

Post Issuance Attestation Report of Bank of China Limited's Climate Bonds

To Directors of Bank of China Limited

We have been engaged by Bank of China Limited (the "Bank") to examine the assertions in the accompanying the *Annual report on Bank of China's Sustainability Series Bonds-Appendix II: November 2017 Climate Bond* (the "Appendix II: November 2017 Climate Bond") (reporting period: from 1 January 2019 to 31 December 2019), *Annual report on Bank of China's Sustainability Series Bonds-Appendix II: May 2018 Climate Bond* (the "Appendix II: May 2018 Climate Bond") (reporting period: from 1 January 2019 to 31 December 2019), *Annual report on Bank of China's Sustainability Series Bonds-Appendix II: November 2018 Climate Bond* (the "Appendix II: November 2018 Climate Bond") (reporting period: from 1 January 2019 to 31 December 2019), *Annual report on Bank of China's Sustainability Series Bonds-Appendix II: October 2019 Climate Bond* (the "Appendix II: October 2019 Climate Bond") (reporting period: from 9 October 2019 to 31 December 2019) and expressed a limited assurance opinion on the Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond.

Criteria

The Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond is prepared in accordance with the *Green Bond Principles 2018* published by the International Capital Market Association, the *Climate Bonds Standards (V3.0)* published by the Climate Bonds Initiative.

Management's Responsibility

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

- Preparation of the Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond in accordance with the *Green Bond Principles 2018* and the *Climate Bonds Standards (V3.0)*, and to ensure the fair presentation, accuracy, completeness and validity of the information contained in the Appendix II: November 2017 Climate Bond,

Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond;

- Preparation, presentation and implementation of internal controls in relation to project evaluation and selection, use and management of proceeds, and information disclosure and reporting in accordance with the *Bank of China Sustainability Series Bonds Internal Management Regulation* and *Bank of China Limited Sustainability Series Bonds Management Statement* and to meet the criteria as set out in the *Green Bond Principles 2018* and the *Climate Bonds Standards (V3.0)*.

Assurance Practitioner's Responsibility

We conducted our limited assurance engagement in accordance with *International Standard on Assurance Engagements 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 Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond, in all material respects, does not meet the Criteria.

Our Procedures

Our assurance procedures performed included, but were not limited to:

- Assessing the implementation of policies and procedures established by the Bank related to the management of November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond;
- Interviewing selected business unit personnel 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;
- Reviewing the implementation of Bank's policies and procedures in relation to how Management used and managed proceeds appropriately in the relevant documentation for the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond;
- Reviewing the implementation of Bank's policies and procedures in relation to how Management evaluated and selected appropriate projects for the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond;

- Reviewing the project documents and confirming the eligibility of all the disbursed projects for inclusion in the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond;
- Reviewing selected environmental performance information for all disbursed projects, and documentation supporting assertions made in the subject matter;
- Checking the accuracy of environmental performance calculations performed;
- Reviewing the implementation of Bank's policies and procedures in relation to how Management compiled information and disclosed appropriately in the relevant documentation for the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond; and
- Obtaining and reviewing relevant evidence to support the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond in compliance with the Criteria.

Assurance Conclusion

Based on our limited assurance procedures performed, as described in this report as of 31 December 2019, nothing has come to our attention that causes us to believe that the assertions in the Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond on the use and management of proceeds, project evaluation and selection and information disclosure and reporting are concerned, in all material respects, does not meet the requirement as set out in the *Green Bond Principles 2018* and the *Climate Bonds Standards (V3.0)*.

Limitations

There are inherent limitations in performing assurance, 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 a 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. 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. Finally, adherence to the Appendix II: November 2017 Climate Bond, Appendix II: May 2018 Climate Bond, Appendix II: November 2018 Climate Bond and Appendix II: October 2019 Climate Bond are 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 work and report will not express an opinion on the effective and performance of the Bank's management system and procedure.

Our assurance was limited to the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond issuance, and did not include statutory financial statements. Our assurance is limited to policies and procedures in place as at 31 December 2019, post issuance of the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond.

Use of Report

Our responsibility in performing our assurance activities is to the Bank only and in accordance with terms of reference for this engagement as agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance any such third party may place on the November 2017 Climate Bond, May 2018 Climate Bond, November 2018 Climate Bond and October 2019 Climate Bond issuance is entirely at its own risk. No statement is made as to whether the criteria are appropriate for any third party purpose.

Our Independence, Quality Control and Assurance Team

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. We have complied with the quality control requirements of the *International Standard on Quality Control 1* issued by the International Auditing and Assurance Standards Board. Our team has required competencies and experience for this assurance engagement.



Ernst & Young Hua Ming LLP

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26 April 2020