

Bank of China Limited

**Attestation Report
on Use of Proceeds from Sustainability Bond Issuance**

As of 31 December 2019



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Attestation Report on Use of Proceeds from Sustainability Bond Issuance

To Bank of China Limited:

We were engaged by Bank of China Limited to provide limited assurance in the accompanying statements prepared by the management of Bank of China Limited with regard to the use of HKD 3,000.00 million proceeds raised from the Sustainability Bond issuance on 7 June 2018 (the “Sustainability Bond”) as of 31 December 2019 which comprise:

1. Statement on the proceeds raised from the issuance of Sustainability Bond as of 31 December 2019, as set out in Appendix A; and
2. Statement on the disbursements of the proceeds raised from the issuance of Sustainability Bond as of 31 December 2019, as set out in Appendix B.

Management’s Responsibilities

Bank of China Limited’s Management is responsible for the preparation of the statements relating to the use of proceeds from Sustainability Bond in accordance with the requirements from the *Green Bond Principles 2018*, *Social Bond Principles 2018* and *Sustainability Bond Guidelines 2018* published by the International Capital Market Association (ICMA); and to ensure the fair presentation, accuracy, completeness and validity of the information contained in the statements.

Our Responsibilities

Our responsibility is to express an opinion on the assertions based on our examination.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. We have complied with the quality control requirements of the *International Standard on Quality Control 1* issued by the International Auditing and Assurance Standards Board.

Standards and Limitations of Our Work

Our examination was conducted in accordance with the *International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, which requires us to plan and perform attestation procedures to obtain limited assurance as to whether the assertions are free from material misstatement.

Our examination included inquiries of relevant personnel, examining relevant management measures, examining relevant register maintained by the business department and performing other procedures as we considered necessary in the circumstances. Our procedures performed could provide us limited assurance, a level that is lower than the reasonable assurance. Since we have not performed procedures normally conducted in an attestation engagement which would provide a reasonable level of assurance, we do not express a reasonable assurance opinion.

Conclusion

Based on the limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the assertions in the statements on the use of proceeds raised from the Sustainability Bond issuance in 2018 at Bank of China Limited are materially misstated.


Ernst & Young Hua Ming LLP

Beijing, the People's Republic of China

26 April 2020

Appendix A

Statement on the proceeds raised from the issuance of Sustainability Bond as of 31 December 2019

In accordance with the *Green Bond Principles 2018*, *Social Bond Principles 2018* and *Sustainability Bond Guidelines 2018* published by the International Capital Market Association (ICMA), we provide an account of the HKD 3,000.00 million raised by Bank of China Hong Kong Branch (hereinafter referred to as "BOC Hong Kong Branch") from the issuance of the Sustainability Bond filed on 31 May 2018 (the "Sustainability Bond") as follow:

1. BOC Hong Kong Branch issued the Sustainability Bond amounting to HKD 3,000.00 million on 31 May 2018, equivalent to CNY 2,443.77 million, and received the proceeds on 7 June 2018.
2. Bank of China Limited (hereinafter referred to as "BOC") constructed a separate register for the proper management of the Sustainability Bond, including the record of funds received from bond issuance, as well as the disbursements and subsequent recovery of funds, so as to ensure that funds raised are specifically used as intended, solely for eligible green and social projects over the duration of the Sustainability Bond.
3. Management of BOC is responsible for the preparation of the Statement detailing how funds raised from the issuance of the Sustainability Bond had been utilized as set out in Appendix B, including the completeness, accuracy and validity of the information contained in the Statement.
4. Management of BOC declared that as of 31 December 2019, HKD 3,000.00 million, had been raised from the issuance of the Sustainability Bond, CNY 2,441.58 million had been disbursed to the Eligible Projects, in accordance with the *Green Bond Principles 2018*, *Social Bond Principles 2018* and *Sustainability Bond Guidelines 2018* published by the International Capital Market Association (ICMA).



Appendix B

Statement on the disbursements of the proceeds from Sustainability Bond as of 31 December 2019

The proceeds raised from the Sustainability Bond in 2018⁽¹⁾ (million):

Issuer	Currency	Amount	Interest rate	Exchange rate ⁽²⁾	Amount in CNY	Net Amount in CNY	Maturity date
BOC Hong Kong Branch	HKD	3,000.00	2.850%	0.8146	2,443.77	2,441.58	2020/6/7

(1) Reflects the principal raised from the Sustainability Bond issuance.

(2) The exchange rate is based on the announcement of the People's Bank of China's exchange rate on input value date.

The disbursements of the proceeds raised from the Sustainability Bond:

No.	Category	Amount (CNY million) ^{(3) (4)}	Percentage
1	Renewable energy	180.68	7.40%
2	Clean transportation	865.42	35.44%
3	Employment generation	840.82	34.44%
4	Access to essential services	554.66	22.72%
	Total	2,441.58	100.00%

(3) Funds disbursed in support of the green and social projects that meets the requirements of the issuance circular and Appendix A.

(4) Represents the amount of funds disbursed on green and social projects that meet relevant standard and criteria as of 31 December 2019.

