

## Attestation Report on Post-issuance of

Bank of China (Hong Kong) Limited's 2021 Personal Green Deposit and 2023 Personal Green Deposit

**To the Management of Bank of China (Hong Kong) Limited****Background**

Bank of China (Hong Kong) Limited ("BOCHK" or the "Bank") launched its Personal Green Deposit to retail customers in 2021 and issued the *Description on Bank of China (Hong Kong) Limited's 2021 Green Deposit* (the "2021 Description") on 9 July 2021 with reference to the *Green Bond Principles 2018* (the "GBP 2018") published by the International Capital Market Association (the "ICMA"). And with reference to the updated *Green Bond Principles 2021* (the "GBP 2021") published by the ICMA, the Bank revised and issued the new *Description on Bank of China (Hong Kong) Limited's 2023 Personal Green Deposit* (the "2023 Description") on 10 October 2023 to further enhance the management of Personal Green Deposit, including periodic public disclosures on the allocation of Personal Green Deposit.

**Scope**

We have been engaged by BOCHK to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement (the "engagement"), to report on the Bank's use of proceeds, process for project evaluation and selection, management of proceeds, and reporting of the 2021 Green Personal Deposit and the 2023 Personal Green Deposit (the "Subject Matter") for the period from 9 July 2021 to 9 October 2023 (the "First Reporting Period" under the 2021 Description) and for the period from 10 October 2023 to 31 December 2023 (the "Second Reporting Period" under the 2023 Description), respectively (the "Overall Reporting Period").

**Criteria applied by BOCHK**

The 2021 Description described the criteria for the handling of proceeds from the Bank's 2021 Personal Green Deposit with reference to the *GBP 2018* while the 2023 Description described the criteria for the handling of proceeds from the Bank's 2023 Personal Green Deposit with reference to the latest version of Green Bond Principles - the *GBP 2021*.

The 2021 Description and 2023 Description (collectively referred as the "Descriptions") cover four core components: use of proceeds, process for project evaluation and selection, management of proceeds, and reporting (the "Criteria").

**Management's Responsibility**

The management of the BOCHK (the "Management") is responsible for:

- Determining the Criteria, and oversight of the use of proceeds, process for project evaluation and selection, management of proceeds, and reporting of the Bank's 2021 Personal Green Deposit and 2023 Personal Green Deposit (the "Bank's Personal Green Deposits") with reference to that Criteria, in all material respects; and
- Establishing and maintaining appropriate internal controls and keeping adequate records that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### **Our Responsibility**

In accordance with the agreed terms with BOCHK, we conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *"Assurance Engagements Other Than Audits or Reviews of Historical Financial Information"* issued by the International Auditing and Assurance Standards Board.

Our responsibility is to express an independent limited assurance conclusion as to whether anything has come to our attention to cause us to believe that the Subject Matter, during the Overall Reporting Period, in all material respects, does not meet the Criteria.

We planned and performed our engagement to obtain the information and evidence which we considered sufficient and appropriate to provide a basis for our limited assurance conclusions.

### **Our Independence and Quality Management**

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, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm 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"* issued by the IAASB, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Our Procedures**

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 the use of proceeds, process for project evaluation and selection, management of proceeds as well as reporting of the Bank's Personal Green Deposits and related information by applying analytical and other appropriate procedures.



Our engagement includes performing interviews, reviewing documents and tests on a sample basis. Our procedures performed included, but not limited to:

- Obtaining and assessing relevant information (i.e., policies, procedures and internal controls) established by BOCHK in relation to the operation of the Bank's Personal Green Deposits;
- Interviewing personnel of selected business units in BOCHK to understand how they identify any risk associated with the situation which could not meet the Criteria and how they implement the policies and procedures to address these risks;
- Interviewing with relevant management and personnel in BOCHK involved in overseeing the nominated projects, the use and management of proceeds from the Bank's Personal Green Deposits;
- Reviewing the implementation of BOCHK's policies and procedures in relation to how the management used and managed proceeds appropriately with reference to the Criteria;
- Reviewing the project documents and checking the eligibility of green projects for inclusion in the Bank's Personal Green Deposits with reference to the Criteria;
- Reviewing the documents regarding the evaluation of environmental performance information for selected projects, and documentation supporting assertions made in the Descriptions;
- Conducting sample testing of documentary evidence relating to the above-mentioned; and
- Evaluating whether there would be any findings that have come to our attention to cause us to believe that the use of proceeds, process for project evaluation and selection, management of proceeds, and reporting of the Bank's Personal Green Deposits have not complied with the Criteria.

#### **Conclusion**

Based on our procedures and the evidence obtained, nothing has come to our attention that would lead us to believe that the use of proceeds, process for project evaluation and selection, management of proceeds, and reporting of the Bank's Personal Green Deposits have not complied with the Criteria, in all material respects.

#### **Limitations**

There are inherent limitations, for example, assurance engagements are based on selective testing of the information being examined and it is possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is substantially less in scope than reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Our engagement and post-issuance attestation report will not express an opinion on effectiveness of the Bank's management system and procedures as well as performance. There are additional inherent risks associated with assurance over non-financial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity.

Our Conclusion was formed based on our interpretation of the Bank's Personal Green Deposits following in adherence to the Criteria, which is subjective, and will be interpreted differently by different stakeholder groups.

Our work is substantially less in scope than an audit conducted in accordance with "*International Standards on Auditing*" issued by the International Auditing and Assurance Standards Board.

Accordingly, we do not express an audit opinion. Our assurance is limited to the Bank's Personal Green Deposits for the both the First Reporting Period and the Second Reporting Period and does not include statutory financial statements. Our assurance is limited to policies and procedures in place for both the First Reporting period and the Second Reporting Period, post-issuance of the Bank's Personal Green Deposits.

**Use of Report**

Our responsibility in performing our procedures and reporting thereon is limited to BOCHK only and in accordance with terms of reference for this engagement as agreed with the Bank, for the issuance of this post-issuance attestation report. This report may not be suitable for another purpose. We do not accept or assume any responsibility for any other purpose or to any other person or organization using our work or the contents of this post-issuance attestation report. Any reliance of any such third party may place on the Bank's Personal Green Deposits is entirely at its own risk.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu". The signature is written in a cursive, flowing style.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
March 4, 2024