

# Remuneration Policy

Bank of China Limited, Luxembourg Branch – The Branch

Bank of China (Luxembourg) S.A. (consolidated) – The S.A. ,

together, hereinafter referred to as

the “**Bank**”

(2021 version)

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## 1 General Dispositions

This remuneration policy (hereinafter referred to as the “Policy”) is formulated according to the measures adopted by Bank of China Limited (hereinafter referred to as the “BOC HO”) in compliance with the Rules Governing the Listing Rules of Shanghai Stock Exchange, and in pursuance of the regulations of China Banking Regulatory Commission (“CBRC”). The Policy takes into consideration articles 38 to 38-12 of the law of 5 April 1993 on the financial sector, as amended by the law of 23 July 2015 transposing the CRD IV (the “LFS”), EU Regulation N°575/2013 of 26 June 2013 on prudential requirements (the “CRR”), CSSF Circular 17/658 (dated 16th June 2017) implementing the EBA Guidelines of 21st December 2015 on sound remuneration policies (the “EBA Guidelines”); CSSF Circular 11/505 (dated 11th March 2011) on proportionality, CSSF Circular 12/552 on governance, as amended (dated 11th December 2012); CSSF Circular 15/622 on the bonus cap increase (dated 21st October 2015) and the Delegated regulation ( (EU) 2021/ 923 ) on staff identification.

The Policy of the Bank has been drafted and elaborated by the Human Resources Department with the support of the control functions. Further details on the Remuneration governance process are provided under section 3 of the Policy.

The Policy has been adopted by the Board of Directors of Bank of China (Luxembourg) S.A. and of the head office of Bank of China Limited, Luxembourg Branch.

The “Authorised Management” (conducting persons) of the Bank is responsible for implementing the Policy, elaborating procedures to this effect and submitting them to the Board of Directors who is responsible for the adoption and the oversight of the implementation of the Policy (see section 3 on governance).

The Policy and its appendices may be modified in the future to consider evolutions in regulation, group policies or any other circumstances requiring an adjustment. It will be reviewed on an annual basis by the Human Resources Department together with the control functions (see section 3 on governance). The internal audit function will in particular carry out an annual independent review of the Policy. Any significant update made to the Policy will be subject to the authorization of the Board of Directors.

## 1.1 Principles and Philosophy

The Policy aims at regulating the Remuneration of Staff Members of the Bank, including the ones whose activity has a material impact on the risk profile of the Bank and its activities, and at adhering to the principle of effective risk management and sound business practices in line with the business strategy, objectives, values and long-term interests of the Bank. The provisions set out hereinafter shall, in general, outline the principle of implementing sound remuneration practices, and shall, in particular, apply the performance criteria and assessment process as defined and annually revised by BOC HO and the Bank.

This Policy shall not be used to alter the nature of the relationship existing between the Staff Member and the Bank/the Group. This Policy cannot result in a contractual or acquired right for the Staff Member and can be modified at all times, as required by the law and the relevant regulator(s). Variable Remuneration paid in prior years cannot be taken as precedent for future years (nor can it be considered an acquired right of any type). Any Variable Remuneration that is granted is fully at the discretion of the Bank and eligibility for Variable Remuneration does not guarantee any payment.

All principles in this Remuneration Policy will apply to Material Risk Takers of the Bank, unless the proportionality principle can be invoked at institution level pursuant to applicable laws, in which case the remuneration requirements could be dis-applied in relation to all Material Risk Takers. Where the proportionality principle cannot be invoked at institution level, the remuneration requirements may be applied in a proportionate manner to Material Risk Takers who have a less material impact on the Bank's risk profile, pursuant to applicable laws (as may be modified from time to time). The possibility to rely on the proportionality principle will be assessed on a yearly basis.

For those Material Risk Takers, the following requirements can be dis-applied:

- Pay out of part the Variable Remuneration in financial instruments subject to validation of the implementation approved by BOC Group
- Retention policy
- Deferral of part of the Variable Remuneration
- Application of ex-post risk adjustments (Malus and Clawback)

The maximum ratio between the fixed and variable remuneration as defined under section 2.2. remains applicable in all cases.

## 1.2 Scope

The Policy outlines the philosophy and governing principles for remuneration at Bank of China Limited, Luxembourg Branch, Bank of China (Luxembourg) S.A., and all the latter's existing branches in EU (ie: Rotterdam, Lisbon, Stockholm, Poland, Brussels, Dublin and Athens branches) .

Each branch is responsible to adapt this policy locally and formulate relevant local rules. In the event of any conflict between this Policy and the local laws or regulations, the latter shall prevail to the extent where such a conflict exists. In the event of discrepancy between standards the most stringent ones shall apply.

The Policy applies to all Staff Members of the Bank, including Transferred Chinese Staff.

### 1.2.1 Designated Material Risk Takers

Staff Members who can have a material impact on the risk profile of the Group/the Bank are considered as Material Risk Takers and therefore subject, in addition to the rules applicable to all Staff Members, to the rules specifically applicable to Material Risk Takers.

- section 1.3.: Risk Assessment Process.

### 1.2.2 Board of Directors

The Board of directors has been identified as Material Risk Takers in compliance with Commission Delegated Regulation EU 2021/923.

## 1.3 Risk Assessment Process

Material Risk Takers are determined based on the qualitative criteria (i.e. job function, level of responsibilities) and/or quantitative criteria (i.e. based on the level of Remuneration), as defined in the aforementioned Commission Delegated Regulation.

Staff Members qualifying as Material Risk Takers are assessed on a regular basis (e.g. at the time of recruitment, in case of change of functions, etc.) and in any case at least once a year. Irrespective of the potential application of the proportionality principle (see section 1.1), the Board of Directors has the responsibility to identify Material Risk Takers while the staff identification exercise is carried out through the involvement of the Human Resources function and the control functions (risk and compliance).

## 2 Remuneration Structure Overview

The remuneration structure is designed in accordance with the objectives set out in the strategy of the Bank. This includes, in particular:

- a proper balance of Variable to Fixed Remuneration;
- the measurement of performance which impacts the Variable Remuneration.
- a structure of the Variable Remuneration for material risk takers who enter into the scope to ensure the Bank takes the appropriate action to align the Policy with its long-term interests, including:
  - the deferral over three years of at least 40% of the Variable Remuneration;
  - the Variable Remuneration composed of at least 50% in financial instruments subject to a retention period of 12 months.
  - the potential ex-post risk adjustment of the Variable Remuneration (through Malus and Clawback);

In that context, the Bank offers Remuneration packages based on the following components:

- Fixed Remuneration components;
- Variable Remuneration components.

### 2.1 Fixed Remuneration components

The Fixed Remuneration is composed of the Base Salary and the benefits listed below.

### **2.1.1 Base Salary**

The Base Salary set by the Bank is strictly in compliance with applicable regulations and conservative market practices.

The Base Salary mentioned in the contract of the Employee is calculated based on the role of the individual employee, his/her responsibility, competency, job complexity, and local market conditions.

The Base Salary refers to the following component:

- A 12-month salary (plus any extra base amount as currently applicable by local law or collective bargaining agreement).

### **2.1.2 Overtime compensation**

Overtime, where applicable and provided that it has been carried out at the Bank's request, is payable to Staff Members under the collective bargaining agreement for bank employees.

### **2.1.3 Other Benefits**

Other benefits are provided on the basis of individual employment contracts and local market practice, as detailed in the below sub-sections.

#### **2.1.3.1 Pension Plan**

All Employees who have their permanent work place in Luxembourg, who have an unlimited contract in Luxembourg and who are not affiliated under another pension scheme within Bank of China (The Group) are affiliated to a pension plan as of 1st June 2017.

The plan has been put in place with Axa Assurances Vie Luxembourg S.A. in accordance with the provisions of the law of 8 June 1999 on supplementary pension plans, as modified. The Bank does not grant pension benefits on a discretionary basis to Staff Members as part of that Staff Member's Variable Remuneration.

### 2.1.3.2 Other Fixed Benefits

The Bank offers Staff Members a variety of fringe and other benefits that are designed to be market competitive, that assist them in carrying out their duties efficiently and are valued by the Staff Members.

## 2.2 Variable Remuneration components

The Bank's Staff Members may be eligible to an annual Variable Remuneration granted upon satisfaction of applicable performance criteria and completion of a performance assessment process. The assessment of performance depends on the Bank's financial results, but also on department performance, and individual performance including but not limited to the Staff Member's improvement that positively contributes to the long-term benefits of the Bank.

Staff Members engaged in control functions are remunerated in accordance with the achievements of the objectives linked to their functions, independent of the performance of the business areas they control. The Remuneration of senior levels in the risk management and compliance functions is available for the oversight of the Board of Directors.

Variable Remunerations are linked to the Bank's business performance which is reflected through its overall key performance indicator. The score of the indicator is calculated by using a multi-year roll-over weighted formula fixed by the BOC HO, ensuring that the assessment process is based on longer-term performance spreading over the business cycle.

Based on the 6-level ranking groups which differ from D to A+, the applicable coefficient of Individual's performance, Department and the Bank's performance vary from 0 up to 1.2.

Based on the score according to the indicator, Variable Remunerations are calculated using the formula and coefficients fixed by the BOC HO, and revised on a yearly basis. Maximum limits (where applicable) on the percentage of A+ are set by BOC HO according to the Bank's performance, while in line with the Policy and in particular – in relation to Material Risk Takers – with the maximum bonus cap (Variable Remuneration set at 100% of the total Fixed Remuneration, with a maximum of 200% upon shareholder

consent and compliance with the procedure laid down in CSSF Circular 15/622). The Bank ensures, in any case, an appropriate ratio between the Variable and the Fixed Remuneration.

### 2.2.1 Authorized Management

Assessment of the Authorized management or General Management members namely: CEO, General Manager or Deputy General manager's performance is made primarily through the evaluation of the Bank's business performance that determines the score, both on its own as well as in comparison with BOC other branches of similar category.

### 2.2.2 Other staff members

The bonus scheme is constructed on a two-level process: 1) an amount to all staff as a group, 2) to each staff individually.

#### 2.2.2.1 Group Bonus

**Group Bonus Amount:** The Group bonus of other staff members is determined on the basis of the current year's budget approved by Head Office

#### 2.2.2.2 Individual Bonus

The individual bonus amount varies according to The Bank's performance, department's performance and individual performance. It is also adjusted by a standard global coefficient defined each year by the HO based on qualitative criteria.

The Bank or Head Office may offer special awards for Staff Member's recognised excellence. Eligibility to the aforementioned special awards and their amount will be determined by and at the discretion of the Bank or Head Office. In any case, the special awards will not represent a significant amount.

### 2.2.3 Indicative Settings of Maximum Variable Remuneration

The following indicative settings may apply to the maximum Variable Remuneration in general. The Authorized management retains discretion to propose the settings which should be flagged to and decided by the Board of Directors in its supervisory function.

<b>Position</b>	<b>Maximum Variable Remuneration (as % of the total Remuneration)</b>
Executive members	Up to 50%
Control functions	Up to 45%
Additional management personnel	Up to 50%
Staff	Up to 45%

The variable remuneration is in any case distributed on a discretionary basis and where applicable on a prorata basis.

### 2.3 General Considerations about the pay out process of Variable Remuneration for Material Risk Takers

Where the proportionality principle does not apply at bank's level and individual level;

- the non-deferred part of Variable Remuneration related to a given performance year (i.e. maximum 59.9%) is paid during the next year. The deferred part of Variable Remuneration (i.e. minimum 40.1%), has to be deferred over a period of at least 3 years.
- At least 50% of the Variable Remuneration would be awarded in financial instruments subject to a retention period of 12 months and proper implementation of instruments validated through internal procedure of the Group.

The deferred portion of Variable Remuneration is only paid out provided that the Material Risk Taker is still under contract within BOC group and hasn't provided notice of termination at the time of vesting.

A Malus or a Clawback might be applied in the following, non-exhaustive, cases:

- a) In case of evidence of misbehaviour or serious error by the Staff Member (e.g. breach of code of conduct and other internal rules, especially concerning risks), in which case all deferred but not yet vested amounts will be reduced proportionally to the severity and impact of the misbehaviour/error;
- b) When the Bank/the Group suffers a significant downturn in its financial performance or downward changes in the Bank's economic or regulatory capital base
- c) When the Bank/the Group in which the Staff Member works suffers a significant failure of risk management, in which case all deferred but not yet vested amounts will be reduced proportionally to the severity and impact of the failure;
- d) In case of significant changes in the Bank's economic or regulatory capital base;
- e) In case of a regulatory sanction of the Bank/the Group where the conduct of the Staff Member contributed to the sanction.

The Bank has the authority to reclaim up to 100% of Variable Remuneration that has already vested or been paid (i.e. on both immediate and deferred compensation). Clawback shall be triggered and the Staff member shall reimburse the Bank as of the discovery by the Bank of the situation triggering Clawback. The Bank will notify the Staff Member of the discovery of any situation triggering Clawback by registered mail. The amount of reimbursement to be made by the Staff Member will be determined by the Bank based on the direct and indirect financial consequences of the Staff Member's behaviour as listed in cases a) to e) above. The direct/indirect financial consequences will be assessed by the Board of Directors, assisted by the relevant internal functions, including the risk management department. Once the amount determined, the Bank will notify the Staff Member by registered mail of the amount to be reimbursed and the deadline for such reimbursement. Unless otherwise agreed in writing between the Bank and the Staff Member, the deadline for reimbursement by the Staff Member shall be of one month as of the receipt by

the Staff Member of the registered mail informing of the amount to be reimbursed. The Staff Member shall be considered as having received the registered letter on the next business day as of its sending by the Bank. The applicable period of Malus or clawback cover the deferral and retention period of the relevant variable remuneration.

#### **2.4 Remuneration Budget (applied on both Fixed and Variable Remunerations)**

The Remuneration budget includes both Fixed Remuneration and Variable Remuneration parts. The Fixed Remuneration part is based on previous year total Remuneration and takes into account the local living cost, the market salary level, regulation requests and variation of staff number.

The envelope of Variable Remuneration is related to the Bank's performance and key business indicators completion. This budget is made according to the performance targets of the Bank at the beginning of year and the prediction of the increase of staff mainly.

#### **2.5 Performance Measurement Indicators**

In order to enhance the management of our human resources, to encourage our staff to strive at their best effort, and to build an effective incentive mechanism, the General Management has implemented a performance-based reward and disciplinary system in the Bank on an annual basis. The bonus, promotions, trainings and job assignments are linked to the evaluation results.

The Human Resources Department is responsible for organizing the individual performance assessment process. The result of assessment is based on both quantitative and qualitative criteria which are mainly from key performance indicators (KPI) designed by BOC HO and partly from assessment from Department Heads and General Managers, Deputy General Managers.

The financial and business indicators of the Bank are calculated quantitatively according to net income, business volume or limit control set by BOC HO. The result of these indicators could be measured through accomplishment, increasing or comparing with previous year. All the indicators are calculated by year-end volume or yearly-average volume.

According to the overall strategy development of BOC and market changes, BOC Group can adjust the key performance indicators on an annual basis.

The fulfilment of the Bank's KPIs, as defined by BOC HO, results to a coefficient (coefficient of bank performance) applicable to the Staff Members of the Bank and used as a bonus base.

## **2.6 Specific situations**

### **2.6.1 Guaranteed Variable Remuneration (cash-based compensation)**

The Bank does not offer guaranteed Variable Remuneration, except for specific cases such as welcome packages and limited to the first year of employment in the framework of hiring new Staff Members. Such Variable Remuneration components may only be used in exceptional circumstances, and would be subject to strict internal review and governance.

### **2.6.2 Severance Pay**

The Bank does not offer guaranteed exit package. In case of early termination of a contract, the Bank only makes severance payments in accordance with the provisions of the applicable employment law. In addition any severance payment should reflect performance achieved over time and should not reward failure or misconduct.

### **2.6.3 Personal Hedging**

Staff members are not allowed to use personal hedging strategies to mitigate the risk related to the variation in their remuneration.

## **3 Governance**

The Policy should be reviewed periodically and at least on an annual basis in order to comply with regulations and be implemented as described. The Board of Directors, the executive members, and the control functions are involved in the governance of the present Remuneration Policy.

Upon request, the Bank should disclose and make available to all members of the management body detailed information regarding the remuneration policies and practices for identified staff and senior managers recognized as material risk takers.

### 3.1 Board of Directors

The Bank's Board of Directors, in its supervisory function, handles the following responsibilities:

- Defining the general principles of this Policy;
- Approving this Policy, including if and where relevant, any subsequent material exemptions as well as significant changes to the Policy (and monitoring their effects);
- Ensuring the supervision of/oversee the implementation of this Policy;
- Reviewing this Policy as well as any update as suggested by the Authorized Management in accordance with applicable guidelines and generally ensure that the Policy is up to date;
- Ensuring, on a regular basis, that the Bank has the appropriate Remuneration procedures in place
- Determining and overseeing that the policy practices are aligned with the Bank's overall corporate governance framework, corporate culture, risk appetite and the related governance processes;
- Assessing the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels (promotion of sound and effective risk management, alignment with business strategy, objectives, culture, values and long-term interests of the Bank);
- Approving and periodically review the identification process policy, being involved in the design of the self-assessment of material risk takers and ensure that such assessment is properly carried out/oversee the identification process and approve material exemptions and exclusions of staff in accordance with Commission Delegated Regulation No 2021/923;

- Ensuring the adequacy of the information provided to shareholders on remuneration policies and practices,
- Assessing the achievement of performance targets of the bank and the need for ex-post risk adjustment, including the application of malus and clawback arrangements;
- Ensuring that the Policy and practices of the Bank are subject to a central and independent internal review on an annual basis.

### 3.2 Authorized Management

The Authorized Management (conducting persons) of the Bank is responsible for the implementation of the Policy by:

- Taking all necessary measures for implementing the present Remuneration Policy and keep the present Policy and the Remuneration falling within its scope under review in the light of legislative, regulatory and market developments;
- Reporting as often as it deems necessary, but at least once a year, to the Board of Directors about the implementation of the present Remuneration Policy;
- Proposing for approval to the Board of Directors the global amount to be allocated to the increase of the Fixed Remuneration and to the Variable Remuneration (budgeting phase);
- Defining the people and the amounts of the discretionary salary increases once the global amounts are approved (except in relation to themselves);
- Defining the people and the amounts for the discretionary bonuses once the global amounts are approved (except in relation to themselves);
- Defining the people and the target amounts of the standard bonus in line with the approved budget (except in relation to themselves).

### 3.3 Control Functions

In accordance with the provisions set out in the Circulars, all competent control functions are involved in the design, ongoing oversight of the Bank's remuneration policy, as well as conducting a yearly internal review of the Policy. The Policy is reviewed on an annual basis.

The Head of Risk Management Department (Chief Risk Officer) is responsible for:

- Assessing whether the Variable Remuneration structure affects the risk profile of the Bank. The Chief Risk Officer also determines the capital allocation associated with the Remuneration Policy, the annual ICAAP report, assists on the definition of appropriate ex-post risk adjustments mechanisms and validates and assesses risk adjustment data.

The Chief Compliance Officer is responsible for:

- Assessing if the Remuneration structure is compliant with legislation, regulations and internal policies and reporting all identified compliance risks and issues of non-compliance to the Authorized Management and the Board of Directors.

The Chief Internal Auditor function is responsible for:

- Assessing the Remuneration Policy according to article 38-5 d) of the LFS.

### 3.4 Human Resources Function

The Policy is updated by the Human Resources Department under the review of the General Management to include any changes introduced by the Board of Directors or amend appendices if necessary. Any significant change in this Policy is to be then reported to and adopted by the Board of Directors. A copy of the Policy must be transmitted to the Chief Internal Auditor and can be consulted by the CSSF upon request.

### 3.5 Others

Remuneration of the senior staff responsible for heading the control functions is available for the oversight of the Board of Directors.

- The Remuneration structure of control functions personnel does not compromise their independence or create conflicts of interest in their advisory role to Board of Directors.
- Variable Remuneration for control functions is therefore based on function-specific objectives and not determined directly by the Bank-wide performance criteria.

## 4 Disclosure

### 4.1 Disclosure of Remuneration strategy and procedure internally

The Human Resources Department is in charge of the disclosure of the Remuneration strategy and procedure internally and externally, ensuring that:

1. The member of staff concerned should know in advance the criteria that will be used to determine their Remuneration;
2. The information regarding the Policy which is disclosed internally reveals at least the details which are disclosed externally;
3. Confidential quantitative aspects of the Remuneration of Staff Members shall not be subject to internal disclosure;
4. The information of Annex 2, regarding the Policy and practices of the institution for those categories of staff whose professional activities have a material impact on its risk profile.

### 4.2 Disclosure of Remuneration strategy and procedure externally

Disclosure of the Remuneration strategy and procedure is included in the Bank's financial statements.

According to article 450 of the CRR, the following information is disclosed for the Bank:

- (a) Information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing Remuneration during the financial year, including, if applicable, information about the composition and the mandate of the remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders;
- (b) Information on link between the Remuneration and performance;
- (c) The most important design characteristics of the Remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;
- (d) The ratios between Fixed and Variable Remuneration;
- (e) Information on the performance criteria on which the entitlement to Variable Remuneration is based;
- (f) The main parameters and rationale for any variable component scheme and any other non-cash benefits;
- (g) Aggregate quantitative information on Remuneration broken down by business area;
- (h) Aggregate quantitative information on Remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the institution, indicating the following:
  - (i) The amounts of Remuneration for the financial year split into Fixed and Variable Remuneration, and the number of beneficiaries;
  - (ii) The amounts and forms of Variable Remuneration;
  - (iii) The amounts of outstanding deferred Remuneration split into vested and unvested portions;
  - (iv) The amounts of deferred Remuneration awarded during the financial year, paid out and reduced through performance adjustments;

(v) new sign-on and severance payments made during the financial year, if any and the number of beneficiaries;

(vi) the amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person;

(j) Upon demand from the CSSF, the total Remuneration for each member of the management body or senior management;

With reference to the article 38-10 of the LFS and the article 450 of the CRR, the following information about individuals in the EUR 1 million pay brackets, if any, would be annually communicated to the CSSF: number of individuals, business area involved, and main elements of salary, bonus, long-term award and pension contribution.

Pursuant to the 38-11 of the LFS, the Bank will set out a statement on its website to explain how the Bank complies with the requirements of articles 38-1 to 38-9 of the Law.

**Annex 1:** Organizational Chart

**Annex 2:** List of Material Risk Takers according to the Delegated regulation (EU) No 2021/923.

## Glossary

**[Remuneration Policy]**

Acronym(s) (in alphabetical order)	Expansion
<b>BOC HO</b>	Bank of China Head Office
<b>Base Salary</b>	The contractual gross base compensation in exchange for professional services, at the exclusion of other components of the Fixed Remuneration as well as (guaranteed) Variable Compensation.
<b>Clawback</b>	Arrangement under which a staff member has to return to the Bank, under certain circumstances, ownership of all or part of the Variable Remuneration paid in the past or which has already vested. This can be applied both to upfront and deferred Variable Remuneration.
<b>Deferral</b>	Mechanism through which Variable Remuneration awarded does not vest (i.e. no legal transfer of ownership) immediately upon award but is deferred for a certain period of time during which Malus can apply.
<b>Employees</b>	The Staff Members bound to the Bank by means of an employment contract.
<b>Fixed Remuneration</b>	All contractually agreed compensation that is not linked to performance and, for the avoidance of doubt, which excludes

	guaranteed Variable Remuneration and contractually agreed severance payments.
<b>Authorized Management</b>	General managers and Deputy General Managers of the “Bank”
<b>Malus</b>	Arrangement that permits the Bank to reduce the value of all or part of deferred Variable Remuneration based on ex-post risk adjustments before it has vested.
<b>Material Risk Takers</b>	Material risk takers identified as such pursuant to Commission Delegated Regulation EU (EU) 2021/ 923 on the identification of categories of s identified staff or senior managers whose professional activities have a material impact on an institution’s risk profile.
<b>Remuneration</b>	All forms of awards, payments or benefits paid in exchange for professional services rendered by Staff Members as consideration for the carrying out of their duties pertaining to the Bank.
<b>Staff Members</b>	The Bank’s overall workforce including the members of the board of directors, irrespective of the nature of their relationship with the Bank.

<b>Transferred Chinese Staff</b>	The employees sent by Bank of China HO working for a certain period of time in Luxembourg.
<b>The Branch</b>	Bank of China Limited, Luxembourg Branch.
<b>The S.A.</b>	Bank of China (Luxembourg) S.A. and all the latter's existing branches (currently in Rotterdam, Lisbon, Stockholm, Poland Brussels, Athens and Dublin).
<b>The Bank</b>	The Branch and the S.A.
<b>The Group/ BOC Group</b>	Bank of China Group.
<b>The Policy</b>	The remuneration policy.
<b>Variable Remuneration</b>	Remuneration consisting of awards, payments or benefits based on performance, or in certain cases, other contractual criteria.

Modified on 29<sup>th</sup> October 2021