

Bank of China Limited

**Assurance Report
on Use of Proceeds from Green Bonds Issuance**

As of 31 December 2023



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Assurance Report on Use of Proceeds from Green Bonds Issuance of Bank of China Limited

To Bank of China Limited

We have been engaged by Bank of China Limited (the “Bank”) to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the Bank’s use of proceeds from April 2021 Luxemburg Branch Green Bond, April 2021 Singapore Branch Green Bond, September 2021 Sydney Branch Green Bond, February 2022 Hungarian Branch Green Bond, February 2022 Johannesburg Branch Green Bond, April 2022 Macau Branch Green Bond, April 2022 Singapore Branch Green Bond, April 2022 Luxemburg Branch Green Bond, June 2023 New York Branch Green Bond, September 2023 London Branch Green Bond, September 2023 Dubai Branch Green Bond, September 2023 Luxembourg Branch Green Bond and October 2023 Frankfurt Branch Green Bond issuance (the “Subject Matter”), which comprise the Statement on the proceeds from the issuance of Green Bonds as of 31 December 2023 in the accompanying the Appendix A and the Statement on the disbursements of the proceeds from Green Bonds as of 31 December 2023 in the accompanying Appendix B.

Criteria applied by the Bank

In preparing the use of proceeds from Green Bonds issuance in the Appendix A and Appendix B, the Bank applied the *Green Bond Principles 2021* published by International Capital Market Association (the “Criteria”).

The Bank’s Responsibility

The Bank’s management is responsible for selecting the Criteria, and for presenting the use of proceeds from Green Bonds issuance in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Assurance Practitioner’s Responsibility

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with *International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised))*. The standard require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The



nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the use of proceeds from Green Bonds issuance and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with personnel to understand the business and reporting process;
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the subject matter;
- Checked the Bank's policies and procedures in relation to the subject matter;
- Checked the register of use of proceeds from the Bank's Green Bonds Issuance maintained by the relevant department;
- Tested, on a sample basis, underlying source information to check the accuracy of the data.



We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the use of proceeds from Green Bonds Issuance as of 31 December 2023 in the Appendix A and Appendix B, in order for it to be in accordance with the Criteria.

Restricted Use

Our responsibility in performing our procedures and reporting thereon is to the Bank only and in accordance with terms of reference for this engagement as agreed with them. The report may not be suitable for another purpose. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance of any such third party may place on the Bank's Green Bonds Issuance is entirely at its own risk.

A handwritten signature in black ink that reads 'Ernst & Young Hua Ming LLP'. The signature is written in a cursive, flowing style.

Ernst & Young Hua Ming LLP

12 April 2024

Beijing, China

Appendix A

Statement on the proceeds from the issuance of Green Bonds as of 31 December 2023

In accordance with the *Green Bond Principles 2021* published by the International Capital Market Association, we provide an account of the USD 500.00 million, and EUR 500.00 million raised by Bank of China Luxembourg Branch (hereinafter referred to as “BOC Luxembourg Branch”) from the issuance of the April 2021 Luxemburg Branch Green Bond filed on 22 April 2021; USD 500.00 million raised by Bank of China Singapore Branch (hereinafter referred to as “BOC Singapore Branch”) from the issuance of the April 2021 Singapore Branch Green Bond filed on 22 April 2021; USD 300.00 million raised by Bank of China Sydney Branch (hereinafter referred to as “BOC Sydney Branch”) from the issuance of the September 2021 Sydney Branch Green Bond filed on 23 September 2021; USD 300.00 million raised by Bank of China Hungarian Branch (hereinafter referred to as “BOC Hungarian Branch”) from the issuance of the February 2022 Hungarian Branch Green Bond filed on 9 February 2022; USD 300.00 million raised by Bank of China Johannesburg Branch (hereinafter referred to as “BOC Johannesburg Branch”) from the issuance of the February 2022 Johannesburg Branch Green Bond filed on 9 February 2022; USD 1,000.00 million raised by Bank of China Macau Branch (hereinafter referred to as “BOC Macau Branch”) from the issuance of the April 2022 Macau Branch Green Bond filed on 21 April 2022; USD 500.00 million raised by BOC Singapore Branch from the issuance of the April 2022 Singapore Branch Green Bond filed on 21 April 2022; EUR 500.00 million raised by BOC Luxembourg Branch from the issuance of the April 2022 Luxemburg Branch Green Bond filed on 21 April 2022; USD 500.00 million raised by Bank of China New York Branch (hereinafter referred to as “BOC New York Branch”) from the issuance of the June 2023 Luxemburg Branch Green Bond filed on 15 June 2023; USD 600.00 million raised by Bank of China London Branch (hereinafter referred to as “BOC London Branch”) from the issuance of the September 2023 London Branch Green Bond filed on 7 September 2023; USD 500.00 million raised by Bank of China Dubai Branch (hereinafter referred to as “BOC Dubai Branch”) from the issuance of the September 2023 Dubai Branch Green Bond filed on 11 September 2023; CNH 2,000.00 million raised by BOC Luxembourg Branch from the issuance of the September 2023 Luxemburg Branch Green Bond filed on 11 September 2023 and CNH 1,600.00 million raised by Bank of China Frankfurt Branch (hereinafter referred to as “BOC Frankfurt Branch”) from the issuance of the October 2023 Frankfurt Branch Green Bond filed on 11 October 2023 (the “Green Bonds”) as follow:

1. BOC Luxembourg Branch issued the Green Bond amounting to USD 500.00 million and EUR 500.00 million on 22 April 2021, equivalent to CNY 7,162.40 million, and received the proceeds on 28 April 2021.

BOC Singapore Branch issued the Green Bond amounting to USD 500.00 million on 22 April 2021, equivalent to CNY 3,242.65 million, and received the proceeds on 28 April 2021.

BOC Sydney Branch issued the Green Bond amounting to USD 300.00 million on 23 September 2021, equivalent to CNY 1,939.86 million, and received the proceeds on 29 September 2021.

BOC Hungarian Branch issued the Green Bond amounting to USD 300.00 million on 9 February 2022, equivalent to CNY 1,903.89 million, and received the proceeds on 16 February 2022.

BOC Johannesburg Branch issued the Green Bond amounting to USD 300.00 million on 9 February 2022, equivalent to CNY 1,903.89 million, and received the proceeds on 16 February 2022.

BOC Macau Branch issued the Green Bond amounting to USD 1,000.00 million on 21 April 2022, equivalent to CNY 6,562.80 million, and received the proceeds on 28 April 2022.

BOC Singapore Branch issued the Green Bond amounting to USD 500.00 million on 21 April 2022, equivalent to CNY 3,281.40 million, and received the proceeds on 28 April 2022.

BOC Luxembourg Branch issued the Green Bond amounting to EUR 500.00 million on 21 April 2022, equivalent to CNY 3,463.90 million, and received the proceeds on 28 April 2022.

BOC New York Branch issued the Green Bond amounting to USD 500.00 million on 15 June 2023, equivalent to CNY 3,602.80 million, and received the proceeds on 26 June 2023.

BOC London Branch issued the Green Bond amounting to USD 600.00 million on 7 September 2023, equivalent to CNY 4,312.44 million, and received the proceeds on 14 September 2023.

BOC Dubai Branch issued the Green Bond amounting to USD 500.00 million on 11 September 2023, equivalent to CNY 3,586.80 million, and received the proceeds on 18 September 2023.

BOC Luxembourg Branch issued the Green Bond amounting to CNH 2,000.00 million on 11 September 2023, equivalent to CNY 2,000.00 million, and received the proceeds on 18 September 2023.

BOC Frankfurt Branch issued the Green Bond amounting to CNH 1,600.00 million on 11 October 2023, and received the proceeds on 18 October 2023.

2. Bank of China Limited (hereinafter referred to as "BOC") constructed a separate register for the proper management of the Green Bonds, 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 projects over the duration of the Green Bonds.
3. Management of BOC is responsible for the preparation of the Statement detailing how funds raised from the issuance of the Green Bonds 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 2023, USD 5,000.00 million, EUR 1,000.00 million and CNH 3,600.00 million had been raised from the issuance of Green

Appendix B

**Statement on the disbursements of the proceeds from
Green Bonds as of 31 December 2023**

The proceeds from Green Bonds⁽¹⁾ (million):

Issuer	Currency	Amount	Interest rate	Exchange rate ⁽²⁾	Amount in CNY	Net Amount in CNY	Maturity date
BOC Luxembourg Branch	EUR	500.00	Fixed Rate	7.8395	3,919.75	3,914.50	2024/4/28
	USD	500.00	Fixed Rate	6.4853	3,242.65	3,231.62	2026/4/28
BOC Singapore Branch	USD	500.00	Fixed Rate	6.4853	3,242.65	3,237.85	2024/4/28
BOC Sydney Branch	USD	300.00	Fixed Rate	6.4662	1,939.86	1,934.99	2024/9/29
BOC Hungarian Branch	USD	300.00	Fixed Rate	6.3463	1,903.89	1,901.05	2024/2/16
BOC Johannesburg Branch	USD	300.00	Fixed Rate	6.3463	1,903.89	1,899.65	2025/2/16
BOC Macau Branch	USD	1,000.00	Float Rate	6.5628	6,562.80	6,552.30	2025/4/28
BOC Singapore Branch	USD	500.00	Fixed Rate	6.5628	3,281.40	3,275.62	2025/4/28
BOC Luxembourg Branch	EUR	500.00	Fixed Rate	6.9278	3,463.90	3,448.92	2025/4/28
BOC New York Branch	USD	500.00	Fixed Rate	7.2056	3,602.80	3,589.33	2026/6/26
BOC London Branch	USD	600.00	Float Rate	7.1874	4,312.44	4,307.41	2026/9/14
BOC Dubai Branch	USD	500.00	Float Rate	7.1736	3,586.80	3,582.28	2026/9/18
BOC Luxembourg Branch	CNH	2,000.00	Fixed Rate	1.0000	2,000.00	1,995.50	2026/9/18
BOC Frankfurt Branch	CNH	1,600.00	Fixed Rate	1.0000	1,600.00	1,597.10	2025/10/18
Total		-			44,562.83	44,468.12	-

(1) Reflects the principal raised from the Green Bonds issuance.

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

Bonds, CNY 43,963.09 million had been disbursed to the Eligible Green Projects, in accordance with the *Green Bond Principles 2021* published by the International Capital Market Association.



**Statement on the disbursements of the proceeds from
Green Bonds as of 31 December 2023(Continued)**

The disbursements of the proceeds from Green Bonds:

No.	Category	Amount (CNY million)^{(3) (4)}	Proportion
1	Clean transportation	23,551.05	53.57%
2	Green buildings	4,261.28	9.69%
3	Pollution prevention and control	525.62	1.20%
4	Renewable energy	15,295.10	34.79%
5	Sustainable water and wastewater management	330.04	0.75%
Total	-	43,963.09⁽⁵⁾	100.00%

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

(4) Represents the amount of funds disbursed on green projects that meet relevant standard and criteria as of 31 December 2023.

(5) As of 31 December 2023, the unallocated proceeds equated to CNY 505.03 million from June 2023 New York Branch Green Bond. And as of the report date the unallocated proceeds have been utilized to fund eligible green projects.

