Bank of China Limited

Assurance Report
on Use of Proceeds from 2023 Transition Bond Issuance

As of 31 December 2024

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Assurance Report on Use of Proceeds from 2023 Transition Bond 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 2023 Transition Bond issuance (the "Subject Matter"), which comprise the Statement on the proceeds from the issuance of 2023 Transition Bond as of 31 December 2024 in the accompanying the Appendix A and the Statement on the disbursements of the proceeds from 2023 Transition Bond as of 31 December 2024 in the accompanying Appendix B.

Criteria applied by the Bank

In preparing the use of proceeds from 2023 Transition Bond issuance in the Appendix A and Appendix B, the Bank (A) in reference to the ICMA *Climate Transition Finance Handbook (2023)*, (B) with reference to the four pillars of ICMA *Green Bond Principles (2021)* and *Sustainability Bond Guidelines (2021)*, (C) in line with the industry economic activity classification and technical indicators for climate transition from *IPSF Common Ground Taxonomy* or *EU Taxonomy for Sustainable Activities* or *Climate Bonds Initiative Sector Criteria*, and with reference to the sections of the above standards that relate to the transition industry as well as the principles of "*Avoidance of Carbon Lock-in*" and "*Do No Significant Harm*" (together with A,B and C, the "Criteria").

The Bank's Responsibility

The Bank's management is responsible for selecting the Criteria, and for presenting the use of proceeds from 2023 Transition Bond 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 2023 Transition Bond 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 2023 Transition Bond 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 2023 Transition Bond Issuance as of 31 December 2024 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 2023 Transition Bond Issuance is entirely at its own risk.

Ernst & Young Hua Ming LLP

Ernst & Young Hua Ming LLP

11 April 2025

Beijing, China

Appendix A

Statement on the proceeds from the issuance of 2023 Transition Bond as of 31 December 2024

In reference to the ICMA *Climate Transition Finance Handbook (2023)*, with reference to the four pillars of ICMA *Green Bond Principles (2021)* and *Sustainability Bond Guidelines (2021)*, in line with the industry economic activity classification and technical indicators for climate transition from *IPSF Common Ground Taxonomy* or *EU Taxonomy for Sustainable Activities or Climate Bonds Initiative Sector Criteria*, and with reference to the sections of the above standards that relate to the transition industry as well as the principles of "*Avoidance of Carbon Lock-in*" and "*Do No Significant Harm*", we provide an account of the EUR 300.00 million raised by Bank of China Luxembourg Branch (hereinafter referred to as "BOC Luxembourg Branch") from the issuance of October 2023 Transition Bond filed on 31 December 2024 (the "Transition Bond") as follow:

1. BOC Luxembourg Branch issued the Transition Bond amounting to EUR 300.00 million on 12 October 2023, equivalent to CNY 2,282.46 million, and received the proceeds on 19 October 2023.

2. Bank of China Limited (hereinafter referred to as "BOC") constructed a separate register for the proper management of Transition 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 projects over the duration of the Transition Bond.

3. Management of BOC is responsible for the preparation of the Statement detailing how funds raised from the issuance of Transition 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 2024, EUR 300.00 million had been raised from the issuance of Transition Bond, net proceeds equated to CNY 2,271.14 million had been disbursed to Eligible Projects, In reference to the ICMA *Climate Transition Finance Handbook (2023)*, with reference to the four pillars of ICMA *Green Bond Principles (2021)* and *Sustainability Bond Guidelines (2021)*, in line with the industry economic activity classification and technical indicators for climate transition from *IPSF Common Ground Taxonomy* or *EU Taxonomy for Sustainable Activities or Climate Bonds Initiative Sector Criteria*, and with reference to the sections of the above standards that relate to the transition industry as well as the principles of "*Avoidance of Carbon Lock-in*" and "*Do No Significant Harm*".

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Bank of China Limited

11 April 2025

Appendix B

Statement on the disbursements of the proceeds from 2023 Transition Bonds as of 31 December 2024

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

Issuer	Currency	Amount	Interest rate	Exchange rate(2)	Amount in CNY	Net Amount in CNY	Maturity date
BOC Luxembourg Branch	EUR	300.00	Fixed Rate	7.6082	2,282.46	2,271.14	2026/10/19
Total	-				**2,282.46**	**2,271.14**	-

(1) Reflects the principal raised from Transition 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.

The disbursements of the proceeds from Transition Bonds:

No.	Project	Amount (CNY million)(3) (4)	Proportion
1	Reduction of carbon emissions/energy consumption during steel processing	2,271.14	100.00%
Total	-	**2,271.14**	**100.00%**

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

(4) Represents the amount of funds disbursed on eligible projects that meet relevant standard and criteria as of 31 December 2024.

Bank of China Limited

11 April 2025