Appendix I

Description on Bank of China Macau Branch's 2022 Green Bond

Bank of China Limited (the "Bank") has established the *Bank of China Limited Sustainability Series Bonds Management Statement* (the "Management Statement"). This Management Statement has been prepared to demonstrate the Bank will issue green bond in accordance with the *Green Bond Principles 2021*, published by International Capital Market Association.

Use of Proceeds

All the net proceeds of the green bond will be allocated to the Eligible Projects as defined in the *Green Bond Principles 2021*.

In any case, Eligible Projects exclude the following categories ("Explicitly Excluded Projects"):

- Fossil fuel dedicated assets;
- Biofuels, biogas or biomass which utilize food crops as sources;
- Nuclear related projects;
- Mining and quarrying related projects;
- Luxury services or goods related, such as clubhouse operation;
- Alcoholic beverages related projects;
- Gambling and predatory lending enterprises related projects;
- Tobacco and tobacco-related products related projects;
- Weapons and ammunitions related projects.

Process for Project Evaluation and Selection

1. Preliminary Screening

Based on the project compliance documents and referring to criteria and standards of Eligible Project categories defined in the Management Statement, the Bank's domestic and overseas branches shall conduct preliminary screening of eligible projects, to form the list of nominated projects and submit to the Headquarters for further review.

2. Review and Approval

The Bank's Headquarters shall review the selected nominated projects, and then submit to professional third party agencies for an independent assessment. Approval will be granted to nominated projects certified by the professional third party agencies. The approved projects will form the Eligible Project List.

3. Update and Maintenance

The Bank's Headquarters shall review the Eligible Project List on a quarterly basis and determine if any change(s) is necessary (for example, if a project has become ineligible due to amortization, prepayment, sale or other reasons). If such change(s) is necessary, the Headquarters shall organize domestic and overseas branches to nominate new projects and approve the eligible ones to replace projects that have become ineligible due to amortization, prepayment, sale or other reasons.

Management of Proceeds

1. Planning for Use of Proceeds

Prior to the issuance of green bond, the Bank shall develop the preliminary Eligible Project List to ensure that the proceeds from green bond can be allocated to Eligible Projects in a timely manner.

2. Management of Separate Ledger

The Bank shall record the source and allocation of proceeds in a separate ledger management system to ensure that all the net proceeds of the green bond are properly managed and used. The ledger system shall contain information including but not limited to:

- Transaction information (issue amount, coupon, issue date and maturity date, etc.)
- Proceeds allocation information (project name, borrower description, project category, balance, release date, repayment date, exchange rate, interest rate of the loan, etc.)

The Bank will review and update the ledger on a quarterly basis. Any proceeds allocated to the projects that have amortized, been prepaid, sold or otherwise become ineligible shall be reallocated to newly nominated and approved projects.

3. Use of Unallocated Proceeds

Unallocated proceeds shall not be invested in greenhouse gas (GHG) intensive, highly polluting, energy intensive projects nor projects with negative social impacts (including but not limited to "Explicitly Excluded Projects"). The unallocated proceeds could be temporarily invested in green bond issued by non-financial institutions in domestic or international capital markets, and in money market instruments with good credit ratings and market liquidity, or kept in cash until they are allocated to Eligible Projects.

Reporting

The Bank will make disclosure in relation to the allocation of the proceeds and the environmental impacts of the funded Eligible Projects on an annual basis on its official website (http://www.boc.cn/en/investor/ir10/) so long as green bond remains outstanding. The following contents will be disclosed annually:

- Annual report of the green bond, where the content includes but not limited to the following proceeds allocation and environmental impacts information:
  - ✓ A brief description of the Eligible Projects to which the proceeds were allocated, and the breakdown in terms of amount and percentage allocated to each of the categories
  - ✓ The unallocated proceeds and how they are invested temporarily
  - ✓ Appropriate case information of the selected Eligible Projects
  - ✓ The environmental benefits of each category of the Eligible Projects where the proceeds were allocated
- An assurance report for the annual report issued by a qualified third party
- An assurance report for the use of proceeds issued by a qualified third party

Eligible Project List

The Bank has established a list of eligible projects, with an approximated total value of USD 1,041.28 million. Nominated projects list may evolve over time. The following is detailed information of the eligible project.

Eligible Project List

No.	Region	Project	Eligible Project Categories	Loan Amount (USD million)
1	Macau	Photovoltaic power project	Renewable energy	20.00
2	Macau	Photovoltaic power project	Renewable energy	12.20
3	Macau	Wind power appliance project	Renewable energy	60.95
4	Mainland, China	Wind power project	Renewable energy	157.81
5	Mainland, China	Wind power project	Renewable energy	10.99
6	Mainland, China	Wind power project	Renewable energy	28.50
7	Mainland, China	Wind power project	Renewable energy	78.50
8	Mainland, China	Photovoltaic power project	Renewable energy	69.08
9	Mainland, China	Waste management project	Pollution prevention and control	29.83
10	Mainland, China	Waste management project	Pollution prevention and control	29.41
11	Mainland, China	City Metro Line	Clean transportation	62.80

No.	Region	Project	Eligible Project Categories	Loan Amount (USD million)
12	Mainland, China	City Metro Line	Clean transportation	157.00
13	Mainland, China	City Metro Line	Clean transportation	59.66
14	Mainland, China	City Metro Line	Clean transportation	103.78
15	Mainland, China	River management project	Sustainable water and wastewater management	33.44
16	Mainland, China	Sustainable urban drainage system	Sustainable water and wastewater management	32.60
17	Mainland, China	Municipal Sewage Pipe Network and Treatment Facility	Sustainable water and wastewater management	33.17
18	Mainland, China	Municipal Sewage Pipe Network and Treatment Facility	Sustainable water and wastewater management	13.68
19	Mainland, China	Wetland park restoration project	Environmentally sustainable management of living natural resources and land use	47.88
Total Loan Amount (USD million)				**1,041.28**

Category	Loan Amount (USD million)	Number of Projects	Loan Proportion
Renewable energy	438.03	8	42.07%
Pollution prevention and control	59.24	2	5.69%
Clean transportation	383.24	4	36.80%
Sustainable water and wastewater management	112.89	4	10.84%
Environmentally sustainable management of living natural resources and land use	47.88	1	4.60%

Category	Loan Amount (USD million)	Number of Projects	Loan Proportion
Total	1,041.28	19	100.00%

The following set forth certain information of sample eligible projects:

- A photovoltaic project is located in Macau, with a production around 2.06GWh with an annual reduction of 600 tons of standard coal, 1,600 tons of carbon dioxide, 1.81 tons of sulfur dioxide and 2.92 tons of nitrogen oxides

- A city Metro line project is located in Mainland China, the whole line is 22.34km, including 18 stations. The estimated passenger volume is 528,400 person/day, the annual saving is about 80,000 tons of standard coal, and the carbon dioxide emission reduction is 176,900 tons

- A municipal sewage pipe network and wastewater treatment project is located in Mainland China, the project is intended to maintain the water system of local residents and protect rivers and other natural water bodies from pollution, with an annual COD reduction of 8,760 tons and BOD reduction of 3,650 tons

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