

Appendix I

Bank of China (Hong Kong) Limited Description of Bank of China (Hong Kong) Limited's 2023 Green Deposit

With reference to the *Green Bond Principles 2021* published by the International Capital Market Association, Bank of China (Hong Kong) Limited ("BOCHK") established the *Product Management Guidelines of Green/Social/Sustainability Deposits* (the "Guidelines"), which defined the use of proceeds, project evaluation and selection, management of proceeds as well as information disclosure. Green Deposits supports BOCHK's commitment to proactively promoting green and sustainability development. Further details on BOCHK's sustainability strategy are available on our website and in the annual sustainability report.

Use of Proceeds

In accordance with the Guidelines, Green Deposits should be used exclusively for Eligible Green Projects as defined in the Guidelines. Eligible Green Projects include the following themes:

- Renewable energy
- Energy efficiency
- Pollution prevention and control
- Environmentally sustainable management of living natural resources and land use (including environmentally sustainable agriculture; environmentally sustainable animal husbandry; climate smart farm inputs such as biological crop protection or drip-irrigation; environmentally sustainable fishery and aquaculture; environmentally sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural landscapes)
- Terrestrial and aquatic biodiversity
- Clean transportation
- Sustainable water and wastewater management
- Climate change adaptation
- Circular economy adapted products, production technologies and processes, and/or certified eco-efficient products
- Green buildings

Project Evaluation and Selection

In accordance with the Guidelines, BOCHK conducted project evaluation and selection in accordance with the criteria and standards as specified in the Guidelines, determined the themes of Green Deposits (including one or more themes), and formed an Eligible Green Projects list. Eligible Green Projects selected shall meet the relevant requirements as defined in the *Green Bond Principles 2021* or the *Green Loan Principles 2023 of the LMA, APLMA and LSTA*, or future revisions as they may subsequently be updated.

Examples of the expected environmental impact of certain Eligible Green Projects are as follows:

- A waste incineration power generation project located in Henan Province of China. The project reduces waste and lowers the impact on the environment, with a domestic waste treatment capacity of 1,500 tons/day, and is equipped with 2×750 tons/day waste incineration line, high-pressure waste heat boilers and 1×35 MW condensing steam turbine generator.
- Green buildings with certification levels including BEAM Plus (Gold or above), LEED (Gold or above), BREEAM (Excellent or above), EDGE, or Chinese Green Building Evaluation Label (two stars or above). Through sustainable design, construction and operations, green buildings reduce carbon emissions, energy, water and waste.

Management of Proceeds

In accordance with the Guidelines, the scale of Green Deposits would reference to the total scale of Eligible Green Projects. Green Deposits shall be allocated to the Eligible Green Projects as described in the “Use of Proceeds” section of the Guidelines. BOCHK has designated product code to manage the Green Deposits and to support the continuous deposit program development. While we aim to allocate all funds raised through the Green Deposits to Eligible Green Projects, it is possible a portion of Green Deposits may remain temporarily unallocated. In the event of unallocated Green Deposits, we have established different levels of handling procedures in the Guidelines. This includes enlarging the eligible asset pool of Eligible Green Projects and/or placing unallocated Green Deposits towards other projects under the Green/Social/Sustainable themes specified in the Guidelines. Any instances of unallocated Green Deposits will be clearly communicated in BOCHK's Green Deposits Quarterly Reports.

Information Disclosure

In accordance with the Guidelines, BOCHK engaged a qualified independent third party to conduct a pre-issuance assurance.

In addition, BOCHK will also engage a qualified independent third-party on an annual basis to conduct a post-issuance assurance to review and assess the continuous compliance against the requirements of the Guidelines. This includes reviewing and evaluating the alignment of Eligible Green Projects against the criteria defined in the Guidelines. The pre-issuance and post-issuance reports will be available on our public website. So long as BOCHK's 2023 Green Deposit is outstanding, BOCHK will make information disclosures through BOCHK's Green Deposits Quarterly Reports, which will be available on our website.



For and on behalf of
Bank of China (Hong Kong) Limited
31 July 2023