



Acrylic on Canvas *Peace* Author: Leila Shili
Collected by Ministry of Culture and Tourism of China

In 2022, Bank of China supported the “Silk Road: Artists’ Rendezvous” art exhibition, which showcased the charm of cultural integration through the unique perspectives of artists from countries along the Belt and Road, representing the Bank’s effort to work together with all parties to promote sustainable economic, social and environmental development. The work *Peace* displayed in the “Silk Road: Artists’ Rendezvous” art exhibition was created by Leila Shili, a Tunisian painter. The colorful, free and dynamic silhouettes of plants and animals in the picture are endowed with the best wishes for building a shared future of all life on earth.

BRIDGE CHINA AND THE WORLD FOR THE COMMON GOOD

Preface

The year 2022 was an extremely exceptional year. The 20th CPC National Congress was held successfully, drawing a grand blueprint for the building of a modern socialist country on all fronts. Bank of China celebrated its 110th anniversary, embarking on a new journey of progress. As time has gone by, we have always stayed true to our founding mission. In the face of a turbulent international environment and multiple unexpected factors, we have worked hard to ensure the political and people-oriented nature of our financial work, practiced our mission of "bridging China and the world for the common good", and kept contributing with our financial strength to the high-quality development of the Chinese economy and society as well as to people's desire for a better life.

We took on the role of a large bank to provide much-needed relief for market entities. We actively acted on the State's arrangements to stabilize the economy and focused on the "eight priority areas for enhancing financial service capabilities" to channel financial resources toward key areas and weak links in the economy. We formulated an action plan to support the real economy and increased credit supply, with focuses on a series of areas such as expanding domestic demand, promoting investment, ensuring people's well-being and stimulating economic flow. We worked hard to help such industries as transportation & logistics, retail, and catering alleviate their difficulties. The "Inclusive Loan for Employment Promotion" action plan for inclusive finance was launched to assist customers in surviving economic cycles and weather difficulties together. By leveraging our traditional advantages in cross-border finance, we made all-out efforts to serve the overall economic and trade stability of the country, and organised 150 sessions of the "100+10000" campaign to support the high-quality development of trade, directly serving 33,000 foreign trade enterprises. We continued to lead the industry in international settlement, cross-border RMB settlement, foreign exchange deposit and loan, and foreign guarantee service.



We were committed to helping people lead a better life. While always pursuing a people-oriented approach to business prosperity, we strove to improve service coverage and accessibility, so that finance could benefit a wider range of population. An efficient and convenient financial and non-financial service system that operated both online and offline was created to optimise smart counter services at outlets, upgrade mobile banking, and extend the focus of financial services to lower levels, thus capable of providing more customers with considerate and quality services. At the same time, we achieved initial results in scenario creation and ecosystem integration, and the scenarios (such as cross-border operation, education, sports, and elderly care) to benefit the people reached a user base of more than 230 million. The "BOC Intelligent Valley" practical training base to align classroom education with real-world needs teamed up with over 20 universities and vocational schools nationwide, setting up a platform where students could take internships and practices. Meanwhile, measures were also adopted to support the steady and healthy development of the real estate market. In doing so, we tried to help realize the vision for ensuring every Chinese's access to elderly care, education, medical services, and housing.

We armed ourselves with the green concept to facilitate low-carbon transition. Resolutely following the path of green development, we integrated the concept of green and low-carbon development into our organisational structure, business development, risk management, and operation process, with an aim to improve our governance structure for green finance continuously. We continued to strengthen policy support for green finance business. With more than 80 industry credit policies improved, more credit resources were channeled toward green industries such as clean energy, green building, and green transportation, to help carbon-intensive enterprises through their transformation and upgrading. By the end of 2022, the balance of green credit in the Chinese mainland denominated¹ was equivalent to RMB1,987.2 billion. Actively seeking low-carbon management and operation, we made headway in the construction of green outlets, green data centres, etc. Our group-wide total energy consumption went down by 4.86% and direct greenhouse gas emissions by 15.58% from 2019 to 2022. As to the accelerated integration into global green governance, we supported events such as the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27), signed and participated in more than 10 green and ESG-related initiatives or mechanisms including the United Nations Principles for Responsible Banking (PRB) and the Task Force on Climate-related Financial Disclosures (TCFD), and got thoroughly involved in the formulation of a series of standards at home and abroad, thus providing our input for the global response to climate change.

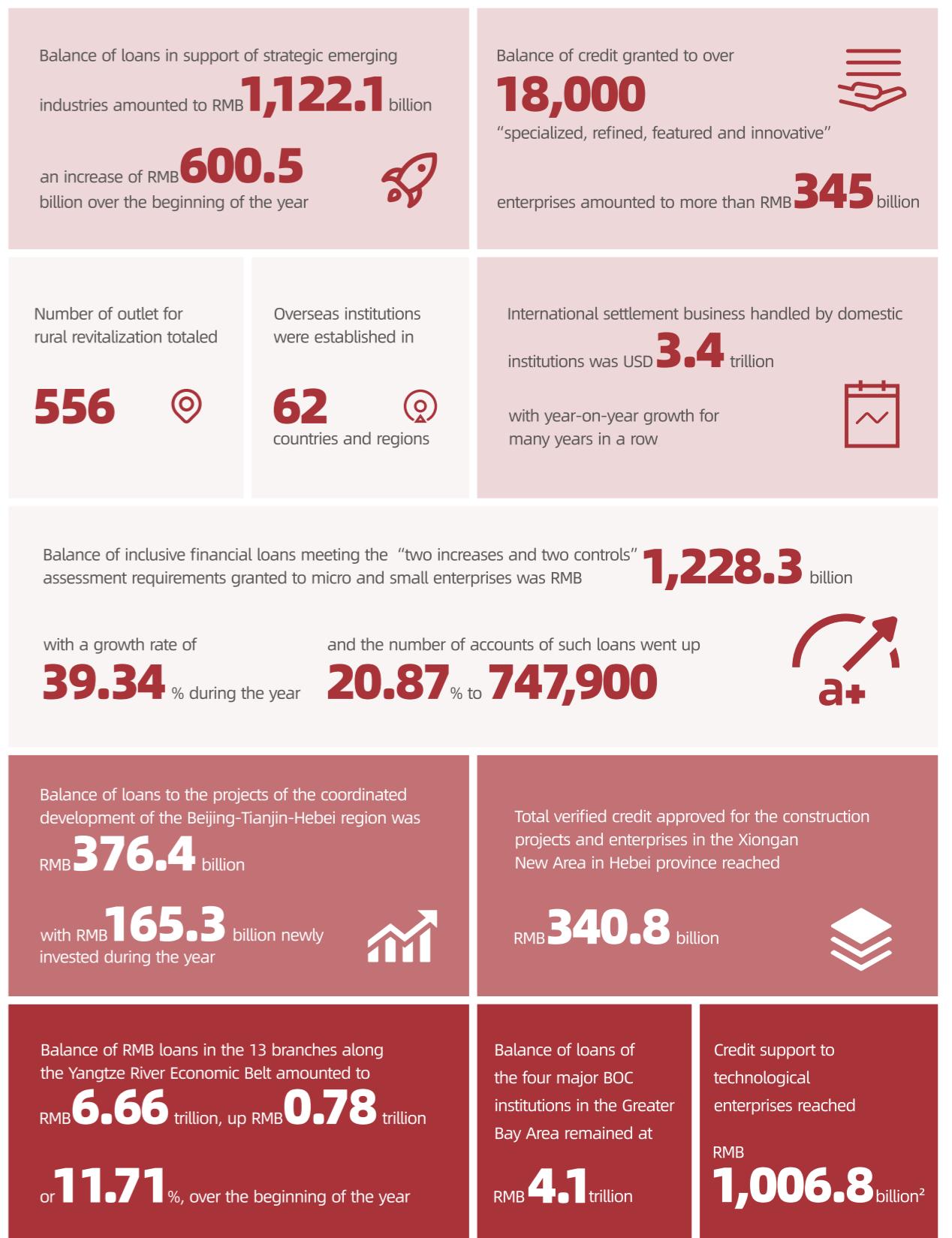
Being righteous and innovative, we deeply integrated sustainable development into our corporate governance and daily operations. Focused on topics such as green finance, inclusive finance, rural revitalisation and consumer protection, we promoted the full integration of ESG concepts into our corporate governance and business development, so as to create sustainable value for the environment, society, and economy. As a result, we were given an MSCI ESG rating of "A" in 2022. Internally, we continued to strengthen institutional innovation, process optimisation, and differential management, thus laying an increasingly solid foundation for sound development. To well adapt to the turbulent international market and the increase in new types of risks, we intensified the comprehensive risks management and got risk management integrated into all aspects of business throughout the entire process, effectively protecting the financial assets of customers and the public. As our digital transformation advanced in an all-round way, we achieved major breakthroughs in the building of an enterprise-level architecture and continuous improvements in efficient digital management and operation. Moreover, we also pressed ahead with the reform of the talent development regime, built a full-chain personnel management mechanism covering "training, selection, management, and use", and pushed forward the reform of the salary distribution mechanism by simplifying indicators, optimising the structure, and emphasising fairness to further stimulate staff morale.

The year 2023 is the first year of fully implementing the guiding principles set out by the 20th CPC National Congress. While marching ahead along the new journey of building a modern socialist country on all fronts, we will always bear in mind our mission and responsibility, and carry forward the fine tradition of pursuing excellence as a "century-old brand". Setting out again full of confidence and momentum, we will blaze a trail for financial development with Chinese characteristics, endeavor to build ourselves into a first-class global banking group, thus doing our part for the great rejuvenation of the Chinese nation.

1: According to the CBIRC's standard.

Aspiration

Committed to Implementing National Strategies





More than **100** matchmaking events were held relying on the "BOC E-cooperation" global enterprise ecosystem

which provided financial services for more than **50,000** enterprises from around the world

2: Including national high-tech enterprises and technology-based small and medium-sized enterprises.
3: Including the cross-border RMB settlement volume under capital projects of BOC Hong Kong.

Originality

Drawing A Blueprint for Green Development

Binding requirements of environmental and social risk management were incorporated into more than **80** industry credit policies

Scope of climate risk sensitivity stress test was expanded to **8** industries



Balance of green credit in the Chinese mainland denominated (according to CBIRC standard) was equivalent to RMB **1,987.2** billion up **41.08**% year-on-year



A total of RMB **87.7** billion equivalent green bonds were issued at home and abroad in 2022, ranking first among Chinese banks

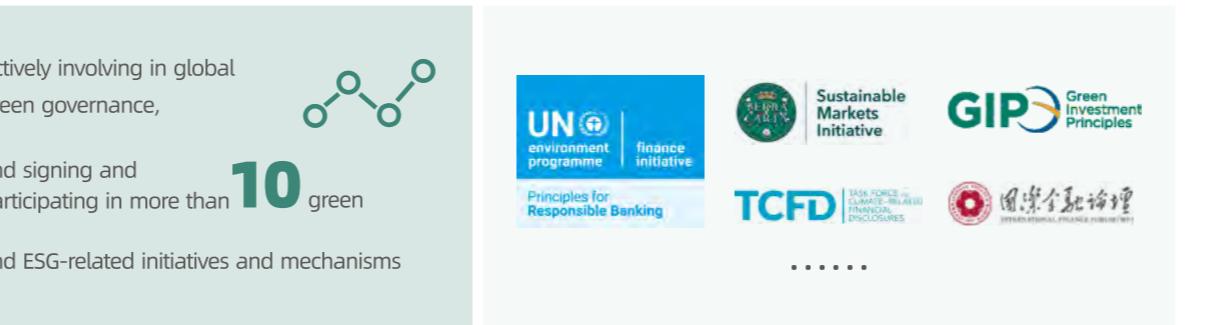



RMB **259.529** billion and USD **28.985** billion



of domestic and overseas green bonds were underwritten respectively, ahead of Chinese enterprises listed on the Global Offshore Green Bond by Bloomberg

Ranking first on NAFMII's list of investors with green bonds in 2022



Sincerity

Being the Guardian of Good Living

RMB **25.746** billion of national student loans was granted to help over **1.8** million students in financial difficulties to complete their studies

Nearly **56,000** special education and publicity activities on consumer protection were held in 2022, reaching **737** million consumers

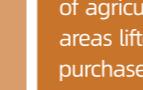


Individual customer satisfaction rate was **90.9**%

More than **220** public-benefit fundraising activities were held through the BOC Philanthropy platform in 2022 raising RMB **44,789,000** from **682,600** donations



More than RMB **79** million in assistance funds and introduced RMB **210** million in investment to the counties in 2022



RMB **700** million in credit funds were invested in the four counties of Xianyang City

Training was organised to an attendance of over **30,000** people, which consisted of community-level officials, leaders in rural revitalisation, and professional technicians.

A total of RMB **187** million of agricultural products from the areas lifted out of poverty was purchased and sold directly benefiting nearly **500,000** people



The total number of employees was **306,182** The proportion of female employees was **57.16**%



and the proportion of female middle and senior managers was **30.59**%

Perseverance

Being a Practitioner of Steady Development

The number of the Board of Directors members was **15**

Women accounted for **13.3**% of the Board of Directors



The number of independent directors was **6** accounting for **40**% of the Board



405 investor communication activities were carried out in 2022

Coverage ratio of supplier review reached **100**%

Obtaining highest evaluation, grade **A** (excellent) for information disclosure from Shanghai Stock Exchange for **9** consecutive years



MSCI ESG Rating **A** Wind ESG Rating **A**



Data by the end of 2022

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 Management Measures

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Introduction

BOC Profile

Bank of China is the bank with the longest continuous operation among Chinese banks. Formally established in February 1912, the Bank served consecutively as the country's central bank, international exchange bank and specialised international trade bank. After 1949, drawing on its long history as the state-designated specialised foreign exchange and trade bank, the Bank became responsible for managing China's foreign exchange operations and offering international trade settlement, overseas fund transfer and other non-trade foreign exchange services. Restructured into a wholly state-owned commercial bank in 1994, the Bank provides various financial services, and has developed into a large commercial bank delivering services in local and foreign currencies and featuring complete business varieties and strong strength. The Bank was listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange in 2006, becoming the first Chinese bank to launch an A-Share and H-Share initial public offering and achieve a dual listing in both markets. The Bank is the official banking partner of the Beijing 2008 Summer Olympics and the Beijing 2022 Winter Olympics, thus making it the only bank in China to serve two Olympic Games. In 2011, Bank of China became the first financial institution from an emerging economy to be designated as a Global Systemically Important Bank, a designation it has now maintained for 12 consecutive years. With its growing international status, competitiveness and comprehensive strengths, the Bank has marched forward into the ranks of the world's large banks. In 2021, the Bank prepared the Group's 14th Five-Year Plan, clarified its positioning and comparative advantages in the domestic circulation and the domestic and international circulations, and focused on the development of the eight priority areas of technology finance, green finance, inclusive finance, cross-border finance, consumer finance, wealth finance, supply chain finance and county-level finance. It moved faster in forming a strategic development landscape with its domestic commercial banking services as the business mainstay, its globalised operations and diversified business platforms as the two growth engines, and worked hard to write a new chapter of building a first-class global banking group.

As China's most globalised and integrated bank, Bank of China has institutions across the Chinese mainland as well as 62 countries and regions, and BOCHK and the Macau Branch serve as local note-issuing banks in their respective markets. The Bank has a well-established global service network and an integrated service platform based on the pillars of its corporate banking, personal banking, financial markets and other commercial banking business, which covers investment banking, direct investment, securities, insurance, funds, aircraft leasing, asset management, financial technology, financing leasing and other areas, thus providing its customers with financial solutions featuring one-click access, global response and integrated services.

Bank of China embodies a noble sense of duty and commitment. Over its 111 years of development, the Bank constantly cared about the nation, dedicated to contribute to the country, and continued to strive for prosperity of the country and rejuvenation of the nation. Being deeply rooted in people and committed to providing excellent services, it has fulfilled its responsibilities of delivering financial services for the people, bringing benefits and convenience to the people, and improving the living standards of the people. Keeping the common good in mind and advocating openness and inclusiveness, the Bank has mobilised domestic and overseas resources to serve the two-way interactions between China and the world. It has always followed the law, innovated with prudence, and upheld the spirit of integrity and innovation to strengthen the Bank. As a large state-owned commercial bank on a new journey towards fully building a modern socialist country, the Bank, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, will carry forward the Bank's century-old tradition of pursuing excellence, take full, accurate and comprehensive implementation of the new development philosophy, contribute to the new development pattern; consciously uphold the mission of "Bridge China and the World for the Common Good"; practice the values of "provide excellent service, innovate with prudence, uphold openness and inclusiveness, collaborate for mutual growth"; move faster to build a first-class modern global banking group, bolster the Chinese modernisation, promote high-quality economic and social development, and make an even greater contribution to realising the Chinese Dream of national rejuvenation in all respects.



Corporate Culture Concept System

Mission

Bridge China and the World for the Common Good

Inheriting the fine tradition of serving the people, BOC will leverage its characteristic advantages in globalised services, and respond to the calling of the Chinese Dream of national rejuvenation. Through financial services, the Bank will help build a new development paradigm featuring a "dual circulation", and boost financing connectivity, smooth trade, and mutual understanding between China and the rest of the world. Moreover, it will dedicate itself to people's well-being, facilitate social progress, and make contributions to the building of a community with a shared future for mankind.

Vision

Build a First-class Global Banking Group

BOC aims to build a banking group with better integrated services, stronger global competitiveness, better governance capabilities, more efficient operation, better risk control, greater brand impact, and more energetic employees.

Values

Provide Excellent Services

With in-depth insights into customer demands, agile response to market changes, and efficient coordination, the Head Office serves branches, the back line serves the front line, and the Bank serves its customers as BOC believes that sincere attitude and excellent services will help it win more customers.

Innovate with Prudence

Holding fast to the philosophy of prudent operation, the principle of encouraging exploration and innovation and the orientation for value creation, BOC keeps creating value for the country, customers, shareholders, the Bank, and its employees, achieving steady, long-term and sustained development.

Uphold Openness and Inclusiveness

BOC always seeks for inclusiveness, learns widely from the strengths of others, keeps pace with the trends of the times, constantly adjusts its strategies and policies in accordance with changing circumstances, and takes the initiative to integrate into society and people's livelihood, the new development paradigm and community with a shared future for mankind.

Collaborate for Mutual Growth

BOC adheres to the principle of joint development, creation and sharing, and boosts cooperation inside and outside the Bank at all levels to create a community of shared cause. In this way, it aims to realize the win-win cooperation of the Bank and its customers, as well as the joint growth and flourishing between employees and the Bank.

Awards and Honors

	Award	Issued by		Award	Issued by
Comprehensive	Ranked 4th in Top 1000 World Banks in 2022	The Banker		Best Employers of the Year 2022, Most Sustainable Employers, and Most Digital Responsible Employers	Forbes China
	Ranked 4th in Top 500 Global Banking Brands in 2022			FinTech Development Award	People's Bank of China
	Ranked 42nd in Global 500 in 2022	Fortune		2022 "Innovation China" : Innovations for Digital and Inclusive Finance	China Association for Science and Technology, China Institute of Communications
	MSCI ESG rating of "A" in 2022	MSCI			
	2022 "Market Leader" rankings:				
	Environmental, Social, and Corporate Governance (ESG) - Tier 1	Euromoney			
	Corporate Social Responsibility (CSR) - Tier 1				
	Best ESG Bank in China for 2022	Asiamoney			
	2022 Best Cases of A-share Listed Companies: ESG Practice	China Association for Public Companies			
	Jinnuo - Top 10 Socially Responsible Organisations of the Year in the Chinese Financial Sector	China Banking and Insurance News			
Environmental	Jinnuo - Top 10 CSR Reports of the Year in the Chinese Financial Sector				
	IFF Global Green Finance Award - Innovation Award	International Finance Forum (IFF)		Typical Cases for Inclusive Finance in China (2022)	China Banking Association, 21st Century Institute of Finance
	Best Progress Award	Green Investment Principles (GIP) for the Belt and Road Initiative		2022 Excellent Case of Inclusive Finance in the Banking Industry	China.com.cn
	Awards including the Best Sustainable Finance Issuer, Best Sustainability-related Bonds, and Best Carbon Neutrality-themed Green Bonds	The Asset		Typical Cases of Financial Services for Small and Micro Enterprises Featuring Specialty, Refined Management, Distinction, and Innovation in 2022	China Banking Association, China Association of Small and Medium Enterprises
	Global Awards: Outstanding Leadership in ESG-linked Loans			Exemplary Cases in Digital Transformation of Financial Institutions in 2022	21st Century Business Herald
	Regional Awards - Asia Pacific: Outstanding Leadership in Transition/Sustainability-linked Loans, Outstanding Leadership in Sustainable Project Finance, and Outstanding Leadership in ESG-linked Loans	Global Finance		Nine Party branches were included in the Party Branches of CPC Central Committee and State Council Organs "Strong in Four Aspects"	Working Committee of Organs Directly under the CPC Central Committee and the State Council
	National/Regional Awards: 2022 Sustainable Finance Award in China			The 17th Round Table Award for Boards of China's Listed Companies - Special Contribution to Corporate Governance	Directors & Boards
	Stars of China: Best Sustainability Bank			The "Best Investor Relations" and "Best Investor Relations Board of Directors" at the 13th Tianma Awards for Investor Relations of Chinese Listed Companies	Securities Times
	Exemplary Units for Green Banking	China Banking Association		The highest rating of "A" in the annual evaluation of information disclosure	Shanghai Stock Exchange (SSE)
	"Low-carbon Pioneers of the Year" at the 14th Annual Conference on Social Responsibility of Chinese Enterprises	Southern Weekly		Top Boards of Supervisors of Listed Companies in 2022 - Best Practice Award	China Association for Public Companies



Aspiration

Committed to
Implementing National Strategies

Bearing in mind the country's most fundamental interests
Being Committed to serving the country with finance

This year, BOC kept in mind to actively implement the national strategy, actively served the real economy, and acted as a financial bridge to boost the domestic and international dual circulation.

Appearing on the stage of the China International Import Expo for five consecutive years, BOC provided a full range of financial services to global guests and blossomed its own distinctive elegance in the stage of high-standard opening-up.



Performance Highlights

As the real economy serves as the foundation of financial industry, serving the real economy is of prime importance to the continuous development of finance. As a large state-owned commercial bank, BOC closely aligned its own situation with national reform and development, shared weal and woe with the country, continuously strengthened its support to the real economy, and fulfilled its responsibilities in serving the high-quality development of the real economy.

In 2022, BOC closely followed the national strategic development, improved the quality and efficiency of financial service for the real economy, actively served to build the country into a world power of science and technology, helped advance greater self-reliance and self-improvement in science and technology, and supported the high-quality development of strategic emerging industries and “specialized, refined, featured and innovative” enterprises. Relying on the inclusive financial brand “Inclusive Loan”, the Bank made all-out efforts to develop an inclusive financial service system featuring openness, shared benefits, rich resources and convenient services, so as to continuously expand the coverage of its inclusive financial services. The Bank accelerated to advance the digital transformation of inclusive finance, worked on the improvement of digital and inclusive financial service ecosystem with focuses on areas such as product R&D, channel building and service program. It also increased financial support for rural revitalization, optimized the structure for agriculture-related credit, and helped modernize agriculture and rural areas. The Bank increased resources input in Beijing-Tianjin-Hebei region, Yangtze River Delta and Guangdong-Hong Kong-Macao Greater Bay Area with a focus on key areas, promoted infrastructure connectivity, and gave greater play to the effect of industry cluster. The Bank endeavored to serve the high-level opening up of the country and facilitate the unimpeded trade and financial integration between China and the world.

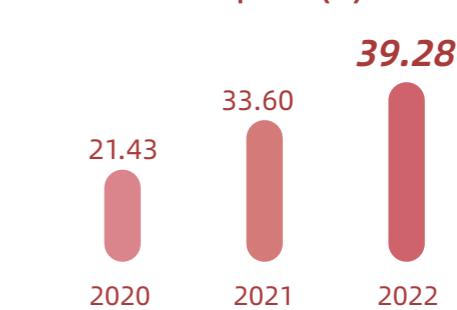
By the end of 2022, the balance of loans in support of strategic emerging industries amounted to RMB1,122.1 billion, an increase of RMB600.5 billion over the beginning of the year; the balance of inclusive loans for small and micro enterprises was RMB1,228.3 billion, with a growth rate of 39.34% during the year, and the number of accounts of such loans went up 20.87% to 747,900, seeing a growth rate of 39.28% in loans granted to micro and small enterprises; the balance of agriculture-related loan was RMB2,074.8 billion, up 19.55% this year, and the balance of agriculture-related inclusive loan reached RMB260.3 billion, up 37.91% this year; the balance of loans to the projects of the coordinated development of the Beijing-Tianjin-Hebei region was RMB376.4 billion, with RMB165.3 billion newly invested during the year, and the total verified credit approved for the construction projects and enterprises in the Xiongan New Area in Hebei province reached RMB340.8 billion; the Bank established overseas institutions in 62 countries and regions, including 42 BRI countries.



Balance of loans in support of strategic emerging industries (RMB100 million)



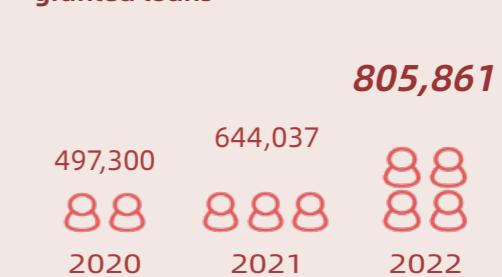
Growth rate of loans for micro and small enterprises (%)



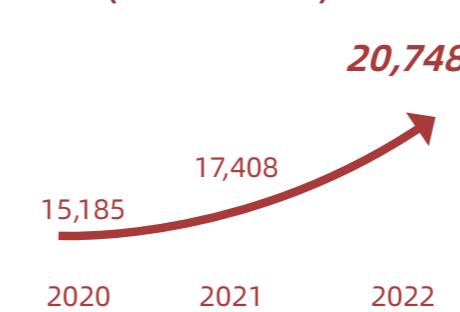
Amount of new loans granted to various transportation sectors (RMB100 million)



Number of micro and small enterprises to which the Bank granted loans



Balance of agriculture-related loans (RMB100 million)



Balance of loans to individual business start-up (RMB100 million)



Supporting Consolidating the Foundation for Developing the Real Economy

Remaining true to the original aspiration of serving the real economy, BOC implemented the new development philosophies of “innovation, coordination, green, open and sharing” in a complete, accurate and comprehensive way, carried out the requirements for deepening supply-side structural reform of finance, and consolidated BOC services with the focus on key areas such as technology finance, green finance, inclusive finance, cross-border finance, consumer finance, wealth finance, supply chain finance and county-level finance. The Bank put into action the requirements of “keeping the focus of efforts in economic development on the real economy”, strongly supported the development of real economy, moved ahead with the construction of the modern industry system, helped to accelerate the building of China into a manufacturing power, and boosted the high-quality economic development. As at the end of 2022, the medium and long-term loans to the manufacturing sector grew by RMB227 billion throughout the year; the balance of loans to strategic emerging industries was RMB1,122.1 billion, the balance of technology finance loans exceeded RMB1 trillion; and the balance of loans to more than 18,000 specialized and sophisticated enterprises that produce new and unique products surpassed RMB345 billion.

Promoting Greater Self-sufficiency and Strength in Science and Technology

BOC has been dedicated to serving the drive to build China’s strength in science and technology, developing technology finance with quality and efficiency further assured. By the end of 2022, the Bank provided credit support worth RMB1,006.800 million¹ to high-tech enterprises, along with an array of comprehensive financial services worth RMB455.9 billion, including equity investment, bond investment, bond underwriting, asset management, and financial leasing.

Accurate profiling made it possible to provide customers with appropriate product solutions

- Focused on the business needs of high-tech and start-up enterprises throughout the whole life cycle, 54 products in ten scenarios were integrated to create a full spectrum of technology finance products.
- An evaluation model for high-tech enterprises was constructed, in which indicators from technological, financial, and enterprise value dimensions were used to score these enterprises, and special scorecards were tailored to facilitate the approval processes for specific key industries, taking into account the developments and characteristics of these industries.

Investment-loan linkage was created to enhance comprehensive financial service capabilities

- Focused on the characteristics of technology finance, an all-round service system was built in which direct and indirect financing could complement each other and domestic and foreign financing would promote each other, and business models combining “loan and direct investment”, “commercial banking and diversified finance”, and “raising funds and great minds together” were explored to provide high-tech enterprises with financial solutions for access to the Bank’s global resources and services at any point of contact.
- BOC released in cooperation with the Ministry of Science and Technology of the People’s Republic of China the *Action Plan on Implementing the “One Mainstay, Two Engines” Strategy to Help Enterprises Become More Innovative*. According to the plan, the Bank would effectively increase the support for enterprise innovation, industrial innovation, and regional innovation by bolstering up the going-global drive, precise financing, and conversion of high-level scientific and technological achievements into commercial use by high-tech and start-up enterprises.

1: Including national high-tech enterprises and technology-based small and medium-sized enterprises.

Pilot program was launched to provide efficient financial services

- The pilot program for technology finance was innovatively launched, where a fast and efficient channel could be opened up to meet financing needs of high-tech enterprises by optimising the traditional credit granting process and approving financing applications of enterprises faster. After the launch of the pilot program, 1,467 applications were approved, which involved loans worth RMB66,571 million.

Professional services were provided to facilitate the formation of a pool of international scientists

- BOC provided foreign experts of the Chinese Academy of Sciences with a wide range of professional financial services, such as exclusive service outlets, bilingual services, debit and credit card opening facilitation, and payroll foreign exchange (FX) purchase. In doing so, the Bank played a more active role in building China’s strength in science and technology.

“Digital Innovation Loan” was unveiled to support the development of digital industry

Aware that Yuhang District is committed to developing digital economy, BOC Zhejiang Branch joined hands with Zhejiang Digital Economy Society to actively explore and design “Digital Innovation Loan”, a scenario-specific credit solution that could meet the financing needs and risk characteristics of small and micro enterprises in the digital economy.

“Digital Innovation Loan” was designed with an innovative credit scorecard, which included a module of expert review. Specifically, experts from Zhejiang Digital Economy Society would be invited to conduct professional evaluation by taking into account many non-financial factors such as the background of the founding team, external evaluation, development results, the development trend of an industry, market application, and project progress, and the technical strength, stability, and willingness/ability to perform of the actual controller and core team. The product aimed to support the development of the digital industry.



Supporting Strategic Emerging Industries to Take off

BOC has continued to conduct research on strategic emerging industries, issued a number of industry guidelines and launched an intelligent identification system, and increased its loan supply for strategic emerging industries such as the new-generation information technology (IT) industry, high-end equipment manufacturing industry, new materials industry, bioindustry, new energy vehicle industry, new energy industry, energy conservation and environmental protection industry, and digital & creative industry. By the end of 2022, the balance of loans granted by the Bank to strategic emerging industries was RMB1,122,100 million, an increase of RMB600,500 million, or 115%, from the beginning of the year.

Propelling Quality-oriented Development of Enterprises Featuring Specialty, Refined Management, Distinction, and Innovation

Focused on small and medium enterprises featuring specialty, refined management, distinction, and innovation, BOC continues to optimise financial services and innovate financing models. Aiming to become the preferred bank for these enterprises, the Bank has initially built the “1+2+3+4” service system, which consists of “one channel, two engines, three key areas, and four tools”.

Focusing on “one channel”

BOC provides these enterprises with financial products to meet their needs at all stages of their life cycle. The “Growth Path” service model is created to ensure these enterprises can get financial support whenever they need along the way to grow rapidly from innovative SMEs to “little giant” enterprises to single-product specialists in the manufacturing industry.

Relying on “two engines”

BOC relies on its advantages in integrated operation and internal cooperation mechanism to offer these enterprises real-sense one-stop services.

Credit support

- BOC furnishes these enterprises with differentiated credit support by tailoring exclusive products for different levels of customers under varying scenarios. By the end of 2022, the balance of credit the Bank provided for 18,000 such enterprises exceeded RMB345 billion. Of these enterprises, over 10,000 are at the national and provincial levels, with a credit balance of over RMB184.3 billion.

Comprehensive financial services

- A comprehensive service system covering “investment, loan, bond, securities, leasing, and insurance”, among other business areas is created to effectively meet the diversified financial needs of these enterprises. Meanwhile, a corporate-private banking linkage mechanism is established to provide private banking services for the owners of these enterprises. The information channels between commercial banking and investment banking are opened up to offer these enterprises diversified financing support.

Highlighting “three key areas”

Keenly aware of the difficulties and challenges facing these enterprises, BOC provides them with precise financial support in three key areas, that is, innovation and transformation, supply chain consolidation & improvement, and international development.

Innovation and transformation

- Conscious of the high-tech and asset-light characteristics of these enterprises, BOC established the “Intellectual Property Rights Financing Innovation Lab” with the China National Intellectual Property Administration (CNIPA), to develop and launch the “Inclusive Loan for Intellectual Property Owners”, an IPR-pledged financing product. With this product, enterprises in catering, cultural tourism, and other industries in trouble could apply for credit support by pledging their trademarks.

Supply chain consolidation & improvement

- Relying on the “Inclusive Loan for Supply Chain” customer acquisition model, BOC increased its cooperation with the leading enterprises in communications, manufacturing, and other industries at the top of their supply chains, and launched exclusive solutions for key supply chains where these enterprises are concentrated. In doing so, the Bank could help these enterprises get easy access to supply chain financing.

International development

- BOC signed the *Declaration on Joint Action to Support the Cultivation of Foreign Trade Enterprises Featuring Specialty, Refined Management, Distinction, and Innovation* with China Export & Credit Insurance Corporation to jointly launch the credit insurance and loan products for these enterprises and organise service activities for the benefit of enterprises to support the cultivation of external enterprises of that kind. The Bank piloted the cross-border financing facilitation project for these enterprises in many places, helping them use foreign debt funds more efficiently. Relying on the “BOC E-cooperation” platform, it rendered these enterprises with cross-border matchmaking services, both online and offline.

Building “four tools”

BOC has created four tools by relying on its personnel and channels to better serve these enterprises.

FinTech outlets

- To make the best of its traditional offline service channels, BOC built more than 180 FinTech outlets into the frontline service stations for these enterprises.

Dedicated service activities

- An inclusive finance-themed activity was launched for these enterprises, to provide them with precise services through many forms of bank-enterprise matchmaking, product promotion, business training, and policy interpretation. Meanwhile, government departments, industrial parks, investment institutions, and other parties were invited. So far, the activity has been held over 1,400 sessions nationwide to help these enterprises get the much-needed financial resources.

Online service platform

- A host of digitalised platforms such as the “BOC E-cooperation” platform, “Inclusive Loan” app, and applets allowed these enterprises to apply for financial products, conduct business matchmaking activities, find partners, and share patent resources, greatly enhancing the accessibility of financial services for them.

Team of FinTech specialists

- A team of FinTech specialists was built to regularly conduct policy interpretation and business training. The team would be a trump card of the professional service workforce.



► BOC Shandong Branch supports Shandong Iron and Steel Group to produce high-end plates required for automobile and ship manufacturing to meet the development needs of high-end manufacturing industry

Promoting the Healthy Development of Inclusive Finance



In 2022, BOC fully implemented the policy requirements for stabilising the macro economy, and adhered to the guiding principle for high-quality development. Relying on the “Inclusive Loan” inclusive finance brand, the Bank took “digitalised transformation” and “scenario-based customer acquisition” as two engines to promote the integrated development of “channels, products, and services”, strengthen the “bank-government, banking-insurance, banking-guarantee, and bank-enterprise” collaboration, and build a system of comprehensive services for small and micro enterprises, which would be “intelligent, automated, professional, diversified, and meticulous”. It helped micro and small enterprises to improve their ability to resist risks and production and operation conditions through sound financial health, so as to achieve sustainable development.

By the end of 2022, the balance of inclusive financial loans meeting the “two increases and two controls” assessment requirements was RMB1,228.3 billion, representing an annual growth rate of 39.34%. The number of loan customers was 747,900, representing an annual growth rate of 20.87%.

Helping Stabilise the Macro Economy with Institutional Safeguards

BOC launched 30 measures to facilitate a long-term mechanism where small and micro enterprises at the primary level could dare to borrow, be willing to borrow, be able to borrow and be good at borrowing. Some of these measures included establishing sound fault-tolerant arrangements and risk mitigation mechanisms, building funding channels, and innovating products and services with the help of technology, all of which would improve the quality and efficiency of services for small and micro enterprises in all aspects.

At the same time, BOC launched specific initiatives and action plans in Beijing, Shanghai, Guangdong, Zhejiang, Shenzhen, Chongqing, and Qinghai, among other places, to support small and micro enterprises. These initiatives and plans addressed the most urgent needs of small and micro enterprises from various dimensions, such as policy resources, platform connection, products and services, special scenarios, bank-guarantee cooperation, and fee reduction and concession, so that the Bank could accompany its customers through their difficult times together.

Informed of the financing needs of small and micro enterprises, BOC introduced a number of measures to help them ensure business continuity. For example, the Bank announced a new round of deferred loan repayment, and provided financial support for enterprises with temporary operating difficulties through various means such as extended loans, roll-over loans, and loan renewals without repayment of principal. In 2022, it deferred the repayment of loans worth RMB97,617 million for micro, small and medium-sized enterprises (including their owners), self-employed individuals, and other market participants.



Using Technology to Achieve Service Availability Around the Clock

BOC has seized the opportunities presented by the digital economy to accelerate the digital transformation of inclusive finance, and used cutting-edge technologies to upgrade its online products and services on all fronts. The Bank has stepped up its “contact-free” online services, continuously enriched the lineup of online inclusive financial products, launched exclusive service channels for inclusive financial customers, and devised digital solutions for inclusive financial services. In 2022, BOC provided 240,000 customers with online lending worth over RMB400 billion, greatly financing the development of small and micro enterprises.

A wide range of online digitalised inclusive financial products

In 2022, BOC launched a number of new products, which included the “E Mortgage Loan” and “Business E Loan”, two inclusive financial products for personal customers; the “Guaranteed Inclusive Loan”, a guaranteed product for corporate customers, the “Sci-tech Innovation Loan”, a corporate product exclusive for high-tech enterprises; and the “Inclusive Loan for Intellectual Property Owners”, an IPR-pledged product. The Bank thus formed a full lineup of online financing products for small and micro enterprises, which would include credit, tax, guarantee and pledge, and collateral categories. Some of the products could support the online operation of the whole process, consisting of loan application, review and approval, contracting, money withdrawal, payment, and repayment, providing small and micro enterprises with efficient, convenient and contactless online financial services. These online services and products greatly supported small and micro enterprises, further enhancing the accessibility of inclusive financial services.

Convenient access to digitalised inclusive financial services

Relying on its superior FinTech, BOC independently developed and launched the Inclusive Loan app, a comprehensive inclusive financial service platform for small and micro enterprises, self-employed individuals, entrepreneurs, agriculture-related business entities, and other customer groups. The app is committed to building a model that integrates financing, consulting, and commercial services, promoting the sustainable development of inclusive finance by reducing service costs and improving the adoption of digital means, and enhancing the ability to serve the real economy.

With the help of big data, cloud computing, and other technologies, the Inclusive Loan app has created a unified portal to online services covering the entire lineup of corporate and personal products, synchronously integrated financial tools such as online account opening, credit line measurement, and tax authorisation, and incorporated value-added services such as small and micro enterprise classes and supply-demand alignment. It could provide customers with online inclusive financial services including finance, information, and business opportunities. With the service radius extended effectively, the app succeeded in bridging the last-mile gap in the provision of financial services.



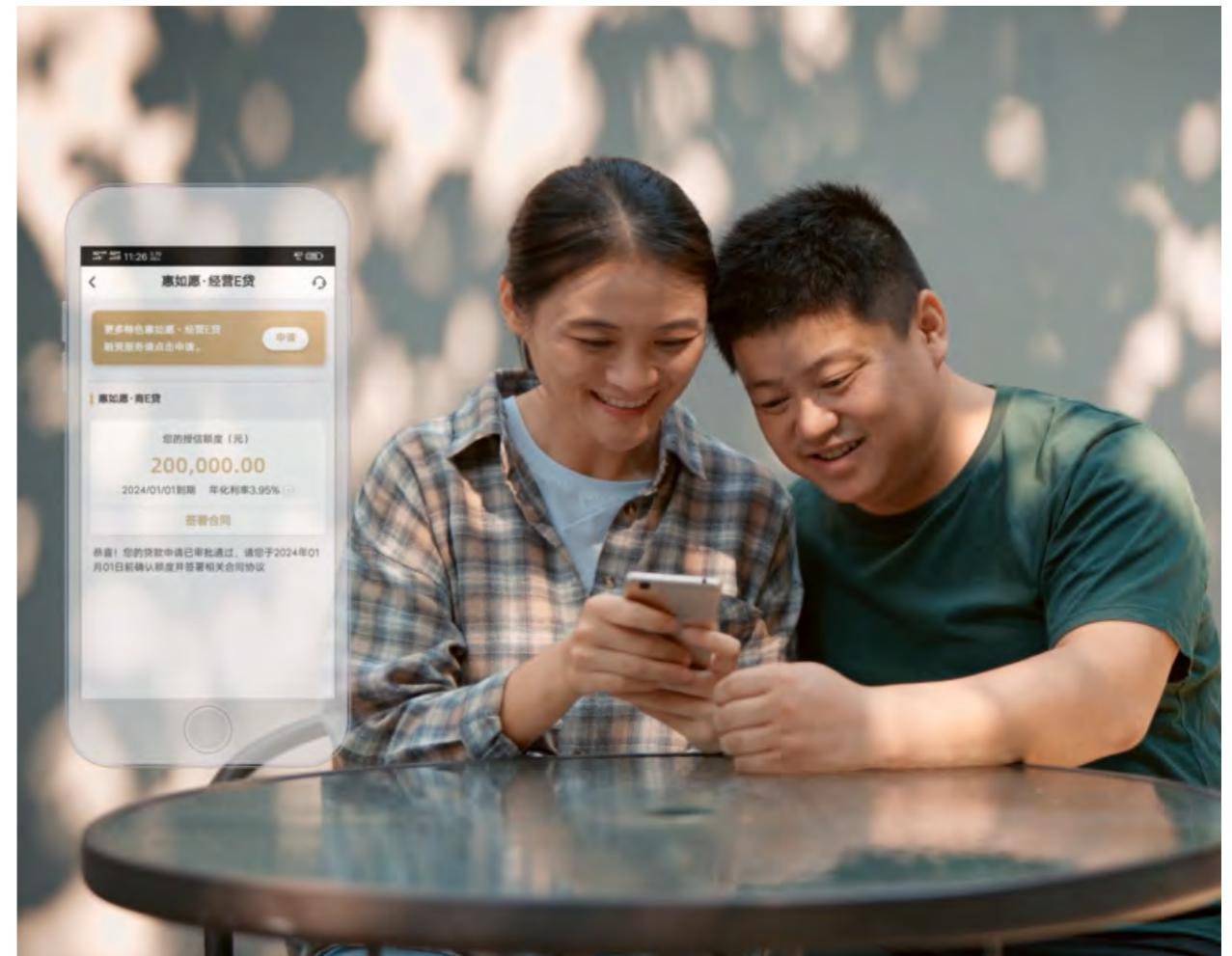
Offering loans to SMEs in Hong Kong through digital means

The intelligent Global Transaction Banking (iGTB) platform was added with a series of online functions, such as loan application, archiving, demand analysis, mortgage calculator, and inquiry, allowing customers to apply for loans and check the progress of their applications online anytime, anywhere.

By the end of 2022, BOCHK took 520 online loan applications through the iGTB platform, with 36 loans approved and disbursed in a cumulative amount of HKD70.76 million. These loans were all government-guaranteed loans with lower interest rates than the average unsecured loans for SMEs, which could effectively help applicants reduce their high financing costs.

Integrated digital solutions for inclusive financial services

BOC innovatively launched “I-SMART - Digital Inclusive Financial Services+” programme, which aimed to improve the quality and efficiency of inclusive financial services through comprehensive and digitalised solutions. While striving to make scenario products and characteristic services more diversified, customer experiences more convenient, risk prevention and control more intelligent, and technology operation more efficient, the programme took a step further to improve the ecosystem of digitalised inclusive financial services and provide customers with considerate digitalised inclusive financial services at a fast speed.



Rolling out Considerate New Products to Unlock New Market Potential

BOC is committed to improving the accessibility and convenience of financial services for new citizens and enhancing the sense of fulfillment, happiness and security among new citizens. The Bank has integrated the resources of the Group, including personal financial products, credit services, wealth management services, and insurance services, to support the diversified financial needs of two types of new citizens, that is, corporate customers with stable employment and personal customers starting up their own businesses.

In 2022, BOC issued the *Inclusive Financial Services Programme for Common Prosperity with New Citizens*, along with 10 supporting measures, to render new citizens with "financial and non-financial" integrated services around their needs in business startup, employment, housing, and education, among other domains.

Supporting new citizen groups to meet their financing needs and lead a happy new life

BOC listed personal guaranteed loans for business start-ups, loans for skilled personnel, and personal business loans as the main credit products to serve new citizens starting up their own businesses, and encouraged branches to increase their supply of such products. In Guangdong Province where new citizens are concentrated, the Bank joined hands with the Human Resources and Social Security Department of Guangdong Province to issue the *Financing Service Programme to Promote the "Cantonese Chefs", "Guangdong Technicians", and "Southern Guangdong Housekeepers" Projects for Enhancing Employment and Business Startup*, the first of its kind in the financial industry, to provide precise services for the three types of skilled personnel mentioned in the above document, who are also new citizens, and help them get employed and raise income through their skills. At the same time, the Bank increased its support for enterprises and entities such as emergency logistics enterprises, truck drivers, and vehicle owners. In 2022, it provided financial support worth RMB438 million for 5,559 truck drivers to ensure the unimpeded supply of vegetables and fruits.

In addition, BOC launched a campaign to promote the policy that flexibly employed people could open housing provident fund (HPF) accounts on their own. A total of 18 branches across the Bank participated in the local HPF centre's flexible pilot contribution programme for flexibly employed persons, further broadening the groups benefiting from the HPF system and helping new citizens meet their housing needs.



Focusing on Employment Stabilisation and Expansion to Improve People's Well-being

In 2022, BOC launched the innovative "Job Creation" inclusive finance action plan (also known as "the Job Creation" campaign) with the theme of "Promoting Employment", aiming to enhance the role of inclusive finance in driving employment. As part of the campaign, the "Inclusive Loan for Employment" inclusive financial service programme was formulated to provide multi-channel financing support and comprehensive financial services for small and micro enterprises that could hire a large number of people, be effective in stabilising employment, and strictly comply with labour standards. In doing so, the Bank supported small and micro enterprises in stabilising and expanding employment, and made headway toward the realisation of its goal to enhance people's well-being. Besides, BOC entered into a systematic and holistic partnership with the Ministry of Human Resources and Social Security to jointly explore a long-term mechanism for stabilising job creation and promoting employment.

Carrying out employment stabilisation and expansion initiatives

- Relying on the "Job Creation" campaign, BOC provided a full package of inclusive financial services such as financing support, employment matchmaking, and complimentary insurance to support small and micro enterprises and self-employed individuals that could hire large numbers of new citizens, such as domestic help companies, restaurants, pharmacies, and takeaway delivery firms. The support provided by the Bank covered labour management, employment, capital turnover, personal insurance, etc. The campaign benefited 26,000 customers, involving credit worth more than RMB80 billion.
- Relying on the "Job Creation" zone on the "BOC E-cooperation" platform, BOC provided a convenient information platform for employers and job seekers, bridging the "information divide" between the two sides.

Providing comprehensive financial services for employment stabilisation and expansion

- Branches in different places actively cooperated with local human resources and social security departments to explore financing solutions with the theme of "stabilising job creation and promoting employment", and launched a succession of products such as "Jiangsu Job Creation Loan", "Employment Stabilisation Loan", and "Gansu Inclusive Loan for Employment" in Jiangsu, Anhui, Gansu, and other places.
- The "Inclusive Loan for Employment" inclusive financial service programme was promoted throughout the jurisdiction, mainly targeted at the enterprises that could hire large numbers of new citizens, such as those who have returned to their hometowns to start their own businesses, rural entrepreneurs, retired military personnel, and college graduates. It provided customers with preferential loan rates, multi-channel financing support, and comprehensive financial services, in an effort to help new citizens get employed or start up their own businesses, a prerequisite for employment stabilisation and expansion.
- The "Inclusive Loan for Supply Chain" integrated inclusive financial service programme was tailored for small and micro merchants on cooperative platforms, including restaurants, hotels, retailers, and logistics providers. It supported small and micro merchants in 19 provinces and municipalities including Shanghai, Guangdong, Sichuan, Jiangsu, Beijing, Zhejiang, Jilin, Qinghai, and Yunnan and boost employment.





BOC has continued to increase its support for the rural revitalisation drive, by formulating the *Summary of Financial Support Offered by BOC for Rural Revitalisation in 2022*, improving the system of rural financial services, increasing the service supply in key areas, accelerating innovation in agriculture-related products and services, and helping to modernise agriculture and rural areas.

By the end of 2022, the balance of agriculture-related loans was RMB2,074.8 billion, representing a growth rate of 19.55% for the year, and the balance of agriculture-related inclusive loans stood at RMB260.3 billion, representing a growth rate of 37.91% for the year. A total of 28 new institutions were established in counties throughout the year, with service presence extended to 18 new counties compared to the beginning of the year.

Improving support policies for key fields

- The *BOC Catalogue of Special Products for County Customer Groups* was assembled to support innovation in product model and business development.
- Progress was made towards the full coverage of financial services in 160 national key counties receiving assistance for rural revitalisation. By the end of 2022, the balance of loans extended by institutions of the Bank to key counties receiving assistance stood at RMB25,037 million, up by RMB3,739 million, or 17.56%, from the beginning of the year.

Rolling out innovative agriculture-related products and services

- The “Agriculture, Culture and Tourism Loan” inclusive financial services programme was created to promote the integrated development of primary, secondary, and tertiary industries in rural areas and make financial services accessible throughout the industry chains of agriculture, culture, and tourism.
- The “Seed Industry Loan”, “Agricultural Machinery Loan”, and other service schemes were rolled out to increase financing support for key areas such as the grain industry chain and agricultural modernisation.
- Optimised or innovative products in the categories of supply chain, featured industry, and special collateral were introduced in Zhejiang, Heilongjiang, Jilin, Inner Mongolia, and Guangdong, among other places.
- BOC actively explored developing small loans for people just lifted out of poverty in light of actual conditions. By the end of 2022, the balance of small loans extended to people lifted out of poverty (including small loans for poverty alleviation) was RMB84 million, an increase of 50% compared with the beginning of the year, and 1,347 new loans were disbursed with a total amount of RMB67 million throughout the year.

Building featured outlets

- Outlets in rural areas were built into frontline service stations for the rural revitalisation drive. By the end of 2022, 556 outlets of this type were established by the Bank.

Making full use of rural banks

- BOC Fullerton Community Bank has established 134 rural banks nationwide and 189 sub-branches, covering county-level rural areas in 22 provinces (municipalities). As the largest rural bank group in China in terms of the number of institutions and scale of business, it gets its business presence concentrated in the central and western counties that usually have little or no access to financial services. By the end of 2022, BOC Fullerton Community Bank's loan balance was RMB73,429 million, with the per-account loan reaching RMB161,700. Of its loans, agriculture-related loans and loans extended to small and micro enterprises accounted for over 94.09%.

Cementing cooperation with agriculture-related entities

- BOC signed a tripartite strategic cooperation agreement with the Ministry of Agriculture and Rural Affairs and the National Rural Revitalization Administration, to innovate the model of financial services for agriculture, rural areas, and farmers by strengthening the basic support for modern agriculture, continuously consolidating and expanding the achievements in poverty eradication, promoting rural development with joint efforts, strongly facilitating rural construction, and accelerating the improvement in rural governance, etc.
- BOC actively participated in the “Credit Express” activity organised by the Ministry of Agriculture and Rural Affairs for agricultural business entities, providing convenient and efficient financial credit support for new agricultural business entities who found financing difficult and expensive.

“Rice Loan” was launched to ensure a good harvest

Dangyang is a large grain-producing county in Hubei Province and even China. In 2022, BOC Hubei Branch tailored “Rice Loan” to support the development of featured agriculture in Dangyang County. The product is suitable for enterprises and farmers engaged in rice planting, production and sales. The unsecured credit product is included in the “green passage” scheme, thus ensuring fast approval procedures and low interest rates. It could greatly ease the financial strain during the grain purchasing season, effectively safeguarding the interests of farmers and helping to stabilise food production and supply.



→ BOC Guizhou Branch launches “Red Sorghum Loan” to support the development of the red sorghum industry in Xishui County



Financial resources were channeled into the B&B industry in rural areas

Located at the junction of the three provinces of Jiangsu, Zhejiang, and Anhui, the village of Baita in Xizhu Town, Yixing City, Jiangsu Province has an area of 7.6 square kilometres and a population of over 3,000. Taking advantage of the natural ecology and idyllic scenery, the traditional village has developed the B&B industry fast. In 2022, BOC Jiangsu Branch granted the first "B&B Loan" in Jiangsu Province to a hotel in Yixing City. Targeted at the B&B industry, the product brings many merits such as low threshold, fast approval, and low financing cost. While offering a compliant, efficient, and convenient financing solution for the B&B industry, it would boost the high-quality implementation of the rural revitalisation strategy.



► BOC Hubei Branch staff members pay a field visit to the rice planting base in Hongguang Village, Banyue Town, Dangyang City



► BOC Ningbo Branch carries out a service delivery and common prosperity-themed activity in Chayuan Township, where a consultation area for inclusive finance is set up to provide credit support for local farmers



► BOC Hunan Branch account managers visit farmers at Honghui Agricultural Mechanisation Service Rice Planting Cooperative in Taojiang County to understand their production and funding needs

Serving Regional Development Strategy

BOC considered serving the major regional strategies of the country as one of the strategic priorities of its 14th Five-Year Development Plan, gave full play to its leading role in key regions, and provided high-quality and efficient financial services in the investment and construction of major projects such as infrastructure construction and improvement of people's livelihood, contributing its financial strength to the integration of key regions and the high-quality development of the country.

Major Regional Development

BOC intensified its services to key regions such as the Beijing-Tianjin-Hebei region, the Xiongan New Area, the Yangtze River Economic Belt, the Guangdong-Hong Kong-Macao Greater Bay Area, and the Yangtze River Delta, helping the practical implementation of the national regional development strategy.

Coordinated Development of Beijing-Tianjin-Hebei Region

In 2022, in order to advance the coordinated development of Beijing-Tianjin-Hebei region in depth, BOC increased support for the transportation integration, ecological and environmental protection, industrial upgrading and relocation, public services and infrastructure in the region by strengthening product and service innovation, and was selected as the exclusive global banking partner in China International Fair for Trade in Services for two consecutive sessions, working to help the region achieve greater coordinated development in the new development stage. By the end of 2022, the balance of loans in support of the coordinated development of Beijing-Tianjin-Hebei region reached RMB376.4 billion, representing an increase of RMB165.3 during the year.

Construction of Xiongan New Area

BOC continuously increased financial support for Xiongan New Area as the Bank took it as a mission to provide high-standard services for the construction of the area. By the end of 2022, a total of RMB340.8 billion verified credit limits was approved to major projects and enterprises in the area.



- Supporting the New Area to establish the "four vertical lines & two horizontal lines" high-speed railway network and the "four vertical lines & three horizontal lines" high-speed expressway network, as well as a batch of key transportation projects such as the Beijing-Xiongan intercity high-speed railway and Hebei-Xiongan express line.



- Promoting the community rebuilding in the New Area and approving credit limits for enterprises including PowerChina Hebei Xiongan Zhihuicheng Construction and Development Co., LTD, CCCC Xiongan Industrial Development Co., LTD, and HECIG Xiongan Construction and Development Co., LTD.



- Serving central enterprises that undertake the noncapital functions of Beijing and providing a package of financial services to these enterprises such as China Satellite Network Group Co. LTD, Sinochem Holdings, China Huaneng Group Co. LTD and China Mineral Resources Group Co. LTD.

Yangtze River Economic Belt

In 2022, realizing the strategic focus of “ecological priority and green development” and the new strategic mission of the Yangtze River Economic Belt, BOC actively aligned with the development plan of provinces and cities along the Yangtze River in the fields of ecological and environmental restoration, major transportation projects, industrial transformation and upgrading, comprehensive three-dimensional transportation corridors, and new urbanization, fully supporting the high-quality development of provinces and cities along the Yangtze River. By the end of 2022, the balance of RMB loans in the 13 branches along the Yangtze River Economic Belt amounted to RMB6.66 trillion, up RMB0.78 trillion, or 11.71%, over the beginning of the year.



Helping the development of Yangtze River Economic Belt with innovation

Aiming at unimpeded green shipping, environmental pollution control, natural and ecological restoration and other areas, the BOC Jiangsu Provincial Branch took all-round measures such as increasing inclusive support, creating exclusive products, and facilitating investment and financing innovation to ensure the sustained financing flow along the Yangtze River.

Creating exclusive products

BOC launched the individual business loan product “Jiangsu Fishing Loan” to provide credit support to retired fishermen who intend to start their own businesses. In order to ensure that the credit funds meet the seasonal production needs of fishery in time, the Bank went into the villages and households to study the needs of farmers. It also changed its service model by carrying out the activity of “sending loans to the countryside” for the benefit of rural residents and adopting video auditing to improve the approval efficiency.

Smoothing green shipping

BOC issued RMB40 million of working capital loans to “Changjiang Hui”, a Yangtze River Internet high-tech inland waterway shipping service platform built by a company in Jiangsu Province, to support its daily operation; the Bank granted RMB249 million of loan to the “Changyuan Wharf Phase II Project” in Rugao, which will be used for the construction of supporting warehouse, storage yard, shore power facilities, and wind and dust suppression facilities of Changyuan General Wharf in Rugao, helping to protect the Yangtze River.



Development of Guangdong-Hong Kong-Macao Greater Bay Area

In 2022, BOC continued to implement the national development strategy for the Guangdong-Hong Kong-Macao Greater Bay Area, actively support the development of the Guangdong-Macao in-depth cooperation zone in Hengqin and the Northern Metropolis of Hong Kong, and increase financial support for technological innovation and development, infrastructure connectivity, industrial transformation and upgrading, ecological conservation, and improvement of people's livelihood in the Greater Bay Area. Moreover, the Bank created an innovative development mode of technology finance business with BOC characteristics, seeing continuous growth of the credit coverage rate of “specialized, refined, differential and innovative” enterprises. By the end of 2022, the loan balance of the four major BOC institutions in the Greater Bay Area remained at RMB4.1 trillion.



Integrated development of Yangtze River Delta

Since signing the *Cooperation Agreement on Promoting the Integration of the Yangtze River Delta with the Yangtze River Delta Regional Cooperation Office* and releasing the first comprehensive financial service plan for the integration of the Yangtze River Delta in the banking sector, BOC has always taken supporting the integrated development of the Yangtze River Delta as the implementation focus of the Group's regional strategy. In this way, the Bank issued RMB1.4 trillion of new credit throughout the year, fulfilling ahead of schedule its social commitment to increase credit input by RMB1 trillion over five years, demonstrating the Bank's strong support for the development of the real economy and the industrial upgrading in the region.

In 2022

BOC issued the *Action Plan for Bank of China to Support Pairing Cooperation between Shanghai, Jiangsu and Zhejiang to Help Northern Anhui Cities*, further increasing resource input to northern Anhui cities. Giving full play to the advantages of full coverage of institutions and outlets, BOC actively implemented cross-regional cooperation, promoted paired cooperation for poverty alleviation, and provided all-round support for regional industry relocation, scientific and technological innovation, industrial structure optimization, rural revitalization, people's well-being guarantee and human resources sharing; BOC also released the *Financial Service Plan to Support Shanghai, Nanjing, Hangzhou, Hefei and Jiaxing in the Construction of Pilot Zones for Scientific and Technological Innovation Financial Reform*, jointly creating new highland of scientific and technological innovation and manufacturing R&D and production through the integration of all factors of technology finance, full-chain innovation, and full life-cycle services for innovative high-tech enterprises.

During 2022 to 2025

BOC planned to provide intentional financing support of no less than RMB150 billion for infrastructure construction, new urbanization, manufacturing transformation and upgrading, agricultural development and rural revitalization in northern Anhui cities, in a way to contribute its financial strength to narrowing the development gap of the Yangtze River Delta region and promoting common prosperity.



Insurance debt financing to boost integrated development of Yangtze River Delta

In 2022, BOC Zhejiang Provincial Branch, together with BOC Samsung Life, landed three insurance debt plans to actively help the integrated development of the Yangtze River Delta, including RMB400 million of insurance debt plan for Hangzhou Bay Wisdom Valley Phase II Project to provide support for the construction of Zhejiang digital economy industry incubation platform, RMB300 million for Hangzhou High-tech State-owned Holding Group Infrastructure insurance debt plan to inject life insurance momentum to stabilize the local economy, and RMB300 million for Yuhang Innovation Investment Co., Ltd. financing project to help the development of Hangzhou Future Science and Technology City.

Regional Coordinated Development

BOC actively implemented the national strategy of regional coordinated development and issued the *Opinions on Supporting the High-Quality Development of Central and Western Regions* to promote the coordination between the economic development with population, resources and environment in central and western regions, while supporting the revitalization of old industrial bases such as the northeast region, so as to enhance the synergy of regional development and promote the high-quality economic and social development of key regions in accordance with local conditions.



Jiangxi

- Focusing on the outline of the 14th Five-Year Plan of Jiangxi Province, BOC developed a financial work plan to accelerate the rise of Jiangxi in the high-quality development of the central region in the new era and channeled credit resources to areas in favor of high-quality economic development.
- BOC provided vigorous support to the construction of key areas, helped key infrastructure projects such as Jiujiang-Nanchang Passenger Line, the third phase expansion of Nanchang Changbei International Airport and pumped storage, expanded the layout of new infrastructure construction fields such as broadband infrastructure network and 5G construction and operation, and made all-out efforts to support the expansion and strengthening of such advantageous industries as aviation, electronic information, equipment manufacturing, Traditional Chinese Medicine, new materials and new energy.



Guizhou

- BOC formulated the *Thirty Opinions on Supporting Guizhou to Break New Ground in the Great Development of Western China in the New Era*, played the advantages of products and services, supported the construction of major projects in science and technology innovation, ecological conservation and security in key areas, helped cultivate various market entities such as sci-tech enterprises, private enterprises and high-quality park enterprises, and provided convenient personal financial services.



Liaoning

- BOC issued 22 measures in support of the real economy, helped Liaoning alleviate enterprises burdens and develop the economy, and increased credit investment in areas such as advanced manufacturing, technology finance, supply chain finance, key and major projects, in a bid to advance industries to improve quality and efficiency.



Supporting High-standard Opening-up

As the most globalised and integrated commercial bank in China, BOC has an important mission to facilitate the smooth flow of capital and trade between China and the rest of the world in the high-standard opening-up drive. It will firmly support the development of the real economy, endeavor to build and improve a cross-border financial service system, and serve the country's efforts to promote high-standard opening-up and stabilise foreign trade and foreign investment.

Optimising Global Business Presence

While serving national strategies, it keeps refining the network of global operations with a focus on the countries/regions along the Belt and Road, the Group 20 (G20), the Organisation for Economic Co-operation and Development (OECD), the world's top 50 economies, and China's top 50 trading partners, among others. By the end of 2022, the Bank had established overseas institutions in 62 countries and regions all over the world, including 42 countries under the Belt and Road Initiative (BRI), making it the Chinese-funded bank with the widest business presence both in the world and along the Belt and Road. In 2022, given the changed situations at home and abroad, the Bank reviewed the *Globalised Development Programme for the 14th Five-Year Plan Period* and the market-by-market strategies for overseas institutions, to further clarify the positioning of overseas institutions and help them enhance operational management efficiency and cross-border service capacity.



Developing Cross-border Finance

In the face of the complex and severe environment for foreign trade development, BOC in 2022 fully played its role as a major financial service provider for foreign trade and economic development, by taking a series of measures to strengthen the financial supply for stabilising foreign trade and help foreign trade enterprises to maintain stability and improve quality.



Increasing financial support for foreign trade

- Domestic institutions of BOC handled a cumulative volume of international settlement business worth USD3.4 trillion throughout 2022, maintaining year-on-year growth for many consecutive years.



Digitalising cross-border finance at a faster pace

- The “BOC Cross-border Remittance Express” product was unveiled to provide contracted customers with second-level automatic crediting services for cross-border inward remittances and domestic inward remittances in foreign currencies. By the end of 2022, the amount of directly credited funds reached nearly USD100 billion.
- The “single-window” import and export letter of credit service for international trade was launched to support import and export enterprises in accessing some financial services under their letters of credit online through the “single window”.
- The “Global Cash Management Platform+” was continuously optimised as a product lineup to put into operation a number of functions such as the quota management of cash pools for cross-border entities.



Intensifying funding support for foreign trade enterprise of medium, small and micro sizes

- Innovative products such as “Inclusive Loan for Foreign Trade” and “BOC Corporate E Loan: Foreign Trade” were launched for export-oriented small and micro enterprises. Featured programmes such as “BOC Suzhou Loan for Foreign Trade”, “BOC Hubei Loan for Foreign Trade” were extensively promoted in some key regions.
- A pilot programme for RMB and foreign currency-integrated corporate settlement accounts was implemented in Guangzhou, Hangzhou, and Shenzhen, among other places.
- The inclusive financial solution for small and micro enterprises engaged in foreign trade was released, which brought innovative service modes in eight aspects, that is, orders, support policies, funds, labour, technologies, support services, logistics, and information. It could provide small and micro enterprises engaged in foreign trade with one-stop inclusive financial services under multiple scenarios.



Helping enterprises hedge exchange rate risks

- While vigorously promoting the use of RMB for cross-border settlement, BOC strengthened the neutral promotion of exchange rate risks. Through bank-government-guarantee and bank-insurance cooperation, the Bank came up with innovative risk sharing models to help small and micro enterprises hedge against exchange rate risks effectively.



Erecting a bridge to promote foreign trade with financial services

- 150 activities were organised to support the high-quality development of foreign trade enterprises, directly serving over 33,000 foreign trade enterprises.
- BOC provided high-quality services for major exhibitions, helping foreign trade enterprises to march into new markets and expand the scale of imports and exports.
- Relying on the “BOC E-cooperation” global enterprise ecosystem, the Bank provided small and medium enterprises with online and offline trade and investment matching services. By the end of 2022, a total of 101 matchmaking events were held within the ecosystem, which provided value-added financial services for more than 50,000 enterprises from 126 countries and regions around the world.



Eliminating the chokepoints of sea freight payment to expedite shipping logistics

Efficient shipping logistics is the key to a smooth trade flow. For shipping logistics enterprises, payment and collection of sea freight usually takes much time and incurs high cost. To help them address such problems, BOC launched the “Online Shipping Connect” product, which could provide a full package of online financial services such as online payment, foreign exchange, and automatic reconciliation by connecting to platforms of shipping enterprises.

Relying on the “Online Shipping Connect” solution, BOC Ningbo Branch in 2022 helped a local logistics company make an inter-bank payment of sea freight in USD online, the first deal of its kind in the city, and launched the e-voucher business for a shipping agency.

Never have I experienced such a convenient and fast freight payment tool! And I no longer have to run errands to banks, saving me tons of time.

-- A financial worker using the “Online Shipping Connect” solution

As one of the first qualified foreign institutional investor (QFII) and qualified domestic institutional investor (QDII) custodian banks, BOC has actively participated in the innovative business of connecting domestic and foreign capital markets. In 2022, the Bank provided the underlying shares custodian services for five Chinese companies that issued global depository receipts (GDRs) on the London Stock Exchange and the SIX Swiss Exchange. By the end of 2022, the cross-border custodian services of the Bank exceeded RMB600 billion, a figure maintaining the top position in the Chinese industry for many years.



Implementing the BRI with Joint Efforts

In 2022, BOC continued using its full product lineup, wide network of overseas institutions, and numerous correspondent bank channels to provide Chinese enterprises with various types of financial services in the countries and regions along the Belt and Road, and support enterprises in bidding for overseas projects, engaging in contract negotiations, enhancing credit standing, and landing projects successfully. By the end of 2022, the Bank undertook more than 900 credit projects in the countries/regions joining the implementation of the Belt and Road Initiative (BRI), providing them with credit support exceeded USD269 billion in total. Domestic institutions issued letters of guarantee worth USD11.4 billion for the beneficiaries in such countries/regions, which came from 130 countries/regions.

Advancing RMB Internationalisation

It has been over a decade since RMB became available for cross-border use in July 2009. As RMB internationalisation went deeper, covered a wider range, and became more convenient, BOC has been deeply involved in the process and played an important role in relevant areas. In 2022, the Group's cross-border RMB settlement volume reached RMB31.14 trillion¹, up 26.1% over the prior year, among which RMB10.39 trillion was undertaken by the Bank's domestic institutions, up 23.61% year on year.

Wrapping up the “Digital Currency Bridge” project on a pilot basis

- BOC launched the “Digital Currency Bridge” project for cross-border transactions in the Chinese mainland, Hong Kong (China), the United Arab Emirates (UAE), Thailand, etc. on a pilot basis.

Facilitating infrastructure construction

- BOC continued to consolidate and expand the indirect participation in the RMB Cross-border Interbank Payment System (CIPS) by strengthening assessment, improving relevant policies, and making breakthroughs. By the end of 2022, BOC had 583 CIPS indirect participants, an increase of 76 from the end of the previous year, further expanding the number of countries/regions covered by the CIPS global payment network.

Providing intellectual support

- BOC produced and published the “BOC Cross-border RMB Index (CRI)”, “BOC Offshore RMB Index (ORI)”, the *White Paper on RMB Internationalisation*, and the new bilingual promotional video for cross-border use of RMB, providing comprehensive and professional information to help global market players understand and use RMB.

Expanding cooperation in home currency settlement

- BOC expanded cooperation in home currency settlement based on cross-border use of RMB. It completed the first direct exchange of RMB to Argentine Pesos (ARS) and expanded the coverage of home currency settlement between China and Indonesia.

Seizing A Stronghold for Free Trade and Opening up

In 2022, BOC got deeply involved in the financial services reform for free trade zones (FTZs). The Bank provided intellectual support for local governments and financial regulators in policy research, and facilitated the construction of the “electronic fences” in the Guangdong-Macao In-depth Cooperation Zone in Hengqin and the Hainan Free Trade Port. Spearheaded by the policy of “trade and investment facilitation”, it steadily expanded the scope of customers participating in the pilot facilitation project, and enhanced the efficiency of fund collection and payment through a number of facilitation products such as the “BOC Cross-border Remittance Express” and online FX settlement and sale. Meanwhile, the Bank took the initiative to serve new forms of foreign trade enterprises, optimised relevant business systems and service flows, and provided more comprehensive services for cross-border e-commerce, third-party payment institutions, and market procurement trade entities.

BOC signed the *Strategic Cooperation Agreement for China International Consumer Products Expo* with Hainan International Business Council (HIBC). As a global strategic partner of China International Consumer Products Expo (CICPE), the Bank provided a wide range of services for two consecutive sessions of the event, including exhibitor and investor invitation, financial products, on-site services, and supporting activities. Meanwhile, the *Work Plan of BOC for Supporting the Construction of the Hainan Free Trade Port* was improved and implemented, to facilitate the smooth progress of the port construction and promoting the high-quality development of Hainan.



→ “Centenary BOC” Exhibition Booth at China International Consumer Products Expo 2022



→ Customers experience paying a penny via the e-CNY app at BOC’s e-CNY exhibition booth



→ BOC releases the results achieved in the Smart Hainan construction drive at China International Consumer Products Expo 2022

1: Including the cross-border RMB settlement volume under capital projects of BOC Hong Kong.

Serving Important Exhibitions and Conventions

As a strategic partner, BOC continued to vigorously serve and support a number of major exhibitions in 2022, such as the China International Import Expo, China International Fair for Trade in Services, China International Consumer Products Expo, and China Import and Export Fairs. Fully leveraging its advantages in globalised operation, the Bank assisted these events in exhibitor and investor invitation beforehand and provided comprehensive financial services including trade and investment matchmaking activities in the process, erecting a bridge of financial services for China to give foreign trade and economic cooperation with the rest of the world.

BOC propelled high-quality development as a strategic partner of China International Fair for Trade in Services

On 31 August 2022, the China International Fair for Trade in Services (CIFTS) was inaugurated in China National Convention Centre and Shougang Park, with companies from all over the world getting together. For the second year in a row, BOC served as the exclusive highest-level global partner in the banking industry. While providing the event with quality financial services, the Bank supported the high-standard opening-up of the country to the outside world.

Pre-exhibition

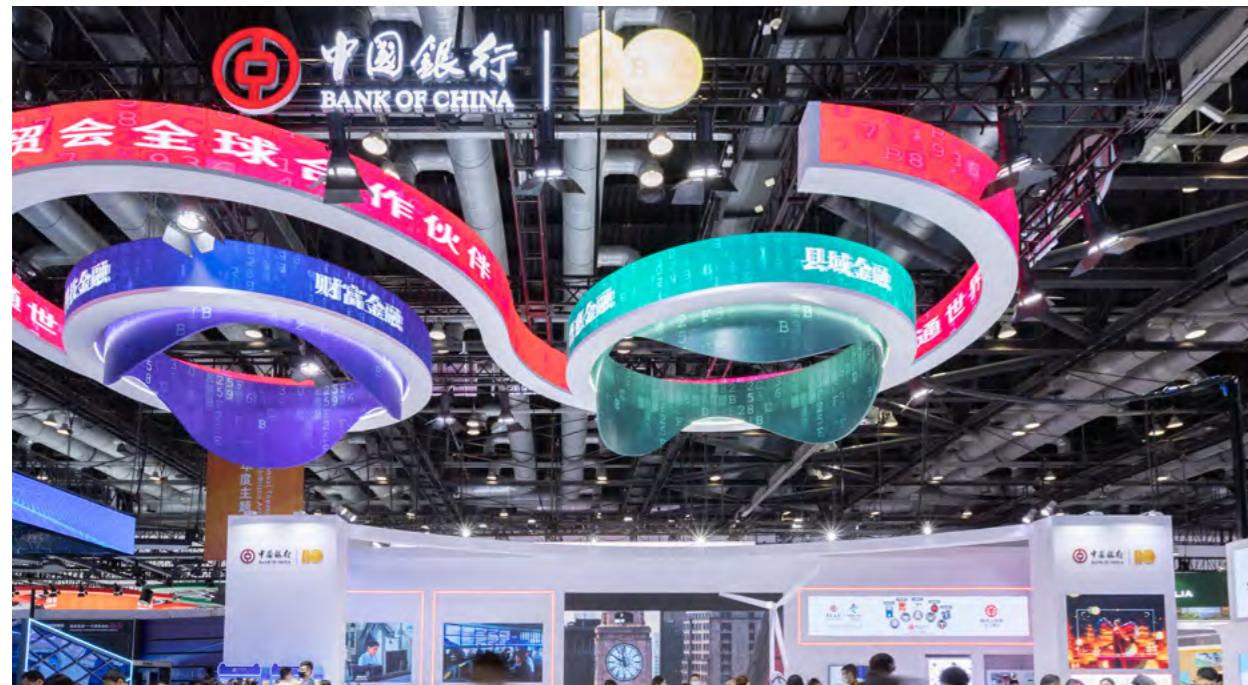
BOC actively participated in and supported the organising committee's various roadshows and investment invitation activities. The Bank held three domestic roadshow activities and three overseas exhibitor invitation activities, with participating customers covering major regions such as Asia Pacific, Europe, and North America.

During the exhibition

BOC provided all-around support for key events, matchmaking activities, and on-site financial services, among other aspects. The Bank supported the organisation of the Global Entrepreneurs Summit on Trade in Services by the Global Trade in Services Alliance. Meanwhile, it also participated in a number of key events such as the China International Finance Annual Forum, and the Carbon Peaking Economic Development Forum.

Post-exhibition

BOC strengthened cooperation with the organising committee of the CIFTS and the Global Trade in Services Alliance to provide the enterprises participating in the CIFTS with higher-quality and more efficient financial services through innovation.



BOC helped to make CIIE a success for five consecutive years

The Fifth China International Import Expo (CIIE) took place in Shanghai at a beautiful time when autumn turns into winter. As the sole strategic partner of the CIIE, BOC provided the event with comprehensive financial services for the fifth consecutive year.

- The Bank continued to support the “Financial Support for Industry Chain Supply Chain Stability” sub-forum and its supporting activities as part of the Hongqiao International Economic Forum, which provided an intellectual platform for promoting the resumption of work and production through the whole industry chain in an orderly manner, taking multiple measures to ensure the smooth operation of the industry chain, and helping the high-quality development of the real economy.
- The Bank cooperated with the Ministry of Commerce to hold the “Integrity in Business” Typical Case Release/Integrity Enterprise and Banking Matchmaking Conference”, with a view to providing high-quality financial services for various market players who operate in good faith, helping to expand the scale of credit trading in the business field, and improving the trade and investment environment effectively.
- The Bank hosted trade and investment matchmaking meetings, at which 1,336 enterprises from 40 countries and regions had 433 rounds of negotiations and reached 338 intentions of cooperation, amounting to over USD6 billion.
- In collaboration with the *International Business Daily* of the Ministry of Commerce, China National Seed Association, and other organisations, the Bank held the 2022 Foreign Enterprises ESG and Carbon Peaking & Carbon Neutrality Strategy Summit Forum, the High-end Forum on Development and Cooperation of Seed Industry, and other activities, in an effort to help achieve the dual carbon goal and revitalise the seed industry.

“

From trade negotiations to exhibitor/investor invitation and from investment promotion to live video streaming, our service functions have been upgraded and our customer retention rate has gone up year after year. Behind these ‘uninterrupted’ financial services is the great dedication of everyone at BOC.

-- Zhou Mengqi, an employee of BOC Shanghai Branch

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Originality

**Drawing A Blueprint
for Green Development**

BOC serves as a guardian of clear water

In 2022, BOC worked to safeguard the clear water and lush mountains with ingenuity.

BOC supported the riverfront ecological environment enhancement project in Jiayu County, Xianning City, Hubei Province, helping to create the most beautiful Yangtze River shoreline demonstration site and guarding the mighty flow of the Yangtze River eastward.

Performance Highlights

Since entering the new era a decade ago, China advanced green development with unprecedented intensity, and the development of beautiful China made a significant stride forward. The report of the 20th National Congress of the CPC pointed out that we must uphold and act on the principle that lucid waters and lush mountains are invaluable assets, and we must remember to maintain harmony between humanity and nature when planning our development. BOC earnestly implemented the decisions and plans of the Party Central Committee, effectively deepened its green development strategy, promoted the healthy and rapid development of green financial business, and integrated the green development concept into risk management and its own operations, contributing its strength to the achievement of the “carbon peaking and carbon neutrality” goal.

In 2022, BOC adhered to the goal of becoming “the first choice for green financial services”, and continued to improve the green financial governance structure, strengthen the policy system and ESG risk management mechanism to serve the green development by focusing on its main responsibility of providing financial services to the real economy and promoting high-quality development. The Bank continuously enriched its products and services, and worked to achieve high-quality development of green financial products and services by leveraging its advantages in globalised and integrated operation. Upholding the concept of promoting development through innovation and pursuing win-win cooperation, BOC actively participated in global climate governance, strengthened green financial capacity building, and joined hands with all stakeholders to promote ecological harmony. The Bank effectively integrated the green concept into the whole process of its own operation and helped boost the organic unification and coordinated development of economic, environmental and social benefits.

By the end of 2022, the balance of green credit in the Chinese mainland denominated (according to CBIRC standard) was equivalent to RMB1,987.2 billion, up 41.08% year-on-year; A total of RMB87.7 billion equivalent green bonds were issued at home and abroad in 2022, ranking first in Bloomberg’s “Global Offshore Green Bonds” list of among Chinese banks; RMB453.9 billion of domestic and overseas green bonds were underwritten, ahead of Chinese enterprises listed on the Global Offshore Green Bond by Bloomberg. From 2019 to 2022, the total energy consumption of the whole Group reduced by 4.86% and the direct GHG emissions volume decreased by 15.58%.



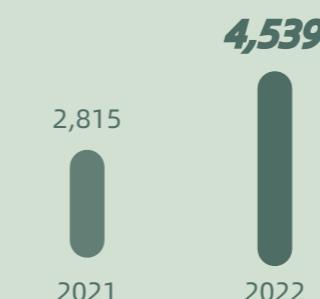
The scale of issuance of domestic and overseas green bonds (RMB100 million)



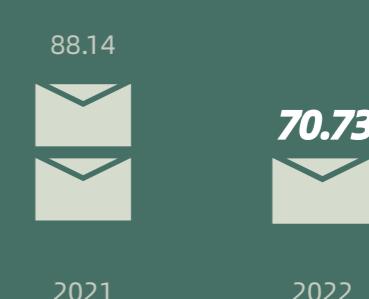
Total office paper consumption (tons)*



Underwriting scale of issuance of domestic and overseas green bonds (RMB100 million)



Paper consumption of newly issued credit card statements and envelopes (tons)



Total water consumption (m³)*



Paper consumption attributed to credit card e-bill (100 million)

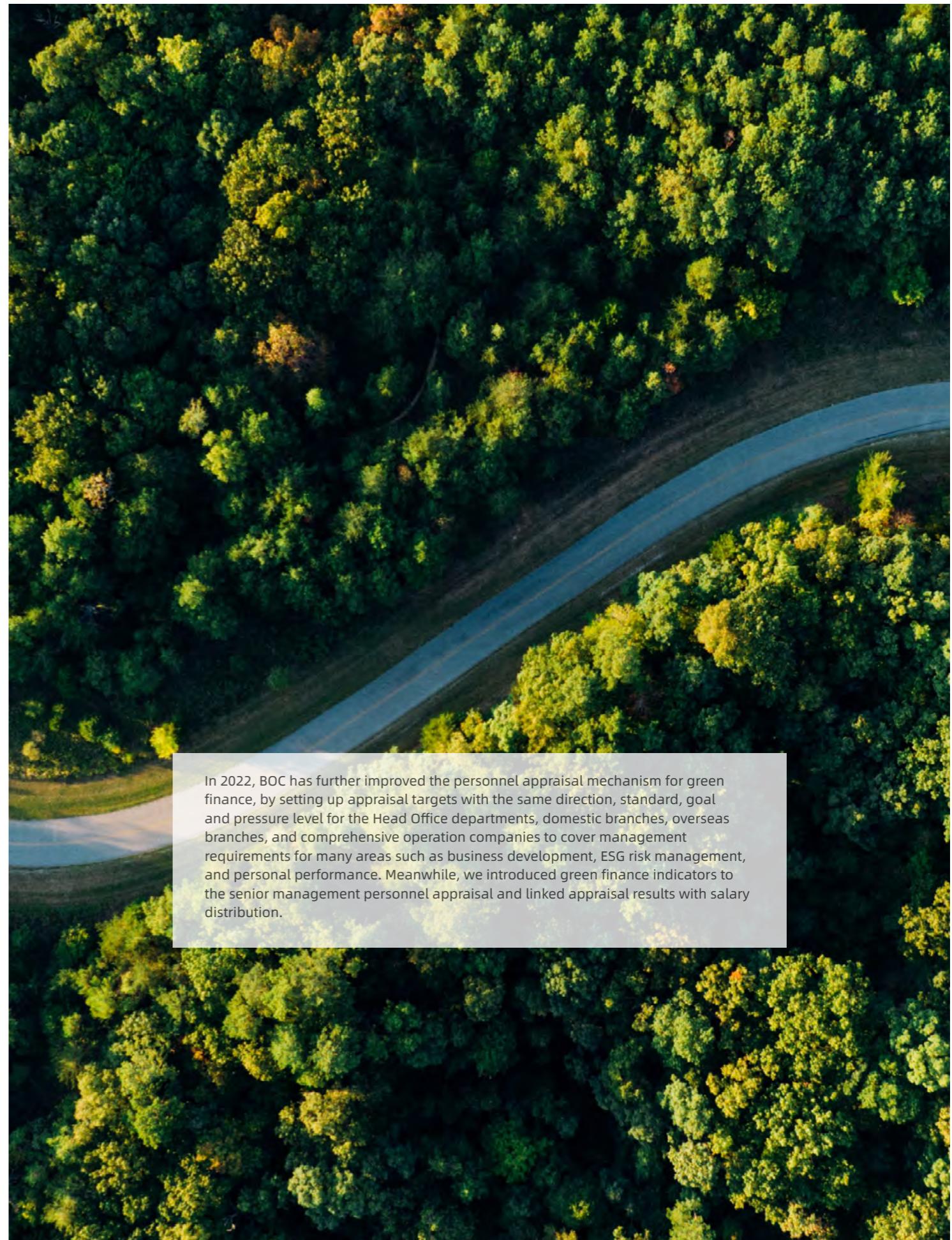
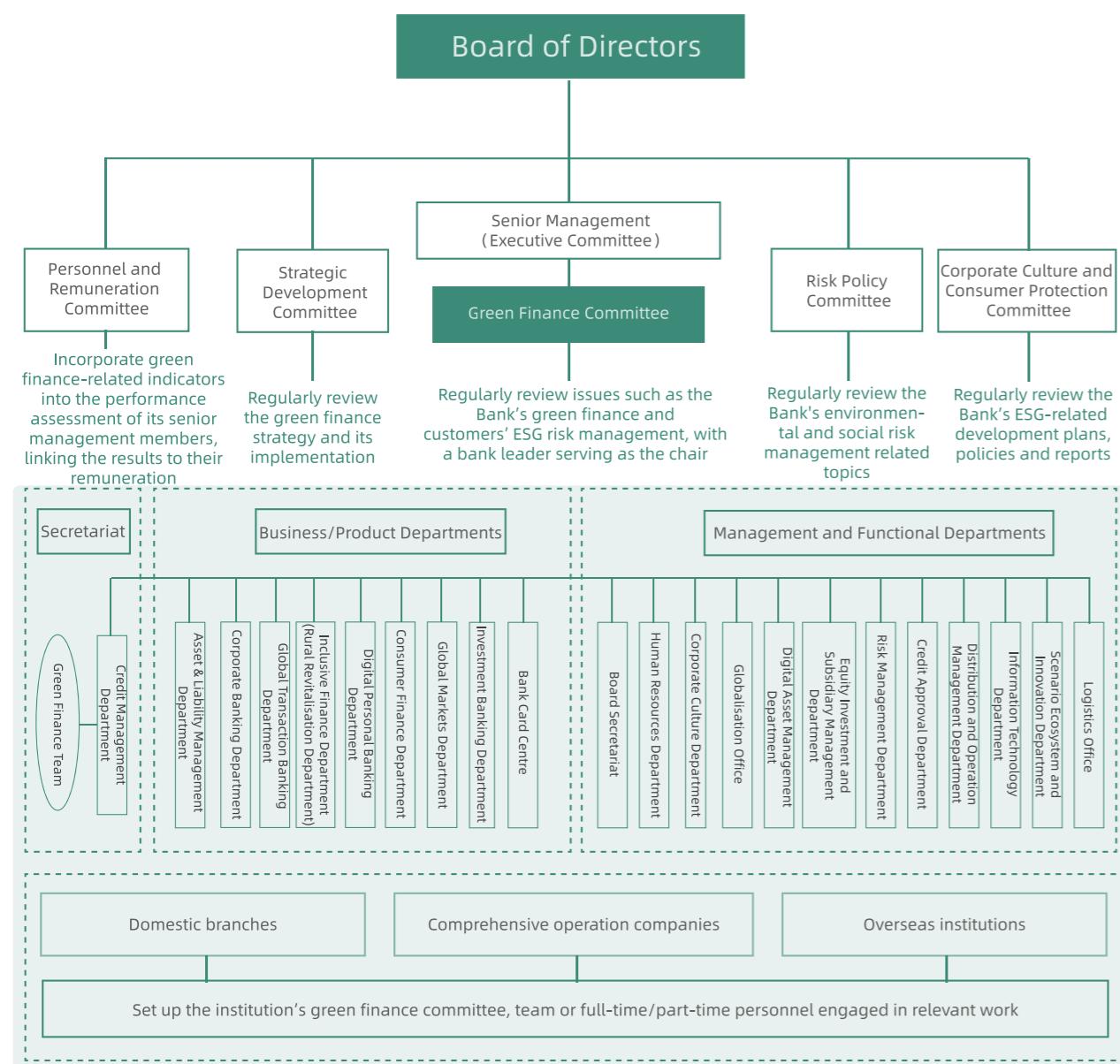


*The data only covered the Head Office and the institutions based in Beijing

Optimising the Green Governance Policy



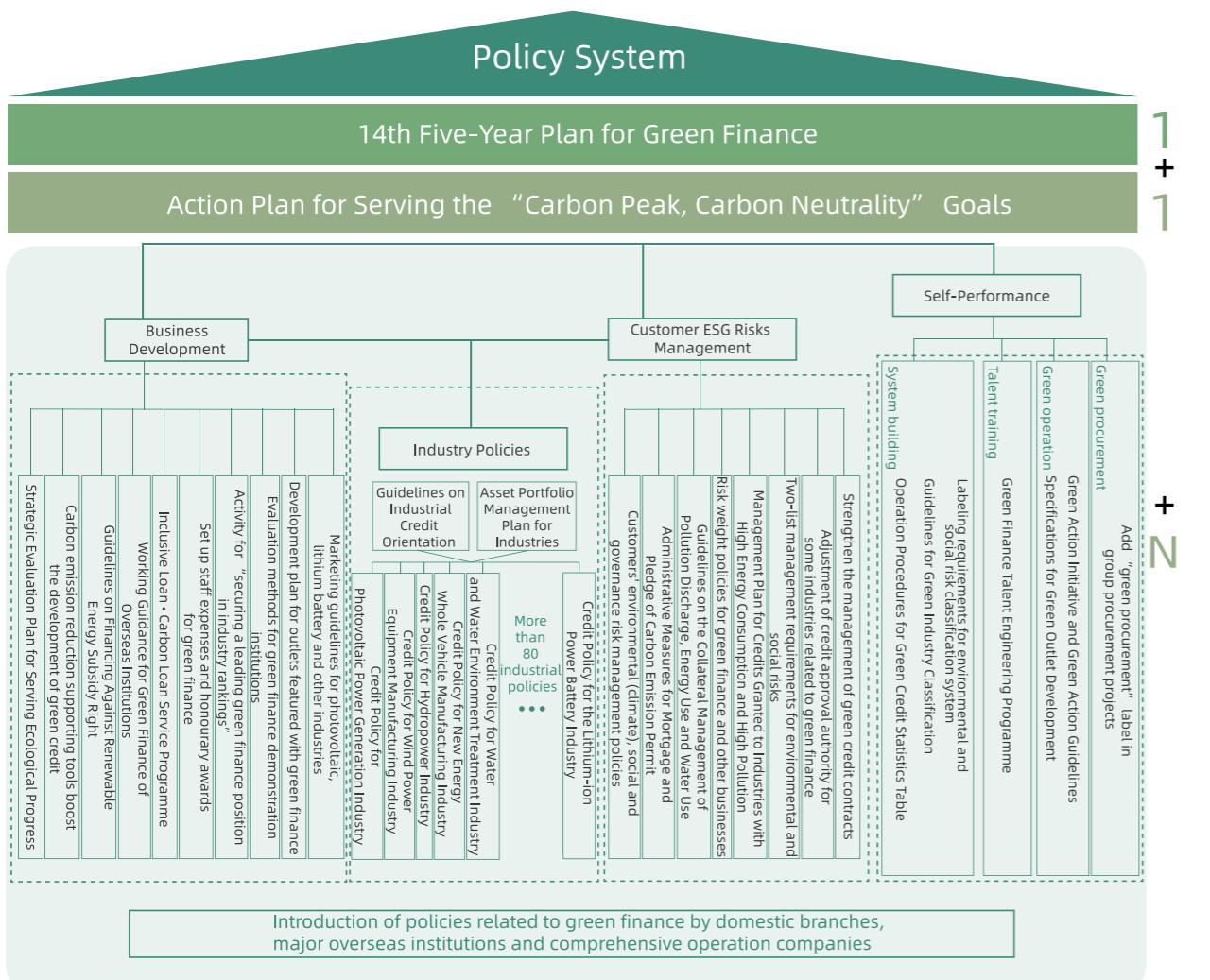
BOC gives full play to the organisational management role of the Board of Directors and the Senior Management in the field of green finance, maintains the three-tier governance structure consisting of the Board of Directors, the Senior Management and professional teams. The Board of Directors (or its special committee) is responsible for reviewing and approving the green finance development plan as well as the green finance targets set by the Senior Management and the green finance reports submitted by it. At the same time, it also supervises and evaluates the implementation of the green finance development plan at the Bank. With Chairman and President of the Bank serving as the head and deputy head, the Steering Group for Green Finance and Industry Planning & Development (hereinafter referred to as "the Steering Group") is established to plan, guide, and coordinate the green finance and industry planning & research, thus making headway toward every aspect of green finance steadily. The Green Finance Committee is responsible for the overall management and professional decision-making of the Group's green financial work, and is chaired by the bank leader in charge of the risk management department. The Head Office set up a green finance team to promote the specific work of green finance in the Group.



In 2022, BOC has further improved the personnel appraisal mechanism for green finance, by setting up appraisal targets with the same direction, standard, goal and pressure level for the Head Office departments, domestic branches, overseas branches, and comprehensive operation companies to cover management requirements for many areas such as business development, ESG risk management, and personal performance. Meanwhile, we introduced green finance indicators to the senior management personnel appraisal and linked appraisal results with salary distribution.

Putting in Place A Complete Set of Environmental Policies

BOC took the 14th Five-Year Plan for Green Finance as the strategic guidance to continuously improve the “1+1+N” green finance policy system. In 2022, the Bank issued more than 20 supporting policies to foster a policy package covering 13 areas, strongly underpinning the development of green finance.



It also formulated nearly 10 credit policies for green industries such as water governance, hydrogen energy, and wind power generation, providing detailed guidance in terms of customer access criteria and credit granting strategies. It included binding requirements for environmental and social risk management in more than 80 industry credit policies, covering such industries as agriculture, forestry, animal husbandry and fishery, mining and metallurgy, oil and gas, materials manufacturing, and transportation.

Master Credit Policy of BOC for Green Finance

Supporting eco-friendly industries

- The Bank shall offer support for the enterprises that belong to green industries and those carrying out eco-friendly production and operational activities, conserving biodiversity, protecting employees and their health, conducting sound corporate governance, protecting legitimate rights and interests of shareholders, and establishing sound financial management and risk management mechanisms.
- On the premise of effective risk prevention, the Bank shall channel resources to the green industries on the *Guiding Catalogue for Green Industries*.
- The Bank shall facilitate the construction of a clean and low-carbon energy system nationwide, support key industries and fields to save energy consumption, reduce pollution, cut carbon emissions, increase the adoption of green operation, prevent disasters, implement clean production, promote the adoption and application of green and low-carbon technologies.
- The Bank shall strengthen the combination of green finance and inclusive finance, support green and inclusive enterprises.
- The Bank shall actively guide customers and their upstream and downstream industrial chains to regulate their behaviour related to environmental (climate), social, and governance management.

Tightening the control over brown industries

- While resolutely curbing the blind expansion of energy-intensive, high-emission, and low-level projects, the Bank shall promote the transformation and upgrading of carbon-intensive industries, adhere to overall planning and differentiated management, and refrain from “one-size-fits-all” solutions and movement-style carbon reduction attempts.
- At the same time, the Bank shall optimize the structure of assets allocated to brown industries, promote production capacity replacement, green transition, and technology upgrading, and get resources concentrated in key areas of advanced capacity, low power consumption of output per unit, technology upgrading and transformation, safe, green, intelligent and efficient operation, etc.



BOC Credit Policies for Some Key Industries

Key industry	Credit policy
 <i>Agriculture, forestry, animal husbandry & fishery</i>	<ul style="list-style-type: none"> Biological waste from the slaughtering and meat processing industry: In terms of environmental risks, attention shall be paid to the annual environmental ratings of enterprises as well as records of environmental penalties and rectification measures. The Bank shall be cautious about involvement in customers and projects with great environmental risks. In terms of social risks, focus shall be put on checking whether the slaughtering process complies with norms for humane slaughters and respects religious and folk customs. It is strictly prohibited to provide credit for enterprises that slaughter wild animals and protected animals in violation of the law. Crop seed industry: Customers that have triggered severe environmental accidents, face significant environmental and social risks, and fail to comply with quality control, environmental protection, and other policies/provisions of the international crop seed industry shall be included in the category of exit customers. Edible vegetable oil processing, grain processing, dairy and other industries: The Bank shall decrease and terminate cooperations with customers who have been inspected by authorized departments or exposed by the media as having major malpractices in food safety, operational and environmental protection.
 <i>Mining and metallurgy</i>	<ul style="list-style-type: none"> Steel and copper industries: Support shall be focused on projects in line with capacity replacement, energy consumption reduction, process optimization, intelligent transformation, green transformation, ultra-low emissions, and gradually withdraw from projects with backward technology and equipment, unqualified product, substandard energy consumption and emissions, and backward production capacity. Aluminum rolling and processing industry: Support shall not be provided to projects with significant environmental and social risk potential. Electrolytic aluminum industry: Customers must use environmentally friendly large pre-baked electrolyzer technology with high efficiency and low consumption, and shall not use equipment and technology prohibited or eliminated by the state.
 <i>Energy and coal</i>	<ul style="list-style-type: none"> The Bank shall provide key support to large advanced and efficient coal mines with good product quality, advanced production technology, good safety conditions, qualified energy saving and emission reduction situation. The Bank shall cut the volume of businesses carried out with or even withdraw from the coal enterprises that have small production capacity, weak profitability, and poor production conditions and cannot comply with the national industry policy. It shall accelerate the withdrawal from the coal mines that do not meet environmental protection requirements. BOC shall adopt strict management and control measures on new coal mining and coal power projects outside China. Starting from the fourth quarter of 2021, the Bank shall no longer provide financing to such projects, except for those already signed, which shall be implemented in accordance with commercial principles.
 <i>Oil and natural gas</i>	<ul style="list-style-type: none"> Petroleum refining industry: the Bank shall strictly implement the <i>Guiding Opinions of the National Development and Reform Commission and the Ministry of Industry and Information Technology on Promoting Green Development of the Petrochemical Industry</i>, the <i>Catalogue of Construction Projects with Environmental Impact Assessment Documents Approved by the Ministry of Ecology and Environment (Version 2019)</i>, as well as pollution discharge-related policies and systems. Natural gas industry: The environmental impact assessment documents of large-scale natural gas projects that may have a significant impact on the environment shall be approved by the Ministry of Ecology and Environment of the People's Republic of China through prescribed procedures. Highly polluting enterprises and enterprises outdated in production techniques/substandard in safety production, environmental protection, and energy consumption, enterprises having triggered severe environmental pollution and safety production accidents, etc. shall be included in the categories of customers that the Bank will phase out or withdraw.

Intensifying the Management of ESG Risks of Customers

BOC identifies and analyses the transmission paths and impacts of climate risk to its key risks such as credit risk, market risk, liquidity risk, operational risk, reputational risk, country risk, and IT risk from the perspectives of physical risk and transition risk, taking into account the definition and classification of climate risk by the Task Force on Climate-related Financial Disclosures (TCFD) and the Network of Central Banks and Regulators for Greening the Financial System (NGFS).

In 2022, BOC added a qualitative statement on environmental and social risk appetite to its risk appetite statement, which was considered and approved by the Board of Directors at its meeting. The Bank included the management of environmental and social risks in the Group's risk report, which would be regularly sent to the Risk Policy Committee of the Board of Directors for consideration. Meanwhile, it conducted thematic training for relevant account managers and risk managers across the Bank.

Risk Management Process

BOC formulated the *Policy for Managing the Environmental (Climate), Social and Governance Risks of Customers (Version 2022)*, which was considered and approved by the Green Finance Committee chaired by the Chief Risk Officer, to strengthen the management of the whole process of credit and investment, including customer classification, due diligence, business approval, contract management, fund disbursement, post-lending management, and investment management. Comprehensive operation companies formulated their policies related to ESG risk management, covering investment banking, insurance, funds, leasing, wealth management, and investment, among other business areas.

Risk identification

BOC classifies customers into three categories, that is, A, B and C, given many factors such as their potential environmental (climate) and social risks, industries to which they belong, and their stage of development, and labels them in the initiator end of relevant business management system; the Bank conducts regular re-examination of the classification and timely updated in the system in case of unexpected events causing changes in rating.

Risk measurement

In 2022, BOC extended its climate risk sensitivity stress test to eight carbon-intensive sectors, including power, to assess its capabilities for addressing transition risks, as China marches toward the dual carbon goal.



Scenario analysis

Transition risk

- **Climate scenario analysis model:** With reference to the NGFS scenario, a top-down approach is adopted to analyse how changes in customers' financial data under different climate scenarios could impact the Bank.
 - **Region:** the Chinese mainland. **Industries:** electric power, iron & steel, building materials, petrochemical engineering, chemical engineering, paper-making, civil aviation, and non-ferrous metal smelting.
Risk indicators: carbon price and free carbon allowances.
 - **Test results:** Customers in the eight carbon-intensive industries see their repayment ability declining to varying extents under the stress scenarios. As a result, credit rating downgrades follow, but risks remain under control overall.

 Physical risk
(Taking BOC S

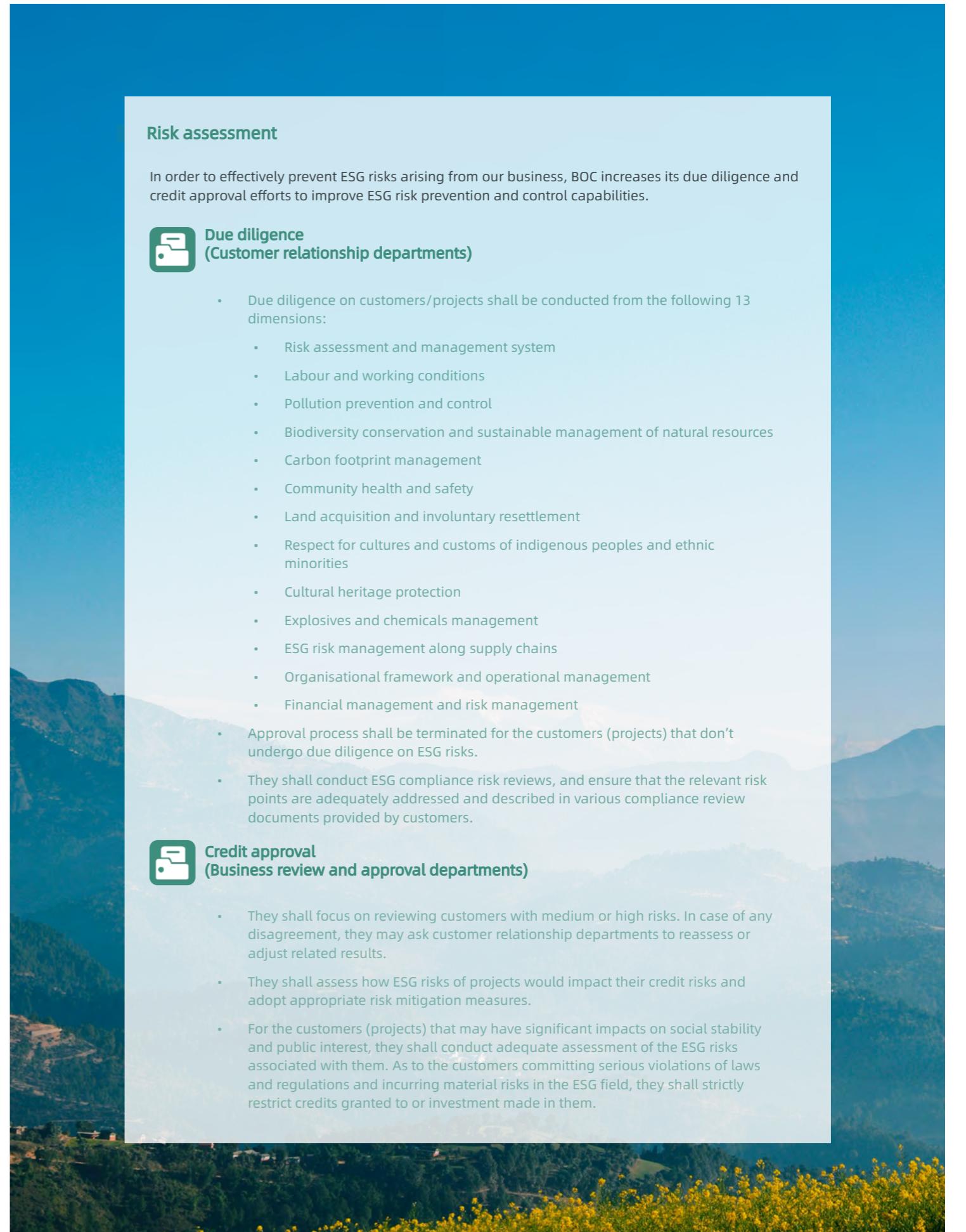
Physical risk (Taking BOC Singapore Branch's analysis of Bangladesh's power sector as an example)

- The Bank calculates the absolute rates of change in loss caused by the physical risk that Bangladesh would suffer due to typhoons and floods under the Intergovernmental Panel on Climate Change's (IPCC) high carbon emission scenario (RCP8.5), to obtain the impact of climate physical risk on the value of collateral.
 - The absolute rate of loss caused by typhoons in Bangladesh would range from 0.57%-0.67% over the period 2020-2050. Overall, the impact of typhoons on the collateral of the credit portfolio in the power sector is marginal.
 - The absolute rate of loss caused by floods in Bangladesh would range from 2.63%-3.22% over the period 2020-2050. Overall, the impact of flood on the collateral of the credit portfolio in the power sector is insignificant.

The Bank adds environmental (climate), social, and corporate governance (ESG) risk-related factors to the relevant modules of its internal rating model, explores running the ESG assessment model on a trial basis, and assesses the ESG risk conditions of customers and their projects as well as the resulting business impacts, thus further building up its ability to manage ESG risks.



➤ Customer ESG assessment system of BOC Fund



Risk assessment

In order to effectively prevent ESG risks arising from our business, BOC increases its due diligence and credit approval efforts to improve ESG risk prevention and control capabilities.

Due diligence (Customer relationship departments)

- Due diligence on customers/projects shall be conducted from the following 13 dimensions:
 - Risk assessment and management system
 - Labour and working conditions
 - Pollution prevention and control
 - Biodiversity conservation and sustainable management of natural resources
 - Carbon footprint management
 - Community health and safety
 - Land acquisition and involuntary resettlement
 - Respect for cultures and customs of indigenous peoples and ethnic minorities
 - Cultural heritage protection
 - Explosives and chemicals management
 - ESG risk management along supply chains
 - Organisational framework and operational management
 - Financial management and risk management
 - Approval process shall be terminated for the customers (projects) that don't undergo due diligence on ESG risks.
 - They shall conduct ESG compliance risk reviews, and ensure that the relevant risk points are adequately addressed and described in various compliance review documents provided by customers.

Credit approval (Business review and approval departments)

- They shall focus on reviewing customers with medium or high risks. In case of any disagreement, they may ask customer relationship departments to reassess or adjust related results.
 - They shall assess how ESG risks of projects would impact their credit risks and adopt appropriate risk mitigation measures.
 - For the customers (projects) that may have significant impacts on social stability and public interest, they shall conduct adequate assessment of the ESG risks associated with them. As to the customers committing serious violations of laws and regulations and incurring material risks in the ESG field, they shall strictly restrict credits granted to or investment made in them.

Risk monitoring and reporting

BOC regularly monitors the risk exposure to the brown industries and its share given the preset portfolio and industry-level indicators, and sends the assessment results to the Risk Policy Committee under the Board of Directors through the group-wide risk report. Meanwhile, it incorporates ESG-related content into the scope of internal control and compliance inspections, and carried out regular reviews of green loan data to effectively reduce the “greenwashing” risk. The Bank works to establish a sound environmental ESG risk reporting mechanism, detect and monitor the Group’s ESG risk conditions, and make timely reports as actually needed.

Risk monitoring

- Risk early warning:** For customers and projects in industries and areas identified by the national environmental protection and production safety departments as being in violation of laws and regulations, internal risk alerts or risk warnings shall be issued. BOC tracks and monitors a risk event throughout the entire process, and adjusts the risk level and response measures in light of actual conditions.
- Risk level:** The Bank divides ESG risk events into four levels: general, large, severe, and particularly severe according to work safety accidents or sudden environmental events. For the ESG risk events triggered by customers, the relevant entities are required to immediately activate the contingency plan and deal with such events appropriately.
- Risk response:** For a large ESG risk event, the relevant entity shall report the situation to the Head Office within one working day of being informed of the event. For a severe or particularly severe risk event, the relevant entity shall orally report the event to the Head Office within one hour of being informed of the event. Accelerated reporting is allowed in emergency situations. A formal report shall be subsequently presented as required.

Periodic reports

- BOC shall regularly update the group-wide risk reports, comprehensively screens material ESG risk matters, reports relevant findings to the management in a timely manner, and analyses ESG risks.
- When customers trigger severe ESG risk events, the Bank shall urge the customers concerned to take corresponding risk disposal measures and report the possible consequences of such events in a timely manner.
- The Bank shall disclose the information related to ESG risks that concerns stakeholders in its annual reports and corporate social responsibility (CSR) reports (environmental, social, and governance). Meanwhile, it shall do better in information disclosure by learning from the International Sustainability Standards Board (ISSB), the Task Force on Climate Related Financial Disclosures (TCFD), the Principles for Responsible Banking (PRB), as well as other international guidelines.

Risk control and mitigation

For industries with high ESG risk, such as steel, cement, electrolytic aluminum and coal chemical, BOC makes it clear that credit approval under specific conditions shall be granted by the Head Office department. The Bank expands authorisation support for green-related industries in the positive growth category, delegates credit approval authority for photovoltaic industries to lower departments, and raises that for some industries such as coking.

Moreover, BOC follows the “one-ballot veto rule for environmental protection”. For the enterprises/projects that are found to go against national policies and regulatory requirements, fail to meet environmental protection standards, and have significant environmental and climate risks; destroy critical habitats, important biodiversity areas and national nature reserves; illegally log, fish and poach wildlife; blindly expand oil palm plantations leading to deforestation; and illegally occupy and destroy forest lands, the Bank requires not providing credit or investment support for these corporate customers or their projects; as to the existing business relations, it shall urge related customers to make rectifications and take effective measures to mitigate risks; and if rectifications are impossible, it shall exit from the business relations with such customers as soon as possible.

Biodiversity Risk Management

BOC pays close attention to the impact that its customers cause on the ecosystem in their business activities, strictly complies with the laws, regulations, and rules on the protection of biodiversity, and prohibits the provision of credit support for acts that seriously damage biodiversity. For controversial projects, after making sure their compliance with the laws and regulations in the countries/regions where they are located, the Bank will extensively solicit the suggestions of professional assessment agencies, residents, media, and non-profit environmental protection organisations, among other stakeholders, prudently assess the environmental and social risks and nail down credit strategies, and urge related enterprises to establish ecological protection compensation mechanisms and consciously undertake ecological protection and restoration obligations. BOC incorporates clear biodiversity protection requirements into the credit policy of key industries such as wind power generation, pumped storage and coal, as part of its efforts to safeguard the boundary of natural ecological protection as well as the national ecological safety.



Protecting forestry biodiversity

BOC actively supports the customers and projects that meet biodiversity requirements and obtain international forestry sustainability certification; lists “no illegal logging of natural forests, damage to biodiversity, poaching of wildlife, etc.” as one of the customer access criteria; reviews the environmental assessments of forestry projects; pays great attention to the environmental and social transition risks and reputational risks of forestry projects, supports forestry projects that have passed FSC/PEFC/CFCC certification, and does not support the plantation forests that are built at the expense of illegal logging of natural forests, and indicates that the state-certified voluntary emission reductions in the category of forestry carbon sinks that meet the criteria can be included in the scope of collateral and pledge.

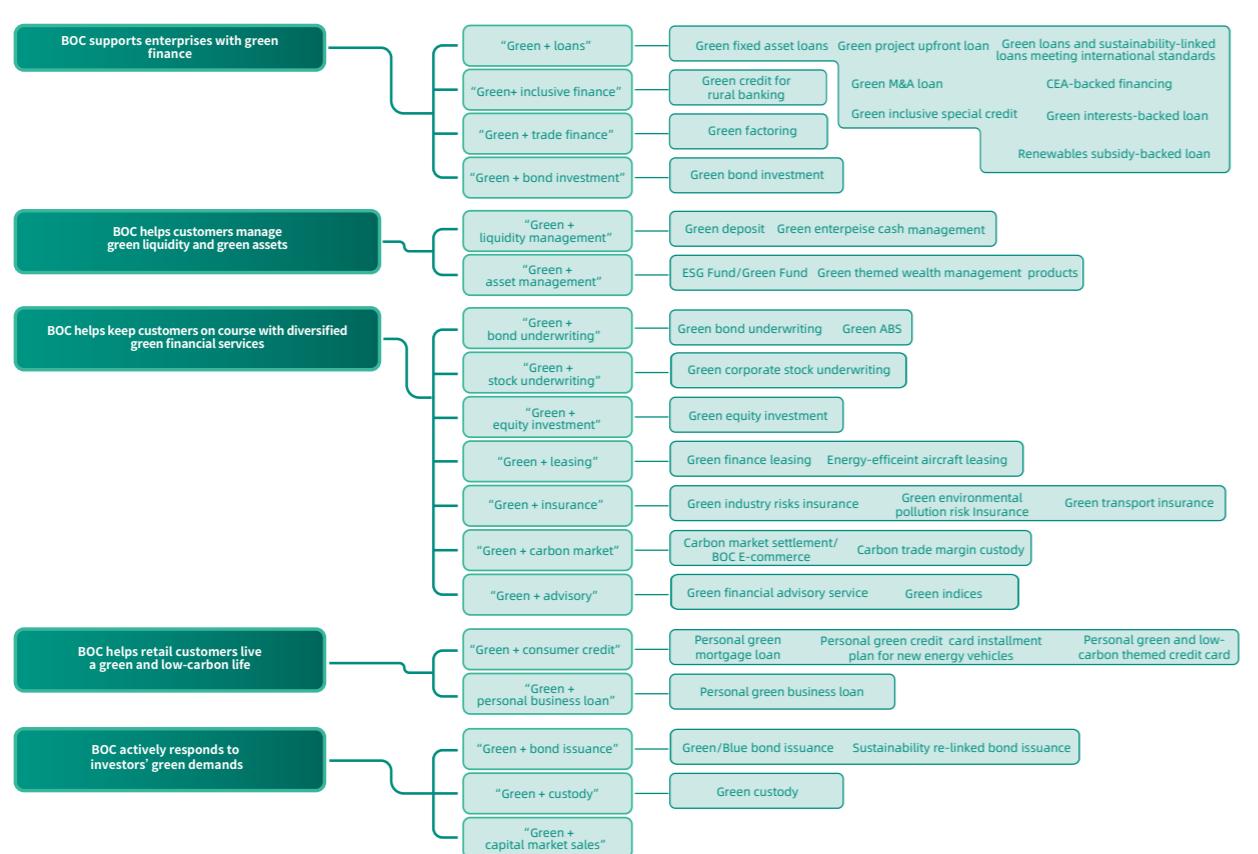


Innovative Green Products and Services

Relying on its “One Mainstay, Two Engines” strategy, BOC propels the Chinese society toward low-carbon transition and ecological progress through financial strength. In 2022, the Bank compiled the “BOC Green+” Handbook of Financial Products and Services in both English and Chinese. In doing so, the Bank aimed to build “BOC Green+” into a global brand.



“BOC Green+” Financial Product and Service Supermarket



Domestic Commercial Banking

Green credits grew fast

BOC sets aggressive targets for green development, strongly underpins green industries such as clean energy, green transportation, and green buildings, and has supported a series of landmark projects worldwide. By the end of 2022, BOC's green credit balance in the Chinese mainland (by the CBIRC standard) equated to RMB1,987.2 billion, a year-on-year increase of 41.08%, with a non-performing ratio of less than 0.5%.



Green initiatives - Green credits

- Throughout the year, the Bank issued RMB73.511 billion loans in carbon emission reduction and RMB16.361 billion loans for clean and efficient utilisation of coal. Since the establishment of the two relending tools, the total amount of loans granted through the tools was RMB78.009 billion.
- The “BOC Smart Chain - Green Chain” brand was launched, covering various services such as carbon emission reduction bill rediscounting and settlements of the carbon emission quota and the CCER trading volume, while promoting more active and effective carbon reduction actions by core enterprises in cooperation with their upstream and downstream partners along the industry chain.
- BOC Beijing Branch followed the principle of biodiversity conservation and supported the green building construction and ecological environment protection restoration project in the Yanqing Area of Beijing Winter Olympic Games as the leading bank in syndicated loans.
- Boc Zhejiang Branch successfully led the preparation of the first purely Chinese ESG-linked syndicated loan in the domestic syndicated loan market which is the first application of the government's ESG indicators.



► The “BOC Smart Chain – Green Chain” brand

Green bonds continued to lead the market

BOC vigorously develops green bond business. It provides a new engine for China's green, low-carbon development by issuing, underwriting and investing in green bonds.



Issuance

- A total of RMB87.7 billion equivalent green bonds were issued overseas in 2022, ranking first among Chinese green bond issuers.



Underwriting

- The Bank helped various institutions issue bonds. The amount of domestic and overseas green bonds underwritten in 2022 reached RMB259.529 million and USD28,985 million respectively, ranking first among Chinese institutions on Bloomberg's ranking of the world's offshore green bonds.



Investment

- While continuously and vigorously promoting green bond investments in its RMB portfolio, the Bank ensured the quality and efficiency of green bond investments through meticulous pre-investment preparation, strict in-process risk control, and continuous post-investment monitoring, ranking first on NAFMII's list of investors with green bonds in 2022.



Green initiatives - Green bonds

- The Bank issued the first US dollar-denominated biodiversity-themed green bond for global financial institutions in Europe.
- The Bank issued the world's first green bond based on the *Common Ground Taxonomy* (updated version).
- The Bank, as a joint lead underwriter, helped China International Marine Container (Group) Co., Ltd. issued the first blue bond in the Guangdong-Hong Kong-Macao Greater Bay Area Interbank Market.
- As a joint lead underwriter, the Bank represented Huaneng Lancang River Hydropower Inc. to issue China's first "Sustainability-linked/Rural Revitalisation-themed/Carbon Neutral" green perpetual medium-term note in the interbank market, with the proceeds earmarked for the Yangtze River protection, clean energy, and green projects with significant carbon emission reduction benefits, and other projects significantly effective in carbon emission reduction.
- As the lead underwriter and bookrunner, the Bank assisted the Hungarian government in successfully issuing RMB2 billion of green sovereign Panda bonds. It is the first green bond issued by a foreign sovereign issuer in China since the official release of the *China Green Bond Principles*.



► BOC's green bonds under the *Common Ground Taxonomy* (Updated Version) win IFF's Global Green Finance Award – Innovation Award

Green personal business continued to grow

Selling ESG-themed wealth management products by proxy

- Since 2021, the Bank launched a string of ESG-themed investment products in various types such as fixed income, fixed income enhanced, hybrid, and holding period. By the end of 2022, it sold 217 ESG-themed investment products to customers by proxy, with an outstanding volume of over RMB40 billion.



Rolling out installment programmes for new energy vehicles

- BOC reached cooperation with mainstream new energy vehicle (NEV) brands in the market to drive green consumption by giving service charge discounts.
- The Bank joined hands with key NEV manufacturers to carry out various promotional activities such as test drives. A series of online promotional activities such as "BOC Sharing Car | Green Travel" was introduced to create a special brand of NEV installment services.



Issuing green, low-carbon bank cards

- BOC became the first bank in China to issue a green/low-carbon-themed credit card. The credit card is a digital card that identifies green and low-carbon transactions using the personal consumption behaviour data in UnionPay's transaction system. It could build a system of green and low-carbon bonus points, and introduce an entertaining, interactive, and dynamic rewarding mechanism to enhance cardholders' involvement in environmental protection.
- BOC Shanghai Branch upgraded its "Green Account Debit Card" to "Green, Low-carbon Card", creating the industry's first debit card in the "waste sorting + low carbon" concept, which would also support the functions of the government's green account platform.
- BOC Qinghai Branch innovated and launched personal green accounts, built an "account+equity" framework, and promoted the concept of low-carbon and environmentally friendly lifestyle, in a way to continuously store and add value to the ecological protection endeavor of Qinghai.
- By the end of 2022, the total number of customers applied for green, low-carbon debit cards reached 1,156 thousand across the Bank.

Globalisation

BOC actively supports green and low-carbon industries worldwide, leveraging its superior financial services and businesses to promote sustainable development in places where it operates. The Bank topped Chinese banks on Bloomberg's rankings of "Global Green Bonds" and "Sustainability-linked Loans".



Green initiatives - Globalisation

- BOC Singapore Branch participated as the lead bank in the sustainability-linked syndicated loan for Lendlease Global Commercial REIT, which is the largest sustainability-linked loan in the Asian REIT market.
- BOC London Branch contracted and disbursed a syndicated loan as one of the lead banks for the world's largest operational offshore windfarm in the North Sea, UK.
- BOC New York Branch got involved in a syndicated loan for the world's largest geothermal power project, as the coordinated lead arranger and book manager, the top title of the syndicate.
- BOC Sydney Branch launched the multi-currency green deposit scheme (including RMB) that could comply with the *Common Ground Taxonomy*, a joint initiative of China and the European Union, and participated in the largest ESG-linked loan project financing in Asia Pacific.
- BOC Dubai Branch was appointed to lead a standalone water project in the Red Sea coast of Saudi Arabia. It was the first project in the region to convert a thermal water desalination plant into a greenfield reverse osmosis facility.

Integration

Focused on the requirements of national strategies for economic restructuring and industrial development, BOC gives full play to its advantages in integrated operation and uses various financial instruments such as equity, bond, investment, funds and asset management to provide green industries with a variety of financial services.



Building A Green and Harmonious Environment Together

To fully exploit its expertise and leading role in green finance, BOC has been actively involved in global climate governance and is working with internal and external stakeholders to make new headway in the harmonious coexistence of man and nature.

Collaboration and Communication

BOC is actively involved in international green governance. To date, the Bank has signed or participated in more than 10 green and ESG-related initiatives and organisations, contributing its wisdom and solutions to climate change response.



United Nations Principles for Responsible Banking (UN PRB)

Undertaking climate risk management and disclosure under the PRB framework and participating in the deliberations on the PRB framework.



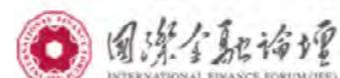
Task Force on Climate-related Financial Disclosures (TCFD)

Carrying out climate risk management and disclosure under the TCFD framework.



Green Investment Principles (GIP) for the Belt and Road Initiative

Getting various aspects of work related to GIPs done properly, performing the role of the Chinese Chair of GIP Working Group III, and winning the "Best Progress Award from GIP".



International Finance Forum (IFF)

Joining the IFF Green Finance Working Group as the only Chinese commercial bank, and participating in the compilation of the *White Paper of the US-China Green Finance Working Group*. President Liu Jin attended via video link the 19th IFF Annual Conference and delivered a keynote speech on "Promoting Development of and Cooperation on Green Finance".



The Sustainable Markets Initiative (SMI)

Being elected as the vice chair of the SMI China Council and attending seminars about sustainable development.

The Pilot Program of UK-China Climate and Environmental Information Disclosure

Conducting disclosure and in-group communication as required by the pilot program.

The International Sustainability Standards Board (ISSB)

Participating in workshops related to the exposure drafts of some international sustainability disclosure standards developed by the ISSB and providing feedback.

ISO/TC322

Participating in the development of ISO standards related to sustainable finance.

BOC actively organised and participated in a wide array of green/ESG-related exchange events to express its professional views and insights on green finance at various important activities and share opportunities presented by green finance with the world, which included COP27, the Part Two of the 15th Meeting of the Conference of the Parties to the United Nations Convention on Biological Diversity (COP15), the APEC Business Advisory Council (ABAC), the Asia-Pacific Financial Forum Sustainable Financial Development Network (SFDN) Roundtable, and the Annual Conference of Financial Street Forum 2022.

Capacity Building

BOC keeps building green finance teams with intensified efforts, draws on advanced experiences at home and abroad to train professionals in green finance, and carries out a series of research on green finance to increase the comprehension of green finance-related issues, thus getting intellectually ready for green development.

Building green finance teams

- The *Green Finance Talent Programme* was released to establish a green finance personnel training system for 14th Five-Year Plan period, which could cover 10,000 persons at three levels and in six directions.
- The BOC Green Finance Academy was established to form an online training scheme consisting of eight topics and more than 80 courses, which registered a total attendance of more than 750,000.
- Activities were carried out, which included the training on green finance for the Board of Directors, the green finance day for all employees, and the training course on introducing green finance policies and products.
- Innovation competitions, labour competitions, business competitions, award-winner selections, and other forms of activities were held, so that employees could build up their abilities and skills with respect to green finance through continuous learning and training. There would form a contingent of green finance professionals.
- A number of staff members of BOC London Branch and Paris Branch received the Green and Sustainable Finance Certificate by the Chartered Banker Institute (CBI).

Undertaking green finance research

- Branches/institutions in London, New York, Paris, Sydney, Zhejiang, Jiangxi, and other places at home and abroad created publications on green finance, ESG, and other themes to communicate and exchange views on the latest industry developments.
- BOC carried out research projects on transition finance, carbon accounting methodologies, and the source-network-load-storage integration of wind and solar PV power.
- BOC kept track of hot topics about green finance available at home and abroad, and published many research papers in internal and external journals on topics such as international experience in combating climate change, green consumption transition, and energy transition with the support of green finance.
- The PKU-BOC Centre for EU Economic and Strategic Research was built and the study on “Green Economy Development, Transition, and Cooperation between China and Europe” was finished in 2022.
- BOC led the project of *Green Finance International Experience Research* by the Green Finance Committee, China Society for Finance & Banking and released the report.



Participating in the formulation of green finance standards

- BOC got actively involved in the formulation of a series of standards organised by the National Development and Reform Commission (NDRC), the Ministry of Finance, the People's Bank of China (PBOC), China Banking Association, etc. In the process, the Bank gradually changed from a participant in green finance to a standard formulator.

Awareness Enhancement

In 2022, BOC released the *Green Action Initiative for Employees of Bank of China* and the *Green Action guidelines of Bank of China* to fully implement the green development philosophy, and help achieve the goals of peaking carbon emission and carbon neutrality.

In addition, BOC has been actively involved in the communities in which it operates, taking the initiative to participate in public benefit activities such as reforestation and animal protection, which are closely related to making ecological progress. In doing so, it aims to convey the green concept through practical actions.

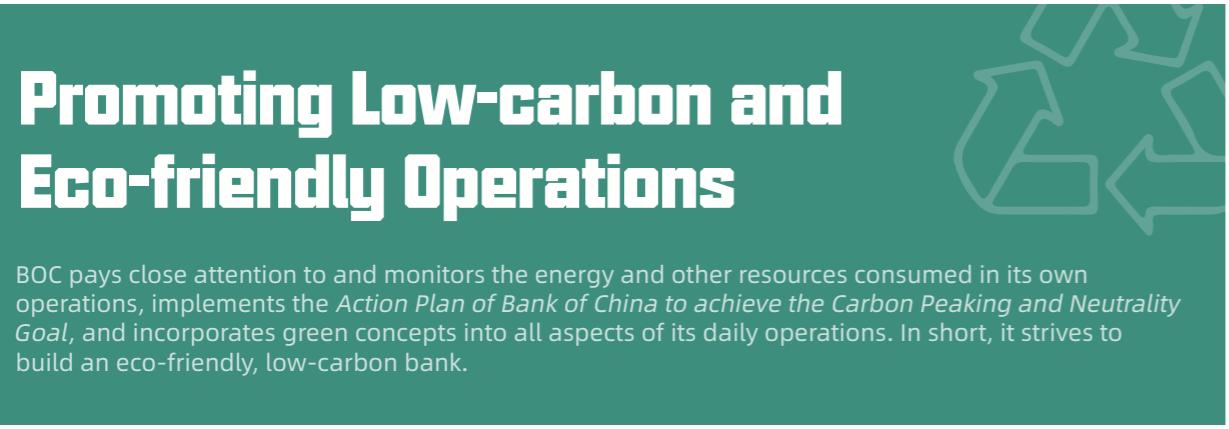


Green initiatives - Awareness enhancement

- The Head Office launched resource-saving initiatives by pasting energy-saving posters at the entrance of the cafeteria and other venues, and putting up water-saving slogans in restrooms, pantries, and other areas. In 2022, the office areas of the Head Office were awarded three stars in the Model Units in Promoting Green Office Activities organised by the Beijing Social Enterprise Quality Association, Beijing Society of Energy, and Beijing Society for Environmental Science.
- BOC Qinghai Branch actively explored new measures to facilitate environmental protection and ecological management. In 2022, it worked with the Sanjiangyuan Ecological Protection Foundation to launch an ecological conservation campaign at the sources of the Yangtze, Yellow and Lancang rivers.
- BOC (Malaysia) procured eco-friendly reusable lunch boxes for its staff, as a move to advocate a low-carbon and healthy lifestyle.



BOC (Malaysia) staff takes part in a beach cleanup organised by the China Enterprises Chamber of Commerce in Malaysia



Green office

- Offices went paperless by making full use of teleconferencing and videoconferencing systems to reduce conference travel emissions. A total of 3,258 video conferences were held by the Head Office and facilities in Beijing throughout the year.
- Energy efficient renovation was made to major buildings of the Bank such as the Head Office Building, BOCHK, London Branch, Shanghai Branch, and Suzhou Branch.
- Boc Wealth Management, BOC Aviation Leasing, and other comprehensive operation companies continued green operations after achieving operations carbon neutrality¹ in 2021.
- BOCI developed a low-carbon action plan along with corresponding emission reduction pathways and measures.
- BOC Shenzhen Branch formulated a carbon neutral programme and three-year action plan.

Green procurement

- Suppliers are inspected in terms of commitment to environmental protection, environmental equipment and measures, etc., and inspection results are considered in the evaluation process.
- It is clearly stated in procurement invitation documents of all projects that “suppliers shall not have any violations against laws and regulations that cause environmental and social risks such as environment pollution and illegal employment”.
- The “Green Procurement” label is required in centralised procurement projects.

Green data centres

- To implement the requirements put forth in the national campaign of “channeling computing resources from the east to the west” and the requirements for building green data centres, BOC fully considered green and energy-saving measures in constructing new data centres in Inner Mongolia and Hefei.
- In March 2022, the “BOC Hefei Cloud Computing Base” project was rated one of the 2021 “National Green Data Centres” by the Ministry of Industry and Information Technology, the National Development and Reform Commission, the Ministry of Commerce, the National Government Offices Administration, CBIRC and the National Energy Administration.

Green services

- Green lobbies were created, where smart LED screens were installed to support the unified release of publicity information in outlets and intelligent display.

1: BOC Wealth Management made its operations carbon neutral in 2021, and had an independent assurance report issued by a relevant agency. BOC Aviation became 100% carbon neutral in direct emissions (including emissions from employees' air travel) in 2021.

Green outlets

- The Green Outlets Building Specifications of Bank of China (Trial)* was formulated to set out requirements for building green outlets in terms of site selection, interior environment, decoration, resource use, etc.
- 157 green finance outlets were established.

Green Winter Olympic Games

- As the only official banking partner of the Beijing 2022 Olympic and Paralympic Winter Games, BOC became carbon neutral in providing financial services for the event.
- The Winter Olympics green outlets were built as LEED-certified green buildings.

BOC strengthens energy conservation and consumption reduction management to reduce energy losses and improve energy efficiency in office activities, which involves water, electricity, paper, and oil. Following the group-wide carbon inventory in 2021, BOC continued to conduct a group-wide inventory of operation-related environmental information in 2022, which also covered water, paper, and waste. According to the inventory results, the Group's total energy consumption reduced by 4.86% and direct GHG emissions declined by 15.58% from 2019 to 2022. In 2022, the Bank consumed 13,5356 million cubic meters of water and 12,100 tons of office paper, generated 45,700 tons of waste.



Every trivial related to people's wellbeing must be taken carefully

In 2022, BOC endeavored to safeguard people's good life with sincerity and care.

The emergence as the only official banking partner of both the Winter Olympic and Paralympic Games embodied the continuation of the dream of BOC. On the snowy white track, the youngsters were skiing to the distance with glowing energy. Through the "Ice and Snow Seed Program", BOC continued to support the development of sports industry in the post-Winter Olympics era, allowing children passionate about skiing to experience the charm of snow and ice up close, adding color to their childhood.



Sincerity

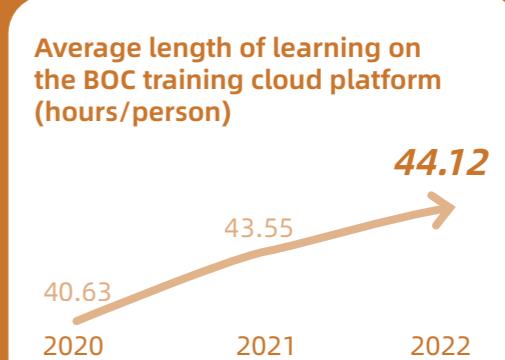
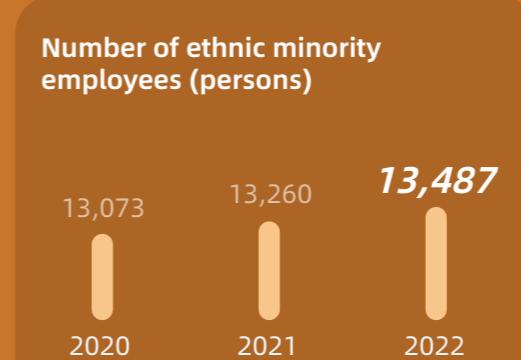
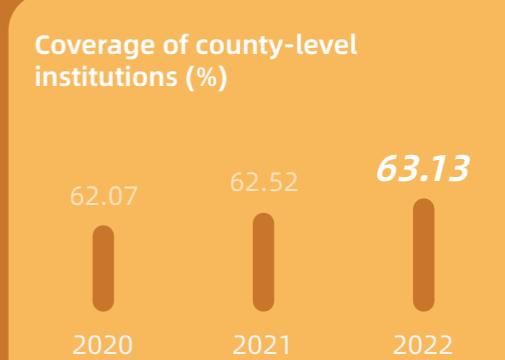
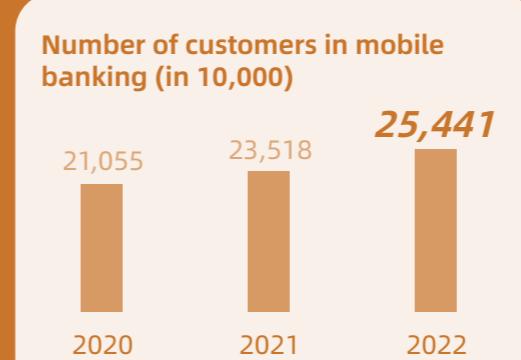
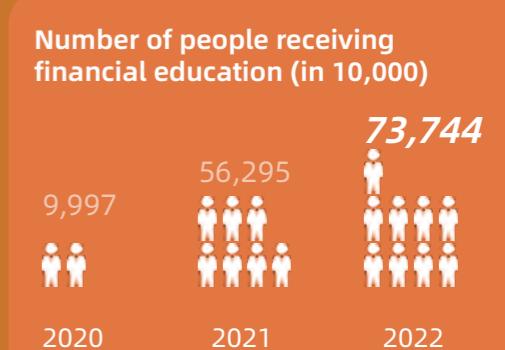
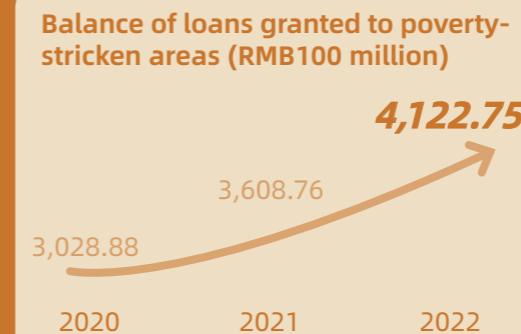
Being the Guardian of Good Living

Performance Highlights

According to the report of the Party's 20th National Congress, "We must ensure and improve the people's wellbeing in the course of pursuing development and encourage everyone to work hard together to meet the people's aspirations for a better life". Remaining committed to the mission of "bridging China and the World for the Common Good", BOC firmly observed the task of providing finance services for the people's good and took people's satisfaction as an important work objective, in a way to bring more beauty and convenience to the people and meet people's expectation of a better life through financial innovation.

In 2022, focusing on the housing, retirement, education and other issues that are in people's concern with heart and soul, BOC continuously enriched the supply of financial products, adhered to the "customer-centric" business management philosophy, and devoted itself to providing consumers with more heartfelt and convenient financial services and experience. Adhering to the talent-driven development and the strategy of strengthening the bank with talents, the Bank vigorously strengthened the team building of high-caliber personnels, stimulated the vitality of employees, advanced the cultivation and development of talents by promoting their professional qualifications, provided resources for the growth of employees, so as to enable all bank employees to embrace the opportunity of pursuing self-development. On the basis of actively devoting to the public charity, BOC drove and supported willing and capable enterprises, social organizations and individuals to engage in public charity, pooling the power of charity to build a happy and beautiful society.

By the end of 2022, the number of monthly active customers of personal mobile banking reached 76.2 million; a total of 8,515 portable smart counters were put in place, and government services were introduced to smart counters in 5,300 outlets in total. In 2022, all complaints were handled, and the satisfaction rate of individual customers was 90.9%, an increase of 0.6 percentage points compared with the previous year; the BOC Philanthropy platform enrolled 117 social organizations, with a total of 221 charitable fundraising activities launched and published, raising a total of RMB44,789,000 and 682,600 donations; and provided more than RMB79 million anti-poverty grant funding to the "four counties in Xianyang", and purchased and sold RMB187 million of agricultural products in poverty-stricken areas nationwide, as part of its efforts to strongly support local social and economic development.



Enhancing the People's Well-being



Committed to developing finance for the people, BOC keeps innovating financial products and services, takes more initiatives to benefit the people, and prioritises solving the issues of the greatest concern to the people. In other words, the Bank leverages its financial strength to help the people improve the quality of life, meet their growing needs for a better life, and march towards common prosperity.

Old-age Support

BOC strives to be a good guardian of the silver-haired. Bearing the financing and non-financing needs of senior citizens, the Bank fully participates in the construction of a multi-level and multi-pillar pension system, in which older people can lead happy lives.

Consolidating and expanding financial services for the elderly

BOC comprehensively enhanced its management and service capacity. By the end of 2022, the pension funds under the custody of BOC reached RMB170,243 million; the individual enterprise annuity accounts under the management of BOC numbered 3,898,700; and the working capital under pension custody was RMB906,602 million.

To further enrich people's choices of pension finance products, BOC Wealth Management issued three pension wealth management products after obtaining the pilot qualification of such product kind, raising RMB8,469 million. Throughout the year, BOCIM issued one more new target-date pension fund, and managed five pension target funds totaling RMB396 million.

Improving the quality of life for older people

Keenly aware of the needs for cultural, entertainment, and living services among older people, BOC relied on silver-haired scenarios to provide quality and comprehensive services for the elderly.

Education for older people was provided to help enrich the spiritual life

- As an online learning platform for senior citizens, BOC University for the Elderly was set up with three sections and six colleges. By the end of 2022, BOC University for the Elderly provided about 480 online courses, and generated over 2 million visits.

Grey-hair Map was cast to provide a living guide for the elderly

- Grey-hair Map (Version 2.0) was introduced, which was home to more types of institutions, covering nursing homes, offline universities for the elderly, medical institutions, community cafeterias, featured merchants, and featured outlets, to provide "15-minute" door-to-door services. By the end of 2022, 2,715 institutions of all types became operational, which came from 30 provinces and municipalities.

A special elderly zone was created to increase the accessibility of elderly services

- Intelligent data analysis was conducted to match elderly customers with financial products that suited their risk preferences.
- A one-stop elderly service ecosystem was built to provide frequently used functions such as bill payment. Quality partners were introduced to offer a variety of services such as video medical consultation, online purchase of medicine, family doctor, home care, pension planning, and investor education.
- By the end of 2022, the silver economy zone accumulated 107.42 million visits and 4.66 million users.



► BOC Pension Cards for silver-haired people and their children

Access to Housing

Always adhering to the principle that "housing is for living in and not for speculation", BOC has earnestly implemented the requirements of national policies, fully supported the efforts to "ensure the delivery of housing projects, people's livelihood, and stability", and taken multiple measures to promote the stable and healthy development of the real estate market. It is committed to making sure that people can live and work well.

Working harder to support real estate financing

- The Bank signed the Head Office-to-Headquarters Strategic Cooperation Agreements with more than ten real estate enterprises, including Vanke Group and Longfor, to deepen all-round cooperation in key business areas such as real estate development loans, M&A loans, bond underwriting and investment, personal housing loans, and letters of guarantee, with a view to fully meeting the reasonable financing needs of real estate enterprises. M&A financing and other financial means were used to buy time for some real estate enterprises with temporary liquidity difficulties, and close attention was paid to the special financing for "ensuring the delivery of housing projects", in a bid to help resolve risks in the real estate industry.

Increasing the supply of government-subsidised housing loans

- BOC formulated special measures to provide corporate credit support for the whole chain of government-subsidised rental housing projects, which consisted of construction, acquisition, renovation, and decoration, as well as the daily operation of rental housing enterprises. In doing so, it helped form a housing system featuring multiple suppliers and multiple channels of support that would encourage both housing rentals and purchases.

Access to Education

BOC has attached great importance to the development of education, vigorously served the strategy of invigorating China through science and education and the workforce development strategy, accelerated the construction of strategic education scenarios, and striven to build the “Education+” financial and non-financial integrated service system that could meet the diversified needs of all relevant customer groups, such as “parents, teachers, students, schools, and teachers” throughout the whole cycle of education.

In 2022, BOC continued to advance a comprehensive solution for smart campuses, by launching the K12 smart campus platform (version 2.0), and put into service the digital service platform for technology transfer and the one-stop function for smart campus of colleges and universities to deepen cooperation with colleges and universities and research institutes, which could provide education-related quality financial services for education authorities, schools, teachers, and parents.



Students

- BOC continued to disburse national student loans and implement the policies on interest-free student loans and deferred repayment of such loans.
- BOC diversified the bank card products for student customers including the campus version of the Boundless Youth Card. It launched the “International High Schools in China” database on the studying abroad channel of the “BOC Cross-border GO” app, providing comprehensive, objective, and convenient information for persons planning to study abroad at the undergraduate level.
- BOC joined hands with the Ministry of Education of the People's Republic of China to carry out a massive online job fair for the third consecutive year. By the end of 2022, a total of nearly 520,000 jobs were provided in total, of which 310,000 were offered in 2022.



Parents

- BOC worked with a team of experts from China Education Press Agency to launch 12 high-quality course videos on the “Lezhi School” special channel in the education section of the Mobile Banking app. These videos were played for over 8.5 million times by the end of 2022.



Schools and education authorities

- BOC upgraded the “Campus Pass” service to support e-CNY transactions. By the end of 2022, it cooperated with 96 universities on the service.
- BOC improved the information service platforms in the education industry, brought education and training funds under whole-process online supervision, and got the BOC Intelligent Management System connected with the Ministry of Education’s National Comprehensive Service Platform for Out-of-School Tutoring Supervision, to serve the implementation of the national policy for easing the burden of excessive homework and off-campus tutoring for students undergoing compulsory education.
- BOC and the Ministry of Education jointly launched an action plan for supporting development of vocational education, according to which the two would give in-depth cooperation in nine areas, including campus construction of vocational colleges, IT adoption of vocational colleges, personnel training for modern manufacturing, and national skills competitions for vocational colleges, with a view to promoting the high-quality development of vocational education in China.
- BOC and the Ministry of Education jointly launched the “Future of Smart Education” training programme for 10,000 primary and secondary school principals and heads of education authorities. By the end of 2022, on-site training was provided in 26 places of 13 provinces and municipalities across China, with an attendance of more than 1,300.



Student loans helped young people to pursue their dreams

In 2022, while implementing the policy for interest exemption and deferred repayment of national student loans, BOC took into account the migration of graduates and other changes to launch the “BOC Student Loan Assistant” applet, which allowed students to conveniently apply for deferred repayment of their national student loans over their mobile phone.

As one of the first commercial banks to undertake national student loans, BOC has been implementing the national student loan policy with quality and efficient financial services for 23 consecutive years since 1999. By the end of 2022, it disbursed RMB25,746 million in loans to help more than 1.8 million economically disadvantaged students complete their studies, contributing to the buoyant development of national education.



→ BOC undertakes national student loans



→ BOC Sichuan Branch launches the “Alipay-Life” e-CNY online tuition and fee payment scenario at Xihua University



→ BOC Suzhou Branch and Suzhou Institute of Industrial Technology co-launch the first e-CNY campus card hardware wallet for universities in China

Convenient Health Insurance Services

BOC signed the Head Office-to-Headquarters Cooperation Agreement with the National Healthcare Security Administration (NHSA) to fully serve the national health insurance reform as a partner bank for medical insurance e-cards. The Bank continued to provide more convenient medical insurance services for the people, by promoting the extensive use of medical insurance e-cards and mobile payment applications. By the end of 2022, 26.69 million mobile banking users of the Bank were authorised medical insurance e-card holders.



► BOC builds convenient health insurance service stations

Advocating Healthy Lifestyles

BOC actively promoted the concept of building China into a beautiful country and a country strong on sports and released the *Action Plan of Bank of China for Supporting Sports Development* in 2022, thus opening a new chapter of financial support for sports development; the Bank fully supported the establishment of government sports public service platform and promoted the innovative integration of "sports + finance"; the Bank carried out fitness campaign nationwide to promote the high-quality development of the sports industry, worked to build a strong country on sports, and promoted the sharing of healthy lifestyle.

Building BOC intelligent sports service system

- BOC intelligent sports service system included sub-systems for sports event management, sports association services, sports welfare consumption and ERP of sports venues, which widely met the core needs of sports authorities and associations at all levels and were implemented in many provinces and cities across China.

Optimizing the service of mobile banking sports zone

- **Financial services:** the Bank created several zones for special products such as the credit cards themed with Winter Olympics, the Great Wall Boundless Sports Cards, and the Great Wall Ice and Snow Debit Cards to realize the overlay of basic product benefits and exclusive offers in the zones, so as to enrich customer experience.
- **Non-financial services:** the Bank added venues booking services for table tennis, swimming and other sports under its national fitness campaign, and launched the equipment center to facilitate customers for the purchasing of sports equipment.

Creating social environment of national fitness

- The Bank carried out the discounted sports service booking activities to bring benefits to thousands of families.
- Echoing with sports day such as the International Olympic Day and National Fitness Day, the Bank launched a series of national fitness activities to bring the public both interesting and professional sports and fitness experience.
- In 2022, a total of 150 activities themed with ice and snow sports and national fitness were carried out, registering participation of more than 11,768,000 people.



► BOC Dalian Branch hosts 2022 Dalian Sports Industry Carnival, distributing RMB1.5 million of dividends in the form of e-CNY and sports consumption vouchers of WeChat during the event to unlock consumption potential in sports

Consumption Expansion

Committed to serving the strategy of expanding domestic demand, BOC leverages on its advantages in financial innovation to meet the personalised and diversified consumption needs of the people, and help to get the domestic economic flow unimpeded.

Expanding scenarios to support consumption upgrading

Focusing on various personal consumption scenarios such as home decoration, car purchase, education and travel and targeting the needs of niche customer groups, the Bank consumer loan brands such as "BOC E-Credit" and "Youth E-Credit", thus enriching its consumer loan product system. The "Family Consumption Reserve Fund", "BOC E-instalment", and other branded services were promoted to meet the diversified consumption needs of the public through the collateral-free and unsecured reserve funds.

Providing fast payment services to increase consumption efficiency

The Bank continued to build the "BOC Benefit Day" consumption brand, launching a series of fast payment activities targeted at the public, providing special offers to the users of WeChat, Alipay, JD.com, Meituan, and other mainstream payment institutions who would bind their bank cards to their platform accounts, and giving discounts along with platforms and brands such as Tmall, Hema, Sinopec, and Heytea.

Helping merchants and bringing benefits to consumers to forge an e-CNY payment ecosystem

In 2022, BOC launched an open e-CNY ecosystem, which was built and shared by all sectors of society, such as customers, banks, and third parties.

In Hainan, BOC fully exploited the zero-fee advantage of e-CNY to build up the electronic payment and collection capacity for business districts and merchants. Discounts and reduced/exempted collection fees were offered to help merchants increase their business income. Meanwhile, the Bank actively participated in "Have Fun in Hainan", the first government-sponsored duty-free shopping festival, as well as the e-CNY discount marketing campaigns sponsored by Wenchang, Tunchang, and Qiongzhou governments. The inclusive and secure e-CNY was used to facilitate people's spending.



Setting Sails

As the official banking partner of Beijing 2022 Winter Olympic and Paralympic Games, BOC successfully fulfilled its commitment to high-quality financial services with "zero infection, zero accident, zero error and zero complaint"; outside the games, BOC lived up to its promise on the ice and snow sports by supporting the goal of Nationwide Winter Sports Promotion Programme through practical actions and promoting the high-quality development and popularization of ice and snow sports to help the realization of every ice and snow dream.

Supporting the Infrastructure Construction for the Winter Olympics

Since the *Master Construction Plan for Venues and Support Infrastructure for the Olympic and Paralympic Games Beijing 2022* was published in 2018, BOC have increased loans for the construction of major venues, infrastructure and support facilities for the Winter Olympics, which provided firm support for the implementation and advancement of related projects. The Bank customized comprehensive financing plans for several venues including National Speed Skating Oval, Big Air Shougang and National Alpine Skiing Centre, provided loans to support the construction of Beijing section of Yanqing-Chongli Expressway, Beijing-Zhangjiakou Intercity Railway and Chongli branch railway, and provided funds for utilities projects for China National Convention Centre Phase II related to the Winter Olympics, which gave firm support for the implementation and advancement of related projects.

By the end of 2022, a total of more than RMB30 billion was granted to high-quality ice and snow projects in more than ten provinces, municipalities and autonomous regions, including Beijing, Hebei, Jilin, Heilongjiang and Xinjiang, to promote the construction and renewal of ice and snow stadiums and sports facilities.



Delivering an Olympics with a green approach

BOC designed and built our temporary outlets for the Winter Olympics with green building standards and materials, and provided green energy supply for these outlets. The Bank comprehensively calculated our carbon emissions in the outlet construction and operations, machinery operation, consumable usage, dining and travelling of personnel and other activities during our support for the Beijing Winter Olympics and Paralympics. We offset inevitable carbon emissions by means such as purchasing carbon quotas and developing carbon sink projects. BOC became carbon neutral in providing financial services for the event.

Providing professional financial services

The Bank set up five temporary outlets and four self-service areas in the three competition zones, made full use of online banking, telephone banking, mobile banking, call center and other online channels to provide services in nine foreign languages and cash exchange services with 28 foreign currencies, and formulated exclusive foreign exchange service solutions for inbound foreign institutions and individuals, optimizing business processes and shortening business processing time. At the same time, BOC launched a pilot project for e-CNY in Winter Olympics-related scenarios, with digital RMB transactions volume accounting for approximately 45% of the total, which meets the mobile payment needs of domestic and foreign personnels in the Winter Olympics scenario and enhancing the customer payment experience.

During the Winter (Paralympic) Games, the Bank's Winter Olympic outlets received a total of 8,687 institutional and individual customers, processed 500,000 transactions, and provided foreign language consulting services 307 times through 95566 human customer service hotline.

Comprehensive financial services

- At the temporary outlets for the Winter Olympics, we provided services for overseas people who will stay in China during the Winter Olympics, including cash deposit and withdrawal, foreign currency exchange, cross-border remittance, e-CNY and so on. Meanwhile, we opened a foreign currency "green channel", according to which overseas individuals, by presenting their Accreditation Card for the Winter Olympics, can exchange foreign currencies rapidly and expediently at our outlets in the three zones, and can enjoy small-sum foreign currency exchange services through self-service exchange machines or hotel-based foreign currency exchange points on a 24-hour basis.

E-CNY services

- Under the guidance of the PBOC, we acted as the sole provider of e-CNY services piloted in the area of the Winter Olympics, providing whole-process services of exchanging, top-up, use and redemption of software and hardware wallets in BOC outlets, contracted hotels and other sites within the area. The Winter Olympics-themed hardware wallet (Ice Chip. Snow Band) was the first e-CNY hardware wallet in China. Meanwhile, POS terminals accepting e-CNY were applied in merchants, contracted hotels, designated hospitals at various venues of the Winter Olympics. Clients can make payments through the Scan or Touch functions.

Online customer services during Winter Olympics

- We fulfilled the commitments made as a partner of the Winter Olympics, provided services for the Games in Chinese, English, French, German, Italian, Russian, Japanese, Korean, Spanish and Arabic languages, and further upgraded functions of telephone banking, audio guide and customer service platform to provide specialised, efficient and highquality services to improve the event participants' financial service experience.



► The command center of BOC in Zhangjiakou Zone successfully delivers financial services for the Winter Olympics



1 Shuttle buses traveling in the Winter Olympic Village witness the efforts devoted by BOC employees to the Winter Olympics

2 BOC Hebei Branch employees provide enthusiastic volunteer service despite of coldness

3 The temporary outlet set up by BOC Beijing Branch provides high-quality services for the Winter Olympics, gaining recognition of foreign customers

4 IOC President Thomas Bach and his delegation visit the financial service area of the Winter (Paralympic) Village of BOC Chongli Branch

Promoting ice and snow sports development

We promote the popularization of winter sports, help more people fulfill their dreams of participating in winter sports, and inspire the general public to contribute to the development of the ice and snow sports industry.

Launching ski pass products in an innovative way

- We launched a series of ski pass, enabling customers to access several top ski resorts in Chongli, Beijing, Jilin and other major skiing areas. This allows skiers to have more skiing options and brings them better and diversified skiing experience.
- We built pilot bases of ice and snow sports scenarios at Shijinglong Ski Resort in Yanqing and Xishan Ski Resort in Beijing, providing skiers with a scenario experience integrating recreation and modern finance.

Winter sports zone of mobile banking

- We launched a one-stop winter sports zone to support smart Winter Olympics with FinTech, which covered over 100 ice and snow rinks in China and abroad. We also launched a series of Winter Olympics-related products including ski pass and precious metal products to create a brand featuring “ice and snow + outdoor” services.

Organising colourful events themed on ice and snow sports

- We held a variety of activities themed with ice and snow such as “Centenary BOC witnessing glory - Dual Olympic Bank”, “Welcome the 20th National Congress, promoting the popularization of ice and snow sports”, and organised “Bank of China VISA Credit Card Cup Super FixedPoint Skiing • Open” and National College Curling League etc.
- We organised “Bank of China National Youth Winter Camp” in Tongchuan of Shaanxi, Liupanshui of Guizhou and Dujiangyan of Sichuan, enabling about 2,000 students nationwide to experience ice and snow sports, have a deep understanding of the Winter Olympics culture, have fun in winter sports, and arouse their enthusiasm for winter sports.



➔ Olympic and Winter Olympic athletes gather at the event on-site of Centenary BOC witnessing glory – Dual Olympic Bank



Serving Customers with Heart and Soul



Pursuing a customer-centric approach, BOC quickens up its transition to digitalised operation, continuously improves customer experiences, safeguards customers' legitimate rights and interests, and raises basic financial literacy among the public. In summary, it strives to be the most caring financial advisor for customers.

Improving the Customer Experience

More considerate services

BOC has taken the initiative to reduce fees and forgo profits. From February 1, 2022, the Bank abolished the annual fees for personal debit cards and the RMB management fees for small-amount personal demand deposit accounts. It gave a 90% discount on subscription rates for personal pension public offering funds, preferred fixed income products, and "Fixed Income Plus" products. A total of 800 products were covered to effectively reduce transaction costs of customers. At the same time, BOC provided featured services for different customer groups, making financial services more inclusive and attentive.

Customers in counties and rural areas

- The Beautiful Village version of mobile banking was introduced and a debit card with the theme of rural revitalisation was promoted.

New citizens as a customer group

- The debit cards themed with new urban residents, "new π card" was launched on a pilot basis; a simple account opening service was unveiled for flexibly employed people. A categorised and graded management system for personal accounts was established, which could provide bank account functions, and make dynamic adjustments in light of the customer's needs and account risk. "New π Card" was introduced as a new citizen-themed debit card.

Vulnerable groups

- The elderly version of mobile banking was launched, which supports large-font display for frequently-used functions and on-screen reading for key functions to meet the needs of visually impaired users.
- Closed cash counters are brought back to outlets to effectively take into account the needs of some elderly customers and other groups for manual counter services.
- All outlets are equipped with seats and presbyopic glasses, and provided wheelchair accessible passages or alternative services to ensure smooth access to outlets for customers with reduced mobility, such as the elderly and people with disabilities.

Customers in ethnic minority areas

- The Uyghur version of mobile banking was launched to display frequently used functions such as account view and transfer & remittance in Uyghur, a move aiming to improve the accessibility of financial services in ethnic minority areas.



→ Elderly customers reading in a space for older people partitioned by BOC Hubei Branch



→ BOC Suzhou Branch sets up a community activity experience centre, a smart senior care technology centre, and an age-friendly retrofitting demonstration centre at Jinchang Senior Care Service Demonstration Site cum the "Financial Pioneer" Party-mass Service Centre



→ New urban residents enjoy more flexible, convenient and inclusive consumer loans through BOC consumer finance

More professional and considerate services

Professional asset allocation services

- The “BOC Smart Investment”, asset diagnosis service, could render customers with professional and intelligent asset allocation advice. It served 4.69 million customers in 2022.
- Exploiting the leading position in specialised operation, “BOC Investment Strategy” was created as a global investment advisory service system covering stocks, bonds, currencies, and commodities, and consisting of daily, weekly, monthly, quarterly and annual reports.
- Relying on the Online Wealth Account platform, BOC intensified investor education and guided customer services. By the end of 2022, 31 financial institutions, including funds, insurers, bond brokers, and wealth management subsidiaries, joined the platform, posting 10,971 articles and getting 550,000 subscribers.

Enhancing the professionalism of financial managers

- BOC improved the standardised service process for financial managers, implemented a code of conduct for financial managers, and ensured that financial managers could provide compliant and professional services while enhancing the customer service experience.
- The BOC Wealth Management Assistant app was upgraded to create a mobile phone-based customer relationship management system, with a view to building up remote customer service capabilities.

Building a contingent of customer experience specialists

- As employees were close to the market and customers, BOC selected branch employees to form a team of customer experience specialists, made dynamic adjustments to team members, and helped them sharpen business skills through online qualification certification, business competence assessment, and exchange training programmes.

More intelligent and convenient services

BOC relied on smart operations to advance outlet transformation, provided digital services through mobile banking, and promoted digital outlet management platform. It better conducted outlet management and service through intelligent and digital technologies.

Mobile banking making a better life within reach

In 2022, BOC launched mobile banking version 8.0, optimised the processes of such functions as management of security tools and online customer service, and created the Payroll Manager function to provide comprehensive wealth management solutions for payroll customers. At the same time, the New Citizen Service Zone was put into services, and the Beautiful Village version of mobile banking was introduced to enrich non-financial scenarios ecosystem and foster a better life service platform closely related to people's livelihood. By the end of 2022, personal mobile banking had over 76.20 million monthly active customers, representing a year-on-year increase of 7.26%.

Smart counters for more convenient services

In 2022, BOC deepened the offline intelligent service ecosystem and promoted the portable smart counters to enhance customer experience with convenient and fast financial services.

- The “card replacement and claiming” scenario was launched, so that customers who needed to replace bank cards in bulk claimed and activated their cards quickly.
- The scope of availability for no-card services at smart counters was expanded, so that Hong Kong, Macao, Taiwan, and foreign customers could scan the QR code for identity authentication through mobile banking, providing customers with a convenient card-free and contactless service experience.
- The integrated online platform for government affairs services were provided over 4,612 smart counters at 2,178 outlets in the Yangtze River Delta. It meant that more than 480 government affairs services could be available across different places of the region, and cover key fields concerning people's well-being such as human resources, medical insurance, household administration, and housing provident funds.

By the end of 2022, BOC had installed 8,515 portable smart counters, representing a year-on-year increase of 53.8%. Government affairs services were introduced to smart counters at 5,300 outlets. Smart counter services covered 60 categories and 305 sub-categories.



Protecting Rights and Interests of Customers

BOC attaches great importance to the protection of the rights and interests of financial consumers, always puts the rights and interests of financial consumers in the first place, and incorporates consumer protection into its corporate governance, corporate culture building, and business development strategy.

Improving related working mechanisms

BOC has taken concrete action to practice the values of “providing excellent services” by continuously improving its working mechanisms in terms of organisational structure, resource availability, system development, performance appraisal, consumer protection review, and staff training, among other aspects, to enhance the quality and efficiency of consumer protection management and ensure that consumer protection measures can be put in place properly.

Organisational structure

- The Corporate Culture and Consumer Protection Committee, an arm of the Board of Directors, is responsible for reviewing the Bank's consumer protection strategies, policies, objectives, etc., making recommendations to the Board of Directors, and supervising and evaluating the work done in relation to consumer protection.
- The Consumer Protection Committee, an arm of the Executive Committee, is responsible for coordinating the planning, supervision, and guidance with respect to consumer protection.
- The Consumer Protection Office, which is a dedicated department for consumer protection, is responsible for implementing the resolutions reached and work requirements put forth by the two committees and leading institutions at all levels to take various consumer protection initiatives.

Resource availability

- The staffing for consumer protection was increased. The establishment of a pool of consumer protection personnel, regular “on-the-job training”, and other methods were used to turn out consumer protection professionals, while more resources were input.

Institutional development

- A series of rules and documents on consumer protection, operational policy, performance appraisal, consumer protection review, marketing and publicity, information disclosure, information protection, complaint management, awareness enhancement, and emergency response management was formulated to come up with refined requirements for consumer protection and improve the consumer protection system continuously.

Performance appraisal

- An internal appraisal system for consumer protection was established, to assign weights reasonably, incorporated the internal assessment results into the comprehensive performance appraisal system, human resource management system and accountability system, and gave full play to incentives and constraints.

Employee training

- Training on consumer protection is conducted on a regular basis, which covers related laws, regulations, and policies, regulatory requirements, and internal documents and deals with a wide range of areas such as complaints management, consumer protection review, information disclosure, marketing campaigns, information protection for personal customers, and awareness enhancement.
- Training audience consists of middle and senior management, primary-level business personnel, and new employees. The purpose of training is to enhance staff awareness of and capability for consumer protection and to get related work done better. In 2022, consumer protection training courses recorded a total attendance of over 670,000.
- A collection of methods such as regular briefings on typical cases, risk alerts and all-employee participation in special tests was used to effectively enhance employees' awareness of and capability for information protection compliance.



Consumer protection review

- BOC released the *Measures for Managing Consumer Protection of Bank of China Limited* and refined the *Key Points for Approval of Consumer Protection Appraisal*, setting out the reviewed entities, the scope of review, key points of review, and review process, stipulating that in the processes of product/service design and development, pricing management, and agreement formulation, aspects of content that may affect consumers shall be assessed and reviewed, which included products and services, rules and policies, agreement texts, pricing standards, and marketing campaigns, and incorporating consumer protection reviews into the risk management and internal control framework.

Protecting the safety of customer funds

BOC has set up a steering group for telecom fraud control, and taken multiple measures to effectively clamp down on and prevent fraud and ensure the safety of customer funds.



Account management

- Strengthening the control and categorised/graded management of newly opened accounts, carrying out due diligence on account opening properly, and conducting strict reviews on the opening of non-counter payment services.
- Reducing the cases where one person holds multiple bank accounts to effectively control high-risk accounts.



Model development

- Constructing a risk monitoring and interception model for fraud-related personal debit card bank accounts to intercept and control suspicious fraud-related accounts in real time.



Police-bank joint action

- Launching a 100-day campaign in which the Bank worked with police to crack down on telecom fraud, as part of the efforts to assist public security authorities in comprehensively addressing the stark problems of the black and gray industries.
- Sending specialists to anti-fraud centres at national, provincial, local, and other levels to cooperate with the PBOC and public security authorities in terms of inquiry, emergency stop payment, and quick freezing of accounts involved in cases.



Security measures

- Developing the *Security Business Continuity Plan*, improving the business continuity management system, standardising the procedures and requirements for response, recovery, restart, and restoration when business operations are interrupted and risk data collection/reporting cease to safeguard the continuous operation of important businesses, effectively preventing, controlling, and mitigating the adverse effects of business interruption events in a timely manner, and ensuring the personal and monetary safety of employees and customers.
- Constantly improving contingency plans, organising employees to carry out contingency plan drills, and enhancing the security awareness and emergency response capabilities of all employees.



Awareness enhancement

- Becoming a winning team at the “Anti-fraud and Pro-compliance” financial fraud prevention knowledge challenge organised by *China Banking and Insurance News*, to effectively enhance staff's capacity for preventing and identifying financial fraud.
- Carrying out the “Anti-fraud and Anti-gambling Awareness Month” campaign by means of onsite education targeted at outlets, communities, enterprises, and schools, as well as public service advertisement placement.

Customer complaints and satisfaction management

In 2022, BOC further implemented the *Customer Complaints Management Measures of Bank of China Limited* to strengthen complaint management efforts. It took 182,000 customer complaints throughout the year, all of which were handled or closed, with its regulatory rating and ranking concerning consumer protection both on the rise.

Appraisal and evaluation

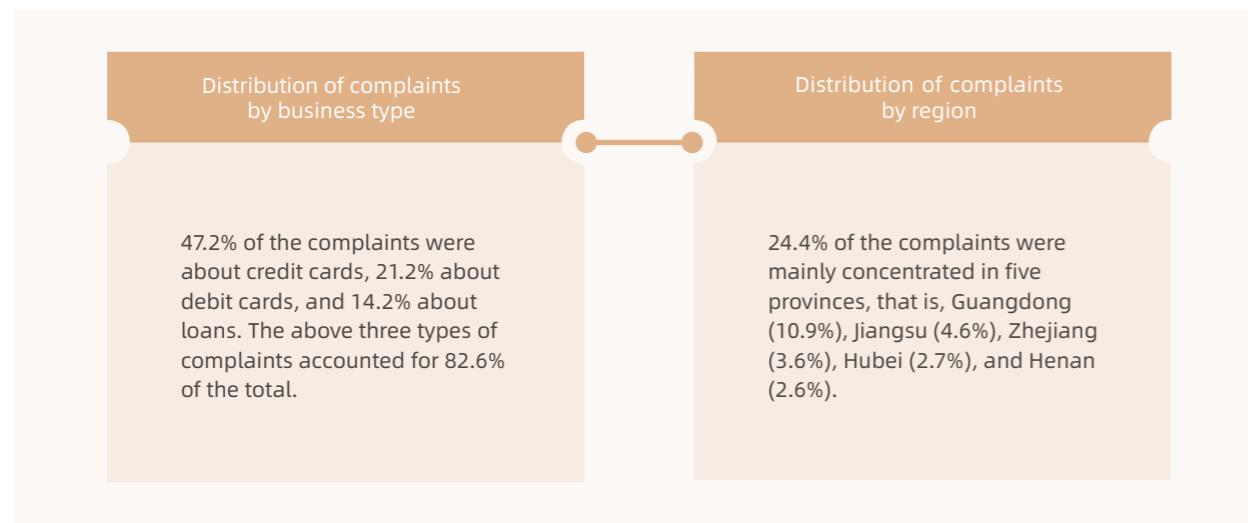
- Incorporating the number of complaints and the quality of complaint response into the scope of assessment, paying extra attention to the completion rate of complaints, the percentage of regulatory complaints, and dispute settlements, and making sure complaint handling institutions could assume primary responsibility properly.

Response process

- Releasing customer complaint channels on the Bank's official website and standardising the complaint response process.
- Verifying the matter complained about with a person who has no direct interest in the matter, ensuring that there is no direct interest between the complainant and the person handling the complaint, and protecting customers as complainants from retaliation.

Retroactive rectification

- Focusing on areas where customer complaints were concentrated, assembling a list of issues to be corrected, and reducing customer complaints from the business end.
- Building up the ability to handle complaints at the primary level through professional training sessions and plan drills, and working hard to nip disputes and complaints in the bud or at the early stage.



BOC listens carefully to the voice of customers, uses customer feedback as a guide, and forms a closed-loop workflow that consists of "collection, analysis, evaluation, and improvement". The Bank also invites third-party professional research agencies to conduct customer satisfaction surveys every year, in the hope of fully understanding how customers evaluate its financial products and services. In 2022, the Bank's overall consumer satisfaction rate went up by 0.6 percentage point from last year to 90.9%.



Scan the QR code to view the 2022 Annual Report on Financial Consumer Complaints of Bank of China



Scan the QR code to view the customer complaint channels and complaint handling process of BOC

Promoting Financial Literacy

BOC works hard to effectively enhance financial literacy and educate financial consumers. Focusing on key groups such as the elderly, people with disabilities, young people, and new citizens, the Bank has adopted a combination of online and offline means to carry out differentiated education and publicity activities, advance intensive awareness-raising efforts on regulatory themes and regular financial literacy measures, and help customers comprehend financial products and services correctly, thus enhancing the financial literacy of the public and helping the people to raise their awareness of financial health.

Offline

- A series of awareness-raising activities were carried out, which included the March 15 Consumer Protection Awareness Week, Protecting Your Money & Popularizing Financial Knowledge, and Financial Knowledge Popularisation Month.

Online

- Online channels such as the official website, WeChat public account, video account, Weibo, and TikTok were used to create a cloud-based financial literacy platform that could integrate web articles, long posters, short videos, and other widely beloved media forms.



In 2022, BOC conducted 56,000 consumer protection awareness activities, which covered 737 million consumers, and the original promotional scripts released through online channels generated 179,442,400 views.

New citizens

Financial literacy zones were set up for new citizens at some outlets. At the same time, outlet staff went to construction sites, enterprises, and business districts, where awareness-raising activities were carried out for groups such as migrant workers, deliverymen, doorkeepers/security personnel, and small and micro business owners, to explain the risks of common illegal financial activities and help new citizens enhance their awareness of risk prevention and rights protection.

The elderly

BOC provided financial literacy instruction for elderly customers visiting its business outlets, and organised special lectures, knowledge quizzes, and other activities at venues frequently visited by the elderly such as nursing homes and senior citizen universities, all of which were intended to popularise the concepts of rational investment and anti-fraud knowledge and enhance the awareness of fraud prevention and self-protection among elderly consumers.

Students

Focused on areas closely related to young people, especially school students, such as rational spending, reasonable borrowing, and payment security, BOC conducted on-campus financial literacy activities to guide students to rationally choose and correctly use financial products and services, enhance their ability to detect financial fraud, and establish a rational view of consumption.

People with disabilities

BOC collaborated with special education establishments to carry out financial literacy activities, where language interpreters were present and access manuals were distributed, to help people with disabilities using smart technology in the financial sector.



1 BOC Beijing Branch sends volunteers to a construction site for financial literacy instruction

2 BOC Beijing Branch sends volunteers to provide financial literacy instruction for food deliverymen

3 BOC Hubei Branch carries out the “Protecting Your Money” financial literacy campaign at a plant area

4–5 BOC Guangxi Branch carries out financial literacy activities in communities

1 BOC Beijing Branch visits Beijing Normal University, University of Science and Technology Beijing, Beijing Jiaotong University, and other universities to promote financial literacy among student groups

2 BOC Guangdong Branch conducts the telecom fraud prevention awareness campaign at Zhuhai Fifth Primary School

3 BOC Hubei Branch staff gives a lively financial course to children who stay behind in an area receiving its targeted assistance

4 BOC Shandong Branch creates an experimental base for financial education for special groups and conducts an activity to experience a barrier-free environment

Pursuing A People-oriented Approach



BOC is committed to the strategy for building prosperity through talent building, works hard to recruit a workforce capable of taking on important responsibilities, and makes it a mission to attract, train, retain, and care for talents, so as to develop into a stage for quality talents to play their role and promote quality-oriented development with high-caliber staff.

Talent Attraction and Retention

Focused on its strategic development needs, BOC works harder to attract quality talents, and provides employees with smooth career development paths, allowing them to feel and act as owners.

Employee recruitment

As per the principles of openness, fairness, and competitiveness, BOC recruits and promotes employees by assessing the professional competence and skills of applicants and candidates in external recruitment and internal appraisal. It never deems gender, ethnicity, religion, family status, physical illness, or other factors as recruitment and employment criteria.

Vacancy release

- Strictly reviewing the terms of recruitment and promptly removing/modifying expressions that may lead to discriminatory misunderstandings.

Recruitment and appointment

- Strictly verifying the recruitment results to eliminate discriminatory and other irregularities.
- Getting supervision and whistle-blowing channels unimpeded, so that candidates could complain about and whistle-blow irregularities that occur in the recruitment process.

Internal promotion and selection

- Candidates are assessed and selected given their competencies and performance in accordance with the *Recruitment and Appointment Management Measures (Version 2020)*.

BOC has implemented the strategy of prioritising employment and proactively expanded the scale of recruitment. In 2022, the Bank cooperated with universities to conduct campus recruitment fairs, strengthened online promotion efforts, optimised written tests and interview sessions, and created a great candidate experience in an effort to attract more quality talents. Through the autumn recruitment, spring recruitment, and internship recruitment in 2022, which started in September 2021, the Bank created a total of 11,000 jobs. By the end of 2022, 12,100 graduates were actually hired by the Bank.

Talent retention

BOC strengthens the lifecycle management of talent career development, forms a hierarchy of talents at all levels and in all fields, builds a career development platform attractive to employees, and provides remuneration and benefits that match well with what employees can do.

Performance appraisal

- An employee performance management system was established, through which various methods such as KPI (Key Performance Indicators), OKR (Objectives and Key Results), and 360-degree evaluation could be used to carry out process management measures such as performance objectives and planning, tutoring and communication, appraisal and feedback, and rewarding and improvement following the basic principles of equal emphasis on incentives and disincentives, objectivity, fairness and impartiality, timeliness, accuracy and reasonableness, and strict compliance with the law.
- The annual appraisal is complemented by both longer and shorter terms of appraisal. Employees of all levels and categories are guided to establish a correct view of performance, enhance their recognition of corporate culture, and improve their professional competence and skills.
- The appraisal results are fed back to staff in an appropriate form and applied to various fields such as salary distribution, promotion, training and development, and awarding.

Salary management

- Employee remuneration consists of basic pay, performance-related pay, and benefits.
- Base pay depends on the job value and an employee's duty performance ability. Performance-related pay depends on the performance assessment results of the Group, the institution or department with which the employee is affiliated, and the employee himself/herself.
- The Bank defers payment of over 40% of performance-related pay to personnel who take significant risks and assume risk management duties. The deferred payment usually lasts for three years at least.

Employee engagement survey

- An employee engagement survey mechanism was established, to understand employees' recognition of the corporate culture, management mechanisms, and working environment. Employees of various institutions at all levels would give their scores online anonymously. In 2022, the survey covers approximately 30,000 people.

BOC monitors staff turnover rates on a quarterly basis. It has devised early warning criteria, prompts institutions with high or fluctuating turnover rates to analyse the causes thereof in a timely manner and develop talent retention measures.

Personnel Training and Development

In 2022, BOC formulated the *Talent Development Programme for the 14th Five-Year Plan Period* and the *Education and Training Programme for the 14th Five-Year Plan Period*, both of which systematically planned the training of employees across the Bank. Centred on the strategic tasks set out in the *Outline of Development Plan for the 14th Five-Year Plan Period and Long-range Objectives through the Year 2035 of Bank of China* and targeted at all employees, especially those working at the primary level, the Bank increased investment in resources, innovated talent training models and materials, improved online learning platforms, and enhanced professional training capabilities, shaping a culture of all-employee learning. In the process, it could help employees grow, while better responding to and solving business problems.

Diversifying training programmes

BOC continues to improve its system of internal training programmes. To date, a comprehensive set of well-functioning internal training programmes have taken shape to meet the development needs of staff at different levels and in different business lines.

System of internal training programmes

Dimension	Objective	Deliver a better performance in the period	Promote strategic development
Deepening the leading role of Party building		Party school training	
Solving business problems		Daily business training	Training on strategic key notes
Promoting employee development		Training on job qualification and capacity building	Personnel development training

New employees

- Online and offline training programmes were provided for new employees recruited by the Head Office from fresh graduates in 2022; The “New Employee Development Community” activity was launched for new employees in the branches and integrated operation companies to clear up their job confusions during on-duty period, and the “Young Employee Development Community” activity was carried out within the jurisdiction to improve their capability weakness in digital transformation to advance their rapid growth.
- A total of 57 recommended courses in the new employee training series were developed throughout 2022.

Employees in professional positions

- Training was intensified for high-caliber leading personnel, financial technology (FinTech) personnel, personnel proficient in globalised and integrated operations, and professional financial personnel, and a diversity of training programmes were rolled out around key business fields such as the “eight priority areas for enhancing financial service” capabilities, digitalised innovation, customer service, and risk management.
- The 2022 Plan to Bring Professional Sequences Online was formulated to continuously promote the development of professional qualification training system and the improvement of a curriculum system and examination database.

Managerial personnel

- For primary-level managerial personnel, training, exchange and mutual learning programmes for outlet heads were implemented to improve their comprehensive management capabilities.
- The training programmes for accelerated leadership reform were launched to develop innovative thinking among managers and enhance the management’s ability to drive change. These programmes trained 80 senior managers, 980 middle managers, 197 junior managers, and 2,000 well-performing employees throughout 2022.
- An online training course for new middle managers called “Stimulate Vitality to Take Missions and Responsibilities” was organised to help 44 new middle managers accelerate their role transition.

All employees

- BOC Grand Lecture:** Five sessions were held throughout the year, where renowned experts and scholars were invited to give lectures and share their views on macro-economics, international politics, and other domains, with a total of about 30,000 employees attending the courses.
- Third Staff Learning Day:** Diverse learning activities such as roundtable forums, course displays, and Q&A sessions took place, attracting the attendance of more than 90,000 employees at home and abroad and registering more than one million viewers of learning videos.



→ ESG training in BOC (New Zealand)



→ A boat race in the training programmes for accelerated leadership reform

“Tree of Knowledge in Eight Priority Areas for Enhancing Financial Service Capability” column

In March 2022, the BOC training cloud platform launched the “Tree of Knowledge in Eight Priority Areas for Enhancing Financial Service Capability” column (hereinafter referred to as the “column”), which consists of five sections, i.e. courses, classes, quizzes, live-streaming, and Q&A sessions. Centred on empowering learners and supporting business development, the column brings together learning resources in eight priority areas for enhancing financial service capabilities such as the cases, teaching materials, courses, and micro-courses.

The column has effectively expanded the reach of training, allowing primary-level staff to access high-quality learning resources in a real-time and convenient manner through keyword search and online knowledge labels. In addition, the column is linked to external partners such as government departments, universities, and consultancies, thus setting up a knowledge sharing platform. By the end of 2022, the column uploaded 1,815 courses, live-streamed 55 courses, and gave 210 quizzes. It had over 20,000 users and generated over 270,000 view counts.

Optimising online training platforms

BOC has vigorously promoted the construction of online learning platforms. The “BOC Training” online learning platform launched more than 42,000 courses, and provided more than 9,500 online training sessions, with a daily average of more than 43,000 users online.

Building a stronger teaching force

BOC continued to build a stronger a teaching force. Competitions were held to enhance learning and what was learned was put into actual use, with a view to boosting the professional capacity of teaching personnel.

The “Master Classes” and “BOC Good Cases” campaigns

- The “Master Classes” campaign focused on primary-level development. It developed 128 courses in the areas of business development and customer service, digitalised transformation and innovation, etc., to foster a team of excellent internal trainers.
- The “BOC Good Cases” campaign extracted 121 practical and replicable vivid cases, which covered topics such as Party building, eight priority areas for enhancing financial service capabilities, risk management, and corporate culture, to effectively support improvement of the practicality and applicability of primary-level training.

The “Global Teacher’s Day” serial activity

- The happy teacher’s day card was co-signed and issued by Chairman, President, and Chairman of the Board of Supervisors of the Bank, teacher representatives shared their views in various forms, and commemorative medals were granted to staff who had long been engaged in personnel training. The activity offered effective incentives for all educators and trainers across the Bank.

The professional competence programmes

- **The “Learning Power Leap” training camp:** An online learning community was established to help more than 200 training managers and internal trainers at the Head Office and branch levels to improve their in-depth learning skills. Social learning activities were organised to facilitate the conversion of what had been learned into actual use, thus enhancing the professional competence of internal trainers and educators.
- **The “Modern Learning Practices” online learning programme:** The training on the basic theories of modern learning and the sharing of the best practices at home and abroad were conducted and the learning effects were consolidated through after-class quizzes. The programme helped more than 300 practitioners in education and training managers, full-time or part-time, internal trainers, and core business staff who were interested in joining the team of internal trainers become aware of the new trends of digitalised learning and online learning, and improve their professional competences.

Supporting employees in learning after work

BOC advocates and encourages self-learning among staff, provides necessary resources and financial support for after-work learning of all employees (including regular and dispatched employees), relies on online platforms to procure books and learning materials, and re-examines the scope of fully reimbursable professional qualifications, which could cover a wide range of fields such as finance, accounting, risk compliance, IT, comprehensive management, and foreign language learning.

Cementing cooperation among enterprises, universities and research institutions

BOC works with external partners such as universities, industry associations, professional education and training agencies, and consultancies to deepen cooperation around personnel development and innovation in training programmes, thus promoting in-depth integration of enterprises, universities, and research institutions.

In 2022, the “BOC Intelligent Valley” practical training base to align classroom education with real-world needs teamed up with over 20 universities and vocational schools nationwide, setting up a platform where students could take internships and practices. This is a fruitful attempt made by the Bank to explore a new model of talent training, promote the close connection of education chain, talent chain, industry chain, and innovation chain, and turn out much-needed talents.



Building the Institute of Technology and Finance with Shanghai Jiao Tong University

The SJTU-BOC Institute of Technology & Finance (SJTU-BOC ITF) was inaugurated on July 30, 2022. The SJTU-BOC ITF is committed to implementing the national strategy of building prosperity through science and education, building a strong country in science, technology, and human capital, growing into one of the world’s top institutes of technology and finance that shape the future, and cultivating the top-notch innovative personnel proficient in technology and finance who embrace the future.

BOC and the SJTU-BOC ITF co-organised a “BOC Technology Finance Summit Forum” and the joint training programmes for digital leading talents and outstanding young talents, under which the two sides worked together to train inter-disciplinary research personnel and specialised application personnel, accelerate the growth of outstanding young staff at the Bank, and conduct research on technology and finance, with a view to deepening the alignment of classroom education with real world needs.



The Industry-Education-Research Integration Seminar in the Yangtze River Delta

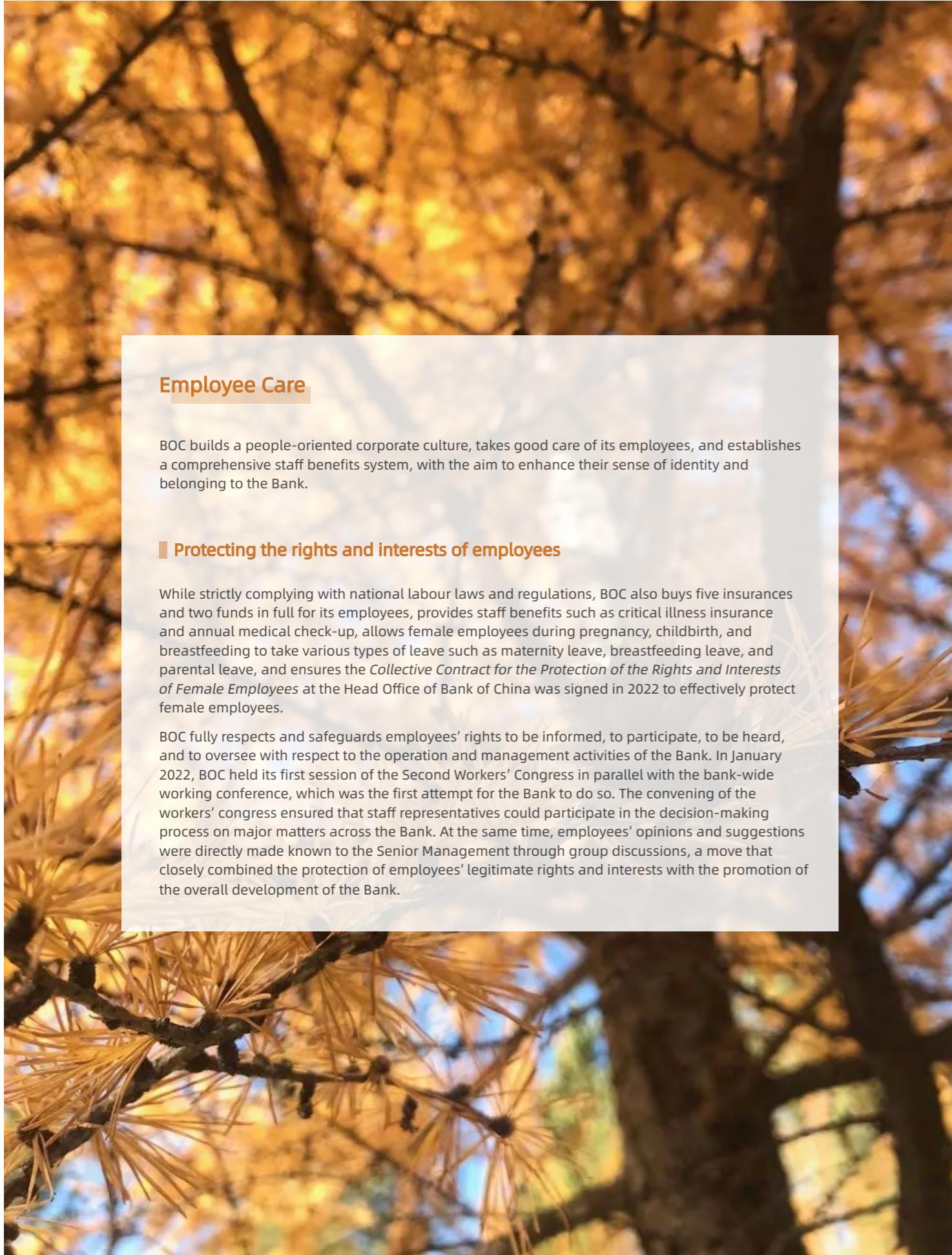
Since 2020, BOC has organised the Industry-Education-Research-Innovation Integration Seminar in the Yangtze River Delta for three consecutive years. Centred on the four strategic emerging industries of the Yangtze River Delta region, i.e. industrial Internet, artificial intelligence (AI), integrated circuits, and biomedicine, the seminar held training and learning activities from four dimensions, that is, industry, education, research, and innovation, and invited experts and scholars from the China Centre for Promotion of SME Development (an arm of the Ministry of Industry and Information Technology of the People’s Republic of China), China SME Development Fund Co., Ltd., Chinese Academy of Engineering, China Semiconductor Industry Association, and renowned enterprises in the industry to give lectures, facilitating the training of personnel proficient in technology and finance for the Yangtze River Delta region. The seminar produced 27 special reports, 50 online micro-courses, and eight high-quality courses, and trained more than 600 persons excelling in industry, technology, and finance.



→ A joint base of BOC FinTech and Shanghai College of International Finance makes its way to the first list of “Digital Transformation and Artificial Intelligence Industry Talent Bases” in China

Improving the personnel promotion mechanism

BOC actively builds teams of professional personnel around the needs of strategic development, continues to strengthen the management of professional qualifications, and turns out versatile professional talents through various means such as on-the-job/project-based practice, professional training, and exchange and job rotation. While attaching equal importance to globalising expatriates and localising foreign employees, the Bank introduces a comprehensive set of training measures for both expatriate and foreign workers.



Employee Care

BOC builds a people-oriented corporate culture, takes good care of its employees, and establishes a comprehensive staff benefits system, with the aim to enhance their sense of identity and belonging to the Bank.

Protecting the rights and interests of employees

While strictly complying with national labour laws and regulations, BOC also buys five insurances and two funds in full for its employees, provides staff benefits such as critical illness insurance and annual medical check-up, allows female employees during pregnancy, childbirth, and breastfeeding to take various types of leave such as maternity leave, breastfeeding leave, and parental leave, and ensures the *Collective Contract for the Protection of the Rights and Interests of Female Employees* at the Head Office of Bank of China was signed in 2022 to effectively protect female employees.

BOC fully respects and safeguards employees' rights to be informed, to participate, to be heard, and to oversee with respect to the operation and management activities of the Bank. In January 2022, BOC held its first session of the Second Workers' Congress in parallel with the bank-wide working conference, which was the first attempt for the Bank to do so. The convening of the workers' congress ensured that staff representatives could participate in the decision-making process on major matters across the Bank. At the same time, employees' opinions and suggestions were directly made known to the Senior Management through group discussions, a move that closely combined the protection of employees' legitimate rights and interests with the promotion of the overall development of the Bank.

Taking good care of employees' well-being

BOC has actively advanced the "Mutual Aid Scheme" among staff members, formulated the *Measures for Managing the Mutual Aid Scheme for Staff of Bank of China*, provided allowances for employees in difficulties caused by major diseases, natural disasters, accidents, etc., and cared about family members of the employees working overseas by arranging medical consultations for their aging parents and help their children get access to school. In 2022, the Bank visited 2,659 employees in difficulties, providing them with allowances worth RMB11,649,900.

BOC advocates "being happy and healthy at work" and provides employees with a wide range of cultural and sporting activities. In addition, the Bank pays particular attention to the mental health of its employees. It cooperates with professional mental health service providers to render staff members in need with timely guidance and counselling.

The "Tour to Chinese Cultural Heritage Sites" child-parent activity

- Twelve families are invited to visit Beijing's cultural heritage sites and museums in each session. Employees and their children are expected to enhance their understanding of China's history and culture in a pleasant tour.

Reading activities for female employees to celebrate the 20th CPC National Congress

- Female staff members were organised to carry out activities such as lunchtime reading salon and family weekend with parents and children walking and reading together. They were also invited to watch expert lectures and meet with writers face-to-face online. All of these activities created a strong atmosphere of reading and enriched the spiritual and cultural life of employees.

A frisbee-themed youth gathering

- Frisbee is a very popular game among young people. A gathering around it allowed young employees to increase teamwork skills, enhance communication, and feel relaxed while playing.

"BOC Smart Trade Union" digital service platform

The "BOC Smart Union" digital service platform launched a host of functional modules for the Head Office, which included video medical consultation, online mall, management of interest groups, movie and TV drama viewing, staff activities, and walking, to create a "multi-angle, multi-form, and multi-channel" digitalised trade union service system, making staff feel better taken care of at the Bank.



► BOC Insurance holds a leather handicrafts making activity to celebrate the International Women's Day on March 8



► Poland Branch organizes the first "Chamber of Commerce Cup" Badminton Match for Chinese Enterprises



► BOC Panama Branch staff members have a team building activity outdoors

Getting Actively Involved in Charitable and Public Interest Undertakings

BOC is committed to a path of professional public-interest development, planning philanthropic activities in a science-based manner, and linking finance with philanthropy to realise wealth growth and social development.



Forging A Professional Public Welfare Brand

Relying on the Bank of China Philanthropy platform and BOC Charity Foundation, BOC continues to explore a model that combines finance, public welfare, and Internet to get all sectors of society actively involved in the charitable undertakings. In 2022, the platform was connected to the Featured zone and Public Welfare zone on the Life channel of the BOC app, allowing mobile banking users nationwide to make public-interest donations through the Bank of China Philanthropy platform. In the year, the platform attracted 117 social organisations as members and rolled out 221 public-benefit fundraising activities, raising RMB44,789,000 from 682,600 donations.

Launching innovative products that combined finance with charity

- **Implementing charitable trusts:** To meet customers' personalised needs for doing public good, though the year BOC helped private banking customers set up 38 charitable trusts, and innovatively implemented the industry's first "points-based" charitable trust to promote the in-depth integration of charity and private banking services.
- **Unveiling asset management products sold by proxy for public good:** Some principal of and returns on such products would be used to support public welfare projects, facilitating the systematic and regular involvement of customers in public benefit initiatives.

Expanding public welfare service scenarios

- **Education:** BOC hosted with China Education Development Foundation the first "University Charity Week", providing university foundations with fundraising support and professional project guidance. It helped 42 social practice-themed public benefit projects initiated by 32 universities raise RMB2.29 million in funds from 77,000 donations, effectively broadening fundraising channels for universities.
- **Elderly care:** The BOC Philanthropy Mutual Support Elderly Care platform was upgraded to develop functions such as multi-location authentication for the needs of people receiving elderly care and providing volunteer services on a non-local basis. The "Mutual Support Time Capsule" immersive community interaction app was rolled out, which brought 30 fun online tasks for helping older people. Users could donate or redeem the points earned by completing tasks, answering questions related to helping the elderly, and signing in.

Promoting e-CNY for public good

- E-CNY-based public donation scenarios were created in Hainan Province, and related activities, online and offline, were carried out. By the end of 2022, there were 154,800 charitable donations.

Building a charity management system

- BOC Yunnan Branch and BOC Financial Technology jointly co-sponsored BOC Financial Technology Charity Integrated Service Platform (donation management integrated platform in Yunnan Red Cross Society), which provides comprehensive and multi-dimensional operational support for the charity industry and establishes the online management of the whole process of "donation - collection - management - allocation at all levels - beneficiary acceptance and feedback - feedback at all levels - public announcement" to ensure the transparency of the donation process and timely public announcement.

Unifying Financial Forces for Public Good

BOC is engaged in the fields of public welfare, such as rural revitalization assistance, donation for schools, disaster relief, aid for the weak and needy, and cultural exchange. It contributes to the building of a better society through professional public benefit practices. In 2022, the Bank launched 91 assistance projects through external donations totaling RMB45,749,200.



Targeted assistance for well-being enhancement

The annual work plan was formulated in support of the four counties in Xianyang City, Shaanxi receiving targeted assistance, that is, Yongshou, Xunyi, Chunhua, and Changwu in rural revitalisation to be pursued by building on success in poverty alleviation. In 2022, the Bank invested more than RMB79 million (donations of RMB30,600,600) in assistance funds and RMB700 million in credit funds in the four counties of Xianyang City, introduced RMB210 million in investment to the counties, and gave training to an attendance of over 30,000, which consisted of community-level officials, leaders in rural revitalisation, and professional technicians. Besides, the Bank also purchased and sold agricultural products from the areas lifted out of poverty nationwide worth RMB187 million, directly benefiting nearly 500,000 people.

Assistance through industrial development

- Reimbursable funds worth over RMB700 million were invested throughout the year in support of key industrial projects in the four counties, including agrivoltaic, livestock and dairy projects.
- Modes for investment invitation were innovated. Eight branches in economically developed regions paired with the four counties to help them attract investments. A series of activities, such as the “Tour of Investors to the Four Counties of Xianyang City” and the “Visit of Jiangsu and Zhejiang Merchants to Xianyang City”, invited corporate investments worth RMB210 million in total.
- A number of measures such as assisting in the construction of industrial development projects and supporting the establishment of agricultural machinery cooperatives were adopted to help collective economies of villages grow larger and stronger, create jobs, and transfer more than 1,100 people to locations where they could find employment during the year.

Assistance by boosting the consumption of goods produced by areas lifted out of poverty

- The “Public Welfare of China” consumption-based assistance platform got connected to the Mobile Banking app, as a move to broaden the consumer base. Various preferential activities were held to encourage customers to purchase agricultural products from the areas lifted out of poverty.
- The “Apple Tree Adoption” public welfare project was carried out, in which over 11,000 apple trees were adopted in the four counties of Xianyang City throughout the year, involving a total amount of nearly RMB1.2 million.
- BOC joined hands with the Quicklook broadcast room of Xinhua News Agency and Xianyang Municipal Bureau of Agriculture and Rural Affairs to hold a live-streaming activity called “BOC Starts A New Journey towards the Better Countryside” to advance poverty alleviation through consumption, in which high-quality agricultural products from the four counties were available for sale, attracting 530,000 viewers.
- Through CCTV, online new media, high-speed train and other channels, BOC supported the four counties of Xianyang City in the promotion of special agricultural products and red culture and tourism, reaching a total of about 1 billion people.

Assistance in the form of personnel training

- The BOC Rural Revitalisation Schools were built to provide systematic training for community-level officials, rural cooperative leaders, personnel engaged in agricultural production and operation, and other groups by combining online and offline means and through bank-university cooperation. The BOC Rural Revitalisation School was rated the “Best Learning Program for Corporate Training in China” in 2022 by the Organising Committee for the Selection of China’s Top 100 Corporate Education Brands.
- Eleven online courses on rural revitalisation were developed for village officials, rural revitalisation leaders, and professional technicians in the four counties of Xianyang City, covering topics such as interpretation of rural revitalisation policies, featured industries of agriculture and cultivation, “Internet Plus” marketing of agricultural products, and animal and plant breeding techniques. Meanwhile, BOC worked with the Northwest A&F University and China Association for Science and Technology to develop more than 20 digital courses, training a total of 25,000 people in 2022.

Educational assistance

- Over RMB10 million was invested in the four counties of Xianyang City to support campus infrastructure construction and teaching & learning environment improvement at primary and secondary schools and kindergartens.
- To exploit the Bank's advantage in globalised operations, a mechanism was established where overseas institutions could work with the counties receiving targeted assistance. Six live-streaming interactive classes were provided by overseas institutions, where their staff volunteers gave lectures to students in the areas receiving assistance, helping broaden their horizons. These activities had an attendance of over 2,500.

Improvement of human habitats

- BOC supported the areas receiving assistance in flood control and post-disaster reconstruction, by getting involved in repair of damaged houses, repair of flood-damaged roads, and purchase of relief supplies to ensure that local people could quickly return to normal life and work.
- A rural toilet revolution project was implemented, to effectively ease the shortage of toilets and upgrade poor facilities, which directly benefited nearly 1,000 households.
- New water supply facilities were built, and rain-sewage shunting, rural drinking water purification, and other projects were carried out to improve the water quality and living environment for rural residents, directly benefiting more than 4,000 people.

The insurance against poverty was launched to guard the bottom line for rural revitalisation

In 2022, BOC invested RMB3.8 million in non-reimbursable funds to implement the Insurance against Poverty project, which covered 447,000 rural residents in the four counties of Xianyang County. For rural households at risk of slipping back to poverty, each of which had a per capita income of less than RMB6,000 a year due to illness, disaster, schooling, accident, or other reasons, assistance was provided through the procedures of verification and assessment, door-to-door survey, public announcement, and fund disbursement, helping local communities to ensure that people would not sink back into poverty in large numbers.

An assistance project for selenium-rich rice planting demonstration plots

Linjiang Village, Jiangqiao Town, Tailai County, Qiqihar City is a village receiving targeted assistance from BOC Heilongjiang Branch. In order to innovate the assistance model in villages and expand the channels for their incomes increase, the branch cooperated with local grain processing enterprises to set up an agricultural products manufacturing and marketing centre, which planted about 13.33 hectares of selenium-rich rice as demonstration plots, giving rise to a new assistance model covering planting, acquisition, processing, and sale. In 2022, the demonstration plots produced 70 tons of selenium-rich rice, and the income of the village collective, rice growers, and households lifted out of poverty increased by RMB75,000 compared with last year. The mode for assistance produced remarkable results.



► The selenium-rich rice planting demonstration plots project supported by BOC Heilongjiang Branch reaps a good harvest



- The BOC Charity Foundation finances a new water tower and supporting facilities in Dujiazhuang Village, Ganjing Town, Yongshou County, Xianyang City, to stabilise the supply of water for production and domestic uses and ease the seasonal shortage of water for local residents
- The English and Chinese versions of the volumes *BOC in Xianyang* and *Apple Blossom* are published in more than 50 countries and regions worldwide to tell the story of China's poverty reduction to the world
- Adopting fruit trees to show support for farmers
- BOC staff members market agricultural products from the rural areas receiving targeted assistance at the China International Import Expo (CIIE)
- BOC Fujian Branch actively participates in the local public benefit programs, including the "I have a land plot in the countryside" farming activity

Small dribs and drabs adding up to big love

BOC continues to explore and innovate in a number of public welfare areas, and joins hands with more partners to create greater value for society.

Education donations

- **"BOC Scholarship for Basic Subjects"** : The scholarship was jointly founded with China Education Development Foundation, to reward and subsidise outstanding graduate and doctoral students who major in 30 key basic disciplines at the fist-class universities of the world in China. In 2022, a total of 60 students stood out and received the scholarship.
- **"BOC Private Enjoyment-Love-Spring Bud Project"** : For the nine consecutive years, the project, launched in cooperation with the China Children and Teenagers' Fund as a public welfare platform for the Bank's customers and employees, has provided financial support for junior and senior high school girls in remote areas of Yunnan and Shaanxi. To date, it has donated over RMB10 million to more than 2,600 girl students.

Disaster relief

- After a 6.8-magnitude earthquake hit Luding County, Ganzi Tibetan Autonomous Prefecture, Sichuan Province, BOC Sichuan Branch initiated the contingency plan, according to which makeshift service stations were set up around its outlets, a green passage for earthquake relief was opened up with donations made through special accounts exempted from remittance fees, and more credit resources were channeled towards the affected areas to fully support post-disaster reconstruction. BOC Insurance immediately launched a rapid response mechanism for claims settlement, by paying return visits to customers in key areas, opening up a green channel for claims settlement, simplifying documents required by claims settlement, and prepaying claims for customers with losses of less than RMB50,000, with a view to providing maximum convenience for the affected people.
- BOC Guangdong Branch joined hands with the Guangdong Youth Development Foundation and the Shenzhen One Foundation to raise funds for flood and earthquake relief, respectively. The fundraising campaigns were intended to support the flood victims in Southern China and the earthquake victims in Luding, in which 15,696 donations from customers and staff were made, amounting to RMB114,423.
- BOC (Malaysia) provided its flood-affected staff members and their families in the state of Selangor with allowances and money donated by other employees to help them weather the difficulty.
- Johannesburg Branch donated ZAR100,000 to the Nelson Mandela Foundation in South Africa to support the post-flood reconstruction of KwaZulu-Natal Province.



Aid for the weak and the needy

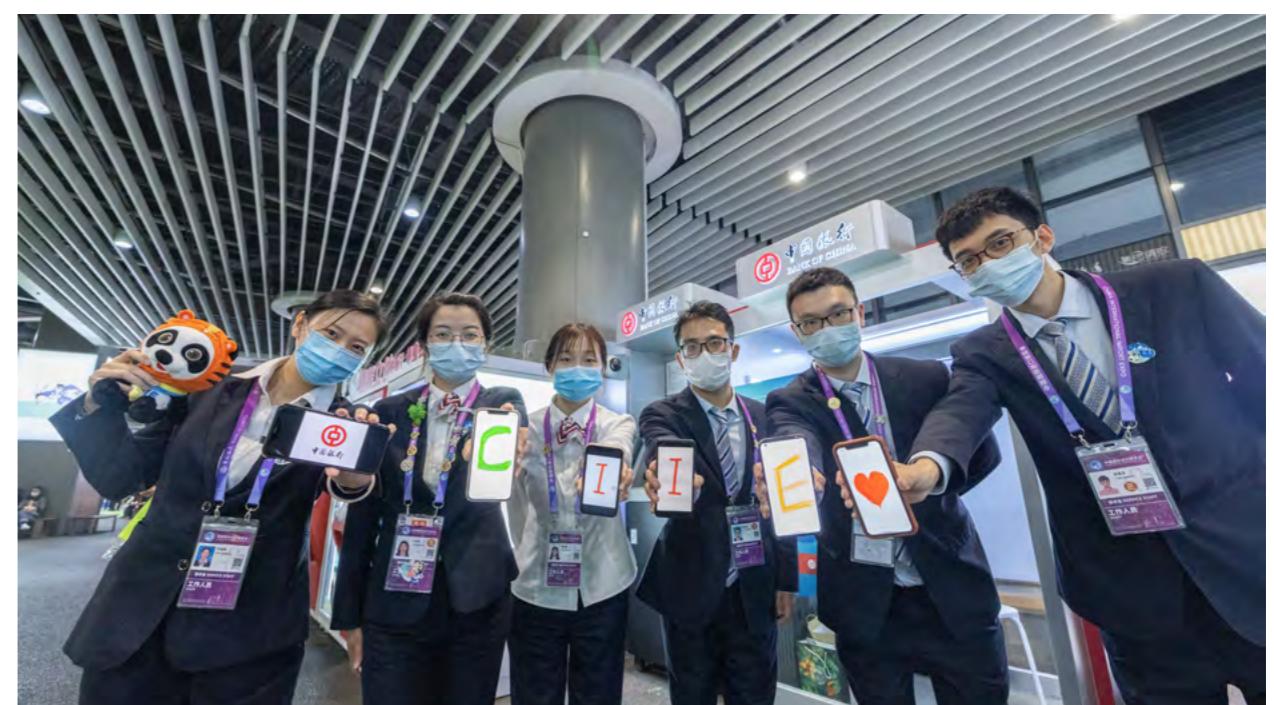
- Relying on the Bank of China Philanthropy platform, the Bank supported the China Population Welfare Foundation in carrying out the "Happiness Project - Action to Help Mothers in Distress". The initiative raised funds of RMB72,000, which would be used to provide small grants, skills training sessions, and health check-ups, with a view to raising the living standards of mothers in rural areas
- The BOC Charity Foundation, together with some social organisations, donated solar bathroom heaters to five schools in Chunhua County, Xianyang City, Shaanxi Province, to provide more than 1,000 local teachers and students with affordable access to hot water and reduce the cost of electricity in schools.
- BOC Fujian Branch and Fujian Provincial Foundation for Disabled Persons jointly launched the "Families with More Than One Handicapped Members" project and put it on the Bank of China Philanthropy Platform. The funds raised would be used to help disabled people in difficult circumstances and improve the living conditions of families with more than one handicapped members.
- BOC Fujian Branch, in cooperation with the Fujian Anti-poverty Charity Association and other social organisations, built an audio library at the Fujian Medical University Union Hospital, by donating thousands of e-books and Beijing Winter Olympics mascots to let children feel the joy of reading in a child-friendly clinic.

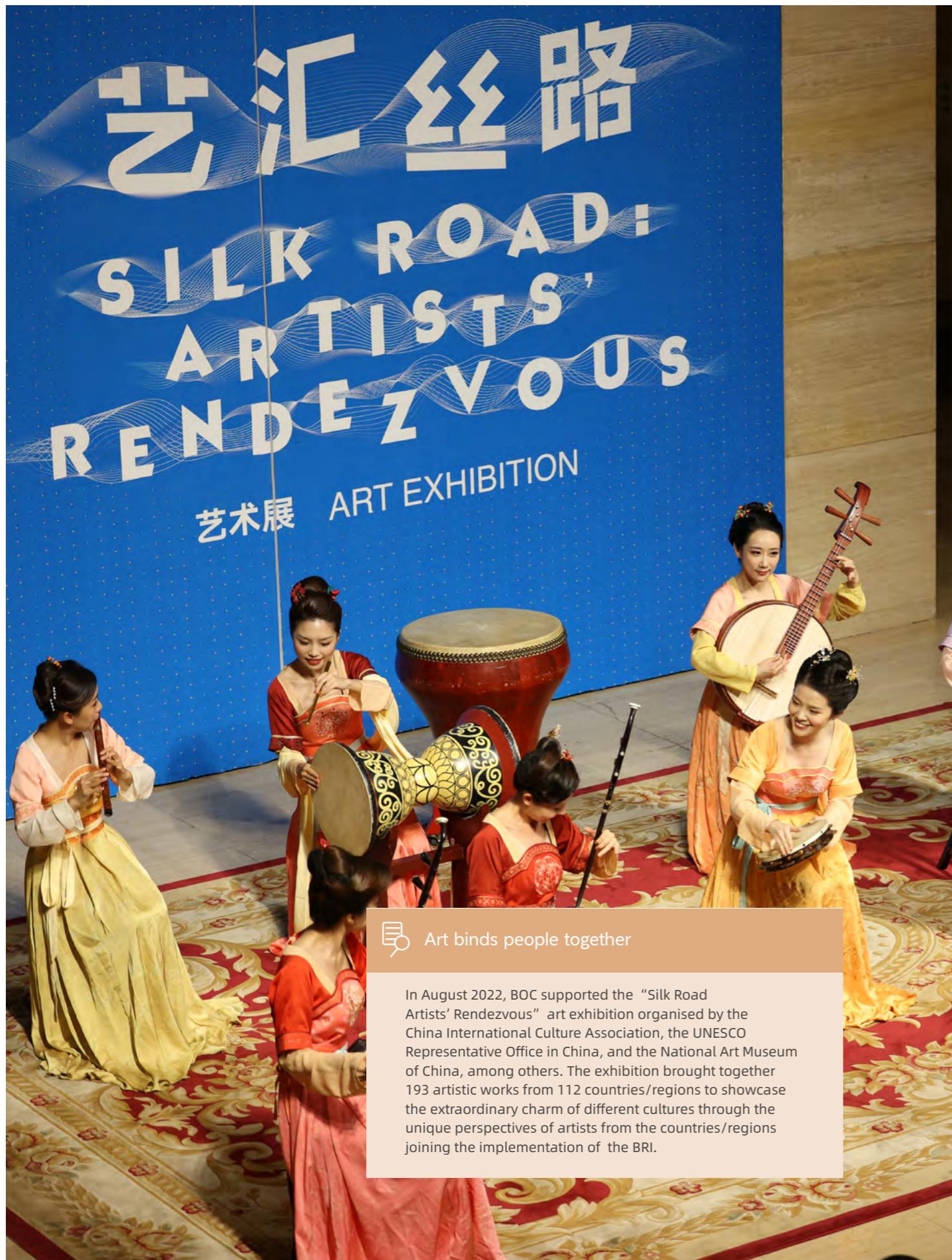
Cultural exchange

- BOC has long been committed to promoting the Chinese culture to the world by deepening the exchange and mutual learning of different cultures. The Bank supports diverse forms of cultural and artistic activities, helping the Chinese culture spread all over the world. It aspires to enhance the influence of Chinese culture, while enriching the spiritual and cultural life of the people and passing on the fine Chinese traditions.

Volunteer services

- In 2022, a total of 547 volunteer service activities were carried out by the Communist of Youth League (CYL) organisations at all levels, involving a total of over 28,933 CYL members, who served more than 1.18 million people in a total of over 22,000 hours. The recipients of service covered community residents, enterprise employees, farmers, elderly people living alone, and left-behind children, among others.
- Volunteers were organised to provide services for important events such as the 2022 Beijing Winter Olympic and Paralympic Games, the China International Import Expo, the China International Fair for Trade in Services, the China International Consumer Products Expo, and the China-ASEAN Exposition.
- The "Senior Citizens Crossing the Digital Divide" knowledge dissemination campaign was launched in collaboration with the China Association for Science and Technology and China Unicom, aiming to help the elderly cross the digital divide and better fit into the smart society through a series of measures such as strengthening the construction of a knowledge reserve, forming science and technology volunteer teams, and carrying out awareness raising activities.





In August 2022, BOC supported the "Silk Road Artists' Rendezvous" art exhibition organised by the China International Culture Association, the UNESCO Representative Office in China, and the National Art Museum of China, among others. The exhibition brought together 193 artistic works from 112 countries/regions to showcase the extraordinary charm of different cultures through the unique perspectives of artists from the countries/regions joining the implementation of the BRI.

“Melody of Orient Chamber Concert” : a musical dialogue between China and Europe

From October to November 2022, the Europe Tour of the Melody of the Orient Chamber Concert, for which BOC acted as a strategic partner, took place in Belgium, France, Malta, and Luxembourg. The musicians from China and Europe performed a collection of masterpieces. The musical dialogue between the East and the West impressed the audience with the unique charm of different musical cultures, greatly promoting cultural exchanges.



→ The “Melody of Orient Chamber Concert” in Luxembourg

Astronomy Classes in the Countryside lighting up the space dream of rural children

In 2022, BOC Jiangsu Branch joined hands with Netease Jiangsu and Nanjing Amateur Astronomers Association to launch the “2022 Glimmering Programme - Astronomy Classes in the Countryside” in 12 cities across the province, bringing professional astronomy knowledge to rural schools in a vivid and interesting way and activity instilling a dream of attaining scientific and technological self-reliance into the minds of rural children. During the day, students assembled and launched a mock rocket with their own hands, using what they had learned from the science lectures and exhibitions. At night, under the guidance of experts, they looked up at the stars through a professional electronic telescope, exploring the glimmering light from afar.



→ “2022 Glimmering Programme – Astronomy Classes in the Countryside”



1



2



3



4



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3



4

1 BOC (Malaysia) and Chinese companies in the country donate 10 lifeboats to help with the local flood relief efforts

2 “Happiness Project – Action to Help Mothers in Distress” initiative

3 The launching ceremony of an online fundraising campaign to help people with disabilities on the Bank of China Philanthropy platform

4 An audio library at the Fujian Medical University Union Hospital

1 BOC supports the “Harmonious Co-existence” joint exhibition of collections from the Palace Museum and the National Museum of China and signs a strategic cooperation agreement with the two

3 BOC (Djibouti) provides financial support for GX Foundation’s Cataract Surgery Program

2 As a strategic partner of Hong Kong Palace Museum, BOCHK sponsors the Hong Kong Palace Museum and the Hong Kong Gaudemus Dunhuang Ensemble to organise “A Dialogue between Dunhuang and the Palace Museum: Across 2,000 Years of Chinese Cultural Heritage” concert and cultural lecture

4 BOC Luxembourg Branch and the local Confucius Institute jointly organise a calligraphy competition to showcase the charm of Chinese calligraphy



**Upholding fundamental principles and breaking new ground
to pursue steady and sustained progress**

In 2022, BOC deeply integrated sustainable development into its corporate governance and daily operations, and made efforts to modernize governance system and capacity.

Upholding the ESG concept, BOC continued to enhance the resilience of sustainable development through a sound corporate governance system, aiming to build momentum for high-quality development.

Perseverance

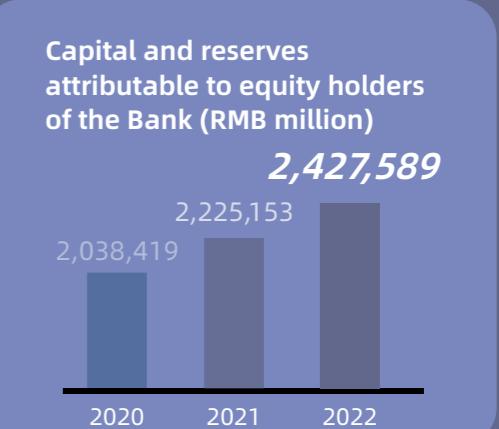
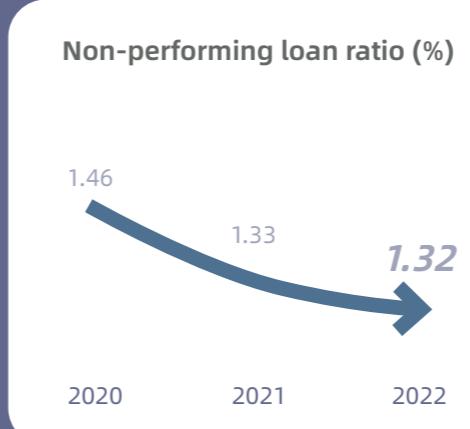
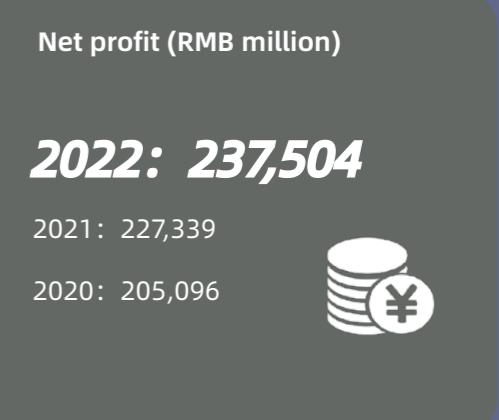
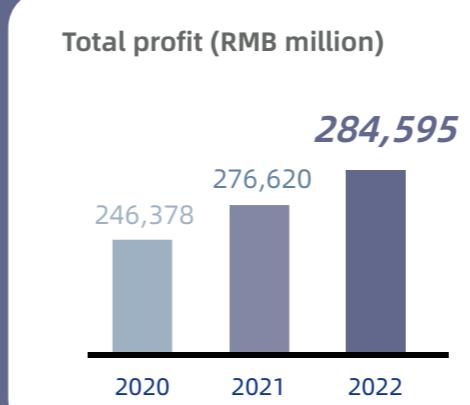
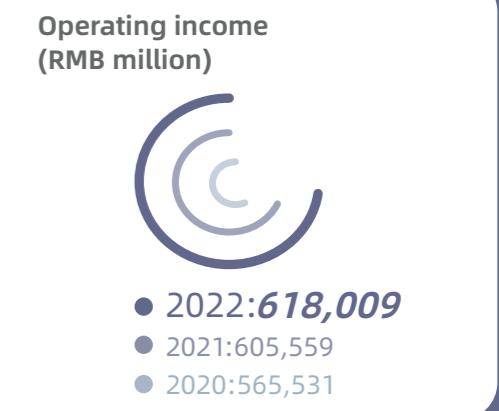
**Being a Practitioner
of Steady Development**

Performance Highlights

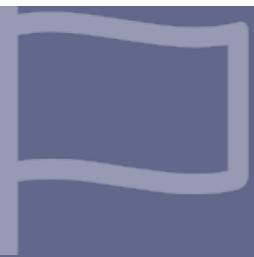
Entering a new stage of development, it is an inevitable requirement for financial institutions to better serve the real economy, constantly meet the needs of economic and social development and the people, and contribute to the high-quality economic development by maintaining the political and people-oriented role of financial work, effectively enhancing professionalism and autonomy, and actively exploring and practicing the road of financial development with Chinese characteristics. BOC firmly follows the correct political direction of financial work, unwaveringly takes on the path of financial development with Chinese characteristics, takes on the responsibility bravely, works hard and steadily, and speeds up the construction of a world-class modern banking group. While writing a new chapter of high-quality development, BOC makes its own contributions to building a socialist modern country in an all-round way and promoting the great rejuvenation of the Chinese nation.

In 2022, BOC fully implemented the general requirements for Party building in the new era, and built a stronger political guarantee for high-quality development. BOC insisted on exploring the best practices of corporate governance, adhered to integrity, actively pursued innovation, and built up stronger drivers for high-quality development. By scientifically and accurately coordinating development and security, continuously strengthening the effectiveness of risk prevention and control and internal control compliance, and effectively deepening the construction of compliance culture, BOC laid a more solid foundation for high-quality development. BOC persevered in upholding integrity, discipline and anti-corruption, constantly strengthened the atmosphere of strict governance, and made the political ecology cleaner for high-quality development.

As of the end of 2022, there were two female directors and six independent directors on the Board of Directors, accounting for 13.3% and 40.0% respectively, and all the 15 directors had working backgrounds in the economic or financial fields. BOC conducted 20 training sessions for board members throughout the year, with an average of 25.5 hours for each member. BOC continued to strengthen information disclosure and communication with investors, published 389 information disclosure documents throughout the year, carried out 405 investor communication activities, and won the highest evaluation, grade A (excellent), for information disclosure from Shanghai Stock Exchange for nine consecutive years.



Party Building as A Guiding Beacon



The 20th CPC National Congress was convened in 2022. Firmly implementing the important requirements of “Five Firm Grasps” of General Secretary Xi Jinping and with a strong sense of political responsibility, a positive mindset, and a down-to-earth work style, BOC made meticulous arrangements to comprehensively learn, understand, and implement the guiding principles conveyed in the report to the congress, and constantly unify the thoughts and actions of executives and employees across the Bank with these guiding principles.



Intensifying organisational leadership

- A bank-wide steering group for the learning, promotion, and implementation of the guiding principles conveyed at the 20th CPC National Congress was set up, with the Party Committee Secretary of the Bank as the head, the Deputy Secretaries to the Party Committee of the Bank as the deputy heads, and members of the Party Committee leadership and senior management as team members. The group formulated a bank-wide plan for learning, promotion, and implementation and coordinated all related actions as a whole.



Diversifying forms of learning

- BOC made the best of a five-tier joint learning mechanism that consists of the Theoretical Learning Group of the BOC Party Committee, Party branch study groups, “BOC Grand Lecture”, theoretical study groups for young employees, and individuals who learn by themselves, invited members of the central lecturer team to make reports, and played the role of the youth lecturer team to guide Party members and officials to thoroughly study and understand the core principles delivered at the 20th CPC National Congress. In 2022, members of the Party Committee and senior management took the lead to participate in dual organisational life 84 times.



Holding extensive lectures

- A touring lecturer team was formed to give lectures at 50 tier-1 institutions in the mainland. Party leaders at all levels made full use of meetings, business trips, and surveys to actively promote the guiding principles of the 20th CPC National Congress.



Conducting intensive training

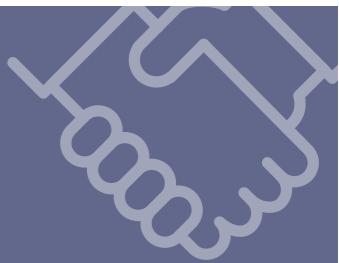
- A special training programme was formulated. Party leadership members at all levels were organised to attend training on a rotating basis, and all Party members across the Bank were organised to learn the guiding principles of the 20th CPC National Congress. Meanwhile, applicants for Party membership and young employees were invited to attend related training.



Using a diversity of publicity means together

- Special columns such as “Anchor of the New Mission” and “Learning the 20th CPC National Congress” were added to the internal media platforms, to promote the learning and implementation of the guiding principles of the 20th CPC National Congress at all levels of the Bank. Relevant learning initiatives were introduced in the Bulletin of the Central and State Organs Working Committee, and 34 pieces of work information came out in the *Central and State Organs Anthology of Party Classes, Qizhi magazine, Research on Party Building in State Organs*, qizhiwang.com, and xuexi.com.

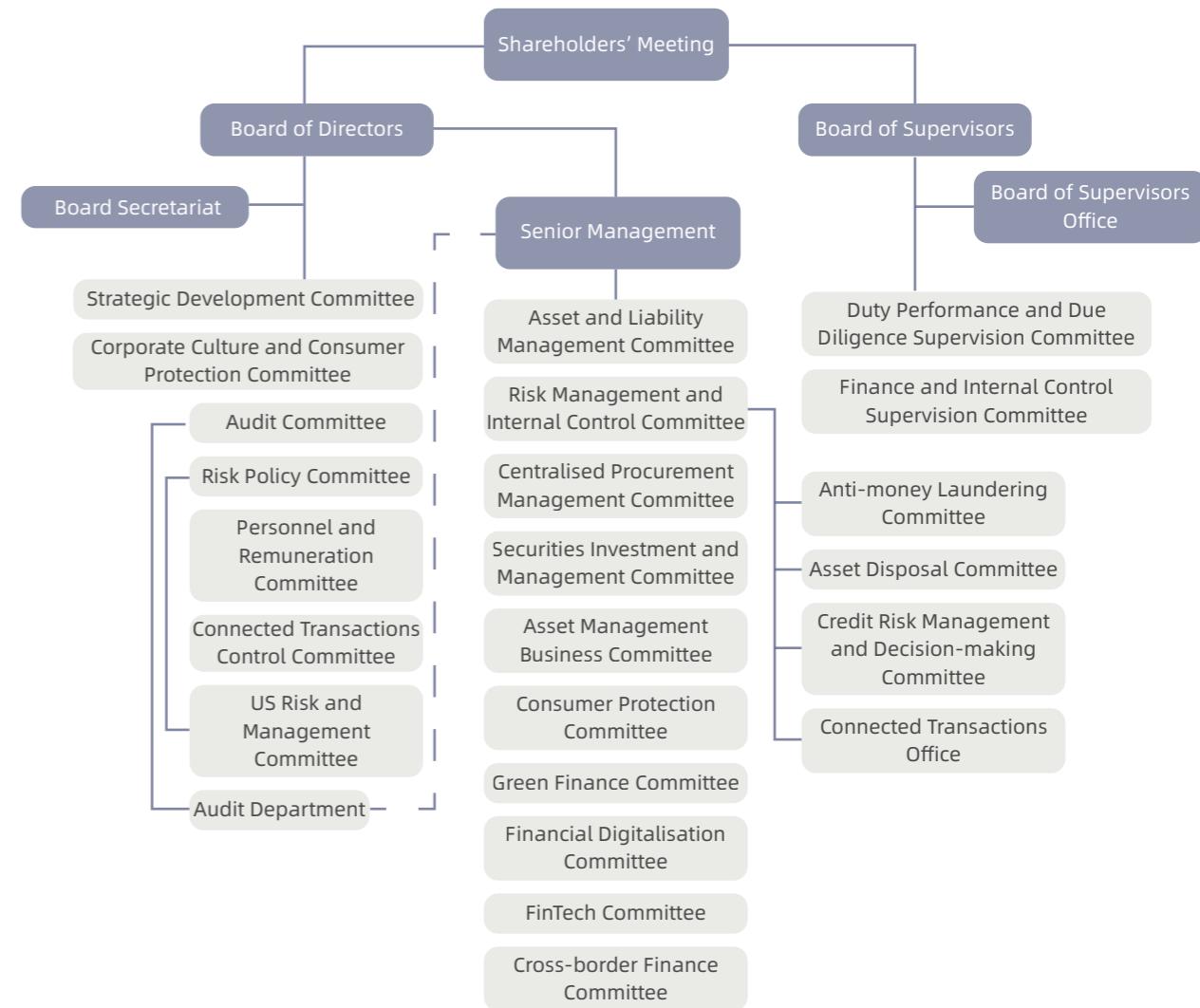
Improving Corporate Governance



BOC continues to raise the level of corporate governance by consolidating the governance foundation, enhancing the efficiency of the Board of Directors, promoting the fulfillment of ESG responsibilities, and deepening investor communication and information disclosure.

Consolidating the Foundation of Corporate Governance

Sticking to the strictest available standards, BOC keeps track on and puts into practice the regulatory requirements of the capital market and collates comprehensively and systematically the Articles of Association and rules of procedures of special committees. Adhering to the rules and regulations governing capital markets and relevant industries, the Bank has made constant efforts to improve its corporate governance framework, which comprises the shareholders' meeting, the Board of Directors, the Board of Supervisors, and the Senior Management. This framework operates smoothly owing to a clear division of duties. All special committees of the Board of Directors and the Board of Supervisors have performed their duties and functioned effectively, thereby laying a solid foundation for the long-term steady operation of the Bank.



Tapping the Potential of Corporate Governance

BOC strives to enhance the operation mechanism of corporate governance. Identify the management responsibilities of the Board of Directors and the supervision responsibilities of the Board of Supervisors, further integrates ESG concepts into the Group's operation and development, and continuously improves the constructiveness of the work done by the Board of Directors and the Board of Supervisors, thus providing impactful organisational and institutional safeguards for the full fulfillment of social responsibilities and the effective implementation of ESG concepts.

Focusing on ESG compliance and supervision

In 2022, the Board of Directors of the Bank paid its attention to ESG-related topics such as green finance, inclusive finance, consumer protection, and targeted assistance. It considered and adopted a host of proposals, including the *Corporate Social Responsibility Report 2021 of Bank of China Limited (Environmental, Social, Governance)*, the *2022 Business Plan for SME Services Department*, the *2021 Work Summary and 2022 Work Plan for Consumer Protection*, and the *Application for A Donation Quota Used to Offer Targeted Assistance*, while hearing the *Report on Off the Development of Green Finance in 2021*, the *2021 Regulatory Evaluation Report for Consumer Protection*, and other reports. In the year, we held a symposium for directors, supervisors, and senior management members to discuss issues related to corporate governance, green finance, and corporate culture building, taking into account their professional background, work experience, and research findings. For the next step, the Senior Management would make improvements given the comments and suggestions.

The Board of Supervisors of the Bank has performed supervision responsibilities in terms of strategy, duty performance, financial management, risk management, and internal control diligently. In 2022, it considered and adopted a number of proposals, including the *Annual Corporate Social Responsibility Report 2021 of Bank of China Limited (Environmental, Social, Governance)*, the *Evaluation Opinions of the Board of Supervisors on the Duty Performance of the Board of Directors, Senior Management and their Members in 2021*, the *Evaluation Opinions of the Board of Supervisors on the Implementation of Strategies by the Bank for 2021*, and the *Supervision and Evaluation Opinions of the Board of Supervisors on the Performance of Duties Related to Consumer Protection by the Bank*. Meanwhile, it conducted a number of themed surveys on financial services for the rural revitalisation strategy, IT management, high-standard opening up, and cross-border risk management, put forth supervision comments and recommendations on key ESG issues such as green finance, inclusive finance, consumer protection, information security, risk prevention and control, environmental and climate risk management. In summary, the Board of Supervisors played a supervisory role in making sure the Bank could fulfill its ESG responsibilities effectively.

Enabling the Board of Directors to produce a greater effect

The *Articles of Association of Bank of China Limited* provides for the composition, powers, and meetings of the Board of Directors and its committees with legal effects to ensure the independence and effectiveness of the Board of Directors. In addition, BOC has formulated the *Policy on Diversity of Board Members of Bank of China Limited*, which focuses on increasing the diversity of Board members, making sure the Board members appointed should possess the skills and experience required for the good functioning of the Board as a whole, fully considering the objectives and requirements for the diversity of Board members in terms of gender, age, cultural and educational background, professional skills, and other aspects, and implementing such objectives and requirement throughout the entire process of Board member selection/appointment. Renowned experts and scholars are invited to provide Board members with training on topics such as green finance, with a view to enhancing the performance of the Board of Directors in duty performance and governance.

Intensifying corporate governance of overseas institutions

BOC has continuously standardised the corporate governance operation mechanism of its overseas subsidiaries and continued to raise the level of the corporate governance of such subsidiaries. In 2022, BOC revised the policies for overseas subsidiaries, optimised the composition of the boards of directors and the boards of supervisors of overseas institutions, enhanced the professionalism and diversity of the directors and supervisors, and helped directors and supervisors to better perform their duties.

Making Headway in Investor Communication and Information Disclosure

BOC attaches great importance to investor communication and information disclosure, continuously improving the professionalism and effectiveness of communication with investors, stepping up voluntary information disclosure, and getting the quality and efficiency of information disclosure further assured.

Improving the quality and efficiency of communication

BOC maintains close communication with investors through a variety of channels and in a number of forms. The Bank carries out more than one hundred investor exchanges in various forms each year, covering thousands of institutions. The work it did with respect to investor relations has been highly recognised by different sectors of society.

Releasing business results on a regular basis

- The Senior Management gave a comprehensive and in-depth presentation on the highlights of business results, key aspects of work done, and outlook for the next phase, and responded fully and frankly to market concerns. Related meetings covered a wide range of topics and were attended by over 4,000 investors, analysts, media, and other participants.
- Prior to the results release, an announcement is made to solicit the concerns of minority shareholders, and a full response is provided at the release. Live-streaming, replay, interactive texts, and downloadable presentation materials of the release are available to fully protect the rights of small and medium-sized investors to know and participate in.

Following up on and maintaining key institutional investors

- BOC continues to track changes in the shareholdings of key investment institutions at home and abroad, strengthens communication and better maintains relations with key investment institutions, and keeps spotting and acquiring potential investors.

Diversifying forms of communication

- A number of communication sessions were held taking into account the issues of concern to the market to actively update market participants on the progress made by BOC in key areas such as wealth management, green finance, and ESG development.

Communicating with minority shareholders

- BOC takes seriously the requests of minority shareholders for daily inquiry and communication, by actively responding to their visits and calls, and answering their questions in a professional and patient way. In 2022, it handled 74 matters that came from the investor relations (IR) mailboxes, answered 125 calls from investors via the IR hotline, and replied to 27 questions from investors through the SEE E-interaction, an online platform run by Shanghai Stock Exchange (SSE).
- BOC effectively guarantees minority shareholders' rights to participate shareholders' meetings, actively serves minority shareholders present at such meetings, displays investor protection awareness material, and understands their claims and answers their questions.
- BOC takes an active part in investor education activities such as the May 15th National Investor Protection Publicity Day, and uses its official website and SSE E-interaction platform to promote the themes and impacts of the activities.

Optimising information disclosure

As per the principles of "truthfulness, accuracy, completeness, timeliness, justice, conciseness, and clarity", BOC establishes a comprehensive set of information disclosure policies, strictly fulfills statutory disclosure obligations, actively explores best practices for voluntary disclosure, upholds the investor demand-oriented disclosure concept, and continuously enhances the relevance and effectiveness of disclosure.

Refining the information disclosure system

- A system of three-tier management policies has been established to consist of information disclosure policies, management measures, and operation manuals, encompass regular and interim reports, and cover multiple management dimensions such as branches and subsidiaries. BOC reviews the completeness and effectiveness of existing information disclosure rules and policies in a timely manner.

Ensuring disclosure compliance

- Taking into account the listing rules of both Hong Kong and Shanghai and the languages of the two places, the Bank makes rigid and excellent information disclosure, to highlight its globalised and integrated business characteristics.
- All disclosure documents are in strict compliance with related requirements, and the content in both English and Chinese is clear and easy to understand. BOC always discloses information from the perspective of investors and readers.
- BOC continuously improves the relevance, effectiveness, and transparency of information disclosure, guides investors to gain a deeper understanding of its development strategies such as "one mainstay, two engines" and "eight priority areas for enhancing financial service capabilities", and provides investors with timely, adequate, and effective information for their value-assessing and decision-making processes in clear, simple, and easy-to-understand language.

Enriching content of disclosure

- Following the national decisions and arrangements and actively answering regulatory calls, BOC has issued a number of voluntary announcements on serving the real economy through high-quality development and solidly stabilizing the national economy, so as to fully reflect the positioning and commitment of a large state-owned bank.
- BOC continues to optimise the disclosure format and content of periodic reports with a view to enhancing the reading experience.

Strengthening Risk Management



BOC has well balanced the relations between development and safety, promoted the correction of issues identified by touring inspections and the effectiveness of comprehensive risk management, formulated and implemented the *Programme for Building A Comprehensive Risk Management System (Version 2.0)* to further strengthen the effectiveness of comprehensive risk management.

Building A Comprehensive Risk Management System

On the basis of the *Comprehensive Risk Management Policy of the Bank of China Limited*, BOC formulated the *Plan on Improving Comprehensive Risk Management and its Effectiveness across the Bank*, which aimed to continuously enhance the competitiveness and effectiveness of risk management as per the overall principle of "being forward-looking, proactive, adaptive, and applicable".

Board of Directors

- Setting up the Risk Policy Committee and the US Risk and Management Committee.

Senior Management

- Setting up the Risk Management and Internal Control Committee to optimise its operating mechanism, which gradually becomes a decision-making hub for all types of risk information.
- Prompting other business committees to regularly consider risk reports and hear risks involving business areas, and urging business lines to report risk management decisions upwards and execute such decisions downwards with intensified efforts.

Head Office departments

- Major business departments establish a middle office for risk control, hire a risk director, and designate the lead department for each type of risk. The Audit Department shall be responsible for audit oversight.

Effectively Forestalling and Mitigating Financial Risks

China has entered a period of development where strategic opportunities and challenges co-exist and uncertain and unpredictable factors increase. In this context, "black swans" and "gray rhinoceros" events may occur at any time. Raising its awareness of risk and adhering to bottom-line thinking, BOC has established a closed-loop management mechanism that consists of "risk assessment, risk identification, stress testing, response planning and save clause, risk disposal, and post-evaluation", started to implement the *Basel III* on all fronts, and defended the bottom line of incurring no systemic risks through various means.

Assessing and identifying risks through a more systemic, standardised, concerted, and effective manner

- The Senior Management closely followed up on changes in the international situation and market fluctuations through taskforce recruitment, risk assessment, and thematic research, among other methods. Eight risk assessments and two risk screenings were conducted throughout 2022. Meanwhile, special inspections were carried out from time to time in case of unexpected risk matters and various risk hazards.

Building a multi-tiered and all-round risk emergency response management system

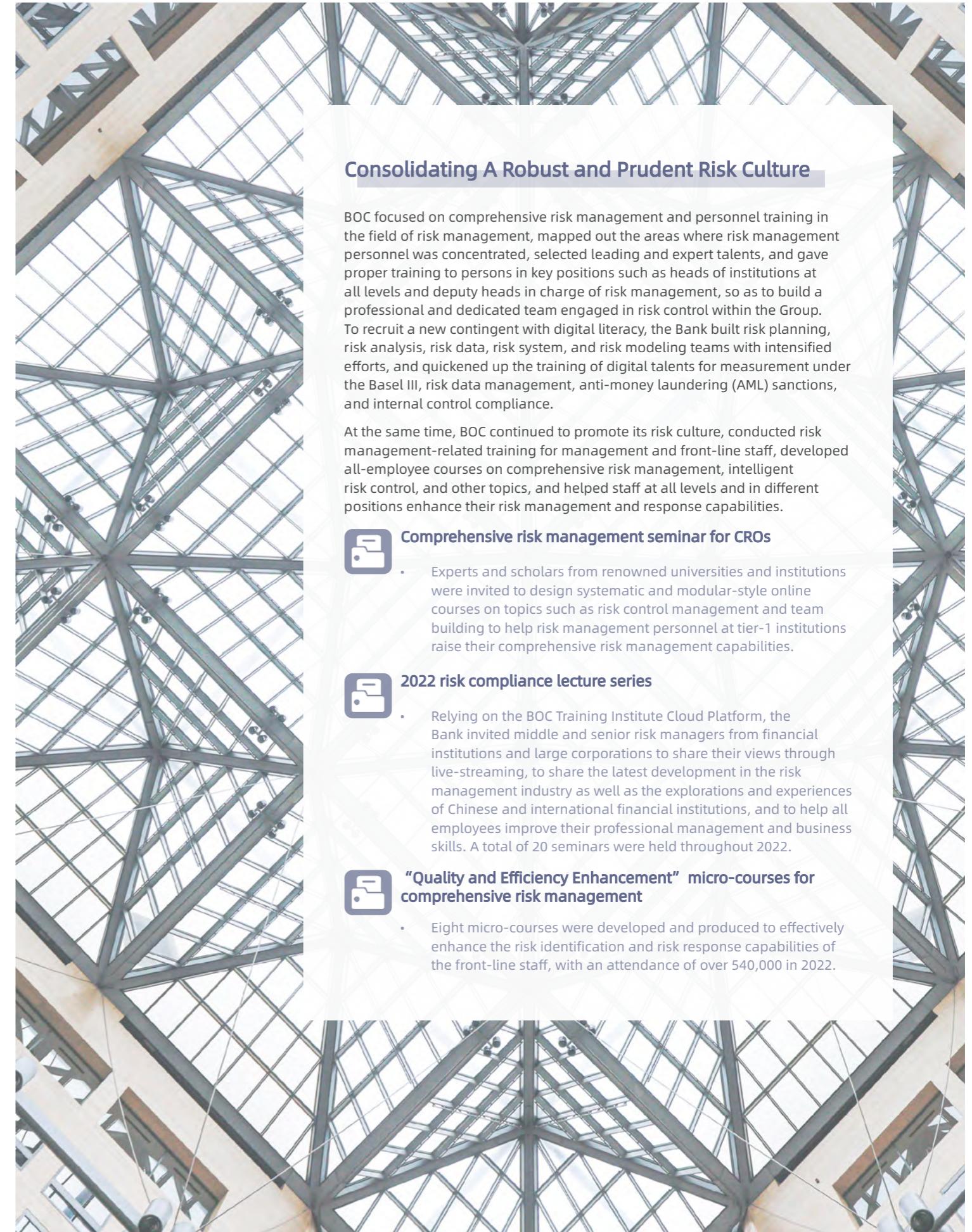
- The Comprehensive Risk Emergency Response Management Policy* was drafted to improve the integrated mechanism featuring pre-event proactive research and estimation, in-event disposal, and post-event comprehensive review and improvement, with a view to continuously enhancing the emergency response capability.

Carrying out stress testing and preparing response plans with save clause through concrete efforts

- Three integrated stress tests were conducted, including the PBOC solvency and the recovery and resolution plan (RRP), and seven special stress tests were held in the fields of real estate, Fed rate hikes, etc. The key RRP with save clause were updated in a timely manner, and the asset and personnel security programmes for overseas institutions were formulated.

Accelerating the realisation of intelligent risk control and digital transformation

- A functional blueprint was charted for intelligent risk control applications, to form a smart risk control framework with data, models, systems, and mechanisms as four pillars.



Consolidating A Robust and Prudent Risk Culture

BOC focused on comprehensive risk management and personnel training in the field of risk management, mapped out the areas where risk management personnel was concentrated, selected leading and expert talents, and gave proper training to persons in key positions such as heads of institutions at all levels and deputy heads in charge of risk management, so as to build a professional and dedicated team engaged in risk control within the Group. To recruit a new contingent with digital literacy, the Bank built risk planning, risk analysis, risk data, risk system, and risk modeling teams with intensified efforts, and quickened up the training of digital talents for measurement under the *Basel III*, risk data management, anti-money laundering (AML) sanctions, and internal control compliance.

At the same time, BOC continued to promote its risk culture, conducted risk management-related training for management and front-line staff, developed all-employee courses on comprehensive risk management, intelligent risk control, and other topics, and helped staff at all levels and in different positions enhance their risk management and response capabilities.

Comprehensive risk management seminar for CROs

- Experts and scholars from renowned universities and institutions were invited to design systematic and modular-style online courses on topics such as risk control management and team building to help risk management personnel at tier-1 institutions raise their comprehensive risk management capabilities.

2022 risk compliance lecture series

- Relying on the BOC Training Institute Cloud Platform, the Bank invited middle and senior risk managers from financial institutions and large corporations to share their views through live-streaming, to share the latest development in the risk management industry as well as the explorations and experiences of Chinese and international financial institutions, and to help all employees improve their professional management and business skills. A total of 20 seminars were held throughout 2022.

"Quality and Efficiency Enhancement" micro-courses for comprehensive risk management

- Eight micro-courses were developed and produced to effectively enhance the risk identification and risk response capabilities of the front-line staff, with an attendance of over 540,000 in 2022.

Ensuring Operational Compliance

BOC is committed to optimising compliance risk governance mechanisms and management processes, building a comprehensive compliance management system, pressing ahead with anti-money laundering (AML) and sanctions compliance management mechanisms and AML compliance training mechanisms, strengthening the construction of a compliance culture, and making progress in the construction of a long-term compliance management mechanism for overseas institutions, so as to safeguard the Group's sound operation and sustainable development.



Improving the Internal Control System

Intensifying institutional development

BOC further improved the internal control working mechanism and strengthened the building of the internal control system. The Bank formulated the *Internal Control Policy of Bank of China Limited (Version 2022)*, a document applicable to the entire Group, in accordance with the *Guidelines for Internal Control of Commercial Banks* and other requirements of the CBIRC and in light of its actual working needs, which was considered and approved by the Board of Directors at its meeting.

Fulfilling management and supervision duties

The Board of Directors, senior management and the special committees of the Bank earnestly performed their duties regarding internal control and supervision, emphasising early risk warning and prevention, so as to improve the level of compliance operation. The Bank continued to implement the *Basic Standard for Enterprise Internal Control* and its supporting guidelines and the *Guidelines for Internal Control of Commercial Banks* by following the basic principles of "complete coverage, checks and balances, prudence and correspondence", so as to promote internal control governance and an organisational structure characterised by a reasonable delegation of work, well-defined responsibilities and clear reporting relationships. The Bank paid close attention to fraud risk prevention and control, proactively identifying, assessing, controlling and mitigating risks.

Deepening AML Management

BOC has established an AML management structure consisting of the Board of Directors, the Board of Supervisors, and the Senior Management, each of which performs their assigned duties diligently, providing a solid organisational mechanism for AML management.

Board of Directors

- The Board of Directors assumes the ultimate responsibility for money laundering risk management, and delegates some of its money laundering risk management responsibilities to the Risk Policy Committee. The Board of Directors and the Risk Policy Committee review the management of money laundering risks on a regular basis.

Board of Supervisors

- The Board of Supervisors assumes the supervisory responsibility for money laundering risk management. It shall oversee how the Board of Directors and the Senior Management perform their duties with respect to money laundering management.

Senior Management

- The Senior Management assumes the implementation responsibility for money laundering risk management, and delegates the Risk Management and Internal Control Committee to set up the AML Working Committee, responsible for the coordinated management of money laundering risks across the Group.

Fully implementing the risk-oriented concept and requirements, BOC strengthened risk assessment, due diligence, training, and other aspects of related work effectively to make the Group's financial crime prevention efforts more effective steadily.

Risk monitoring, analysis, and evaluation

- A set of qualitative and quantitative assessment indicators was created with reference to regulatory requirements, so as to improve the money laundering risk assessment methodology and enhance the effectiveness and accuracy of the assessment.
- The suspicious transaction monitoring process and models were optimised to enhance monitoring and analysis capabilities and the information value of suspicious transaction reports.

Due diligence

- A sound risk-based customer due diligence system was put in place, which could set out management standards and processes for the entire life cycle of customers, consisting of access, business duration, and exit.
- In line with the "know your customer" principle, the Bank adopted varying controls for customers, business relationships, or transactions with different money laundering risks, verified the identity of customers through reliable and independently sourced documents, information, and materials, and got informed of the purpose and nature of the business relationships established and maintained by customers.

Internal training

- The Bank set up an AML training system, established a full set of specifications and requirements including trainees, training content, time, and verification of training results, and continued to update and improve the training course system. Following the principles of full coverage, differentiation, and verifiability, the Bank conducted training to improve the AML compliance awareness and capabilities of staff in different positions. The Board of Directors, the Board of Supervisors and the senior management attended annual AML and sanctions compliance training to further enhance their understanding and comprehension of the regulatory policies and the internal control requirements for AML and sanctions compliance.

Shaping A Compliance Culture

BOC have established a sound framework for employee conduct management, where the Board of Directors, the Board of Supervisors, the Senior Management, as well all employer units and functional departments shall jointly carry out employee conduct management according to their division of work and duties. Specifically, the Board of Directors assumes the ultimate responsibility for the conduct management of employees, the Board of Supervisors monitors and evaluates the performance of the Board of Directors and the Senior Management in the conduct management of employees, the Senior Management assumes the implementation responsibility for the conduct management of employees, and each employer unit assumes the first responsibility for the conduct management of employees. Meanwhile, the Bank conducts an annual evaluation of the conduct of employees across the board, summarises the work done with respect to employee management in the year, and analyses and formulates the work plan for the next year, to raise staff management standards and enhance compliance awareness among employees continuously.

The Bank fosters a compliance culture through the BOC Training platform and other online and offline channels, and forwards the Group's compliance ideas and requirements to both domestic and overseas staff through various forms such as knowledge manuals, themed courses, case studies, live lectures, offline seminars, and regular briefings on cases as deterrents.

ESG Key Performance

Environmental Performance

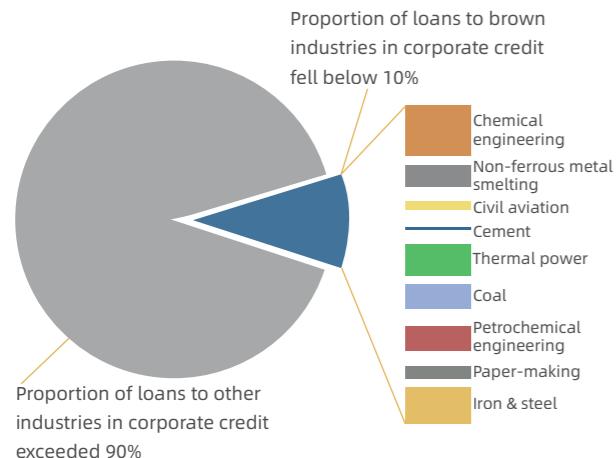
Green financial development

Indicator (unit)	2022
Balance of green credit in the Chinese mainland denominated (RMB100 million)	19,872
YoY growth of balance of green credits in the Chinese mainland (%)	41
Underwriting scale of issuance of domestic and overseas green bonds (RMB100 million)	4,539
The scale of issuance of domestic and overseas green bonds (RMB100 million)	877

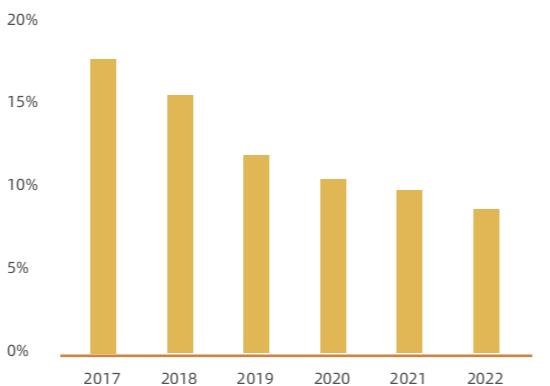
Proportion of credits to brown industries in corporate loans

BOC is active in supporting the green, low-carbon transformation of the brown industries. The Bank has explored a carbon accounting methodology suitable for the Bank's asset portfolios and launched a trial calculation of carbon footprints for asset portfolios in carbon-intensive industries. On the premise of ensuring energy security and industrial chain/supply chain stability, it keeps reducing the carbon intensity of asset portfolios in a progressive way until they finally become carbon neutral, as a response to the dual carbon goal of the State. In 2022, the balance of domestic credit extended to green industries as a share of corporate credit continued to go down and fall below 10%.

Proportion of credit to brown industries in corporate credit by the end of 2022:



Proportion of loans to brown industries in corporate credit went down year by year



Green credit environmental benefits

Indicator (unit)	2022
CO ₂ equivalent emission reduction attributed to green credit (10,000 tons)	20,410
Sulfur dioxide emission reduction attributed to green credit (10,000 tons)	3,909
Water conservation attributed to green credit (10,000 tons)	20,969
Standard coal conservation attributed to green credit (10,000 tons)	8,920
COD emission reduction attributed to green credit (10,000 tons)	63
Ammonia nitrogen emission reduction attributed to green credit (10,000 tons)	20
Nitrogen oxide emission reduction attributed to green credit (10,000 tons)	4,326

Energy consumption

In strict accordance with the *Energy Conservation Law of the People's Republic of China*, the *Energy Conservation Management Measures for Key Energy-consuming Institutions*, and the *Evaluation Standards for Green Buildings*, among other requirements, BOC has established an energy management system, in which building energy conservation is regarded as important reference for its construction, purchase and leasing of offices, and priority is given to energy conservation in the entire process including the approval, design, tendering, construction, and use of office building projects. As a result, the energy efficiency of the Bank's office buildings has reached the nationally advanced level. In 2022, the Head Office adopted a series of energy-saving measures, such as launching the Green Lighting Campaign, using frequency conversion technology to retrofit air conditioners, and phasing out/replacing outdated equipment. As estimated, these measures would save about 91 tons of coal equivalent.

Indicator (unit)	2022	2021	2020
Total energy consumption (MWh)	2,688,308	2,754,463	2,717,945
Energy consumption per FTE (MWh)	8.78	8.95	8.79
Direct energy consumption			
Gasoline consumption (ton)	11,049	12,400	12,658
Diesel oil consumption (ton)	540	463	482
Natural gas consumption (10,000 m ³)	1,763	1,779	1,638
Indirect energy consumption			
Electrical power consumption by offices (MWh)	1,272,768	1,279,768	1,164,930
Electric power consumption by the Data Centre (MWh)	536,492	506,101	585,547
Heat consumption (MkJ)	1,955,218	2,214,424	2,251,532

Note 1: According to the business scope of the Group, the greenhouse gas emissions from its own operations mainly include carbon dioxide, methane and nitrous oxide. The greenhouse gas emission from the operation of the Group during 2020-2022 was mainly incurred by energy consumption and included the emissions within Scope 1 and Scope 2. Scope 1 refers to the direct emissions from combustion of fossil energy such as gasoline, diesel oil, natural gas, liquefied natural gas, liquefied petroleum gas, fuel oil, coal and coke. Scope 2 refers to the indirect emissions embodied in electric power and heat consumption.

Note 2: The greenhouse gas emissions were accounted by using the energy-related emission factor mentioned in the *Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Public Building Operators (Provisional)* and the *Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Land Transport Enterprises (Provisional)* issued by the National Development and Reform Commission, carbon dioxide emission factors of China's regional power grids issued by the State, and the electric power emission factors issued by overseas regions, based on the accounting scope proposed in the ISO14064-1 *Greenhouse Gases-Part 1: Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals* and the *Greenhouse Gas Accounting System* released by the World Resources Institute (WRI).

Note 3: In 2022, BOC completed the carbon verification, trading and other aspects of work at the Head Office level in accordance with the *Approval Method for Quotas of Key Carbon Emission Institutions in Beijing*, the *Decision on Carrying out the Pilot Carbon Trading in Beijing on the Premise of Strict Control over Total Carbon Emissions*, and provisions of other government departments. The Head Office purchased 650 tons of carbon credits in total throughout the year.

Note 4: The Bank is actively setting a greenhouse gas emission target across the Group, and has tested the programmes and their feasibility under three different target scenarios.

Waste gas management

BOC has managed the main pollutants discharged by the Head Office building (such as oily fume, particulate matters, non-methane total hydrocarbons, nitrogen oxides, and sulfur dioxide), and hired professional institutions to test the fumes and boiler emissions for the purpose of ensuring that the emissions could meet the provisions set out in the *Law of the People's Republic of China on Atmospheric Pollution Prevention and Control*, the *Ordinance on Atmospheric Pollution Prevention and Control in Beijing*, the *Emission Standards of Air Pollutants for Catering Industry*, the *Emission Standards of Air Pollutants for Boiler*, and other pertinent laws, regulations and standards. In addition, the gas boilers/burners were installed at the Head Office Building and the oil fume filters were installed in some office areas of the Head Office Building.

Water resource use

The Bank complies with the requirements set out in the pertinent laws, regulations and standards including the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Ordinance on Urban Drainage and Sewage Treatment*, the *Measures for the Administration of Drainage and Water Recycling in Beijing*, and the *Integrated Water Pollutants Discharge Standards*. With cooking oil and grease put rigid control, existing equipment was retrofitted to realise the rain-sewage shunting and oil separation in the carwash sediment basin in 2022.

Water used by the Bank is sourced from municipal water supply, without its own water source. The Head Office and the institutions based in Beijing set their water consumption target and develop their water use plan and water conservancy plan each year as per the Notice on the Planned Water Use Indicator issued by the Beijing Water Conservancy Management Centre. Water consumption target for the Head Office and other three offices based in Beijing in 2022 was 350,995 cubic meters.

The Bank only produces domestic sewage from daily office operations, which is discharged into municipal sewer networks. It engages a qualified third-party testing agency to regularly monitor sewage discharge.

Indicator (unit)	2022	2021	2020
Total water consumption (m ³)	322,614	358,887	336,100
Total cycling use of water (m ³)	56,044	54,477	66,188
Water consumption per FTE (m ³)	32.92	-	-

Note: Data covered the Head Office and the institutions based in Beijing.

Sewage and waste management

The Bank strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution*, the *Notice on the Mandatory Classification of Domestic Waste in the Offices of Central State Organs in 2018*, the *Implementation Plan on the Mandatory Classification of Domestic Waste in the Offices of Central State Organs*, and other pertinent laws, regulations, and policies. It implements the waste sorting and reduction campaign in office areas of the Head Office Building, with all trash cans replaced with waste sorting bins, food waste & garbage disposal units installed in some working areas of the Head Office Building, and a qualified agency hired to dispose of hazardous waste. In 2022, the Head Office set the waste reduction target of "zero direct discharge of hazardous waste and full coverage of waste sorting/processing", which was accomplished.

Indicator (unit)	2022	2021	2020
Discharge of hazardous waste (tons)	0	6.34	0
Discharge of non-hazardous waste (tons)	1,071	1,120	1,064

Note: Data covered the Head Office and the institutions based in Beijing.

Materials and packing

Indicator (unit)	2022	2021	2020
Office paper consumption (tons)	63.4	65.1	53.4
Paper conservation (tons)	1.7	-11.7	6.34
Number of credit cards issued this year (10,000)	319.39	332.83	679.39
Paper consumption of newly issued credit card statements and envelops (10,000)	1,253.01	1,561.41	-
Paper consumption of newly issued credit card statements and envelops (tons)	70.73	88.14	-
Paper consumption attributed to credit card e-bill (100 million)	6.97	3.96	2.57

Note: The data of office paper consumption and paper conservation only covered the Head Office and the institutions based in Beijing.

Environmental compliance

The Bank didn't receive any punishment for violation of environmental laws and regulations in 2022.

Social Performance

Human resources structure

Indicator (unit)	2022	2021	2020
Number of employees	306,182	306,322	309,084
Number of employees divided by gender			
Number of male employees	131,164	131,387	131,916
Number of female employees	175,018	174,935	177,168
Number of employees divided by age			
Number of employees aged 30 and below	68,054	66,995	73,355
Number of employees aged 31-50	179,513	185,917	189,454
Number of employees aged above 50	58,615	53,410	46,275

Indicator (unit)	2022	2021	2020
Discharge of hazardous waste (tons)	0	6.34	0
Discharge of non-hazardous waste (tons)	1,071	1,120	1,064

Note: Data covered the Head Office and the institutions based in Beijing.

Indicator (unit)

Indicator (unit)	2022	2021	2020
Number of employees divided by employment type			
Number of full-time employees	306,182	-	-
Number of part-time employees	0	-	-
Number of employees divided by region			
Number of employees in the Chinese mainland	281,793	280,908	283,312
Number of expatriates	2,038	2,051	1,956
Number of employees in Hong Kong, Macao and Taiwan	18,439	19,445	19,495
Indicator (unit)	2022	2021	2020
Number of new hires in the year	12,695	10,221	11,468
Number of employees from campus recruitment	12,140	9,610	9,218
Number of employees from social recruitment	555	611	1,005
Number of interns accepted	893	665	517
Number of employees having senior professional qualifications	8,200	6,280	4,308
Number of employees having intermediate and junior professional qualifications	250,000	196,000	35,000
Percentage of scientific and technical personnel (%)	3.32	3.07	2.49

Diversity and employee protection

The Bank complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of People's Republic of China*, the *Provisions on the Prohibition of Child Labour of the State Council*, and other pertinent laws and regulations. It firmly opposes and prohibits any employment of child labour and any form of forced labour; emphasizes employee diversity and works hard to create an inclusive and equal workplace; and bans any disrespect or discrimination based on nationality, ethnicity, religion, age, gender, colour, family background, education, etc. For any violations in the employee recruitment process, the Bank carried out accountability in strict accordance with the *Measures for Handling of Employee Violations of Bank of China Limited (Version 2022)* and the *Measures for Management Accountability of Bank of China Limited (Version 2022)*.

Indicator (unit)

Indicator (unit)	2022	2021	2020
Execution of employment contracts (%)	100	100	100
Coverage of social insurance schemes (%)	100	100	100
Percentage of female employees (%)	57.16	57.11	57.32
Percentage of female mid-to-senior-level managers (%)	30.59	30.79	33.24
Percentage of male mid-to-senior-level managers (%)	69.41	69.21	66.76
Number of local employees at overseas institutions	23,033	23,992	24,370
Number of minority employees	13,487	13,260	13,073

Occupational health and safety (OHS)

Indicator (unit)	2022	2021	2020
Number of employees receiving physical examination at the Head Office	5,250	4,985	4,144
Number of occupational injury cases	4	3	7
Number of service-attributable death incidents	0	0	0
Number of service-attributable deaths	0	0	0
Ratio of service-attributable deaths (%)	0	0	0
Workdays lost due to service-attributable injury	120	100	-

Note: The number of employees receiving physical examination at the Head Office did not include employees at the Software Centre and some persons dispatched by the Head Office.

Employee Turnover

Indicator (unit)	2022	2021
Employee turnover (%)	1.9	2.5
Male employee turnover (%)	1.88	2.4
Female employee turnover (%)	1.92	2.6

Loan repayment policy

BOC treated credit card customers who had difficulties in repayment or were at risk of overdue repayment on a case-by-case basis. For the customers at risk of overdue repayment, the Bank encouraged them to use the existing installment products to alleviate their repayment pressure for the short term, thus reducing the default risk and protecting credit records. For the customers who were already overdue and indeed had difficulties in repayment due to special circumstances, the Bank actively provided them with personalised credit card installment services by adopting flexible interest rates, extending the maximum repayment period (up to five years), reducing/exempting late fees, all of which effectively relieved the repayment pressure of related customers.

In addition, BOC continued to humanise debt collection. Collection was ceased for the customers who had difficulties in repayment difficulties after signing personalised installment repayment agreements and making repayments as per the signed agreements. Collection compliance was ensured by various means such as the issuance of notices and documents, case sharing, special meetings, special training, and business inspection. Outsourced collection activities were put under intensified management, by establishing a pool of outsourcing service providers across the Bank and strengthening compliance management for service providers through regular meetings, on-site and off-site inspections, etc.

Marketing

The Bank strictly complies with the *Advertising Law of the People's Republic of China*, and has formulated the *Guidelines on the Management of Consumer Finance Marketing and Publicity of Bank of China Limited* to further regulate its marketing and publicity efforts.

BOC stipulates that the content of marketing and promotional materials must be clear and easy to understand, the wording must not violate public morality, the content is marked in a conspicuous manner as per regulatory requirements without omission, and risk reminders are complete and accurate. At the same time, the Bank continues to improve the monitoring mechanism for financial marketing and promotional activities, strengthens daily management, prioritises intensifying the monitoring of the marketing and promotional activities at business outlets and partner institutions, and rectifies in a timely manner any marketing and promotional activities that violate the laws and regulations on consumer protection and other pertinent provisions.

Product Management

The Chairman of the Bank shall review the internal approval processes for the development of new products and major changes to existing products, and urge the Senior Management to perform product management duties. The Senior Management shall implement resolutions and decisions related to product management made by the Board of Directors and the Executive Committee, among other bodies, construct the product management system and improve the decision-making and execution mechanism for product management, clarify the responsibilities of relevant departments and branches, consider the launch and exit of new products within the hierarchical decision-making mechanism for managing new products, hear the reports

on the progress of new product R&D on a regular basis, deliberate on the significant matters on the management of products and risks associated with them, and coordinate efforts to handle significant product management matters involving different departments/lines. In 2022, the Financial Digitalisation Committee under the Senior Management integrated the responsibilities of the former Innovation and Product Management Committee to strengthen the coordinated management of product innovation and digitalised development.

BOC has formulated the *Management Measures for Products of Bank of China Limited (Version 2021)*, the *Guideline for the Management of Products Sold by Proxy of Bank of China Limited (Version 2018)*, and other product management policies/systems, to intensify holistic product planning and risk control, put in place a product management system that could run through the lifecycle, and boost product innovation and sound development. In 2022, the Bank reinforced the lifecycle product management that could cover product launch, existence, and exit; reviewed old products in 2021 and evaluated new products in 2020 in an effort to enhance the product structure; and re-checked the policies on agency sale business and the products sold by proxy, and released the catalogue of products sold by proxy in 2022.

For new products, product departments shall comprehensively self-assess the R&D design and the associated risks to reveal changes in risk characteristics and formulate risk mitigation measures. Risk management departments and business departments shall identify risks associated with new products, propose risk control measures/requirements, and assist in improving product design/R&D. Products departments shall implement differentiated launch approval processes according to product risk levels. Risks of new products under assessment include reputational risks, legal and money laundering risks, operational risks, and consumer protection risks, among other types.

For old products, product departments shall carry out reviews in light of product characteristics, market environment, customer demands, policy requirements, risk changes, and other aspects. They shall put forth or refine the review triggers after products changes, consult related risk management departments about the triggers, and make timely improvements on/adjustments to them. Risk management departments shall review risk assessment results of the products launched within one year, the key old products, and the products with elevated risk levels after re-inspection, and issue comprehensive risk assessment reports. Meanwhile, they shall propose risk control suggestions for other re-inspected products. Product departments shall take follow-up measures such as product rectification, suspension of sales, and exit from the market depending on different reinspection results.

From 2021, the Bank conducted training on product management policies, and in 2022, it continued to explain and answer questions on the content of the relevant policies for all branches, thus laying a solid foundation for product innovation and business development.

Consumer complaint management

Indicator (unit)	2022	2021	2020
Customer complaints throughout the year (10,000)	18.2	14.8	18.8
Number of customer complaints settled (10,000)	18.2	14.8	-
Ratio of customer complaints closed (%)	100	100	-

Cybersecurity and information security

In strict accordance with the pertinent laws, regulations, and regulatory documents such as the *Cyber Security Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Guidelines for Data Governance for Banking Financial Institutions*, BOC has formulated a series of policies covering the data lifecycle, data security management, information system data security, and application system security & development, among other aspects of content.

The organizational structure was further improved. The Chairman of the Bank takes primary responsibility for cybersecurity, the Financial Digitisation Committee is the leading body for cybersecurity, and the Chief Cybersecurity Officer is the highest-level person overseeing the Bank's intranet, information, and data security. The Bank incorporates the information security management into the performance appraisal system of the Group's institutions and their senior managements, to assess from such perspectives as mechanism establishment, personnel training, formulation of contingency plans and conduct of drills, and loophole screening & problem rectification. The appraisal mainly covers leakage, destruction, and tampering of sensitive information, virus infection and transmission, external penetration or attack on internal networks or systems, etc.

The defense capacity was further enhanced. The Bank has established an enterprise-level cybersecurity centre to deploy prevention and control measures and spot/deal with threats in a centralised way. In response to potential network, information, and data security risk events and vulnerabilities, the Bank formulated the *Working Mechanism for Reporting Cyber Threat Events (Version 2022)* and the *Emergency Management Measures for Data Security of Bank of China Limited*, which set out clear reporting and response processes. Meanwhile, it formulated contingency plans for multiple scenarios, such as DDoS attacks, network intrusions, wireless network attacks, robot attacks, system-layer ultra-high-risk vulnerabilities, local failure, and carried out actual operational drills, simulation drills, and desktop drills on these plans annually. A cybersecurity attack and defence laboratory at the Group level was established, and a cybersecurity taskforce of over 300 people was recruited to enhance the professional capabilities for ensuring cyber and information security through routine drills.

The Bank's cyber and information security systems have been certified by a number of Chinese and international standards such as ISO 20000: Information Technology Service Management System Certification, ISO 9001: Quality Management System Certification, ISO 27001: Information Security Management System, and PCI-DSS: Payment Card Industry Data Security Standard. At the same time, the Bank conducts internal and external audits on the organisational structure, management policies and measures, and systems related to cyber and information security every year.

In 2022, the Bank did not trigger any cyber and information security incidents or privacy breaches for technical reasons.

Intensifying personal information protection

BOC strictly complies with the *Personal Information Protection Law of the People's Republic of China* and other pertinent laws and regulations, and has established an organisational structure for data governance and customer information protection management, which covers the Board of Directors, Board of Supervisors, and Senior Management as well as its subordinate Financial Digitisation Committee, lead departments, business departments and technical departments.

BOC has revised the *Customer Information Protection Management Policy of Bank of China Limited* and issued the *Notice of Bank of China on Further Strengthening Customer Information Protection* to further specify requirements for customer information protection management and accountability. Under the overall framework of customer information protection, the Bank follows the principle of "business necessity and minimum authorisation". It has formulated the *Personal Customer Information Protection Management Measures of Bank of China Limited*, which sets out management requirements and prohibited acts throughout the entire lifecycle of personal data, consisting of collection, storage, enquiry, use, transmission, deletion, and destruction. It strengthens its information protection as per the principle of fully covering personnel, systems, positions, processes, institutions, and emergency response management flows. Currently, all e-channels available to personal customers, such as Apps, applets, and PC software comply with the principles of openness and transparency. The Bank has released nine privacy policies, including the *Mobile Banking Privacy Policy of Bank of China Limited* and the *Colorful Life Privacy Policy of Bank of China Limited*, discloses the rules for processing personal information, and proactively informs customers of the purpose, manner and scope of personal information processing as well as the protection of their personal information. Individual privacy policies of the Bank do not apply to the corporate business line.

Customers have the right to access, correct and update personal information through mobile banking channels; they can enable or disable permissions for location services, access to contact, or call through mobile phone settings; they can view the privacy policy or revoke consent through "My-Privacy Policy" on the mobile banking app.

BOC will sign strict confidentiality agreements with third parties when providing customers' personal information to them with the consent and authorisation of customers, to specify the purpose, manner and scope of use of customers' personal information by both parties, require third parties to handle personal information in strict accordance with the agreed confidentiality and security measures, and ask them not to use the shared personal information for any other purposes. Before entering into cooperation with a partner organisation, the Bank will thoroughly examine and evaluate the qualification, capability, and reputation of the organisation in terms of personal information protection. It incorporates the requirements related to personal information protection into the access requirements for partner organisations. The Bank won't cooperate in terms of personal information with any organisation that fails to meet regulatory and industry requirements or its business and technical management provisions.

Preventing fraud risk

Indicator (unit)	2022	2021	2020
Number of suspicious transactions intercepted by the "Cyber Defence" smart risk control and prevention system (the Cyber Defence system) (10,000)	122.74	87.90	52.00
Amount of suspicious transactions intercepted by the Cyber Defence system (RMB100 million)	223.30	150.70	119.84

Employee Education and Training

Indicator (unit)	2022	2021	2020
Investments into employee training (RMB10,000)	70,927	81,386	53,804
Participation in training (person-times)	2,782,623	2,663,696	2,498,657

* Excluding employees learning online by themselves.

Indicator (unit)	2022	2021	2020
Percentage of employees trained (%)	97.52	97.01	95.89
Number of employees trained by gender			
Female employees trained	171,602	175,377	174,054
Male employees trained	123,724	130,847	127,438
Number of employees trained by worker type			
Senior management members trained	12,527	14,293	15,948
Mid-level management members trained	329,658	265,698	321,541
Non-management employees trained	2,440,438	2,383,705	2,161,168
Average length of employee training (hours)	48.16	48.32	59.35
Average length of employee training by gender			
Average length of female employee training (hours)	52.03	51.74	62.10
Average length of male employee training (hours)	45.72	45.83	55.60
Average length of employee training by worker type			
Average length of training attended by senior management members (hours)	47.62	46.30	51.24
Average length of training attended by mid-level management members (hours)	58.37	61.99	87.92
Average length of training attended by non-management employees (hours)	47.34	41.92	58.80

Indicator (unit)	2022	2021	2020
Number of registered users on the BOC training cloud platform	302,835	315,674	314,411
Number of average monthly active users on the BOC training cloud platform	245,656	234,170	137,331
Number of courses provided on the BOC training cloud platform	42,689	25,072	14,463
Participation in BOC training cloud platform by employees (person-times)	2,782,623	2,663,696	2,498,657
Average length of learning on the BOC training cloud platform (hours/person)	44.12	43.55	40.63

Supporting social development

Indicator (unit)	2022	2021	2020
Donations (RMB1 million)	89.09	98.54	162.28
Social contribution per share (RMB)	2.81	2.60	1.98
Balance of loans granted to areas lifted out of poverty (RMB100 million)	4,122.75	3,608.76	3,028.88
Balance of government-sponsored student loans ^{Note1} (RMB1 million)	2,317.09	2,138.53	2,190.82
Amount of government-sponsored student loans cumulatively granted (RMB100 million)	257.46	250.72	246.12
Amount of pension funds in the Bank's custody (RMB100 million)	1,702.43	1,415.45	1,017.92
Number of personal accounts of enterprise annuities under the Bank's management ^{Note2} (10,000)	389.87	367.59	341.36
Amount of pension funds under custody (RMB100 million)	9,066.02	7,835.02	5,928.72
Cumulative number of financial education events for the public	55,866	59,722	22,211
Number of people receiving financial education (10,000)	73,744	56,295	9,997
Number of anti-counterfeit money education events	11,106	5,600	5,600
Number of customers receiving anti-counterfeit money education (10,000)	747	1,225	212
Number of anti-counterfeit money materials distributed (10,000 copies)	303	277	244

Note 1: Government-sponsored student loans refer to unsecured loans granted to students from poor families in universities and colleges directly under the State Council ministries/commissions and local governments as well as from other regions in payment for their study, accommodation and living costs at school.

Note 2: Number of personal accounts of enterprise annuities under the Bank's management refers to the number of personal accounts with the Bank serving as the manager of the enterprise annuity accounts.

Service channels

Indicator (unit)	2022	2021	2020
Number of mobile banking customers (10,000)	25,441	23,518	21,055
Transaction amount through mobile banking (RMB1 trillion)	46.73	39.38	32.28
Number of monthly active users of the Mobile Banking app (10,000)	7,620.15	7,104.41	6,031.09
Number of operating outlets in the mainland	10,312	10,382	10,487
Number of intelligent outlets	10,312	10,382	10,487
Number of ATMs	25,166	27,729	33,314
Number of smart counters	33,089	32,367	31,960
Coverage ratio of smart counters at outlets (%)	100	100	100
Number of tablet-version smart counters	13,793	10,853	—
Number of outlets in national-level rural revitalisation assistance counties ^{Note1}	37	34	32
Number of county-level outlets	2,948	2,934	2,981
Coverage ratio of county-level institutions (%)	63.13	62.52	62.07
Rate of 95566 call centre arrival (%)	93.45	—	—
Satisfaction of 95566 call centre service (%)	99.50	—	—

Note 1: For national-level rural revitalisation assistance counties, please refer to the list of (160) national-level rural revitalisation assistance counties released by the Office of the Central Leading Group for Rural Work and the National Rural Revitalisation Administration in August 2021.

Supporting economic development

Indicator (unit)	2022	2021	2020
Balance of inclusive financial loans meeting the "two increases and two controls" assessment requirements ^{Note1} (RMB1 million)	1,228,283.09	881,502.25	611,661.62
Growth rate of the balance of inclusive financial loans meeting the "two increases and two controls" assessment requirements (%)	39.34	53.15	48.12

Indicator (unit)	2022	2021	2020
Growth rate of loans for small and micro enterprises ^{Note2} (%)	39.28	33.60	21.43
Balance of loans for small and micro enterprises (RMB100 million)	35,602.15	25,560.85	19,131.77
Balance of loans for small and micro enterprises as a proportion of the total balance of all loans of the Bank (%)	24.90	19.97	16.77
Number of small and micro enterprises to which the Bank granted loans	805,861	644,037	497,300
Growth rate of small and micro enterprises to which the Bank granted loans (%)	25.13	29.51	10.19
Balance of loans for small and medium-sized enterprises (SMEs) ^{Note3} (RMB100 million)	51,044.66	42,935.60	37,417.55
Growth rate of loans for SMEs (%)	18.89	14.75	11.09
Balance of personal business start-up loans (RMB100 million)	34.78	26.32	22.73
Number of beneficiaries of personal business start-up loans	17,602	15,458	18,119
Balance of loans for private enterprises (RMB1 trillion)	2.92	2.44	1.76
Balance of loans in support of strategic emerging industries (RMB100 million)	11,220.73	5,215.78	2,222.43
Balance of government-subsidised housing loans (RMB100 million)	1,742.49	1,494.41	1,514.45
Loans newly extended to a variety of transportation fields (RMB100 million)	4,834	4,686	3,253
Balance of agriculture-related loans (RMB100 million)	20,748	17,408	15,185
Liquidity support provided for core enterprises in the supply chain (RMB100 million)	2.46	2.16	—

Indicator (unit)	2022	2021	2020
On- and off-balance-sheet trade financing support provided for upstream and downstream enterprises in the supply chain (RMB100 million)	2.23	1.70	-
Balance of loans in support of the marine economy (RMB100 million)	1,010	708	553
Note 1: Inclusive financial loans meeting the “two increases and two controls” assessment requirements: By the standard of the CBIRC, they refer to the loans for small and micro enterprises with a total single-account credit amount of RMB10 million or below.			
Note 2: Small and micro enterprises: They refer to the small enterprises, micro enterprises, individual businesses, and small and micro business owners by the standard of the CBIRC.			
Note 3: Small and medium-sized enterprises (SMEs): They refer to medium-sized enterprises and small enterprises by the standard of the CBIRC.			
Governance Performance			
Value creation			
Indicator (unit)	2022	2021	2020
Total assets (RMB1 million)	28,913,857	26,722,408	24,402,659
Operating income (RMB1 million)	618,009	605,559	565,531
Operating expenses (RMB1 million)	333,313	329,428	320,407
Total profit before income tax (RMB1 million)	284,595	276,620	246,378
Profit for the year (RMB1 million)	237,504	227,339	205,096
Return on average total assets (%)	0.85	0.89	0.87
Return on average equity (%)	10.81	11.28	10.61
Capital adequacy ratio (%)	17.52	16.53	16.22
Non-performing loans to total loans (%)	1.32	1.33	1.46
Income tax expense (RMB1 million)	47,091	49,281	41,282
Capital and reserves attributable to equity holders of the Bank (RMB1 million)	2,427,589	2,225,153	2,038,419

Board diversity

In 2022, taking into account all factors of the directors, three independent directors and one non-executive director were added, in a way to further enhance the Board diversity. By the end of 2022, the Board of Directors of the Bank consisted of 15 members, including two female directors, which accounted for 13.3%.

Indicator	Number	Percentage (%)
Board members	15	-
Executive directors	4	26.7
Non-executive directors	5	33.3
Independent directors	6	40.0
Male directors	13	86.7
Female directors	2	13.3
Directors aged below 55	2	13.3
Directors aged 55-60	8	53.3
Directors aged above 70	2	13.3
Directors from the Chinese mainland	11	73.3
Directors from Hong Kong, Macao and Taiwan	2	13.3
Directors from other countries/regions	2	13.3
Directors with work experience in economy	15	100
Directors with work experience in finance	15	100

Director independence

In 2022, the Bank had six independent directors, accounting for 40% of total directors, who were selected from personalities at home and abroad. They were professionals with good reputations. Independent directors did not assume any other position at the Bank, and were not subject to the influence of the Bank’s substantial shareholders, de facto controller or any other institution or individual that had a major stake in the Bank.

At the same time, the Bank requires in its Articles of Association that directors, who have a stake in the enterprise involved in the matter reviewed at the Board meeting, may not vote on the matter, and that resolutions made at the Board meeting shall be passed by more than half of the directors who do not have a stake in the matter^{Note 1}. As at the end of 2022, chairmen of special committees of the Board, such as the Audit Committee, the Personnel and Remuneration Committee, and the Connected Transactions Control Committee were assumed by independent directors.

Note 1: For details, please refer to the *Articles of Association of Bank of China Limited*: https://www.boc.cn/investor/ir6/200812/t20081222_508231.html

Attendance of Board meetings

In 2022, the Bank held eight meetings of the Board of Directors in total, during which time the average attendance rate of the Board of Directors was 92%, and 70 proposals were reviewed. Meanwhile, upon authorisation, committees of the Board of Directors vigorously assisted the Board of Directors in duty performance.

Number of meetings attended in person/number of meetings convened during term of office

Director	Meetings of the Board of Directors Shareholders' Meetings	Meetings of the Board of Directors (including meetings held via written resolutions)
Incumbent Directors		
Liu Liange	3/3	8/8
Liu Jin	3/3	8/8
Wang Wei	3/3	7/8
Lin Jingzhen	3/3	8/8
Xiao Lihong	3/3	8/8
Wang Xiaoya	3/3	8/8
Zhang Jiangang	3/3	8/8
Chen Jianbo	3/3	8/8
Huang Binghua	2/2	6/6
Jiang Guohua	3/3	7/8
Martin Cheung	3/3	7/8
Kong Liao		
Chui Sai Peng Jose	3/3	8/8
Ekra Jean Louis	1/2	5/5
E Weinan	1/1	4/4
Giovanni Tria	1/1	4/4
Former Directors		
Zhao Jie	1/1	1/1
Wang Changyun	2/2	4/4
Angela Chao	2/2	3/4
Chen Chunhua	2/2	4/4

* Meetings were held in the form of onsite meeting or via written proposal.

Special Committees	Chairman of Committee
Strategic Development Committee	Liu Liange
Corporate Culture and Consumer Protection Committee	Huang Binghua
Audit Committee	Jiang Guohua
Risk Policy Committee	Xiao Lihong
Personnel and Remuneration Committee	Chui Sai Peng Jose
Connected Transactions Control Committee	Martin Cheung Kong Liao

Director training

In 2022, the Bank organised 20 director training courses, with 63 attendees and 25.5 hours of training per Board member.

Information discourse and communication with investors

The Bank continued to improve the information disclosure management policy system. Aiming at enhancing transparency, it enriched and optimised the disclosure content, enhanced the pertinence and effectiveness of disclosure, and safeguarded the legitimate rights and interests of investors.

Indicator (unit)	2022	2021
Number of publicly disclosed documents	389	388
Including: Documents issued at A share market	123	126
Including: Chinese documents issued at H share market	139	132
Including: English documents issued at H share market	127	130
Number of events for communication with investors	405	419
Including: Investor conferences held	179	178
Including: Investor hotlines answered	125	111
Including: Responses to enquiries posted on e-interaction online platform run by the SSE	27	57
Including: Responses to emails through the IR mailbox	74	73

Compliance and business ethics

BOC asks employees to comply with business ethics and organises learning sessions on the *Code of Conduct and Measures for Handling of Employee Violations* and other pertinent policies to inform staff of related management norms constantly. Meanwhile, the Bank screens abnormal behaviour of employees regularly to eliminate case risks in a timely manner.

Anti-money laundering (AML)

In accordance with the *Anti-Money Laundering Law of the People's Republic of China*, the *Measures for the Supervision and Administration of Anti-Money Laundering and Counter-Terrorist Financing by Financial Institutions*, the *Administrative Measures for Anti-Money Laundering and Counter-Terrorist Financing of Financial Institutions in the Banking Sector*, and other AML laws, regulations and regulatory provisions, as well as with reference to the industry guidelines issued by the United Nations (the UN), the Financial Action Task Force (FATF) and other international organisations, the Bank has established a set of AML policies and systems in which the *Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Compliance Policy of Bank of China Limited (Version 2020)* provides the guiding principles, with the *Measures for Managing Institutional Self-Assessment of Money Laundering and Terrorist Financing Risks at Bank of China Limited (Version 2021)*, the *Measures of Bank of China Limited for Managing the Risk-oriented Customer Due Diligence (Revision 2018)*, the *Measures of Bank of China Limited for the Management of Reporting Large-amount and Suspicious Transactions (Version 2021)*, and the *Measures of Bank of China Limited for Sanctions Compliance Management (Version 2020)* at the core. Of these, the *Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Compliance Policy of Bank of China Limited (Version 2020)* is approved by the Board of Directors and other policies are approved by the Anti-Money Laundering Committee and bank leaders in charge.

Clean office and anti-corruption

BOC works hard to prevent integrity risks, resolutely punishes corruption, keeps close eyes on key areas such as credit management, non-performing loan disposal, and centralised procurement, and puts in place a sound supervision and restraint mechanism. In short, it cracks down on corruption rigorously. The Bank makes headway in the construction of a long-term anti-corruption mechanism, in which "no one would dare to corrupt, is able to corrupt, or is willing to corrupt", launches the full-scale crackdown on violations of laws and disciplines, improves checks on the exercise on powers, and further enforces strict discipline. Building and spreading its excellent integrity culture that advocates "aspiration, integrity, and resolution", the Bank works out concrete measures, continues to carry out warning education, holds warning education conferences that cover tier-2 institutions, announces 22 typical cases (including the serious case of He Xingxiang and other cases investigated in the Bank), and compiles and publishes typical positive and negative cases, getting all employees ideologically ready for anti-corruption.

The Bank attaches great importance to the integrity building and anti-corruption supervision of overseas institutions, improving a leading mechanism for the prevention and control of integrity risks and corruption management. Overseas institutions are required to strengthen their anti-corruption efforts and risk prevention and control measures given the actual conditions in the countries and regions where they are located, while enhancing related education and supervision to promote a strong atmosphere of operational integrity and compliance. Meanwhile, the Bank also improves the integrity supervision system for overseas

institutions, allocates more supervision resources, develops guidelines for performance of supervisions duties, increases supervision and discipline efforts, and implements various requirements for integrity building.

For more information on the number of corruption cases, please go to the official website of the Central Commission for Discipline Inspection of the CPC and the National Supervisory Commission.

Handling letter-or-visit matters

The Bank has formulated and revised the *Guidelines of Bank of China Limited for Managing Letter-or-visit Matters* to further improve the related working mechanism. Citizens, legal persons or other organisations can report facts and give opinions through phone calls, letters, visits, etc. The Bank has set up a letter-or-visit office and a reception station, and domestic branches have assigned full-time personnel for accepting letter-or-visit matters. All those efforts are to process letters, phone calls and visits received and listen to opinions, suggestions and appeals of related customers. The Bank also accepts letter-or-visit matters reflected by stakeholders in a real-name or anonymous way, safeguards the privacy and safety of whistleblowers, and disallows retaliation against whistleblowers in any form by anyone.

In 2022, the Bank launched a series of initiatives to solidify the foundation of the letter-or-visit work. The Party committees at all levels were arranged to learn and implement the *Letter-or-visit Work Rules*; continuous headway was made in reducing the backlog of cases, with the timing brought forward, and moves were taken to intensify territorial management and prevent cases from the source; the internal letter-or-visit management system was put into full use, which supported information sharing, early warning against incidents and other functions, thus further digitalizing letter-or-visit management and better controlling related risk events.

Safeguarding intellectual property rights (IPRs)

The Bank strictly abides by the applicable laws and regulations including the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, advocates the concept of intellectual property protection, and applies for and protects trademarks, patents, and other intellectual property rights (IPRs) as per its IPRs management measures. It is also committed to fully respecting the IP rights of others and preventing risks of IP infringement.

Procurement practices

The Bank ensures that the procurement work can follow the principle of "openness, fairness, impartiality, good faith and effectiveness" to assume social responsibility proactively through a host of rules and policies such as the *Charter of the Centralised Procurement Management Committee of Bank of China Limited (Version 2021)* and the *Procurement Management Measures of Bank of China Limited (Version 2021)*. It has established an open, impartial and transparent procurement management mechanism to implement the procurement procedures strictly. The selection of procurement methods shall follow the principle of "being lawful, compliant, competitive and merit-based". Public tendering shall be prioritised, and the selection of single-source procurement should be adopted with prudence.

The Centralised Procurement Centre takes the lead in managing green and sustainable procurement across the Bank. In 2022, the Bank worked hard to enhance procurement policies. Specifically, it revised a host of related policies such as the *Measures for Managing Challenges and Complaints from Suppliers*, and the *Procurement Management Measures for Overseas Institutions*, and formulated a number of new documents including the *Notice on Including in the Negative List the Bribers Found under the Centralised Procurement Business and the Suppliers Identified with Corruption and Other Bad Behaviors* and the *Notice on Further Strengthening the Management of E-commerce Procurement Compliance Risk*, in an effort to further streamline procurement flows, enhance procurement efficiency, strengthen procurement compliance management, and prevent/control integrity risk. In 2022, the Bank included suppliers who bribe employees of the Bank or are found with integrity issues in the negative list, so that they can be prohibited from procurement business across the Group. In this way, the black list could act as a deterrent and misbehaving suppliers could be punished more severely. In 2022, many suppliers were prohibited from participating in purchases made by the Bank.

The Bank has formulated the *Standards of Bank of China Limited for Integrity in Practice of Suppliers (Version 2017)*, which stringently bans commercial bribery, interference in procurement, secrets leakage, willful default, and other corrupt behaviors. The document is attached to the cooperation agreements signed with suppliers.

Indicator (unit)	2022	2021	2020
Proportion of suppliers outside the mainland (%)	10	10	-
Coverage ratio of supplier review (%)	100	100	100
Supplier social responsibility training sessions held	2	3	1

The Bank keeps improving the procurement complaints handling mechanism. In 2022, it revised the *Measures for Handling Questions from Suppliers of Centralised Procurement of China of Bank Limited (Version 2022)*. Suppliers could directly send their challenge documents to the Centralised Procurement Centre of the Bank or get these documents forwarded by the disciplinary inspection and supervision departments of the Bank. The centralised procurement departments of the Bank build question response teams to take questions, investigate facts, handle related matters, and give replies regarding the matters in question. This close-looped mechanism is aimed to ensure the projects in question can be handled properly.

The Bank implemented the national policies such as the *Regulations on Ensuring Timely Payments to Small and Medium-sized Enterprises* and the *Notices on Strengthening Support to Small and Medium-sized Enterprises*, formulated the *Management Measures for Payments to Small and Medium-sized Enterprise Suppliers of Bank of China (Version 2020)*, the *Special Agreement between Bank of China Limited and Small and Medium-sized Enterprise Suppliers* and the *Notice on Further Strengthening the Management on Payments to Private Enterprises and Small and Medium-sized Enterprises*, and concluded special agreements with SME suppliers, in a bid to optimise payment conditions and processes and ensure timely payments to SMEs. At the same time, it safeguarded the right of SME suppliers to equally participate in bids. Public or online invitation of tenders was adopted for procurement projects, in which small and micro enterprises meeting requirements all have eligibility and opportunities to bid. While proposing requirements on the basic eligibilities of qualified suppliers, the Bank did not have any requirement on the registered capital or scale of the enterprises except for a few projects with special requirements.

Environmental and social assessment for suppliers

The Bank enhances its examination of suppliers in environmental protection and social responsibility, and steps up management of suppliers in qualification, procurement, evaluation, supplier management and other links. It is clearly stated in procurement invitation documents of all projects that "suppliers shall not have any violations against laws and regulations that cause environmental and social risks such as environment pollution and illegal employment". The Bank evaluates suppliers' commitments to environmental protection and social responsibility during supplier inspection and project review. In addition to the written commitments of suppliers, the Bank also investigates their environmental protection equipment and measures, labour contract signing, social security payment, office environment, labour protection measures and other conditions during the investigation of specific projects, and considers these factors in the process of review.

Responsibility Management

Materiality Analysis

BOC Conducts an annual materiality analysis to understand the extent to which CSR issues of the Bank influence different stakeholder groups as well as these stakeholder groups' suggestions and expectations for the Bank in performing CSRs.

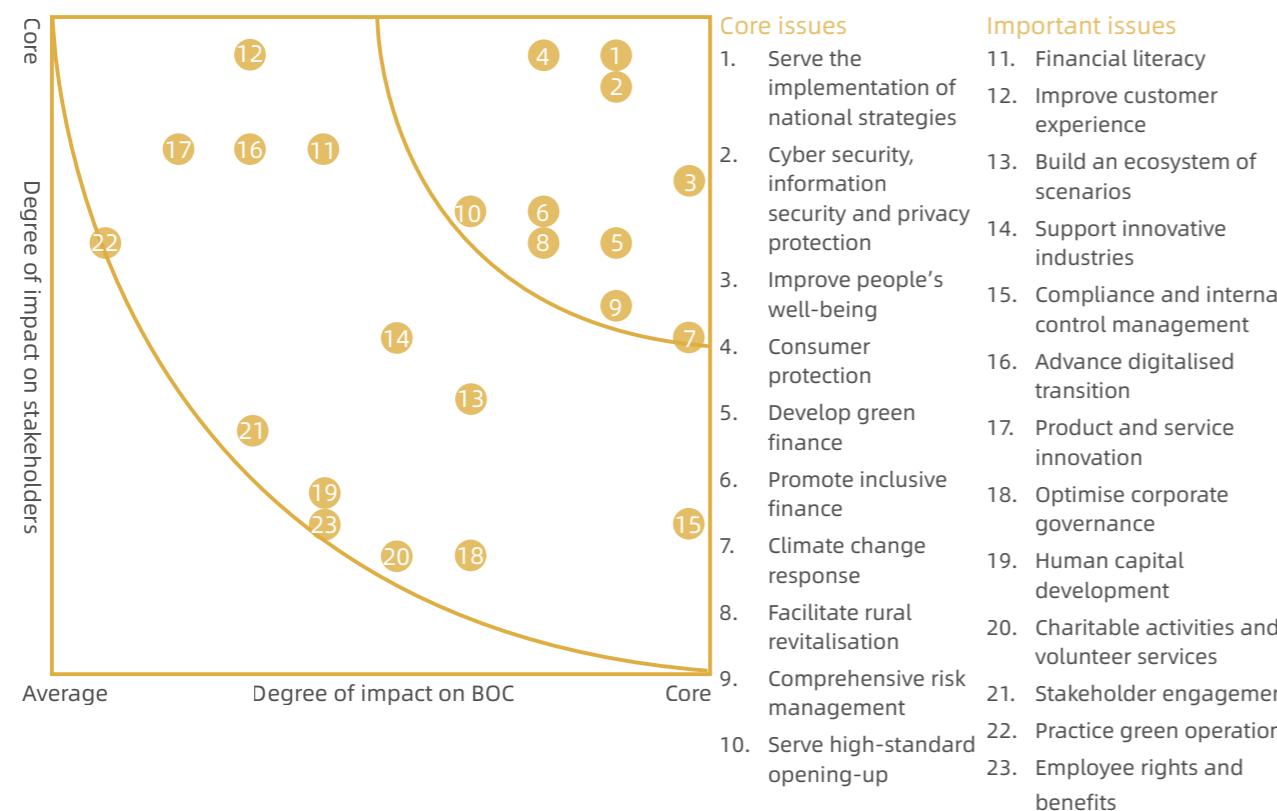
Step 1 Identification
BOC identified 23 CSR issues that could impact it and its stakeholders, given its development strategies and plans with reference to industry hotspots and development trends, major national policies, as well as major CSR standards and mainstream ESG rating systems available at home and abroad, including but not limited to the *Environmental, Social and Governance Reporting Guide* of the Stock Exchange of Hong Kong Limited, the United Nations Sustainable Development Goals (SDGs), the *Sustainability Reporting Guidelines* of the Global Reporting Initiative (GRI Standards Version 2021), the MSCI ESG Ratings, and the S&P Global Corporate Sustainability Assessment (CSA).

Step 2 Assessment

Internal and external stakeholders were invited to assess CSR issues by means of filling in online questionnaires from two dimensions, that is, "degree of impact on BOC" and "degree of impact on stakeholders".

Step 3 Reporting

The statistics and analysis of the assessment results were used to generate a materiality analysis matrix where issues could be ranked by materiality, thus specifying key disclosures in this report.



Stakeholder Engagement

Stakeholders	Expectation	Communication Channel
State	<ul style="list-style-type: none"> Serve the implementation of national strategies Serve high-standard opening-up Comprehensive risk management Promote inclusive finance Support innovative industries 	<ul style="list-style-type: none"> Routine communication and reporting Project approval and supervision Major project cooperation
Customers	<ul style="list-style-type: none"> Promote inclusive finance Consumer protection Product and service innovation Improve customer experience Cyber security, information security and privacy protection 	<ul style="list-style-type: none"> Daily communication on services Customer satisfaction surveys Customer complaint handling 95566 call centre Web portal, WeChat official account, and microblog, etc.
Shareholders	<ul style="list-style-type: none"> Optimise corporate governance Comprehensive risk management Advance digitalised transition 	<ul style="list-style-type: none"> Regular reports and interim reports Shareholders' Meeting Investor surveys Business results release
Environment	<ul style="list-style-type: none"> Climate change response Develop green finance Practice green operation 	<ul style="list-style-type: none"> Project environmental risk assessment Environmental performance collection and disclosure Green public welfare activities
Communities	<ul style="list-style-type: none"> Improve people's wellbeing Facilitate rural revitalisation Charitable activities and volunteer services Stakeholder engagement 	<ul style="list-style-type: none"> Charitable activities Field surveys and visits Community exchange activities Communication with media
Employees	<ul style="list-style-type: none"> Human capital development Employee rights and benefits Stakeholder engagement 	<ul style="list-style-type: none"> Awards ceremony Regular training Corporate culture activities Web portal, WeChat official account, and microblog, etc.

Commitment and Progress

As a signatory to the *UN Principles for Responsible Banking*, BOC is committed to the mission of “bridging China and the world for the common good”, firmly supports sustainable development, and promotes the realisation of the carbon peaking and neutrality (dual carbon) with financial strength. In 2022, BOC effectively fulfilled its responsibility as a major state-owned bank. While serving the real economy and helping ensure people’s well-being, the Bank worked hard to develop inclusive finance and green finance, one result of which is that its inclusive finance expanded in both volume and coverage and its green finance became more influential.

Inclusive finance

BOC focused on inclusive financial needs of small and micro enterprises. The Bank propelled the development of the real economy by offering quality and efficient inclusive financial services, optimised the supply of financial services for small and micro enterprises, and supported new citizens’ diverse financial needs in a wide range of areas such as business startup, employment, housing, and consumption. Meanwhile, it improved agriculture-related products and services, developed county finance, expedited digitalised operation of inclusive finance, and enriched the lineup of online inclusive financial products. The “BOC e-Enterprise” cross-border matchmaking service platform was established to help small and micro enterprises well integrate into the pattern of development featuring the positive interplay between domestic and international flows, as part of its efforts to make financial services more inclusive and accessible.

Target/Commitment ^{Note1}	Progress in 2022	The United Nations Sustainable Development Goals
BOC will excellently fulfill the balance of inclusive financial loans meeting the “two increases and two controls” assessment requirements in 2021-2025.	Such loans grew by 39.34%	
In 2021-2025, the growth rate of inclusive financial loans and customers will meet the relevant regulatory requirements.	Such customers grew by 20.87%	
The balance of inclusive loans for small and micro enterprises will cross the RMB2 trillion mark by 2025. BOC will become the mainstay of serving inclusive financial customer groups.	The balance of such loans totaled RMB1.23 trillion	

Note 1: The “Target/Commitment” of inclusive finance shall be reviewed and revised on a regular basis according to the development requirements of the regulatory year.

Green finance

BOC implemented the strategy of green development, aimed to become the preferred bank for green financial services, optimised the green finance governance framework, improved policy support for green finance, and promoted the sound and rapid development of green finance businesses such as stock, bond, loan, investment, insurance and leasing. While integrating the green development concept into its risk management and daily operations, the Bank got actively involved in international cooperation for green development, and marched towards the realisation of the dual carbon goal.

Target/Commitment ^{Note1}	Progress in 2022	The United Nations Sustainable Development Goals
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The periodic target was overfulfilled, and the balance of green credit exceeded RMB1,987.2 billion (by the standard of the CBIRC) in 2022, including new credit of RMB578.6 billion and representing an increase of RMB1,090.4 billion from the end of the 13th Five-Year Plan period	BOC will provide no less than RMB1 trillion of financial support for green industries in 2021-2025, with the balance of green credit ^{Note1} going up year by year.	YOY growth rate of domestic green credit balance across the Bank (by the standard of the CBIRC) reached 41.08%
The average annual growth rate of green consumer credit balance in the Chinese mainland will be 30% at least and 60% at most in 2021-2025.		YOY growth rate exceeded 60%
BOC will tighten credit control over the brown industries ^{Note2} in 2021-2025.		The proportion of credit to brown industries in corporate loans kept going down and fell below 10%
	BOC will no longer provide financing for new coal mining and coal power projects outside of China from the fourth quarter of 2021 onwards, except for the projects already contracted.	No new financing for new coal mining projects and new coal power projects outside of China

Note 1: The CBIRC's standard for “green credit” was adopted, which mainly consists of green credit in six industries, that is, energy conservation and environmental protection, clean production, clean energy, ecological conservation, infrastructure, and green services, trade-related green credit, and consumption-related green credit.

Note 2: The brown industries mentioned herein are the eight major industries under emission control that have been and will be included in the national carbon market as well as the coal industry. Specifically, the eight industries are the thermal power generation, iron and steel, petrochemical, chemical engineering, non-ferrous metals, cement, paper-making, and civil aviation industries.



Outlook

In 2023, BOC will follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, implement the new development philosophy in a complete, accurate, and comprehensive way, and draw wisdom and strength from the century-old history to set out again full of confidence. The Bank will give full play to the advantages of the “One Mainstay, Two Engines” strategy, focus on the “Eight Priority Areas for Enhancing Financial Services Capabilities”, accelerate the construction of a new development pattern, invest more resources in key areas and important aspects of the real economy, strive to create a new situation of building a first-class global banking group, and facilitate the high-quality development of economy and society by taking practical actions along the road of financial development with Chinese characteristics.

Serving the implementation of national strategies to stimulate economic vitality. BOC will focus on improving the matching degree between financial supply and the real economy, and better supporting key areas and weak links. The Bank will serve the structural reform on the supply side, help build a modern industrial system, support the key areas of new industrialisation, and attain a high level of scientific and technological self-sufficiency at a faster pace. To exploit its advantages in globalised operation, it will cover the diplomatic and economic needs of the State, build the globally integrated service capabilities around the Chinese elements, and better support the high-standard opening-up to the outside world. Aligned with the regional development strategies of the State, the Bank will better play a leading role in key regions, promote the sharing of resources such as customers, talents, projects, and experiences, and help solve the problems of unbalanced and inadequate development. Moreover, it will vigorously develop inclusive finance, and offer comprehensive and multi-dimensional financial support to medium, small, and micro enterprises, self-employed individuals and other market players weather their difficulties.

Ensuring the people-oriented nature of finance to enhance social well-being. BOC will build a “customer-centric” management service system, put in place a customer satisfaction feedback mechanism, examine its work by taking into account what customers think and need and how they experience, and optimise its products and services in a timely manner. Focused on areas closely related to people’s well-being such as social security, medical care, and housing, the Bank will promote the integration of financial and non-financial development, accelerate the construction of four strategic scenarios, that is, cross-border business, education, sports, and elderly care, in an effort to improve people’s sense of fulfillment and happiness. Enthusiastic about public-interest undertakings, it will cooperate with more stakeholders to participate in and support public benefit activities. Furthermore, the Bank will intensify financial services for rural revitalisation, consolidate and expand the results achieved in poverty eradication, and help areas and people lifted out of poverty build up their capabilities for self-sustaining development.

Promoting green and low-carbon development to make ecological progress. Spearheaded by the green concepts, BOC will be dedicated to developing green finance. The Bank will continue to build the “BOC Green+” service system, accelerate innovation in sustainable development and transition finance, optimise financial support for the research, development, and promotion of new energy, green and low-carbon operation, and other cutting-edge technologies, and improve one-stop green financial services such as equity, bonds, loan, investment, insurance, and leasing. It will further improve specific plans and supporting safeguards for the development of green finance, and continue to enhance the intelligence level of green credit classification and identification, environmental benefit measurement, etc. The Bank will practice green concepts in its daily operation and business development, in a bid to build an eco-friendly low-carbon bank. Meanwhile, it will actively participate in international green governance, continue to fulfill its responsibilities in relevant international organisations, and contribute its wisdom to global green development.

Strengthening comprehensive risk management to consolidate the foundation for further development. BOC will better balance development and security, step up efforts to transmit comprehensive risk management concepts, policies, and systems, intensify the closed-loop risk management that involves “research and assessment, investigation, stress testing, contingency plan, risk disposal, and post-evaluation”, build a safety net for comprehensive risk management, and improve the risk management system that is aligned with the Group’s strategies continuously. The Bank will refine its risk warning mechanism, proactively identify and forestall risks in key areas, and pay close attention to the contagion and mutation of various risks. It will provide effective management measures for new growth engines, business models, and industries, optimise risk control processes for different customer groups and business scenarios, and improve the quality and efficiency of risk prevention and resolution efforts.



About the Report

The Board of Directors of Bank of China Limited ("BOC", "the Bank", or "we") and all its members warrant that this report contains no false record, misleading statement or material omission, and jointly and severally accept full responsibility for the authenticity, accuracy and completeness of the information in this notice.

Coverage

Organisation: Consistent with the consolidated financial statements of the Bank.
 Time: From January 1 to December 31, 2022, with some exceptions.
 Reporting cycle: Annual report. This is the 16th CSR report released by BOC consecutively. The previous CSR Report was released in March 2022.

Preparation references

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* of the Stock Exchange of Hong Kong Limited, the *Guide of the Shanghai Stock Exchange to Self-discipline Regulation of Companies Listed on SSE* by Shanghai Stock Exchange, the *Opinions on Strengthening the Corporate Social Responsibility of Banking Institutions*, the *Guidelines of China Banking Association on the Corporate Social Responsibility*, as well as the *Guidance of International Organisation for Standardisation on Social Responsibility* (ISO 26000), the *Sustainability Reporting Guidelines* of the Global Reporting Initiative (GRI Standards 2021 version), the *Recommendations of the Task Force on Climate-Related Financial Disclosures* and the *Principles for Responsible Banking* of the United Nations.

This report follows the reporting principles set out in the *Environmental, Social and Governance Reporting Guide* of the Stock Exchange of Hong Kong Limited.

Materiality

This report discloses the materiality assessment made in 2022 in the section of "Responsibility Management", which includes the processes and methods used to identify environment, social, and corporate governance (ESG) topics; the stakeholder surveys; the materiality matrix of ESG topics generated given the surveying findings; the stakeholders identified and their engagement and expectations for the Bank. The materiality analysis processes and results, along with other parts of this report, are submitted to the Board of Directors of the Bank for hearing, review, and adoption.

Quantitative

The standards and sources of conversion factors used in the calculation of Scope 1 and Scope 2 GHG emissions and energy consumption are disclosed in the "Environmental Performance" section of the "ESG Key Performance" part in this report.

Consistency

The methodology used to measure KPIs in this report is consistent with that adopted in previous years.

Data basis

The financial data contained in the report is based on the 2022 financial report independently audited by PricewaterhouseCoopers Zhong Tian LLP. Other data is based on the reports of 2022 and the reports of previous years as well. The monetary amount mentioned herein is denominated in Renminbi unless otherwise specified.

Guarantee

PricewaterhouseCoopers Zhong Tian LLP assumes the liability for qualified assurance services on selected key data disclosed in the report and issues an independent assurance report.

Disclosure format

The report will be issued in printed and electronic formats. The electronic version is available at the website of BOC (<http://www.boc.cn>).

Reader's feedback

If you have any comments or suggestions on the content of this report or our CSR/ESG work, please scan the QR code to fill in the questionnaire. We will take your feedback seriously and keep your personal information strictly confidential.



Assurance Statement

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English Translation for Reference Only

Independent practitioner's assurance report

To the Board of Directors of Bank of China Limited

We have been engaged to perform a limited assurance engagement on the selected 2022 key data as defined below in the 2022 Social Responsibility Report ("SR Report") of Bank of China Limited (the "Bank").

Selected Key Data

The selected key data in the Bank's 2022 SR Report that is covered by this report is as follows:

- Number of employees
- Number of female employees
- Percentage of female mid-to-senior-level managers
- Execution of employment contracts
- Number of occupational injury cases
- Participation in training
- Balance of inclusive financial loans meeting the "two increases and two controls" assessment requirements
- Balance of green credit in the Chinese mainland denominated
- Balance of government-sponsored student loans
- Donations
- Total water consumption
- Number of video conferences
- Paper conservation
- Number of operating outlets in the mainland
- Customer complaints throughout the year

Our assurance was with respect to the year ended 31 December 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2022 SR Report.

Criteria

The criteria used by the Bank to prepare the selected key data in the 2022 SR Report is set out in the basis of reporting of the key data (the "basis of reporting") after this assurance report.

Management's Responsibilities

The Management of the Bank is responsible for the preparation of the selected key data in the 2022 SR Report in accordance with the basis of reporting. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the selected key data in the 2022 SR Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the International Code of Ethics for Professional Accountants (including International Independence Standards) 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, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express a conclusion on the selected key data in the 2022 SR Report based on our work.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform our work to form the conclusion.

The 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. Accordingly, we do not express a reasonable assurance opinion about whether the Bank's 2022 selected key data in the 2022 SR Report has been prepared, in all material respects, in accordance with the basis of reporting. Our work involves assessing the risks of material misstatement of the selected key data in the 2022 SR Report, whether due to fraud

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or error, and responding to the assessed risks. The extent of procedures selected depends on our judgment and assessment of the engagement risk. Within the scope of our work, we have performed the following procedures in the Head Office of the Bank. We have not conducted work in other branches.

- 1) Interviews with relevant departments of the Bank involved in providing information for the selected key data within the SR Report; and
- 2) Analytical procedures;
- 3) Examination, on a test basis, of documentary evidence relating to the selected key data on which we report;
- 4) Recalculation; and
- 5) Other procedures deemed necessary.

Inherent Limitation

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the 2022 selected key data in the 2022 SR Report is not prepared, in all material respects, in accordance with the basis of reporting.

Restriction on Use

Our report has been prepared for and only for the board of directors of the Bank and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

PricewaterhouseCoopers Zhong Tian LLP

Shanghai, China

March 28, 2023

Basis of Reporting

Number of employees (person): The term disclosed herein refers to the total number of employees in the Bank (excluding non-financial institutions) at the end of the reporting period, including contract employees and dispatched employees.

Number of female employees (person): The term disclosed herein refers to the total number of female employees in the Bank (excluding non-financial institutions) at the end of the reporting period, including contract employees and dispatched employees.

Percentage of female mid-to-senior-level managers (%): The term disclosed herein refers to the number of middle and senior female management to the total number of middle and senior management in the Head Office and branches of the Bank at the end of the reporting period.

Execution of employment contracts (%): The term disclosed herein refers to the proportion of employees who signed employment contracts with the Bank as a percentage of the total number of employees employed at the end of the reporting period.

Number of occupational injury cases (number): The term disclosed herein refers to the number of occupational injury cases that occurred in the Head office of the Bank and directly affiliated institutions in Beijing without independent licenses during the reporting period.

Participation in training (person-times): The term disclosed herein refers to the total person-times of employees of the Head Office, domestic branches and domestic comprehensive operations of the Bank who participated in training during the reporting period.

Balance of inclusive financial loans meeting the “two increases and two controls” assessment requirements (RMB1 million): The term disclosed herein refers to the balance of small and micro enterprise loans counted by the Bank according to the caliber of the China Banking and Insurance Regulatory Commission at the end of the reporting period, that is, the balance of small and micro enterprise loans with a total credit line of less than 10 million yuan (inclusive) (including the balance of small and micro enterprise loans, the balance of individual industrial and commercial loans, and the balance of small and micro business owners, excluding the balance of bill discounting and rediscounting business).

Balance of green credit in the Chinese mainland denominated (RMB 100 million): The term disclosed herein refers to the balance of green credit in the Chinese mainland denominated at the end of the reporting period invested by the Bank in industries, including energy conservation and environmental protection, clean production, clean energy industry, ecological environment, green upgrading of infrastructure, green services, overseas projects adopting international practices or standards, green trade financing and green consumption financing.

Balance of government-sponsored student loans (RMB1 million): The term disclosed herein refers to the balance of loans by the end of the reporting period granted by the Bank to eligible students from low-income families in universities affiliated to the central government (including branch campuses) and local universities to pay the basic expenses of their study and living in school.

Donations (RMB1 million): The term disclosed herein refers to the total amount of donations made by the Group through government departments, legally established charities and other public charitable organizations eligible for pre-tax deduction of philanthropic contributions.

Total water consumption (m³): The term disclosed herein refers to the total water consumption of the Head Office of the Bank in Beijing during the reporting period, including the water consumption of the Head Office Building, Heishanhu Office Area, Haiying Building Office Area, Xijiaominxiang Office Area and Shangdi Office Area.

Number of video conferences (number): The term disclosed herein refers to the total number of video meetings held by the Head Office and institutions in Beijing of the Bank during the reporting period.

Paper conservation (tons): The term disclosed herein refers to the amount of paper saved by the Head Office of the Bank, data center and office in Beijing during the reporting period.

Number of operating outlets in the mainland (number): The term disclosed herein refers to the total number of operating institutions in the Bank (excluding Hong Kong, Macao, Taiwan and overseas branches) that had been approved by the China Banking and Insurance Regulatory Commission, including head offices, primary branches, directly affiliated branches, secondary branches, sub-branches and branches at the end of the reporting period.

Customer complaints throughout the year (10,000): The term disclosed herein refers to the total number of omni-channel complaints obtained by the Head Office of the Bank, branches and credit card centers (excluding integrated operating companies) through official websites, mobile banking and credit card mobile clients, business outlets, government agencies, regulatory authorities and other channels at the end of the reporting period.

Statement of Greenhouse Gas and Environmental Data

Statement of Greenhouse Gas and Environmental Data

This statement focuses on
Bank of China Limited

No.1 Fuxingmen Nei Dajie, Xicheng District, Beijing, 100818,

and covers the greenhouse gas emissions and main environmental data of Bank of China Limited globally in the period 1st January 2022 – 31st December 31 2022.

Energy consumption		2022
Gasoline consumption (t)		11,049
Diesel consumption (t)		540
Natural gas consumption (10 ⁴ Nm ³)		1,763
Power consumption of office space (MWh)		1,272,768
Power consumption of Data Center (MWh)		536,492
Heat consumption (GJ)		1,955,218
Comprehensive energy consumption (MWh)		2,688,308
Greenhouse gas emissions		2022
Total greenhouse gas emissions for Scope I and Scope II (tCO ₂ e)		1,537,546
Among which	Greenhouse gas emissions for Scope I (tCO ₂ e)	74,899
	Greenhouse gas emissions for Scope II (tCO ₂ e)	1,462,647
Other environmental footprint		2022
Office paper quantity (t)		12,115
Total water consumption (m ³)		13,535,554
Among which: Total cycling use of water (m ³)		149,834
Total discharge amount of hazardous waste (t)		1,296
Total discharge amount of harmless waste (t)		44,419

Greenhouse gas accounting is based on the accounting scope proposed in ISO14064-1 “Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals” and the “Greenhouse Gas Protocol” issued by the World Resources Institute (WRI). Based on the nature of Bank of China business, this statement uses the emission factors provided in “the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Public Building Operating Enterprises (Trial)”, “the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Land Transport Enterprises (Trial)”, “2006 IPCC Guidelines for National Greenhouse Gas Inventories” and “2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories”, the latest average carbon dioxide emission factors of China's regional power grid, and the latest electric power emission factors issued by local governments abroad.

CECEP Consulting Co., Ltd.

115 Fucheng Road, Haidian District, Beijing

Signature or seal



Date of declaration: March 14, 2023

Indexes

Global Reporting Initiative Sustainability Reporting Guidelines (GRI Universal Standards 2021)

Statement of Use

The Bank of China has reported the information cited in this GRI content index for the period from January 1 to December 31, 2022 (with some exceptions) with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
General Disclosures		
Disclosure 2-1 Organizational details		10, 146-147
Disclosure 2-2 Entities included in the organization's sustainability reporting		146
Disclosure 2-3 Reporting period, frequency and contact point		146-147
Disclosure 2-4 Restatements of information		146-147
Disclosure 2-5 External assurance		148-152
Disclosure 2-6 Activities, value chain and other business relationships		10, 141
Disclosure 2-7 Employees		130-131
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Disclosure 2-9 Governance structure and composition		119, 136-137
Disclosure 2-10 Nomination and selection of the highest governance body		119-120, 136-137
Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts		48, 120
Disclosure 2-13 Delegation of responsibility for managing impacts		48-49, 119-120
Disclosure 2-14 Role of the highest governance body in sustainability reporting		120
Disclosure 2-15 Conflicts of interest		Please refer to the Annual Report
Disclosure 2-16 Communication of critical concerns		48-49, 56, 120-123
Disclosure 2-17 Collective knowledge of the highest governance body		64, 127, 137
Disclosure 2-18 Evaluation of the performance of the highest governance body		Please refer to the Annual Report and the <i>Articles of Association</i>
Disclosure 2-19 Remuneration policies		95, Please refer to the Annual Report and the <i>Articles of Association</i>
Disclosure 2-20 Process to determine remuneration		95, Please refer to the Annual Report and the <i>Articles of Association</i>
Disclosure 2-21 Annual total compensation ratio		Please refer to the Annual Report and the <i>Articles of Association</i>
Disclosure 2-22 Statement on sustainable development strategy		Preface,11
Disclosure 2-25 Processes to remediate negative impacts		53-57, 90, 138
Disclosure 2-26 Mechanisms for seeking advice and raising concerns		90, 138, 147
Disclosure 2-27 Compliance with laws and regulations		100, 128-133, 138
Disclosure 2-28 Membership associations		63
Disclosure 2-29 Approach to stakeholder engagement		140-141
Disclosure 2-30 Collective bargaining agreements		100

GRI Standard	Disclosure	Location
Material Topics		
GRI 3: Material Topics 2021	Disclosure 3-1 Process to determine material topics Disclosure 3-2 List of material topics	140-141 140
Economic Performance		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	53-57, 100, 116-127
	Disclosure 201-1 Direct economic value generated and distributed	135-136, 142-143
GRI 201: Economic Performance 2016	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change Disclosure 201-3 Defined benefit plan obligations and other retirement plans	53-57 100-102
Indirect Economic Impacts		
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GRI 203: Indirect Economic Impacts 2016	Disclosure 203-1 Infrastructure investments and services supported Disclosure 203-2 Significant indirect economic impacts	16-43, 58-62 16-43, 58-62
Procurement Practices		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	139
GRI 204: Procurement Practices 2016	Disclosure 204-1 Proportion of spending on local suppliers	139
Anti-corruption		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	118, 126-127, 138
GRI 205: Anti-corruption 2016	Disclosure 205-2 Communication and training about anti-corruption policies and procedures Disclosure 205-3 Confirmed incidents of corruption and actions taken	138 138
Materials		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	66-67
	Disclosure 301-1 Materials used by weight or volume	130
GRI 301: Materials 2016	Disclosure 301-3 Reclaimed products and their packaging materials	130
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GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	66-67, 128-129
	Disclosure 302-1 Energy consumption within the organization Disclosure 302-2 Energy consumption outside of the organization	128-129 128-129
GRI 302: Energy 2016	Disclosure 302-3 Energy intensity Disclosure 302-4 Reduction of energy consumption Disclosure 302-5 Reductions in energy requirements of products and services	129 128-129 128-129
Water and Effluents		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	66-67, 130
	Disclosure 303-1 Interactions with water as a shared resource Disclosure 303-2 Management of water discharge-related impacts Disclosure 303-5 Water consumption	130 130 130

GRI Standard	Disclosure	Location
Biodiversity		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	57
GRI 304: Biodiversity 2016	Disclosure 304-2 Significant impacts of activities, products and services on biodiversity	57
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GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	66-67
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Waste		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	66-67, 130
	Disclosure 306-1 Waste generation and significant waste-related impacts Disclosure 306-2 Management of significant waste-related impact Disclosure 306-3 Waste generated	130 130 130
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	139
GRI 308: Supplier Environmental Assessment 2016	Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	139
Employment		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	94-95, 100-101
	Disclosure 401-1 New employee hires and employee turnover Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	130-131 100-102
GRI 401: Employment 2016		
Occupational Health and Safety		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	100-102
	Disclosure 403-3 Occupational health services Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety Disclosure 403-6 Promotion of worker health Disclosure 403-9 Work-related injuries Disclosure 403-10 Work-related ill health	100-102 100-102 100-102 131 100-102
GRI 403: Occupational Health and Safety 2018		
Training and Education		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	95-99
	Disclosure 404-1 Average hours of training per year per employee Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	134 95-99
GRI 404: Training and Education 2016		
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	120, 131
GRI 405: Diversity and Equal Opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	121, 130-131, 136

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GRI Standard	Disclosure	Location
Non-discrimination		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	94, 131
GRI 406: Non-discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	94, 131
Child Labor		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	131
Forced or Compulsory Labor		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	131
Local Communities		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	28-30, 103-113
GRI 413: Local Communities 2016	Operations with local community engagement, impact assessments, and development programs	28-30, 103-113
Supplier Social Assessment		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	139
GRI 414: Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	139
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	139
Customer Health and Safety		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	84-88
Marketing and Labeling		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	88-89, 132
GRI 417: Marketing and Labeling 2016	Disclosure 417-1 Requirements for product and service information and labeling	132
Customer Privacy		
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics	88-90, 133

Subject Areas, Aspects, General Disclosures and KPIs	Location of Disclosure
A. Environment	
General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	66-67, 129-130
KPI A1.1 The types of emissions and respective emissions data.	129
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	129
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	130
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	130
KPI A1.5 Description of emissions target(s) set and steps taken to achieve them.	66-67
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	66-67, 130
General Disclosure: Policies on minimizing the issuer's significant impacts on the environment and natural resources.	66-67, 128-130
KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	129
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	130
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	66-67, 130
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	130
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	130

Subject Areas, Aspects, General Disclosures and KPIs	Location of Disclosure	Subject Areas, Aspects, General Disclosures and KPIs	Location of Disclosure	
Aspect A3: The Environment and Natural Resources	<p>General Disclosure: Policies on minimizing the issuer's significant impacts on the environment and natural resources.</p> <p>KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	46-67 46-67	<p>Operating Practices</p> <p>General Disclosure: Policies on managing environmental and social risks of the supply chain.</p>	139
Aspect A4: Climate Change	<p>General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p> <p>KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	46-67 46-67	<p>KPI B5.1 Number of suppliers by geographical region.</p>	139
	B. Social		<p>KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.</p>	139
Employment and Labour Practices			<p>KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.</p>	139
Aspect B1: Employment	<p>General Disclosure:</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p> <p>KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.</p> <p>KPI B1.2 Employee turnover rate by gender, age group and geographical region.</p>	94-101, 131 130-131 131	<p>KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.</p>	139
Aspect B2: Health and Safety	<p>General Disclosure:</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p> <p>KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.</p> <p>KPI B2.2 Lost days due to work injury.</p> <p>KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.</p>	100, 131 131 131 100-102	<p>General Disclosure:</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p> <p>KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p>	88-90, 133, 138 Not applicable
Aspect B3: Development and Training	<p>General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p> <p>KPI B3.2 The average training hours completed per employee by gender and employee category.</p>	95-99 134 134	<p>KPI B6.2 Number of products and service related complaints received and how they are dealt with.</p> <p>KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.</p> <p>KPI B6.4 Description of quality assurance process and recall procedures.</p> <p>KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.</p>	138 138 132 88-89, 133
Aspect B4: Labour Standards	<p>General Disclosure:</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p> <p>KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.</p> <p>KPI B4.2 Description of steps taken to eliminate such practices when discovered.</p>	131 94 94, 131	<p>General Disclosure:</p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p> <p>KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p> <p>KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.</p> <p>KPI B7.3 Description of anti-corruption training provided to directors and staff.</p>	126-127, 137-138 138 126-127, 138 127, 138
	Community		<p>General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p> <p>KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p> <p>KPI B8.2 Resources contributed (e.g. money or time) to the focus area.</p>	28-30, 91-93, 103-113 28-30, 91, 103-113 28-30, 91, 105-109

Task Force on Climate-Related Financial Disclosure (TCFD) Index

TCFD Recommended Disclosures	Location of Disclosure or Direct Explanation
Governance: Disclosure of the organization's governance around climate-related risks and opportunities	
a) Description of board's oversight of climate related risks and opportunities	48
b) Description of management's role in assessing and managing climate-related risks and opportunities	48
Strategy: Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	
a) Description of climate-related risks and opportunities identified by the organization over the short, medium and long term	53-55
b) Description of impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	50-67, 128-130, 143
c) Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios	50-67, 143
Risk management: Disclosure of the processes used by the organization to identify, assess, and manage climate-related risks	
a) Description of the organization's processes for identifying and assessing climate-related risks	53-57
b) Description of the organization's processes for managing climate-related risks	53-57
c) Description of how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management	53-57
Metrics and Targets: Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities	
a) Disclosure of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	53-57, 128-130
b) Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	129
c) Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets	48-67

Reporting and Self-assessment Requirements for the UN's *Principles for Responsible Banking*

Contents	High-level summary of bank's response	Reference(s)/Link(s)
Principle 1: Alignment		
	We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the <i>Sustainable Development Goals (SDGs)</i> , the <i>Paris Climate Agreement</i> and relevant national and regional frameworks.	
Business Model	As China's most globalized and integrated bank, Bank of China has institutions across the Chinese mainland as well as 62 countries and regions. The Bank has a well-established global service network and an integrated service platform based on the pillars of its corporate banking, personal banking, financial markets and other commercial banking business, which covers investment banking, direct investment, securities, insurance, funds, aircraft leasing, asset management, financial technology, financing leasing and other areas, thus providing its customers with financial solutions featuring one-click access, global response and integrated services.	10, 36, 46, 58-62, 75, 91, 103, 105, 128, 135
	By the end of 2022, the Bank had established 10,312 outlets in China, and overseas institutions in 62 countries and regions all over the world, including 42 countries under the Belt and Road Initiative (BRI). The Bank recorded mobile banking customers of 254 million. The balance of green credit in the Chinese mainland denominated (according to CBIRC standard) was equivalent to RMB1,987.2 billion, up 41.08% year-on-year. Proportion of credit to brown industries in domestic corporate business was below 10%. Green bond business remained in a leading position in the market. The Bank continuously made innovation in integrated green finance products and services. RMB25.746 billion of national student loans was granted to help over 1.8 million students in financial difficulties to complete their studies. Nearly 56,000 special education and publicity activities on consumer protection were held in 2022, reaching 737 million consumers. More than 220 public-benefit fundraising activities were held through the BOC Philanthropy platform, raising RMB44,789,000 from 682,600 donations. More than RMB79 million in assistance funds and RMB700 million in credit funds were invested in the four counties of Xianyang City, and the Bank introduced RMB210 million in investment to the counties in 2022. In 2022, a total of RMB187 million of agricultural products from the areas lifted out of poverty was purchased and sold, directly benefiting nearly 500,000 people.	50, 63
Strategic consistency	The sustainable development philosophy was fully integrated into a series of policies such as the <i>Outline of Development Plan for the 14th Five-Year Plan Period and Long-range Objectives through the Year 2035 of Bank of China</i> , <i>Green Finance Programme of Bank of China for the 14th Five-Year Plan Period and Action Plan of Bank of China for Serving CO₂ Emissions Peaking and Carbon Neutrality Goals</i> , with the aim to contributing more to the high-quality development of national economy, society and environment. The Bank participated in green and ESG initiatives and mechanisms such as PRB and TCFD and actively supported the implementation of the UN's SDGs and the <i>Paris Climate Agreement</i> .	
Principle 2: Impact & Target Setting		
	We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.	
2.1 Impact Analysis	The Bank prepared the Group's 14th Five-Year Plan, and focused on the development of the eight priority areas of technology finance, green finance, inclusive finance, cross-border finance, consumer finance, wealth finance, supply chain finance and county-level finance. It moved faster in forming a strategic development landscape with its domestic commercial banking services as the business mainstay, its globalized operations and diversified business platforms as the two growth engines, and worked hard to write a new chapter of building a first-class global banking group.	10

Contents	High-level summary of bank's response	Reference(s)/Link(s)	Contents	High-level summary of bank's response	Reference(s)/Link(s)	
2.2 Target Setting Show that your bank has set and published a minimum of two targets, which address at least two of the identified "areas of most significant impact" in the impact analysis.	The Bank has set and published inclusive finance and green finance targets. Inclusive finance: 1. BOC will excellently fulfill the balance of inclusive financial loans meeting the "two increases and two controls" assessment requirements in 2021-2025. 2. In 2021-2025, the growth rate of inclusive financial loans and customers will meet the relevant regulatory requirements. 3. The balance of inclusive loans for small and micro enterprises will cross the RMB2 trillion mark by 2025. BOC will become the mainstay of serving inclusive financial customer groups. Green finance: 1. BOC will provide no less than RMB1 trillion of financial support for green industries in 2021-2025, with the balance of green credit going up year by year. 2. The average annual growth rate of green consumer credit balance in the Chinese mainland will be 30% at least and 60% at most in 2021-2025. 3. BOC will tighten credit control over the brown industries in 2021-2025. 4. BOC will no longer provide financing for new coal mining and coal power projects outside of China from the fourth quarter of 2021 onwards, except for the projects already contracted.	142-143	3.2 Business opportunities Describe the strategic business opportunities identified by your bank to increase positive impacts and reduce negative impacts and/or how to tackle them during the reporting period.	In terms of inclusive finance, the Bank continuously enriched the lineup of online inclusive financial products, launched the integrated service platform for inclusive financial customers, and innovated the overall plan of "I-SMART-Digital Inclusive Finance Service". Meanwhile, the Bank accelerated innovation in agriculture-related products and services, and helped to modernize agriculture and rural areas. The "Agriculture, Culture and Tourism Loan" inclusive financial services programme was created to promote the integrated development of primary, secondary, and tertiary industries in rural areas. The "Seed Industry Loan", "Agricultural Machinery Loan", and other service schemes were rolled out to increase financing support for key areas such as the grain industry chain and agricultural modernization. In terms of green finance, the Bank created the "One Mainstay, Two Engines" pattern with domestic commercial banking services as the business mainstay, gave full play to the Group's advantages in globalized and integrated operation, and promoted the sound and rapid development of green finance businesses such as stock, bond, loan, investment, insurance and leasing. The Bank continued to increase granting of domestic green credit, and vigorously developed green bond business. It provided a new engine for China's green, low-carbon development by issuing, underwriting and investing in green bonds. At the same time, the Bank kept optimizing the structure of brown industries, and followed the "one-ballot veto rule for environmental protection". It didn't provide credit support for the projects failing to pass relevant standards such as national environmental impact assessment standard, and the customers and projects engaging in deforestation of natural forests against regulations, causing damage to biodiversity and poaching wildlife. Local environmental protection laws and regulations were strictly observed during project construction. It strictly fulfilled its commitment that "BOC will no longer provide financing for new coal mining and coal power projects outside of China from the fourth quarter of 2021 onwards, except for the projects already contracted".	28-30, 24-25, 57-62, 143	
2.3 Target Implementation and Monitoring Targets: Show that your bank has defined actions to meet the set targets.	The Bank worked hard to develop inclusive finance and green finance, one result of which is that its inclusive finance expanded in both volume and coverage and its green finance became more influential. It also took steady steps to put targets or commitments into action and made positive progress. In 2022, the balance of inclusive finance loans for small and micro enterprises grew by 39.34%. The number of the loan customers rose by 20.87%. Their balance stood at RMB1.23 trillion, meeting annual expectations. The balance of green credit was RMB1,987.2 billion (by the standard of the CBIRC) in 2022, overfulfilling the target. The green consumer credit balance in the Chinese mainland grew at a YoY pace faster than 60%. The proportion of corporate credit to brown industries continued to drop below 10%. Throughout the year, no financing was provided for new coal mining and coal power projects outside of China, meeting expectations.	142-143	Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.	4.1 Identification of and consultation with stakeholders Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved as well as how to get integrated into the action plan's process.	The Bank maintained unobstructed channels for communication with stakeholders in different areas and categories such as the state, customers, shareholders, environment, communities and employees, regularly conducted materiality analysis, invited internal and external stakeholders to assess the social responsibility topics identified through online questionnaires, and understood the extent to which CSR issues of the Bank influence different stakeholder groups as well as their suggestions and expectations for the Bank in performing CSRs. The Bank continued to strengthen information disclosure and communication with investors, published 389 information disclosure documents throughout the year, and won the highest evaluation, grade A (excellent), for information disclosure from Shanghai Stock Exchange for nine consecutive years. The Bank actively carried out market communication and held annual and interim results online results release conferences in the form of live video. The Bank strengthened communication and better maintained relations with key investment institutions and actively communicated its investment value. The Bank highly valued services for small and medium investors, answered their questions in a professional and timely manner, and carried out more than 400 investor communication activities in various forms in 2022.	116, 121-122, 137, 140-141
Principle 3: Clients & Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.			Principle 5: Governance & Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking.	5.1 Governance Structure for Implementing the Principles for Responsible Banking Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.	The Bank has made constant efforts to improve its corporate governance framework, which comprises the shareholders' meeting, the Board of Directors, the Board of Supervisors, and the Senior Management. This framework operates smoothly owing to a clear division of duties. All special committees of the Board of Directors and the Board of Supervisors have performed their duties and functioned effectively, thereby laying a solid foundation for the long-term steady operation of the Bank.	48-49, 119-120
3.1 Customer participation Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities.	The Bank expedited digitalized operation of inclusive finance, and independently developed and launched the integrated inclusive finance service platform - Inclusive Loan App through financial technologies, which provided customers with online inclusive finance services such as finance, information and business opportunities, offered efficient, convenient and contactless online financial services for small and micro enterprises, and made inclusive finance services more accessible. The Bank continuously put in place a complete set of environmental policies, deepened the management of ESG risks in customers, and explored innovative green products and services to fully accommodate the development demand of customers in the green and environmental protection industries such as clean energy, green transport and green building and the transformation needs of customers in brown industries. In 2022, the Bank compiled the "BOC Green+" Handbook of Financial Products and Services in both English and Chinese, further publicized green finance products and services and better served the diversified needs of customers. The Bank integrated green and environmental protection philosophies into daily service and operation, created green lobbies, and installed smart LED screens to support the unified release of publicity information in outlets and intelligent display. As the only official banking partner of the Beijing 2022 Olympic and Paralympic Winter Games, BOC became carbon neutral in providing financial services for the event.	24, 50-62, 66-67				

Contents	High-level summary of bank's response	Reference(s)/Link(s)	Contents	High-level summary of bank's response	Reference(s)/Link(s)
	The Bank gives full play to the organizational management role of the Board of Directors and the Senior Management in the field of green finance, maintains the three-tier governance structure consisting of the Board of Directors, the Senior Management and professional teams. The Board of Directors (or its special committee) is responsible for reviewing and approving the green finance development plan as well as the green finance targets set by the Senior Management and the green finance reports submitted by it. At the same time, it also supervises and evaluates the implementation of the green finance development plan at the Bank. With Chairman and President of the Bank serving as the head and deputy head, the Steering Group for Green Finance and Industry Planning & Development (hereinafter referred to as "the Steering Group") is established to plan, guide, and coordinate the green finance and industry planning & research, thus making headway toward every aspect of green finance steadily. The Green Finance Committee is responsible for the overall management and professional decision-making of the Group's green financial work, and is chaired by the bank leader in charge of the risk management department. The Bank has further improved the personnel appraisal mechanism for green finance, introduced green finance indicators to the senior management personnel appraisal and linked appraisal results with salary distribution. The Strategic Development Committee regularly reviewed green finance strategies and their implementation. The Corporate Culture and Consumer Protection Committee regularly reviewed the Bank's ESG-related development plans, policies and reports.	50-51, 120-121		In the aspects of risk monitoring and reporting, the Bank regularly monitored the risk exposure to the brown industries and its share given the preset portfolio and industry-level indicators, and sent the assessment results to the Risk Policy Committee under the Board of Directors through the group-wide risk report. Meanwhile, it incorporated ESG-related content into the scope of internal control and compliance inspections, and carried out regular reviews of green loan data to effectively reduce the "greenwashing" risk. It worked to establish a sound environmental ESG risk reporting mechanism, detected and monitored the Group's ESG risk conditions, and made timely reports as actually needed.	53-57
5.2 Fostering Responsible Bank Culture Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees.	The Bank established a corporate culture concept system with the mission of "bridging China and the world for the common good", vision of "building a world-class modern banking group" and values of "provide excellent service, innovate with prudence, uphold openness and inclusiveness, collaborate for mutual growth". The Bank gave top priority to the efficiency of the Board of Directors and invited experts and scholars to give ESG-related training (such as green finance) for the members of the Board of Directors. The Bank conducted 20 training sessions for board members throughout the year, with directors' participation of 63 person-times and an average of 25.5 hours for each member. The Bank attached great importance to personnel cultivation and development, constantly improved its system of internal training programmes to cater to the needs of personnel at different levels and in different business lines, and promoted the e-learning platform construction to encourage independent study, create a culture of learning by all personnel, and enable them to better cope with business problems while enhancing themselves. In terms of green finance, the Bank constantly ramped up team building efforts, cultivated professionals, and conducted research on green finance subject. It also participated in the formulation of green finance standards, raised all employees' awareness of green finance subjects, laid an intelligent foundation for green development and built a responsible banking culture covering all employees.	11, 64, 95-99, 116, 120	6.1 Assurance	Every year, the Bank invites a professional third-party assurance agency to conduct independent assurance of some key data (ESG) in the CSR report, enhancing the credibility and reliability of information in the report.	148-152
5.3 Policies and Due Diligence Process Describe the due diligence process that your bank has to identify and manage the environmental and social risks in investment portfolios. This may include identification of major/significant risks, mitigation of environmental and social risks, definition of action plan, risk monitoring and reporting and existing grievance mechanism, and governance structure built to monitor risks.	The Bank stepped up regulation and management of ESG risks in customers in the aspects of identification, measurement, assessment, monitoring and reporting, control and mitigation. BOC formulated the <i>Policy for Managing the Environmental (Climate), Social and Governance Risks of Customers (Version 2022)</i> to strengthen the management of the whole process of credit and investment, including customer classification, due diligence, business approval, contract management, fund disbursement, post-lending management, and investment management. To prevent ESG risks arising from business, the Bank devoted more efforts in due diligence and credit approval. The due diligence covered 13 aspects such as ESG risk assessment and management system, labor and working conditions, and pollution prevention & control. The Bank terminated the approval process relating to the customers or projects for which no due diligence on ESG risks was conducted. It reviewed ESG compliance risks. The Bank focused on review of customers with medium and high risks during credit review and approval. It assessed the impact of ESG risks in projects on credit risk and took appropriate measures to mitigate risks. For the customers (projects) that may have significant impacts on social stability and public interest, the Bank conducted adequate assessment of the ESG risks associated with them.	53-57	6.2 Report on other frameworks	The 2022 CSR (ESG) Report is prepared in accordance with the <i>Environmental, Social and Governance Reporting Guide</i> of the Stock Exchange of Hong Kong Limited, the <i>Guide of the Shanghai Stock Exchange to Self-discipline Regulation of Companies Listed on SSE</i> by Shanghai Stock Exchange, the <i>Opinions on Strengthening the Corporate Social Responsibility of Banking Institutions</i> , the <i>Guidelines of China Banking Association on the Corporate Social Responsibility</i> , as well as the <i>Guidance of International Organisation for Standardisation on Social Responsibility (ISO 26000)</i> , the <i>Sustainability Reporting Guidelines</i> of the Global Reporting Initiative (GRI Universal Standards 2021), the <i>Recommendations of the Task Force on Climate-Related Financial Disclosures</i> and the <i>Principles for Responsible Banking</i> of the United Nations.	146
			6.3 Outlook	The Bank will continue to give full play to the advantages of the "One Mainstay, Two Engines" strategy, focus on the "Eight Priority Areas for Enhancing Financial Services Capabilities", invest more resources in key areas and important aspects of the real economy, and facilitate the high-quality development of economy, society and environment. Serving the implementation of national strategies, BOC will focus on improving the matching degree between financial supply and the real economy, and better supporting key areas and weak links. Moreover, it will vigorously develop inclusive finance, help medium, small, and micro enterprises, self-employed individuals and other market players weather their difficulties, and offer comprehensive and multi-dimensional financial support to inclusive finance customer groups. Ensuring the people-oriented nature of finance to enhance social well-being. Focused on areas closely related to people's well-being such as social security, medical care, and housing, the Bank will promote the integration of financial and non-financial development, accelerate the construction of four strategic scenarios, that is, cross-border business, education, sports, and elderly care, in an effort to improve people's sense of fulfilment and happiness. Spearheaded by the green concepts, BOC will be dedicated to developing green finance. The Bank will continue to build the "BOC Green+" service system, accelerate innovation in sustainable development and transition finance, optimize financial support for the research, development, and promotion of new energy, green and low-carbon operation, and other cutting-edge technologies, and improve one-stop green financial services such as equity, bonds, loan, investment, insurance, and leasing. BOC will better balance development and security, step up efforts to transmit comprehensive risk management concepts, policies, and systems, and improve the risk management system that is aligned with the Group's strategies continuously.	144-145
			6.4 Challenges	The Bank will further study how to better balance different needs of stakeholders, lay equal emphasis on the requirements of disclosure frameworks relating to ESG and continuously improve disclosure efficiency.	/



BRIDGE CHINA AND THE WORLD FOR THE COMMON GOOD