

# Significant Events

## Material Litigation and Arbitration

The Bank was involved in certain litigation and arbitration cases in the regular course of its business. In the Bank's regular business operations in different countries and regions across the world, give the range and scale of its international presence, the Bank may be involved in a variety of litigation, arbitration and judicial proceedings within different jurisdictions, and the ultimate outcomes of these proceedings involve various levels of uncertainty. Based upon the opinions of internal and external legal counsels, the senior management of the Bank believes that, at the current stage, these matters will not have a material impact on the financial position or operating results of the Bank. Should the ultimate outcomes of these matters differ from the initially estimated amounts, such differences will impact the profit or loss in the period during which such a determination is made.

## Purchase and Sale of Material Assets

During the reporting period, the Bank did not undertake any purchase and sale of material assets that is required to be disclosed.

## Implementation of Stock Incentive Plan and Employee Stock Ownership Plan

The Bank approved a long-term incentive policy, including the Management Stock Appreciation Rights Plan and the Employee Stock Ownership Plan, at the Board meeting and the extraordinary shareholders' meeting held in November 2005. To date, the Management Stock Appreciation Rights Plan and the Employee Stock Ownership Plan have not been implemented.

## Significant Connected Transactions

The Bank had no significant connected transactions during the reporting period. For details of the related party transactions as defined by the relevant accounting standards by the end of the reporting period, please refer to Note V.42 of the Consolidated Financial Information.

## Major Contracts and Enforcement thereof

### *Material Custody, Sub-contracts and Leases*

During the reporting period, the Bank did not take, or allow to subsist any significant custody of, sub-contract or lease assets from other companies, or allow its material business assets to be subject to such arrangements, in each case that is required to be disclosed.

### *Material Guarantee Business*

As approved by PBOC and CBIRC, the Bank's guarantee business is an off-balance sheet item in the ordinary course of its business. The Bank operates its guarantee business in a prudent manner and has formulated specific management measures, operational processes and approval procedures in respect of the risks of guarantee business and carries out this business accordingly. During the reporting period, save as disclosed above, the Bank did not enter into or allow to subsist any material guarantee business that is required to be disclosed.

During the reporting period, there is no violation of laws, administrative regulations or rules of CSRC in the Bank's guarantee business.

### *Other Major Contracts*

During the reporting period, the Bank did not enter into or allow to subsist any other major contract that is required to be disclosed.

## Misappropriation of Funds by Controlling Shareholder and Other Related Parties

During the reporting period, there was no misappropriation of the Bank's funds by its controlling shareholder or other related parties for non-operating purposes.

## Significant Events

### Undertakings

Huijin made a “non-competing commitment” when the Bank launched its IPO. As at 31 December 2021, Huijin has strictly observed and has not breached such undertaking.

### Disciplinary Actions Imposed on the Bank, its Directors, Supervisors, Senior Management Members and Controlling Shareholder

During the reporting period, neither the Bank nor any of its directors, supervisors, senior management members or controlling shareholder was subject to compulsory measures due to alleged crimes, subject to criminal punishment, investigated by CSRC due to potential violation of laws and regulations or subject to administrative punishment by CSRC, or had material administrative punishment imposed on them by other competent authorities. None of the directors, supervisors or senior management members or controlling shareholder was detained by disciplinary inspection and supervision authorities due to any potential material breach of laws, disciplinary regulations or duty crimes, nor did any such matter affect its duty performance. None of the directors, supervisors or senior management members was subject to compulsory measures by other competent authorities

due to potential violation of laws and regulations, nor did any such matter affect its duty performance.

### Integrity of the Bank and its Controlling Shareholder

During the reporting period, neither the Bank nor its controlling shareholder failed to perform any obligations from effective legal instruments of the court or pay off any due debt in large amount.

### Information on the Environmental, Social and Governance Performance

For details of the Bank’s Information on the Environmental, Social and Governance Performance, Please refer to the *Corporate Social Responsibility Report of Bank of China Limited for 2021 (Environmental Social Governance)* published on the websites of SSE, HKEX and the Bank.

### Other Significant Events

For announcements regarding other significant events during the reporting period made in accordance with the regulatory requirements, please refer to the websites of SSE, HKEX and the Bank.