

The Bank's Supreme Account and i-Account services were enhanced in November 2009 with the addition of securities and linked-deposit sub-accounts. With this product enhancement, the Bank now provides comprehensive account services catering for both the banking and investment needs of customers through three distinct all-in-one accounts, namely SupremeGold Account, Supreme Account and i-Account.

Continuing the multi-year Branch Rationalisation Programme, the Bank opened Tai Wo Branch and

Cheung Sha Wan Plaza Branch, and closed Lei Tung Estate Branch and Tokwawan Branch during 2009. Tsing Yi Garden Branch was relocated to a more prominent site at Maritime Square and renamed Maritime Square Branch. To further improve service to customers, new SupremeGold Centres were opened at Maritime Square Branch, Tai Wo Branch and King's Road Branch. At the end of December 2009, BEA operated a total of 90 branches and 51 SupremeGold Centres in Hong Kong.

The Bank has implemented the recommendations of the Hong Kong Monetary Authority ("HKMA") on the marketing and selling of investment products. An advanced Secure Voice Recording Solution was introduced in all local branches on 4th May, 2009. In addition, a mystery shopper programme was implemented on 1st June, 2009 to monitor staff compliance with Bank policies and regulatory rules and guidelines on the sale of investment products to retail customers. The Bank had fully implemented the new guidelines on physical segregation of general banking services and investment services by 2nd October, 2009.

Cyberbanking

The Cyberbanking website was revamped in August 2009 to introduce a more intuitive and user-friendly user interface and to offer a more personalised online banking experience. In addition, Corporate Cyberbanking website was revamped and has been launched in January 2010.

During the year, Cyberbanking's stock-trading services were extended to all types of all-in-one accounts, namely SupremeGold Account, Supreme Account and i-Account. In addition, Corporate Cyberbanking was enhanced to include Renminbi trade settlement features.



To enhance customer access to banking services in Tsing Yi, BEA opened its spacious Maritime Square Branch in October 2009.

2009年10月，本行於青衣城開設分行，為青衣區的客戶提供更舒適的理財環境及全面的銀行服務。

執行董事報告書（續）

資產融資

繼2008年從市場購入一項大額設備貸款業務後，本行於2009年專注於優化該貸款組合。受全球金融危機影響，設備貸款需求萎縮。然而，儘管市況欠佳，本行於2009年仍全力擴張設備經銷商網絡，並壯大市場推廣隊伍，從而提升業務優勢，有利本行在未來市況好轉時全面捕捉新商機。

年內，本行在本地的士和小巴的商業汽車融資業務則有逾10%增長，而且貸款素質持續理想，縱使的士和小巴牌價波動，貸款拖欠比率仍保持在零水平。

個人銀行業務

分行業務

本行的零售業務推廣重點為發展與客戶的長遠關係，目標客戶包括大專院校學生和專業人士。

本行於2009年11月提升至尊理財戶口和i-Account服務，增設證券附屬賬戶和掛鈎存款附屬賬戶。產品提升後，本行現提供更全面的賬戶服務，透過3種不同的綜合戶口——顯卓理財戶口、至尊理財戶口和i-Account，滿足客戶的銀行服務和投資需要。

本行持續多年推行「分行優化計劃」，除了於2009年增設太和分行和長沙灣廣場分行外，亦關閉利東邨分行和土瓜灣分行；另外，已搬遷青怡花園分行至區內中心地點青衣城，同時將分行易名為青衣城分行。為向客戶提供更佳服務，本行在青衣城分行、太和分行和英皇道分行新開顯卓理財中心。截至2009年12月底，本行在香港共設有90間分行和51間顯卓理財中心。

配合香港金融管理局（「金管局」）就投資產品推廣和銷售作出的建議，本行於2009年5月4日起在本地全線分行推行先進的「安全錄音方案」，又於6月1日推行喬裝客戶檢查，藉以檢測分行職員在向零售客戶銷售投資產品時，是否能夠充分遵行本行所訂立的政策和有關監管守則及指引。本行亦於2009年10月2日起全面實施顧客服務及投資服務的實體分隔措施，以配合金管局的新規定。

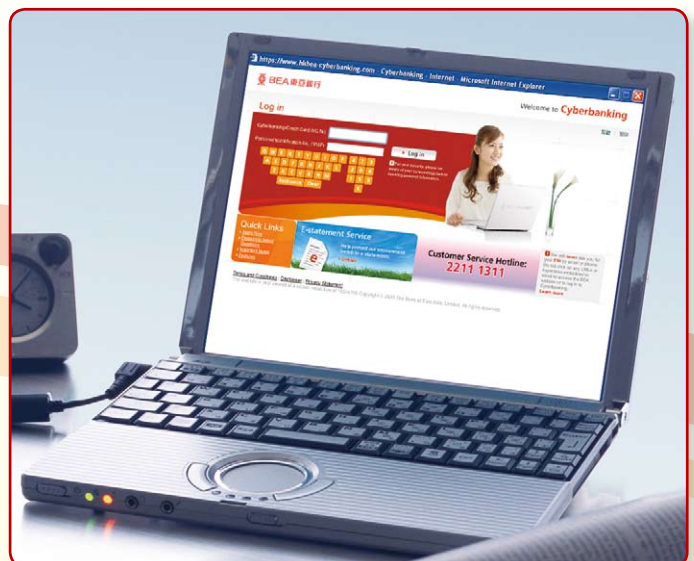
電子網絡銀行服務

本行於2009年8月推出更新的電子網絡銀行服務網站，以煥然一新的設計和更簡便易用的功能，務求為客戶帶來最佳的網上銀行服務體驗。此外，企業電子網絡銀行服務網站亦已更新，並已於2010年1月推出。

年內，本行把電子網絡銀行服務的股票買賣服務拓展至各類綜合戶口，包括顯卓理財戶口、至尊理財戶口和i-Account；另外，亦提升企業電子網絡銀行服務，加設人民幣貿易結算功能。

Cyberbanking's webpages were revamped to enhance the user friendliness and personalisation of the online banking experience.

重新設計的電子網絡銀行服務網頁更簡便易用，同時也為客戶帶來個人化的網上銀行服務。



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

In line with the new security guidelines issued by the HKMA in respect of online transactions, the Bank further strengthened the security features of Cyberbanking and Corporate Cyberbanking in September 2009. The upgrade ensures that the Bank maintains a market-leading standard of security for all online transactions.

By the end of 2009, the number of registered Cyberbanking users and Corporate Cyberbanking users had recorded growth of 9% and 6%, respectively, compared with the end of the previous year. The Bank plans to further promote Cyberbanking and Corporate Cyberbanking services in order to enrol more users from the existing account holders of the Bank, as well as to drive more banking activities of customers to electronic channels to improve service efficiency.

Credit Cards

Promotional activities during the year aimed to reinforce the benefits of holding and using BEA credit cards, with particular focus on expanding the Bank's network of dining and entertainment affiliations. In order to build loyalty and to appeal to Private Banking and SupremeGold customers, a new product, BEA World MasterCard, was launched, providing an extra level of service and privilege for this premium customer segment.

In response to increasing travel by local residents to the Mainland, the BEA CUP Dual Currency PLATINUM Credit Card was launched in January 2010. The card supports two settlement currencies, namely Hong Kong dollars and Renminbi. This flexibility translates into greater convenience and savings for cross-boundary travellers.

Consumer Loans

The Bank reviewed its consumer loan policies during the year in the face of the difficult economic environment in the first half of the year. Implementing stringent control over loan quality, the Bank successfully launched the "Right for You" instalment loan programme, a revised tax loan programme and a new revolving loan programme, thus achieving continued growth in the loan portfolio. The Bank also launched a series of niche marketing programmes with well-known organisations, professional firms and educational institutions, succeeding in recruiting borrowers with a higher level of credit-worthiness.

Property Loans

The mortgage loan portfolio grew at an encouraging pace in 2009. A variety of mortgage products were introduced, covering both residential and non-residential properties. A series of promotional activities were conducted throughout the year to target different customer segments.

The Fixed Adjustable Rate Mortgage ("FARM") Programme, launched by the Hong Kong Mortgage Corporation, and the Surplus Home Ownership Scheme ("HOS") Flats Phase 5, launched by the Hong Kong Housing Authority, both served as good platforms for new business.

In view of the increasingly intense market competition, the Bank will further build on its strong relationships with local business partners, including property developers, solicitors, property agents and mortgage brokers, to provide highly competitive mortgage plans for homebuyers.



BEA World MasterCard enriches the lives of the Bank's most privileged clients through the provision of extensive offers, unique privileges, and dedicated services.

東亞銀行World萬事達卡為尊貴客戶提供獨特的優惠和升級服務，讓他們生活增添更多色彩。

BEA and China UnionPay jointly launched the BEA CUP Dual Currency PLATINUM Credit Card, providing greater convenience to travellers who regularly conduct transactions in Hong Kong dollars and Renminbi.

本行與中國銀聯攜手推出「東亞銀行銀聯雙幣白金信用卡」，讓經常往返內地與香港的人士可以以港幣和人民幣結算簽賬，令理財更容易方便。

執行董事報告書（續）

因應金管局就網上交易發出的新保安指引，本行於2009年9月加強電子網絡銀行服務和企業電子網絡銀行服務的保安功能，確保通過本行進行的各類網上交易維持領先市場的保安標準。

截至2009年年底，電子網絡銀行服務和企業電子網絡銀行服務的客戶人數相較對上年度同期，分別增長9%和6%。本行計劃進一步推廣電子網絡銀行服務和企業電子網絡銀行服務至現有賬戶持有人，同時鼓勵更多客戶通過電子渠道使用銀行服務，藉此提高服務效率。

信用卡

本行於年內推行推廣活動，為東亞銀行信用卡客戶提供更豐富的優惠，並特別著重擴展本行與飲食和娛樂商戶的業務網絡。為增強與私人銀行和顯卓理財客戶的關係，本行推出新的信用卡產品——東亞銀行World萬事達卡，為尊貴客戶提供獨特的優惠和升級服務。

有見本地居民往來內地日益頻繁，本行於2010年1月推出「東亞銀行銀聯雙幣白金信用卡」，此卡的簽賬可用港幣和人民幣結算，讓跨境旅客既可享極大的便利，也能節省開支。

私人貸款

由於2009年上半年經濟狀況欠佳，本行檢討私人貸款政策，加強對貸款素質的控制。本行成功推出「好合你」分期貸款，以及更新的稅務貸款計劃和全新循環貸款計劃，在貸款業務取得持續增長。本行亦與多間著名的公司、專業機構和教育組織合作，推行一系列以高端消費客戶為對象的推廣計劃，成功吸納信用更佳的借款人。

樓宇按揭貸款

本行按揭貸款業務於2009年的增長速度令人鼓舞。本行於年內推出多種住宅和非住宅物業的按揭產品，還推行一系列以不同客戶群為對象的業務推廣計劃。

透過香港按揭證券公司的「定息按揭計劃」和香港房屋委員會出售剩餘居屋單位第5期，本行獲得不少商機。

按揭市場競爭日益劇烈，本行將會加強與本地業務夥伴的聯繫，其中包括物業發展商、律師、物業代理和按揭經紀，為物業買家提供更具競爭力的按揭計劃。

The Tax Loan Programme and other consumer loan products offered customers a number of attractive benefits including a highly competitive interest rate and flexible repayment terms.

「優悠稅悅」稅務貸款及其他私人貸款產品為客戶提供多重優惠，包括特低息率及靈活還款期。



The Bank launched a series of promotional activities for highly competitive residential mortgage plans.

本行推出一系列業務推廣計劃，提供更具競爭力的樓宇按揭計劃。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Wealth Management

Investment Products and Advisory

Anticipating greater demand for conservative asset classes and product diversification, the Bank launched two capital preservation-themed investment funds in 2009, namely the BEA Global Bond Fund and the BEA Union Investment Four Seasons Fund. The former invests in high-grade debt securities with a focus on sovereign issues, while the latter seeks medium-term growth through exposure to a dynamically allocated portfolio of equity and debt securities.

Investor services were enhanced during the year, with the introduction of more fund choices for monthly subscription plans. Further, the Bank completed an upgrade of its financial planning system, offering investors the ability to keep close track of fund investment returns. These initiatives were well received by customers, contributing to a rise of more than 60% in terms of fund assets under custody, when compared with the end of 2008.

With demand impacted by the credit crisis, sales of structured products started off the year relatively slowly. However, with the rebound in stock markets, moderating volatility and narrowing of the credit spread, demand re-emerged during the course of the year. In particular, the transaction volume for currency-linked deposits returned to pre-crisis levels in the fourth quarter.

During 2009, the Bank has been an active participant in discussions with regulators to safeguard the interests of all parties in financial product transactions.

Private Banking

The regulatory environment for private banking business in Hong Kong has become stricter in the wake of the Lehman Brothers' bankruptcy, which has in turn increased the cost of doing business. BEA has adapted to the new environment by focussing on customer relationships and encouraging clients to practise asset diversification and investment discipline. In addition, the Bank enhanced its operating systems, in order to achieve more efficient internal operations and offer a more user-oriented service for clients.

Riding on the recovery in global markets and the improving investment sentiment, Private Banking had a better-than-expected year in 2009, with net profit growing by 33% year-on-year. Assets under management grew by 24%, while the number of accounts grew by 15%.

Private Banking continues to draw the majority of its clientele from the Greater China region, but also welcomes clients from elsewhere. Given the growing interest in China-centred investments, the Bank plans to expand the Private Banking team in order to attract a larger clientele from outside the region.

Investment Banking and Services

East Asia Securities Company Limited – Securities Cybertrading

East Asia Securities Company Limited ("East Asia Securities") offers a highly reliable service using proven technology, and continues to improve and expand its brokerage network. The company saw the number of Cybertrading accounts rise by 4% during the year. As of 31st December, 2009, more than 60% of the company's securities clients had subscribed to Cybertrading.

東亞聯豐四季基金

BEA FUNDS
東亞基金

重要聲明：
 • 東亞聯豐四季基金（「本基金」）為在投資於一籃動態分配股票及債券等資產，並配合全球債券及股本證券，包括高收益債券、優先證券、垃圾債券、利率債券、抵押證券及由投資於企業資產發行的債券證券，以尋求短期回報及長期增值及中至長期資本增值的潛力。
 • 本基金可投資於新興市場，並尋求中至長期的資本增值。
 • 本基金可投資於新興市場及全球債券，包括高收益債券及垃圾債券，以尋求短期回報及長期增值及中至長期資本增值的潛力。
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 • 本基金可投資於新興市場及全球債券，包括高收益債券及垃圾債券，以尋求短期回報及長期增值及中至長期資本增值的潛力。
 • 投資者不應只單憑此資料而作出投資決定。

無論四季投資氣候變化
靈活把握穩健回報機遇

BEA 東亞銀行

BEA's capital preservation funds help investors achieve stable long-term capital growth.

本行推出保本投資基金，讓投資者獲取穩定的長期潛在投資回報。

執行董事報告書（續）

財富管理

投資產品及顧問

本行預計客戶對保守資產類別和產品多元化的需求增加，於2009年推出兩項保本為主的投資基金，包括「東亞環球債券基金」和「東亞聯豐四季基金」。前一項基金投資於高評級的債務證券，特別是各國政府發行的優質債券，後者則通過投資於靈活配置的股票和債務證券組合，為投資者尋求中長期資本增值。

為提升對投資者的服務，本行於年內為月供認購計劃增加了多個投資選項，亦完成更新財務策劃系統，讓投資者更可緊貼基金投資表現。該等計劃均大受客戶歡迎，令本行投資基金業務的資產值較2008年年底上升逾60%。

金融危機影響結構產品的市場需求，令有關產品於年初的銷售表現疲弱。然而，隨著年內股票市場復蘇，波動減少和信貸息差收窄，投資者對有關產品的需求回升，尤其是貨幣掛鈎存款的成交量已於第4季回復到危機爆發前的水平。

本行於2009年積極參加銀行業與監管機構的磋商，致力保障金融產品交易中各方人士的利益。

私人銀行

雷曼事件發生後，本港收緊對私人銀行業務的監管，致使經營有關業務的成本增加。鑒於經營環境的轉變，本行著重加強與客戶的關係及鼓勵客戶分散資產投資。本行亦已改善營運系統，藉此提升工作效率，讓客戶享用更佳服務。

隨著環球市場復蘇和投資氣氛改善，本行私人銀行業務於2009年的表現優於預期，淨溢利較2008年增加33%，管理資產增長24%，而賬戶數量的增幅達15%。

私人銀行業務繼續以大中華區客戶為主要目標對象，也同時歡迎其他地區的客戶使用其服務。以中國為目標的投資項目越來越受投資者歡迎，本行計劃擴大私人銀行服務團隊，從而吸引更多區外客戶。

投資銀行業務

東亞證券有限公司 — 電子網絡股票買賣服務

東亞證券有限公司（「東亞證券」）使用先進科技提供高度可靠的服務，亦繼續加強和擴張與經紀的業務網絡。東亞證券於年內的電子網絡買賣服務賬戶上升4%。至2009年12月31日止，東亞證券逾60%客戶已登記使用此項服務。

Experts shared their views on the outlook for Hong Kong's financial and property markets at the BEA seminar.

在本行舉辦的投資研討會上，著名投資專家與客戶分享香港金融及地產市場的展望。



East Asia Securities enjoyed steady growth in the number of Cybertrading accounts and the volume of transactions executed via its online trading platform.

東亞證券電子網絡股票買賣服務的賬戶數目及交易量均錄得穩定增長。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

The volume of transactions executed via the Cybertrading platform, expressed as a percentage of total turnover, reached 62% of the number of trades and 46% of the gross transaction value during the period under review.

With a view to further enhancing the Cybertrading Service, East Asia Securities launched an e-Statement Service in January 2010.

East Asia Futures Limited – Futures Cybertrading

On the back of improved local market sentiment and increased demand for derivative products, East Asia Futures Limited ("East Asia Futures"), the wholly-owned futures and options broking arm of the Bank, enjoyed steady growth in trading volume during the year. Nearly 80% of the total trading volume was executed via its user-friendly internet-based trading platform – the Futures Cybertrading System. As of 31st December, 2009, more than 74% of East Asia Futures clients had subscribed to Futures Cybertrading.

With a view to adding new services, enlarging the client base and promoting usage of its electronic trading platform, East Asia Futures will implement a software upgrade and launch a new promotional campaign in 2010.

China and International Operations

Mainland China Operations

BEA's locally-incorporated subsidiary bank on the Mainland, BEA China, continues to maintain a leading position among locally-incorporated foreign banks in this very important market.

BEA China's pioneering achievements and second-to-none banking services were recognised through a number of awards in 2009, including:

- the "2009 Best Foreign Bank Website" from Hexun.com;
- the "2009 Best SME Services in Asia" in the 4th Asian Banks Competitive Rankings held during the 21st Century Annual Finance Summit of Asia;
- the "2009 Best Localised Foreign Bank" and the "2009 Best Secured Credit Card" from *Moneyweek*; and
- the "2009 Best Wealth Management Bank" in the 2009 Bank Rating hosted by money.sohu.com.

BEA China adopted a proactive stand in the face of the global financial crisis, focussing on enlarging its deposit base and maintaining stable loan growth. Despite facing many external challenges, BEA China successfully navigated through the difficult period. From the second quarter, facilitated by the favourable monetary and fiscal policies adopted by the Chinese government, BEA China has maintained steady business growth.

Adjusting its policies in the face of the financial upheaval, BEA China took a prudent approach to growing its loan business in 2009. Total loan advances increased by 4.44% in comparison with 2008. BEA China strived to further diversify the industry mix of its loans and has been successful in maintaining impaired loans at a low level.

With the launch of new retail banking products, BEA China saw a significant increase in its personal deposits. Corporate deposits, the Bank's traditional focus, continued to expand. As a result, total deposits increased by 27.72% over 2008.

This focus on deposits will continue in 2010, with plans for a steady flow of new products, additional service channels and an expanding number of cooperation agreements with business partners.



BEA China further enhanced the security, functionality, and convenience of its award-winning Cyberbanking platform.

東亞中國享譽的網上銀行服務進一步提升，為客戶提供更安全、功能更全面和更便利的服務。



執行董事報告書（續）

年內經由電子網絡股票買賣服務系統完成的交易（以營業總額的百分比計算）佔總成交宗數的62%和總成交金額的46%。

2010年1月，東亞證券推出電子結單服務，進一步擴充電子網絡股票買賣服務範圍。

東亞期貨有限公司 — 電子網絡期貨買賣服務

本行全資附屬期貨和期權買賣服務公司 — 東亞期貨有限公司（「東亞期貨」），受惠於本地市場氣氛改善及對衍生投資產品需求的增加，年內成交宗數錄得穩定增長。經由其方便易用的互聯網交易平台 — 電子網絡期貨買賣系統完成的交易約佔總成交宗數的80%。至2009年12月31日止，東亞期貨逾74%客戶已登記使用此項服務。

為開設新服務、擴大客戶群和提高其電子買賣平台的使用量，東亞期貨將會於2010年提升軟件和推出嶄新推廣計劃。

中國及國際業務

中國內地業務

本行在內地註冊成立的附屬銀行 — 東亞中國，在內地註冊的外資銀行中持續保持領導地位。

東亞中國所開創的成就和提供的卓越銀行服務屢獲嘉許，2009年內獲發的獎項包括：

- 和訊網之「2009年最佳外資銀行網站獎」；
- 第4屆21世紀亞洲金融年會暨亞洲銀行競爭力排名之「2009年亞洲最佳中小企業服務銀行」；
- 《理財週報》之「2009年最佳本土化外資銀行」和「2009年最佳安全性信用卡」；及
- 2009搜狐金融理財網絡盛典銀行評選之「2009年最佳財富管理銀行」。

東亞中國採取積極的措施以應對環球金融危機，集中擴大其存款基礎和維持穩定的貸款增長。儘管面對眾多外來挑戰，東亞中國仍能成功渡過此困難時期。由去年第2季起，東亞中國受惠於中國政府的貨幣和財政政策，保持穩定的業務增長。

2009年，東亞中國因應動盪的金融市場，調整其貸款策略，審慎地發展貸款業務，貸款總額較2008年增加4.44%。東亞中國更致力分散貸款客戶的行業類別，並成功保持減值貸款於低水平。

隨著新的零售銀行產品推出，東亞中國在個人存款方面錄得顯著增加；而作為傳統業務的企業存款亦持續增長。存款總額較2008年上升27.72%。

存款業務仍為2010年發展重點，東亞中國計劃定期推出新產品和增設服務渠道，並與更多業務夥伴簽訂合作協議。



In 2009, BEA China won a number of awards including "Best Foreign Bank Website", "Best SME Services in Asia", "Best Localised Foreign Bank", "Best Secured Credit Card", and "Best Wealth Management Bank".

東亞中國的卓越銀行服務屢獲嘉許，2009年獲頒發的獎項包括：「最佳外資銀行網站獎」、「亞洲最佳中小企業服務銀行」、「最佳本土化外資銀行」、「最佳安全性信用卡」及「最佳財富管理銀行」。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

With 78 outlets as of 31st January, 2010, BEA and BEA China continue to operate one of the most extensive networks of any foreign bank on the Mainland. Since early 2009, BEA China has added a total of 11 new outlets, including a new branch in Shijiazhuang and the opening of 10 new sub-branches. These include two "cross-location" sub-branches¹ in Foshan and Zhongshan. BEA China is one of the first locally-incorporated foreign banks to set up "cross-location" sub-branches in Guangdong province.

In addition, BEA China opened six new 24-hour self-service banking centres in 2009.

BEA China's service coverage was also greatly expanded through the addition of new Automatic Teller Machines ("ATMs"). BEA China currently operates approximately 350 ATMs, up from 250 at the end of 2008.

BEA China launched Renminbi bonds in Hong Kong in June, becoming the first locally-incorporated foreign bank on the Mainland to issue Renminbi bonds to retail investors in Hong Kong.

The bonds, which bear an annual interest rate of 2.8% and have a tenor of two years, were warmly received by the market. As a result, BEA China fully utilised the RMB4 billion bond issue principal amount approved by the People's Bank of China and the National Development and Reform Commission of the People's Republic of China.

In September, BEA China became one of the first foreign banks to be granted domestic settlement bank and domestic agent bank status for cross-boundary Renminbi trade settlement services. Customers of BEA and BEA China can now enjoy greater flexibility, lower exchange rate risk and reduced costs when conducting cross-boundary trade business.

In November, BEA China became the first locally-incorporated foreign bank on the Mainland to establish a charity fund. The new "Shanghai Soong Ching Ling Foundation-BEA Charity Fund" focuses on promoting children's education in rural areas.

BEA China's personal banking business continues to grow. BEA China was honoured to be the only foreign bank selected to launch a special-themed credit card celebrating the 60th anniversary of the People's Republic of China. In addition, BEA China launched a co-branded card with Sina.com Leju in 2009.

The second phase of the new Personal Cyberbanking Service was rolled out in April and BEA China's next-generation Corporate Cyberbanking and Cash Management Services were launched in December, further enhancing BEA China's award-winning online banking service and providing customers with improved security, enhanced functions and greater convenience.

BEA China's Xi'an Branch is the fifth branch to launch private banking services on the Mainland, providing personalised financial and banking services to high-net-worth customers. Further, BEA China was the first bank to introduce a cooling-off period for the sale of investment products.

Taiwan and Macau Operations

BEA operates branches in the cities of Taipei and Kaohsiung and four outlets in Macau, providing customers with a comprehensive range of banking services to meet the growing banking needs arising from closer business ties in the Greater China Region.

¹ Under the new liberalisation measures under Supplement VI to the Mainland and Hong Kong Closer Economic Partnership Arrangement, which came into effect on 1st October, 2009, branches of a wholly foreign-funded bank established on the Mainland by a Hong Kong bank can apply to establish "cross-location" sub-branches throughout Guangdong province. With this new provision, the capital requirement for setting up a sub-branch in Guangdong province has been reduced significantly.

BEA China became the first mainland-incorporated foreign bank to issue RMB retail bonds in Hong Kong.

東亞中國為首家內地註冊外資銀行在香港發行人幣零售債券。



執行董事報告書（續）

截至2010年1月31日，本行與東亞中國在內地共設有78個網點，繼續成為內地網絡最龐大的外資銀行之一。自2009年年初至今，東亞中國共增設11個網點，即石家莊分行和10家支行，當中包括在佛山和中山的2家異地支行¹。東亞中國是首批在廣東省設立異地支行的內地註冊外資銀行。

此外，東亞中國於2009年新設6間24小時自助銀行中心。

東亞中國更透過增設自動櫃員機擴大服務範圍，自動櫃員機的數目由2008年年底的250部增至現時約350部。

東亞中國於去年6月在香港推出人民幣債券，為首家在香港發行人民幣零售債券的內地註冊外資銀行。

該債券年息2.8%，期限兩年，市場認購反應熱烈。因此，東亞中國全數發行了獲中國人民銀行及中華人民共和國國家發展和改革委員會所批准的人民幣40億元額度之債券。

9月，東亞中國成為首批獲得境內結算銀行和境內代理銀行資格的外資銀行，以開展跨境貿易人民幣結算服務。本行和東亞中國的客戶可享用更靈活，更低匯率風險和成本的銀行服務，以處理其跨境貿易業務。

¹ 根據2009年10月1日生效的《內地與香港關於建立更緊密經貿關係的安排》補充協議六的開放措施，香港銀行在內地設立的全資附屬銀行之分行可申請在廣東省設立異地支行。在新措施下，香港銀行在廣東省開設支行的資本金要求大大降低。

11月，東亞中國成為首家內地註冊外資銀行在內地成立慈善基金。該「上海宋慶齡基金會 — 東亞銀行公益基金」旨在改善偏遠地區兒童的教育機會。

東亞中國的個人銀行業務持續發展。2009年，東亞中國成為內地唯一的外資銀行發行特別主題信用卡以慶祝中華人民共和國成立60周年，並與新浪的樂居網站合作發行聯名卡。

東亞中國於去年4月展開個人網上銀行服務的第2階段服務改善工程，並於12月推出新一代的企業電子網絡銀行服務和現金管理服務，以進一步提升東亞中國享譽的網上銀行服務，為客戶提供更安全、功能更齊全和更便利的服務。

東亞中國西安分行為內地第5間分行推出私人銀行服務，為高端客戶提供貼身的金融和銀行服務。此外，東亞中國為內地首家推出為銷售投資產品設立冷靜期的銀行。

台灣及澳門業務

本行在台北市和高雄市設有分行，並在澳門設有4個網點。隨著大中華地區的業務來往日益緊密，本行致力提供更全面的銀行服務以滿足客戶對銀行服務不斷增加的需求。



BEA China opened a new branch in Shijiazhuang.
東亞中國於石家莊開設分行。



BEA celebrated the grand opening of BEA Wealth Management Services (Taiwan) Limited.

東亞銀行慶祝東亞證券股份有限公司隆重開幕。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

BEA acquired AIG Wealth Management Services (Taiwan) Limited in June 2009 and re-launched the business in August 2009 under the new name, BEA Wealth Management Services (Taiwan) Limited ("BEAWMS"). BEAWMS provides its clients with a wide range of financial solutions including wealth management, investment funds, bond and equities dealing, structured products, etc.

Macau Branch has also broadened its product range to meet customer needs and develop new sources of fee income. In the second half of 2009, Macau Branch launched Cyberbanking and Securities Cybertrading services, and commenced the distribution of insurance products in Macau.

International Operations

The Bank's International Operations faced significant challenges in the first half of 2009, resulting from the deterioration in asset quality. The Bank has taken active measures to control impaired loans in the overseas operations, including aggressive loss provisioning and loan write-offs, and tightening of underwriting criteria.

Competing banks in these markets have had similar or worse experience, and the Bank sees significant opportunities in the current environment. An increasing number of Mainland and Hong Kong investors are searching for attractive investment opportunities overseas. Further, due to the absence of aggressive competition, the Bank is in a position to cherry-pick loans with good credit quality while earning a higher interest spread. On the back of a global economic recovery, it is expected that the International Operations will resume normal profitability in the year ahead.

In the United States, The Bank of East Asia (U.S.A.) N.A. opened a new branch in Oakland, California and merged its Branch in San Francisco Financial District with the San Francisco Chinatown Branch in January 2009. The Bank Group now operates a total of 16 outlets in the United States.

In June 2009, BEA signed a Sale and Purchase Agreement with the Industrial and Commercial Bank of China Limited ("ICBC") to sell a 70% interest in its banking subsidiary in Canada, The Bank of East Asia (Canada), to ICBC. The transaction closed on 28th January, 2010.

BEA London Branch achieved double-digit growth in loan assets during the year, mainly due to strong demand for mortgage loans. The Branch plans to launch local internet banking and debit card services in the fourth quarter of 2010.

Singapore Branch was relocated to the Bank's new building at 60 Robinson Road on 26th October, 2009. The Grand Opening Ceremony of the new building – BEA Building – was officiated by the Chief Executive of the Hong Kong Special Administrative Region, the Honourable Donald Tsang Yam-kuen, GBM, on 16th November, 2009. BEA Building serves as BEA's flagship in Singapore and as the hub for the Group's activities in Southeast Asia. In conjunction with the inauguration of the new building, BEA Singapore launched the Bank's SupremeGold service. The Branch will continue to expand the range of SupremeGold services and other personal banking products in the coming year.

BEA Union Investment Management Limited

Adhering to its proven business strategy, BEA Union Investment recorded a substantial 46% one-year rise in assets under management as of 31st December, 2009.

During the year, BEA Union Investment launched the innovative BEA Union Investment Four Seasons Fund; received a licence from the China Securities Regulatory Commission to act as a Qualified Foreign Institutional Investor; and diversified its retail distribution channels in Hong Kong by partnering with a leading online platform and an independent financial adviser.

BEA Union Investment continued to win new mandates from top-tier financial institutions in China, Hong Kong, and Taiwan during the past year. The sub-advisory mandate acquired in Taiwan enjoyed excellent response from investors, with the amount raised well above target.

BEA Union Investment was named the "The Best Fund Manager" in CAPITAL magazine's "Best of the Best For Executives 2009" award programme.

東亞聯豐獲《資本雜誌》頒發「資本傑出行政品牌2009」之「傑出基金經理」獎項。



執行董事報告書（續）

本行於2009年6月收購台灣友邦證券股份有限公司，並於8月以東亞證券股份有限公司之新名稱，重新投入服務，向客戶提供廣泛的金融服務，包括財富管理、投資基金、債券和股票買賣和結構性產品等。

澳門分行擴大其產品服務範圍以配合客戶需要，並拓展佣金收入來源。2009年下半年，澳門分行推出電子網絡銀行服務和電子網絡股票買賣服務，並在當地開展保險產品分銷業務。

國際業務

2009年上半年，由於資產素質下降，本行國際業務面對重大挑戰。為此，本行採取積極的措施，控制海外業務中的減值貸款，包括作出大幅虧損準備和撇銷貸款，以及收緊信貸審批條件。

在該等市場競爭的同業均經歷相似或更壞的情況。本行認為在目前市況下商機湧現，因為越來越多內地和香港投資者在海外物色投資良機。再者，由於市場競爭溫和，本行可以慎選信用良好的貸款，同時增加息差收入。隨著環球經濟復蘇，本行預期國際業務將於2010年回復正常利潤增長。

2009年1月，美國東亞銀行在加州屋崙市開設分行，亦於同月把原三藩市金融區分行與三藩市華埠分行合併，使本集團於美國的分行總數達至16間。

6月，本行與中國工商銀行股份有限公司（「工商銀行」）簽署買賣協議，向工商銀行出售在加拿大附屬銀行——加拿大東亞銀行的70%股權。有關交易已於2010年1月28日完成。

本行倫敦分行的貸款資產於年內有雙位數字增長，主要由於市場對按揭貸款的需求強大。倫敦分行計劃於2010年第4季在當地推出網上銀行和借記卡服務。

新加坡分行於2009年10月26日遷至羅敏申路60號的全新辦公大樓——東亞銀行大廈，並於11月16日舉行了盛大的開幕慶典，邀得香港特別行政區行政長官曾蔭權先生主禮。新大廈是本行在新加坡的旗艦辦公大樓，也為本集團在東南亞的業務樞紐。與此同時，新加坡分行推出顯卓理財服務，在來年會繼續拓展此項服務和其他個人銀行產品。

東亞聯豐投資管理有限公司

秉持行之有效的業務發展策略，於2009年12月31日，東亞聯豐管理的資產錄得較2008年同期46%的顯著增長。

年內，東亞聯豐在推出創新的「東亞聯豐四季基金」之外，也獲得中國證券監督管理委員會發出合格境外機構投資者證券投資業務許可證，還與一個於網上平台擁有領先地位的獨立理財顧問公司合作，拓展香港的零售分銷渠道。

東亞聯豐於年內繼續獲得中國、香港和台灣的高端金融機構委託管理其資產，在台灣獲得的投資諮詢業務大受投資者歡迎，所籌集的資金更高於預定目標。

The Honourable Donald Tsang Yam-kuen, GBM, Chief Executive of the HKSAR unveiled the commemorative plaque for the new BEA Building in Singapore.

香港特別行政區行政長官曾蔭權先生為位於新加坡的東亞銀行大廈揭幕。



BEA Building
東亞銀行大廈



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

BEA Union Investment-managed Mandatory Provident Fund ("MPF") funds performed exceptionally well in 2009, with 93.3% of the funds (weighted by assets under management) delivering better-than-median performance for the year ended 31st December, 2009². This positions the Bank to benefit from the new "Members' Choices Scheme", allowing MPF members to switch their MPF accounts to the provider of their choice.

With strong performance in business development, investment performance, and operation management, BEA Union Investment won the "Hong Kong – Best JV Fund House of the Year" award from *Asia Asset Management* in the Best of Best Awards 2009, and "The Best Fund Manager" award from *CAPITAL* Best of the Best For Executives 2009. Also, the company was ranked as one of the top MPF performers, according to the MPF Index compiled by Mercer Investment Consulting Limited³.

Operations Support

A new bank-wide loan processing system, namely Bank Wide Commercial Loan Management System, was rolled out in the fourth quarter of 2009. The completion of the project has significantly enhanced the operational efficiency of commercial loans processing, thus improving the promptness and accuracy of information flow leading to better customer satisfaction.

Other Subsidiaries

Bank of East Asia (Trustees) Limited

Mandatory Provident Fund ("MPF")

Bank of East Asia (Trustees) Limited operates two MPF schemes, one under the Master Trust Scheme and one

under the Industry Scheme. More than 450,000 members have joined BEA's MPF schemes, and total assets exceeded HK\$10.9 billion as of 31st December, 2009. Although the global financial markets and local economy had not yet fully recovered in 2009, the MPF contributions received and assets under management expanded by 26% and 41%, respectively, during the year.

In recognition of its outstanding service to clients, the company received the "Hong Kong, Best MPF Trustee" award from *Asia Asset Management* in the Best of Best Awards 2009.

Trust Services

In addition to the provision of MPF services, Bank of East Asia (Trustees) Limited also offers a wide range of professional trustee services covering wills, family trusts, unit trusts, investment funds, charities and public funds for institutional and individual customers. In 2009, the company recorded a 20% increase in revenue from private trust business, despite a very competitive market.

BEA Life Limited

BEA Life Limited ("BEA Life"), the Bank's life insurance arm, recorded solid results in 2009 with new premium income achieving a double digit rise over 2008. The telemarketing channel registered very strong premium growth in 2009, rising 42%. Underwritten by BEA Life, the Bank launched a series of savings and endowment products in 2009, which were marketed under the names 2-Year Fast Savings Insurance, 3-Year Quick Savings Insurance, 5-Year QuickPay Whole Life Insurance and 8-Year Smart Savings Insurance. All products were well received by customers, reflecting increasing market demand for short-term savings products with guaranteed and steady returns.

² Source: Lipper and BEA Union Investment own calculation.

³ Source: Mercer Investment Consulting Limited. The ranking is for the performance of the one-year period ended 30th September, 2009.



BEA Life launched a series of savings and endowment insurance plans in 2009.

東亞人壽於2009年推出一系列儲蓄壽險計劃，深受客戶歡迎。

執行董事報告書（續）

東亞聯豐管理的強制性公積金在2009年表現卓越，在截至2009年12月31日止年度，東亞聯豐管理的基金中93.3%（按基金管理的資產計算）皆高於平均的強制性公積金表現²。憑此優秀表現，當「強積金半自由行」容許僱員可以轉換受託人時，本行預期可受惠於此新措施。

東亞聯豐在業務拓展、投資表現和營運管理方面均有傑出成就，因而榮獲《亞洲資產管理》雜誌「最佳之最獎2009」之「香港年度最佳聯營基金公司」獎項，和《資本雜誌》「資本傑出行政品牌2009」之「傑出基金經理」獎項。此外，根據 Mercer Investment Consulting Limited 的強積金指數，東亞聯豐亦於所有強積金受託人中名列前茅³。

營運支援

本行於2009年第4季推行新的銀行貸款處理系統——銀行商業貸款管理系統，大大提升了本行處理商業貸款的效率，而且改善有關資訊的流通速度和準確度，令客戶更感滿意。

其他附屬公司

東亞銀行（信託）有限公司

強制性公積金（「強積金」）

東亞銀行（信託）有限公司（「東亞信託」）同時經營兩個強積金計劃，包括集成信託計劃和行業計劃。截至2009年

12月31日，參加東亞強積金計劃的成員人數超過45萬，資產總額逾港幣109億元。雖然2009年環球金融市場和本地經濟尚未完全復蘇，但強積金供款和管理資產仍分別上升26%和41%。

東亞信託憑超卓的客戶服務，榮獲《亞洲資產管理》雜誌「最佳之最獎2009」之「香港最佳強積金信託人」獎項。

信託服務

東亞信託除提供強積金服務外，還為機構客戶和個人客戶提供各種專業信託服務，包括遺囑、家庭信託、單位信託基金、投資基金、慈善和公眾基金。2009年，雖然市場競爭激烈，但東亞信託的私人信託業務收入錄得20%增長。

東亞人壽保險有限公司

本行全資附屬公司——東亞人壽保險有限公司（「東亞人壽」）於2009年業績理想，新增保費收入較2008年有雙位數字的升幅。經電話直銷所得的保費收入增長尤其強勁，達42%。本行於2009年推出一系列由東亞人壽承保的儲蓄壽險產品，包括「2年智易達」儲蓄保險計劃、「3年智快蓄」儲蓄保險計劃、「5年智迅」人壽終身保險計劃和「8年智富易」儲蓄保險計劃。所有產品皆廣受客戶歡迎，可見市場對提供穩定保證回報的短期儲蓄保險計劃的需求與日俱增。

² 資料來源：里柏報告及東亞聯豐自行計算結果。

³ 資料來源：Mercer Investment Consulting Limited 強積金指數。截至2009年9月30日的一年期投資表現。

Blue Cross celebrated its 40th Anniversary in Hong Kong in 2009.

藍十字於2009年慶祝在香港成立40周年。



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Blue Cross (Asia-Pacific) Insurance Limited

Blue Cross, the Bank's wholly-owned general insurance arm, registered steady premium income growth in 2009, with particularly strong performance in medical and travel insurance. Online travel insurance continued to contribute double-digit premium income growth for Blue Cross.

Celebrating its 40th Anniversary in 2009, Blue Cross hosted a celebration cocktail reception on 23rd November, 2009 with Professor K.C. Chan, Secretary for Financial Services and the Treasury, and Ms. Annie Choi, Commissioner of Insurance, as officiating guests. Coinciding with the celebration, Blue Cross re-launched its corporate website with a new look and new user-friendly features.

To reinforce its branding in medical insurance, Blue Cross launched a high-impact advertising campaign in October and December 2009. It also introduced a 40-day Medical Policy Consultation Period, the first and the most generous available locally, to enhance service transparency.

Reflecting its high concern for the well-being of the local community, Blue Cross was the first Hong Kong insurer to offer extra benefits coverage for Human Swine Influenza on travel and medical insurance.

Further, Blue Cross introduced extended travel insurance to cover trip disruption, immediately following the launch of the Outbound Travel Alert System by the Hong Kong Government in October 2009.

In September 2009, A.M. Best Company assigned Blue Cross a financial strength rating of A- (Excellent) and issuer credit rating of "a-". The outlook assigned to both ratings is stable.

In recognition of its service excellence, Blue Cross received the following awards in 2009:

- "The Most Popular Travel Insurance Company Award 2009", from *Weekend Weekly Magazine* (for the fifth consecutive year);
- "Pro Choice Award 2009 – Medical & General Insurance", from *Capital Weekly Magazine*; and
- "The Quality Life Award 2009 – Quality Insurance Service", from *Liza Magazine* (for the second consecutive year)

As part of its ongoing efforts to support the less fortunate in the community, Blue Cross was involved in various charitable initiatives in 2009. The company supported the Children's Cancer Foundation, Médecins Sans Frontières and United Feline Odyssey. The partnership with the Hong Kong Physically Handicapped and Able-Bodied Association continued to achieve excellent results.

Credit Gain Finance Company Limited

During the year under review, Credit Gain continued to expand its network of branches with the opening of two branches in Hung Hom and Yuen Long, bringing its branch network to a total of 14. Although the business environment for personal loans remained both competitive and challenging in 2009, Credit Gain recorded significant growth both in terms of the total loan portfolio and the number of client accounts. This achievement is the result of aggressive marketing, innovative products and efficient customer service.



Blue Cross received the "The Most Popular Travel Insurance Company Award 2009" from *Weekend Weekly Magazine*.

藍十字榮獲《新假期》周刊之「最受歡迎旅遊保險公司大獎2009」。



執行董事報告書（續）

藍十字（亞太）保險有限公司

本行全資附屬公司 — 藍十字於2009年錄得穩定的保費增長，當中以醫療和旅遊保險業務的表現尤見突出。在旅遊保險方面，網上投保所得的保費收益更持續錄得雙位數字的增幅。

藍十字在2009年慶祝成立40周年，特於11月23日舉行慶祝酒會，並獲得財經事務及庫務局局長陳家強教授和保險業監理專員蔡淑嫻女士作為主禮嘉賓。藍十字更乘此慶典推出設計煥然一新和更方便易用的公司網站。

為強化在醫療保險業的品牌形象，藍十字於2009年10月和12月推出大型的廣告推廣活動。為提高服務透明度，藍十字更開創業界先河，在市場上推出為期最長的40天醫療保險諮詢期。

藍十字亦為本港首間保險公司就人類豬流感提供旅遊和醫療保險的額外保障，足見其對廣大市民福祉的殷切關懷。

此外，為配合香港政府於2009年10月推出的外遊警示制度，藍十字隨即推出顧及受影響旅程的旅遊保險伸延保障。

9月，A.M. Best Company 給予藍十字A-（優異）的財務實力評級，以及a- 的信貸評級，兩項評級的前景皆為穩定。

藍十字服務卓越，於2009年獲得的獎項包括：

- 《新假期》周刊之「最受歡迎旅遊保險公司大獎2009」（連續5年獲獎）；
- 《資本一周》雜誌之「智選品牌大獎2009 — 醫療及一般保險」；及
- 《味道Lisa》雜誌之「優質生活大獎2009 — 優質保險服務」（連續2年獲獎）。

貫徹一直以來對弱勢社群的支援，藍十字於2009年參與多項不同的慈善活動，包括支持兒童癌病基金、無國界醫生和貓同盟。而藍十字與香港傷健協會的合作計劃也持續取得卓越的成績。

領達財務有限公司

年內，領達財務繼續擴展分行網絡，分別在紅磡和元朗各設立1間分行，使分行總數達至14間。儘管2009年個人貸款市場的競爭依然劇烈，充滿挑戰，但領達財務在貸款總額和客戶賬戶方面均有顯著增長，全賴其積極的業務推廣、創新的產品和高效率的客戶服務所致。



Credit Gain won *Capital Weekly* Magazine's "Best Performance Company Award 2009".

領達財務榮獲《資本一周》雜誌頒發「優質信實財務公司2009」獎項。



EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

In October, Credit Gain was awarded the "Best Performance Company Award 2009" by *Capital Weekly Magazine*.

Blue Care Group

Blue Care Group, a collaborative effort between the Bank and The University of Hong Kong, commenced business in March 2005. Blue Care provides health protection services to the community through clinics providing Family Medicine and network medical services.

The business of Blue Care recorded steady growth during 2009, with medical service fee income growing by 34% year-on-year.

As part of its ongoing effort to promote health care and health protection, Blue Care will further expand its network of quality service providers and clients.

Tricor Holdings Limited

The BEA Group, through Group member Tricor Holdings Limited ("Tricor"), is a leading provider of business, corporate and investor services in the region. These services include accounting, company formation, corporate compliance and company secretarial, executive search and selection, initial public offerings ("IPO") and share registration, payroll outsourcing, and fund and trust administration.

During the first six months of the year, Tricor and its domestic and international clientele faced significant challenges arising from the financial tsunami. With many of its clients postponing their IPO plans in Hong Kong,

Tricor's IPO and share registration business was adversely affected. Further, due to the decline in business activities, Tricor's company secretarial and executive search practices faced a fall in demand for their services. There was also tremendous pressure on fees from clients as a result of the economic downturn.

However, demand for Tricor's services picked up in the second half of the year. For the full year, the company performed satisfactorily and remained a key contributor to the BEA Group's fee and commission income earnings.

While exercising caution to guard against possible financial risks during a time of uncertainty, Tricor took every opportunity to make new investments that would add value to the company. In early 2009, Tricor Malaysia acquired a majority interest in Roots Consulting, which provides training and consultancy services in the fields of corporate governance, performance management and risk management for companies. In August 2009, Tricor Services spun off a new subsidiary company called Tricor Consulting Limited in Hong Kong to provide consulting services. Finally, in September 2009, Tricor, through its subsidiary Tricor Aldbridge LLP, successfully finalised the acquisition of the company secretarial services business of KPMG in the United Kingdom. This acquisition further enlarges Tricor's global services network and enhances the Group's servicing capabilities in the United Kingdom.

Tricor now employs some 1,420 professional and support staff and provides services in 21 cities. As the market leader in business, corporate and investor services, Tricor will continue to look for business opportunities as well as expand its global network.



執行董事報告書（續）

10月，領達財務獲得《資本一周》雜誌頒發「優質信貸財務公司2009」獎項。

寶康醫療集團

本行與香港大學於2005年3月成立合營機構——寶康醫療集團（「寶康」），一方面提供優質的家庭醫療和網絡醫療服務，另一方面提供社區所需的保健服務。

寶康業務於2009年穩定擴展，醫療服務費收入錄得按年增長34%。

寶康將會繼續擴大優質服務供應商和客戶網絡，促進醫療和保健業務的發展。

卓佳集團有限公司

本集團成員——卓佳集團有限公司（「卓佳」）是區內具領導地位的商務、企業和投資者服務供應商，服務範圍涵蓋會計、公司成立/企業法規監管及公司秘書、行政人員招聘、首次公開招股及股份登記、支薪外判、基金和信託行政管理。

去年上半年，卓佳及其本地和國際客戶均因金融海嘯而面對重大挑戰，不少客戶延遲推行在香港的首次公開招股

計劃，對卓佳的首次公開招股和股份登記業務帶來負面影響。鑒於商業活動減少，市場對卓佳的公司秘書和行政人員招聘服務需求下降。在經濟低迷影響下，部分客戶亦對卓佳收費施壓。

然而，市場對卓佳的服務需求在下半年回升。綜觀全年，卓佳業績令人滿意，為本集團服務費和佣金收入帶來重大貢獻。

經濟前景尚未明朗，卓佳在採取審慎政策防範金融風險的同時，也把握新投資機遇以提高公司價值。2009年年初，卓佳馬來西亞收購Roots Consulting大部分權益。Roots Consulting為企業提供公司管治、績效管理和風險管理方面的培訓和顧問服務。8月，Tricor Services在香港成立新的子公司Tricor Consulting Limited，為客戶提供顧問服務。9月，卓佳透過附屬公司Tricor Aldbridge LLP完成收購英國畢馬威會計師事務所於當地的公司秘書服務業務，藉此擴張了全球服務網絡和提升集團在英國的服務。

現時，卓佳業務遍及21個城市，聘用約1,420名專業人員和支援人員。作為商業、企業及投資者服務的領先供應商，卓佳將會繼續開拓商機和擴大環球網絡。



Tricor's Country Leaders from Singapore, Brunei, and Indonesia visited BEA's headquarters and exchanged views with BEA's Senior Management. 來自新加坡、汶萊及印尼的卓佳地區主管訪問東亞銀行總部，與本行高層管理人員分享對業務的展望。

The Blue Care Group recorded steady growth in 2009.

寶康醫療集團的業務於2009年取得穩定發展。

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Human Resources

The Bank of East Asia Group employees by region as at 31st December, 2009:

Hong Kong	5,281
Other Greater China	4,100
Overseas	1,159
Total	10,540

The Bank believes that excellence in customer service is the key pillar of future growth, and that an experienced and motivated workforce underpins that pillar. To this end, the Bank made every effort to retain staff and avoid redundancies during the economic downturn. By taking quick action to contain costs, the Bank was able to keep staff morale high and individuals motivated, enabling the Bank to achieve its performance targets.

Employment in the banking and finance sector started to pick up in the second half of 2009. The Bank has focussed on recruiting high calibre candidates from the market, and matching reward to performance. The Bank re-launched the Management Trainee Programme during 2009, to groom promising young candidates as future leaders of the Bank. The Bank also initiated the Talent Management Programme, which aims to identify and retain talented individuals and put them on a coherent development path.

The Bank's human resource policies are designed to motivate staff members to excel in their careers. Following a review in 2009, the Bank has revamped its performance appraisal system in line with this objective. By identifying and rewarding deserving employees, the Bank also serves the best interests of clients and shareholders.

As a caring employer and responsible corporate citizen, the Bank encourages staff members to play an active role in community activities. During this past year, the Bank launched the Volunteer Team initiative, which empowers employees who wish to share their knowledge and experience with community groups and the disadvantaged. The Bank also runs a series of staff wellbeing programmes, including the Employee Assistance Programme and the Staff Relations Programme. In addition, the Bank organises numerous recreational activities in order to promote team spirit, enhance internal communication and nurture a caring work environment.

Throughout the year, the Bank ran training workshops to equip staff members with the necessary skills to take advantage of the ever-more sophisticated tools available to serve customer needs. Existing training courses were reviewed and strengthened where necessary, particularly in the areas of risk management, regulatory compliance, productivity and service delivery, etc. The Bank's strong commitment to training empowered staff members to rise to the challenges faced immediately following the financial tsunami, and has prepared them to take maximum advantage of emerging new opportunities.

Risk Management Division

In light of the experience gained from the financial crisis, the Bank has taken steps to further strengthen the management of risk within the Bank Group. A new Risk Management Division was established in April 2009, headed by the Group Chief Risk Officer. The Group Chief Risk Officer reports directly to the Chairman & Chief Executive.

The Risk Management Division is responsible for Group policy with regard to different types of risk, such as credit risk, market risk, operational risk, etc. In this regard, the Division assesses regulatory requirements, in particular the requirements under the Supervisory Policy Manuals issued by the HKMA, and carries out the following job mandates:-

- to formulate risk management policies and guidelines and to perform regular reviews in order to ensure that such policies and guidelines are kept up to date;
- to monitor risk exposure and compliance with the risk management framework;
- to co-ordinate risk-related projects;
- to report monitoring results and significant risk related issues to the specialised risk management committees, and / or Risk Management Committee and / or the Board, where appropriate, so as to assist the latter to discharge their major duty of overseeing risk management activities.

David LI Kwok-po

Chairman & Chief Executive

Hong Kong, 11th February, 2010

執行董事報告書（續）

人力資源

東亞銀行集團於2009年12月31日的員工人數如下：

香港	5,281
大中華其他地區	4,100
海外	1,159
合計	10,540

本行認為卓越的客戶服務是未來業務發展的基石，而富經驗和積極進取的員工正是奠立基石的主要元素。為此，在經濟低迷時期本行仍著力保留員工和避免裁員，迅速採取行動減省成本，因而成功保持員工的士氣和工作熱誠，使本行達到績效目標。

2009年下半年，銀行和金融行業的聘用人數回升，本行專注從市場招聘人才之餘，也持續推行表現為本的獎賞制度。本行於年內重新推出「見習管理生計劃」，栽培畢業生成為本行未來的領袖。本行亦推出「人才發展計劃」，提拔優秀人才，藉此挽留及協助他們在本行進一步發展所長。

本行的人力資源政策以鼓勵員工盡展所長為目標。本行於2009年檢討有關政策後，也修訂了績效評估系統加以配合。本行透過獎勵表現優良的員工，保障客戶和股東最佳利益。

本行既關注員工的福祉，也致力履行企業責任，因此鼓勵員工積極參與社區活動。去年，本行推出義工隊計劃，讓員工可與社區團體和需要幫助的人士，分享知識和經驗。本行亦舉行一連串員工關懷活動，包括「僱員輔助計劃」和「員工關係項目」，另外也舉辦各種康體活動，從而促進團隊合作精神、加強內部溝通和建立關顧員工的企業文化。

年內，本行持續舉辦培訓課程，使員工熟習先進的運作系統和掌握有關技能，以滿足客戶的需求。本行在檢討培訓課程後加強了風險管理、法規監管、生產力和提供服務等元素，協助員工積極應對金融海嘯帶來的挑戰，並且做好準備迎接新機遇。

風險管理處

總結從金融危機汲取的經驗，本行採取適當措施，進一步強化集團的風險管理。2009年4月，本行成立新的風險管理處，委任集團風險總監為主管，直接向主席兼行政總裁匯報。

風險管理處負責有關各類風險的集團政策，當中包括信貸風險、市場風險、營運風險等。該處評估法定要求，特別是金管局發出的監管政策手冊中的規定，並且執行以下職務：

- 制訂風險管理政策及指引，同時定期檢討以確保政策及指引保持更新；
- 監察風險狀況和風險管理架構的遵從情況；
- 協調風險相關項目；
- 向各專責風險管理委員會、及/或風險管理委員會、及/或董事會適時匯報監察結果和重要風險相關事項，協助各會履行其監督風險管理活動的主要職責。

主席兼行政總裁

李國寶

香港，2010年2月11日



The Bank held a briefing session on its Management Trainee Programme.
本行舉行「見習管理生計劃」簡介會。