

Green Bond / Green Bond Programme Information Template

Issuer name: Bank of China Limited (BOC)

Date of completion or of latest update: 24/10/2016

GBP component 1: Use of proceeds

Please describe alignment with this GBP component:

As set out in *BOC Green Bond Management Statement*, all the net proceeds of the Green Bonds will be allocated to Eligible Green Projects in the following categories:

- Renewable energy: the production and transmission of renewable energy, and the manufacturing of renewable energy appliances and products; renewable energy includes solar energy, wind energy, and biomass energy;
- Pollution prevention and control: waste water treatments, recycling and waste-to-energy power plants;
- Clean transportation: new transportation infrastructure and infrastructure upgrades, rolling stock and vehicles for clean transportation, including electric, hybrid, public, rail and multi-modal transportation; and
- Sustainable water management: sustainable infrastructure for clean and/ or drinking water, and sustainable urban drainage systems.

As for BoC's China Green Covered Bond issuance, the raised proceeds will be invested in renewable energy (wind energy) and pollution prevention and control (waste water treatment).

Please provide related online information if available:

GBP component 2: Process for project evaluation & selection

Please describe alignment with this GBP component:

BOC will follow the procedures below to evaluate and select the Eligible Green Projects:

1. Preliminary Screening

Domestic and overseas branches shall conduct a preliminary screening of potential projects in accordance with the criteria and standards set out in BOC's internal regulations and the Eligible Green Project categories as described in the Use of Proceeds section in this Statement, and form a list of nominated projects which will be submitted to the Headquarters for review.

2. Review and Approval

The Headquarters shall review each of the nominated projects for approval as Eligible Green Projects. The approved projects will form an Eligible Green Project list ("the Eligible Green Project List").

3. Update and Maintenance

The Headquarter shall review the Eligible Green Project List on a quarterly basis and determine if any changes are necessary (for example, if a project has amortized, been prepaid, sold or otherwise become ineligible). The Headquarters shall organize domestic and overseas branches to nominate new projects, and approve the eligible ones to replace projects that have amortized, been prepaid, sold or otherwise become ineligible.

Please provide related online information if available:

GBP component 3: Management of proceeds

Please describe alignment with this GBP component:

Due to its global network, BOC will allocate the Green Bond proceeds to Eligible Green Projects across various domestic and overseas markets. BOC has established an effective mechanism to manage the proceeds, ensuring that the proceeds from the Green Bonds will be used to fund the Eligible Green Projects.

1. Planning for Use of Proceeds

Prior to the issuance of Green Bonds, BOC shall evaluate the recent and pipeline capital spending and develop a preliminary Eligible Green Project List in accordance with the procedures as described in the Project Evaluation and Selection section in this Statement to ensure that the Green Bond proceeds can be allocated to Eligible Green Projects in a timely manner.

2. Management of Separate Ledger

BOC shall record the source and allocation of proceeds in a separate ledger to ensure that all the Green Bond proceeds are used to fund Eligible Green Projects. The ledger shall contain detailed information of the capital source (including the issue amount, the coupon rate, the issue date and the maturity date of the Green Bonds) and the capital allocation (including the project name, the borrower description, the project category, the balance, the release date, the repayment date, and the interest rate of the loan). BOC 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 Green Projects.

3. Use of Unallocated Proceeds

Unallocated proceeds shall not be invested in greenhouse gas (GHG) intensive nor highly polluting nor energy intensive projects. The unallocated proceeds could be temporally invested in Green Bonds issued by non-financial institutions in domestic or international markets, and in money market instruments with good credit rating and market liquidity until they are allocated to Eligible Green Projects.

Please provide related online information if available:

GBP component 4: Reporting

Please describe alignment with this GBP component:

As long as the Green Bond is outstanding, BOC will make and keep readily available up-to-date information on the allocation of the proceeds and the environmental performance of the funded Green Projects on an annual basis on its official website (www.boc.cn) and through other channels where feasible, such as annual reports or social responsibility report. BOC intends to enhance the transparency of information disclosure following the best practices recommended by GBP, 2016. The following contents will be disclosed annually:

1. A brief description of the Eligible Green Projects to which the Green Bond proceeds were allocated, and the amount and percentage allocated to each of the categories;
2. An audit report issued by a specialized certification body assuring allocation of proceeds; and
3. The expected environmental impacts of the Eligible Green Projects to which the Green Bond proceeds have been allocated. BOC will adopt some quantitative performance measures of certain categories, where feasible, and disclose them on an aggregated portfolio basis. The environmental impact section will be reviewed by a specialized certification body.

In addition, BOC will confirm that the use of proceeds of the Green Bond issuance conforms to this Statement on its official website (www.boc.cn) on a quarterly basis.

Please provide related online information if available:

GBP recommendation: External review

Please describe the alignment with this recommendation:

Prior to its China Green Covered Bond issuance, BOC has engaged Ernst & Young (“EY”) to perform limited assurance procedures to confirm its alignment with GBP, 2016.

As long as BOC’s China Green Covered Bond is outstanding, the use of proceeds and project environmental benefits disclosed annually will be verified by EY.

Please provide related online information if available:

<http://www.boc.cn/en/aboutboc/boccsr/>

Name of publication: Bank of China Plans to Issue China Green Covered Bond in Offshore Markets

Date of publication: 24/10/2016

Additional information

Please provide any further information you may deem appropriate: