*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

***This announcement and the listing documents attached hereto have been published for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and do not constitute an invitation or offer to acquire, purchase or subscribe for securities. Neither this announcement nor anything referred to herein (including the listing documents attached hereto) forms the basis for any contract or commitment whatsoever.*** *For the avoidance of doubt, the publication of this announcement and the listing documents attached hereto shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).*

*Any Notes (as defined below) that may be issued under the Programme (as defined below) will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act). This announcement is not for distribution, directly or indirectly, in or into the United States.*

***Notice to Hong Kong investors**: The Issuer confirms that the Notes are intended for purchase by Professional Investors (as defined in Chapter 37 of the Listing Rules) only and are listed on The Stock Exchange of Hong Kong Limited on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

# PUBLICATION OF OFFERING CIRCULAR AND PRICING SUPPLEMENT

**Bank of China Limited, Panama Branch (the "Issuer")**
**U.S.$500,000,000 Floating Rate Notes due 2029 (Stock Code: 40322)**
**(the "Notes")**
**under the U.S.$40,000,000,000 Medium Term Note Programme**
**(the "Programme")**
**Established by Bank of China Limited**

中國銀行
BANK OF CHINA

中國銀行股份有限公司
# BANK OF CHINA LIMITED

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(the "Bank")**
**(Stock Code: 3988)**

*Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners*

| | | | |
|---|---|---|---|
| **Bank of China** | **ABC International** | **Bank of Communications** | **China Construction Bank** |
| **China CITIC Bank** | **China International Capital Corporation** | **China Minsheng Banking Corp., Ltd.** | **China Securities International** |

| | | | |
|---|---|---|---|
| **CITIC Securities** | **China Merchants Bank** | **Crédit Agricole CIB** | **DBS Bank Ltd.** |
| **Guotai Junan International** | **Haitong International** | **Hua Xia Bank Co. Limited Hong Kong Branch** | **Huatai International** |

| | | |
|---|---|---|
| **ICBC (Macau)** | **Industrial Bank Co., Ltd. Hong Kong Branch** | **Mizuho** |
| **Shanghai Pudong Development Bank Hong Kong Branch** | **Société Générale Corporate & Investment Banking** | **Standard Chartered Bank** |

This announcement is issued pursuant to Rule 37.39A of the Listing Rules.

Reference is made to the notice of listing of the Notes on The Stock Exchange of Hong Kong Limited dated 18 May 2026 published by the Issuer.

The offering circular dated 27 April 2026 in relation to the Programme and the pricing supplement dated 11 May 2026 in relation to the Notes are appended to this announcement.

**The Board of Directors of**
**Bank of China Limited**

Beijing, PRC
19 May 2026

*As at the date of this announcement, the directors of the Bank are: Ge Haijiao, Zhang Hui, Liu Jin, Cai Zhao, Zhang Yong*, Huang Binghua*, Liu Hui*, Shi Yongyan*, Lou Xiaohui*, Li Zimin*, Jean-Louis Ekra#, Giovanni Tria#, Liu Xiaolei#, Zhang Ran#, Ko Margaret# and Woo Chin Wan Raymond#.*

* *Non-executive Directors*
\# *Independent Non-executive Directors*

# Appendix 1
# Offering Circular dated 27 April 2026

# IMPORTANT NOTICE

**THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS ("QIBs") UNDER RULE 144A UNDER THE SECURITIES ACT (AS DEFINED BELOW) ("RULE 144A") OR (2) NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (AS DEFINED BELOW) ("REGULATION S")) PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S.**

**IMPORTANT:** You must read the following before continuing. The following applies to the offering circular following this page (the "**Offering Circular**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND SECURITIES IN BEARER FORM ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE SECURITIES MAY NOT BE OFFERED, SOLD OR (IN THE CASE OF NOTES IN BEARER FORM) DELIVERED WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE FINAL TERMS AND CONDITIONS OF THE SECURITIES AND THE INFORMATION CONTAINED IN THE OFFERING CIRCULAR (AS AMENDED AND RESTATED) THAT WILL BE DISTRIBUTED TO YOU PRIOR TO THE PRICING DATE AND NOT ON THE BASIS OF THE ATTACHED DOCUMENTS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

**Confirmation of your Representation:** In order to be eligible to view the following Offering Circular or make an investment decision with respect to the securities, investors must be either (I) QIBs (within the meaning of Rule 144A) or (II) non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S. By accepting this e-mail and accessing the following Offering Circular, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S and that the electronic e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to the delivery of such Offering Circular by electronic transmission.

You are reminded that the Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Circular to any other person.

The materials relating to the offering of securities to which the Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the relevant Issuer (as defined in the Offering Circular) in such jurisdiction.

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Relevant Obligor(s) (as defined in the Offering Circular), Bank of China Limited and Bank of China (Hong Kong) Limited (together, the "**Arrangers**"), any person who controls any Arranger or Dealer (as defined in the Offering Circular), any director, officer, employee or agent of the Relevant Obligor(s) or any Arranger or Dealer, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers or the Dealers.

You should not reply by e-mail to this notice, and you may not purchase any securities by doing so. Any reply email communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

# BANK OF CHINA LIMITED

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

中国银行

BANK OF CHINA

## U.S.$40,000,000,000

## Medium Term Note Programme

Under the U.S.$40,000,000,000 Medium Term Note Programme described in this offering circular (the "**Offering Circular**") (the "**Programme**"), Bank of China Limited (the "**Bank**") or such branch of the Bank (including Bank of China Limited, Hong Kong Branch) (each a "**Branch Issuer**") or such subsidiary of the Bank (each a "**Subsidiary Issuer**"), as specified in the applicable Pricing Supplement (as defined below) (each an "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the "**Notes**"). Notes issued by a Subsidiary Issuer may be unconditionally and irrevocably guaranteed ("**Guarantee of the Notes**") by a branch of the Bank outside the PRC (each an "**Overseas Branch**" and a "**Guarantor**") as specified in the relevant Pricing Supplement (the "**Guaranteed Notes**"). References herein to the "**Relevant Obligor(s)**" are to the relevant Issuer, and, in the case of any Guaranteed Notes, each of the relevant Issuer and the relevant Guarantor.

Notes may be issued in bearer or registered form. The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.$40,000,000,000 (or its equivalent in other currencies, subject to any duly authorised increase). The Notes may be issued on a continuing basis to one or more of the dealers specified under "*Summary of the Programme*" or any additional dealer appointed under the Programme from time to time by an Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Non-Guaranteed Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 13 April 2022 (as further amended or supplemented from time to time, the "**Non-Guaranteed Notes Principal Trust Deed**") between the Bank (on behalf of itself and each Branch Issuer) and The Bank of New York Mellon, London Branch as trustee (the "**Trustee**") and are the subject of an amended and restated issue and paying agency agreement dated 3 April 2018 (as further amended or supplemented from time to time, the "**Non-Guaranteed Notes Principal Agency Agreement**") between the Bank (on behalf of itself and each Branch Issuer), the Trustee and the agents named therein. In order for a Subsidiary Issuer to issue Non-Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Non-Guaranteed Notes, (A) accede to the Non-Guaranteed Notes Principal Trust Deed by executing an accession deed between such Subsidiary Issuer and the Trustee or supplement the Non-Guaranteed Notes Principal Trust Deed by executing a supplemental trust deed between such Subsidiary Issuer, the Bank and the Trustee, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Non-Guaranteed Notes Principal Trust Deed, the "**Non-Guaranteed Notes Trust Deed**") and (B) accede to the Non-Guaranteed Notes Principal Agency Agreement by executing an accession agreement between such Subsidiary Issuer, the Trustee and the agents named therein or supplement the Non-Guaranteed Notes Principal Agency Agreement by executing a supplemental agency agreement between such Subsidiary Issuer, the Bank the Trustee and the agents named therein, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Non-Guaranteed Notes Principal Agency Agreement, the "**Non-Guaranteed Notes Agency Agreement**").

Guaranteed Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 13 April 2022 (as further amended or supplemented from time to time, the "**Guaranteed Notes Principal Trust Deed**") between the Bank (on behalf of itself as Issuer and each Overseas Branch as Guarantor) and the Trustee and are the subject of an amended and restated issue and paying agency agreement dated 3 April 2018 (as further amended or supplemented from time to time, the "**Guaranteed Notes Principal Agency Agreement**") between the Bank (on behalf of itself as Issuer and each Overseas Branch as Guarantor), the Trustee and the agents named therein. In order for a Subsidiary Issuer to issue Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Guaranteed Notes, (A) accede to the Guaranteed Notes Principal Trust Deed by executing an accession deed between such Subsidiary Issuer and the Trustee or supplement the Guaranteed Notes Principal Trust Deed by executing a supplemental trust deed between such Subsidiary Issuer, the Bank and the Trustee, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Guaranteed Notes Principal Trust Deed, the "**Guaranteed Notes Trust Deed**") and (B) accede to the Guaranteed Notes Principal Agency Agreement by executing an accession agreement between such Subsidiary Issuer, the Trustee and the agents named therein or supplement the Guaranteed Notes Principal Agency Agreement by executing a supplemental agency agreement between such Subsidiary Issuer, the Bank the Trustee and the agents named therein, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Guaranteed Notes Principal Agency Agreement, the "**Guaranteed Notes Agency Agreement**"). The relevant Guarantor must execute a deed of guarantee to be dated on or before the relevant Issue Date (each as amended or supplemented from time to time, a "**Deed of Guarantee**"). Notes issued by the Bank may be constituted by, are subject to, and have the benefit of either the Non-Guaranteed Notes Principal Trust Deed or the Guaranteed Notes Principal Trust Deed as specified in the relevant Pricing Supplement, and are the subject of the Non-Guaranteed Notes Principal Agency Agreement (in case of Notes constituted by the Non-Guaranteed Notes Principal Trust Deed) or the Guaranteed Notes Principal Agency Agreement (in case of Notes constituted by the Guaranteed Notes Principal Trust Deed).

Without prejudice to the foregoing, if the relevant Pricing Supplement specifies that an alternative trustee shall be appointed for a relevant Tranche of Notes, such Tranche of Notes shall be constituted by a deed (as further amended or supplemented from time to time, the "**Alternative Trust Deed**") between the relevant Issuer (and in the case of Notes issued by a Branch Issuer or a Subsidiary Issuer, the Bank) and the specified alternative trustee (the "**Alternative Trustee**") incorporating the Non-Guaranteed Notes Principal Trust Deed or the Guaranteed Notes Principal Trust Deed, as the case may be. The Alternative Trustee shall be the Trustee for the purposes of the Conditions applicable to such Tranche of Notes. Neither the Non-Guaranteed Notes Principal Agency Agreement nor the Guaranteed Notes Principal Agency Agreement shall apply to such Tranche of Notes and such alternative arrangement (the "**Alternative Agency Agreement**") as specified in such Pricing Supplement shall apply.

Where applicable for a relevant Tranche of Notes, the Notes will be issued within the relevant annual or otherwise general foreign debt issuance quota granted to the Bank or registration will be completed by the Bank pursuant to the Administrative Measures for the Examination and Registration of Medium- and Long-term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) which took effect on 10 February 2023 (as supplemented, amended or replaced from time to time) and any implementation rules or policies as issued by the NDRC from time to time (the "**NDRC Order 56**"). After the issuance of such relevant Tranche of Notes, the Bank intends to provide the requisite information and documents on the issuance of such Notes to the NDRC within the time period as required by the NDRC.

Application has been made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of the Programme under which Notes may be issued by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only on the Hong Kong Stock Exchange during the 12-month period after the date of this Offering Circular. This Offering Circular is for distribution to Professional Investors only.

**The Hong Kong Stock Exchange has not reviewed the contents of this Offering Circular, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Offering Circular to Professional Investors only have been reproduced in this Offering Circular. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Relevant Obligor(s) or the Group (as defined below) or quality of disclosure in this Offering Circular.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

**Notice to Hong Kong investors:** The Relevant Obligor(s) confirm that the Notes to be issued under the Programme are intended for purchase by Professional Investors only and the Programme and the Notes (to the extent such Notes are to be listed on the Hong Kong Stock Exchange) will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Relevant Obligor(s) confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Series (as defined under "*Terms and Conditions of the Notes*" and each term therein, a "**Condition**") of Notes will be set out in a pricing supplement (the "**Pricing Supplement**") which, with respect to Notes to be listed on the Hong Kong Stock Exchange, will be delivered to the Hong Kong Stock Exchange, on or before the date of issue of the Notes of such Series. This Offering Circular may not be used to consummate sales of Notes, unless accompanied by a Pricing Supplement. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Hong Kong Stock Exchange or any other stock exchange.

Each Series of Notes in bearer form ("**Bearer Notes**") will be represented on issue by a temporary global note (each a "**Temporary Global Note**"), and will be sold in an "**offshore transaction**" within the meaning of Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Interests in Temporary Global Notes generally will be exchangeable for interests in permanent global notes (each a "**Permanent Global Note**" and, together with the Temporary Global Notes, the "**Global Notes**"), or if so stated in the relevant Pricing Supplement, definitive Notes ("**Definitive Notes**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Series, upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under "*Summary of Provisions Relating to the Notes while in Global Form*".

The Notes of each Series to be issued in registered form ("**Registered Notes**") and which are sold in an "**offshore transaction**" within the meaning of Regulation S ("**Unrestricted Notes**") will initially be represented by a permanent registered global note certificate (each an "**Unrestricted Global Note Certificate**") without interest coupons, which may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"), with a common depositary on behalf of Euroclear and Clearstream, (b) in the case of a Series intended to be cleared through the Central Moneymarkets Unit Service (the "**CMU**"), operated by the Hong Kong Monetary Authority (the "**HKMA**"), with a sub-custodian for the CMU, (c) in the case of a Series intended to be cleared through The Depositary Trust Company ("**DTC**"), registered in the name of Cede & Co. as nominee for DTC and (d) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, DTC and/or the CMU, or delivered outside a clearing system, as agreed between the relevant Issuer and the relevant Dealer. Registered Notes which are sold in the United States to "**qualified institutional buyers**" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") will initially be represented by a permanent registered global note certificate (each a "**Restricted Global Note Certificate**" and, together with the relevant Unrestricted Global Note Certificate, the "**Global Note Certificates**"), without interest coupons, which may be deposited on the relevant issue date with a custodian (the "**DTC Custodian**") for, and registered in the name of Cede & Co. as nominee for, DTC or with a common depositary on behalf of Euroclear and Clearstream. The provisions governing the exchange of interests in Global Notes for other Global Notes and Definitive Notes are described in "*Summary of Provisions Relating to the Notes while in Global Form*".

**The Notes and the Guarantee of the Notes, if applicable, have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Accordingly, the Notes are being offered and sold only (i) in the United States to QIBs as defined in Rule 144A and (ii) outside the United States to non-U.S. persons in offshore transactions in accordance with Regulation S. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons. Registered Notes are subject to certain restrictions on transfer. Any Series of Notes may be subject to additional selling restrictions. The applicable pricing supplement in respect of such Series of Notes will specify any such restrictions. See "*Subscription and Sale*", "*Transfer Restrictions*" and the applicable Pricing Supplement.**

**MiFID II product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**UK MiFIR product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled "**UK MiFIR product governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT — EEA RETAIL INVESTORS** — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT — UK RETAIL INVESTORS** — If the Pricing Supplement in respect of any Notes includes a legend entitled "**Prohibition of sales to UK Retail Investors**", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Notes to be issued under the Programme may be Senior Notes or Subordinated Notes. Moody's Investor Service, Inc. ("**Moody's**"), Fitch Ratings Ltd. ("**Fitch**") and S&P Global Ratings ("**S&P**") have assigned a rating of "A1", "A" and "A" to the Programme. Moody's is expected to rate Senior Notes issued under the Programme "A1" and Fitch and S&P are expected to rate Senior Notes issued under the Programme "A". Any rating assigned to Subordinated Notes issued under the Programme by Moody's, Fitch and/or S&P would be issued on a case-by-case basis for each Tranche of Subordinated Notes at drawdown. The rating is only correct as at the date of the Offering Circular. Notes issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency. Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances (including the effect or likelihood of a write-off or conversion and the value of Subordinated Notes under the relevant regulations in the PRC). Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with the Notes. The principal risk factors that may affect the ability of the Relevant Obligor(s) to fulfil its obligations in respect of the Notes are discussed under "*Risk Factors*" below. See "*Risk Factors*" beginning on Page 11.

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Relevant Obligor(s) and the Group. The Relevant Obligor(s) each accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

***Arranger and Dealer***

**Bank of China**

The date of this Offering Circular is 27 April 2026.

The Bank (as to itself and the Group) and each Subsidiary Issuer (as to itself) having made all reasonable enquiries confirms that to its best knowledge and belief (i) this Offering Circular contains all information with respect to each Subsidiary Issuer and its subsidiaries (the "**Relevant Subsidiary Group**"), the Bank and its subsidiaries taken as a whole (the "**Group**") and the Notes and the Guarantee of the Notes, as applicable, which is material in the context of the issue and offering of the Notes; (ii) the statements contained herein relating to the Bank, the Group, the Subsidiary Issuer, the Relevant Subsidiary Group and the Notes are in every material respect true and accurate and not misleading and there are no other facts in relation to the Bank, the Group, the Subsidiary Issuer, the Relevant Subsidiary Group or the Notes, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect; (iii) the statements of intention, opinion and belief or expectation contained in this Offering Circular with regard to the Bank, the Group, the Subsidiary Issuer and the Relevant Subsidiary Group are honestly and reasonably made or held, have been reached after considering all relevant circumstances; and (iv) all reasonable enquiries have been made by the Bank and each Subsidiary Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

Each Series (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" as amended and/or supplemented by the Pricing Supplement specific to such Series. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Series of Notes, must be read and construed together with the relevant Pricing Supplement.

The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Relevant Obligor(s), the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. None of the Relevant Obligor(s), the Arrangers or the Dealers represents that this Offering Circular or any Pricing Supplement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any Relevant Obligor, the Arrangers or the Dealers, which would permit a public offering of any Notes or distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where action for such purposes is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Offering Circular, any Pricing Supplement or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto, in certain jurisdictions including, but not limited to, the United States of America, the EEA, the UK, the PRC, Hong Kong, Japan and Singapore, and to persons connected therewith.

**The Notes may be offered or sold (i) in the United States only to QIBs in transactions exempt from registration under the Securities Act, in which case each such purchaser must be able to make, and will be deemed to have made, certain acknowledgments, representations, warranties and agreements as set forth in this Offering Circular in respect of such Series of Notes, and/or (ii) outside the United States, to non-U.S. persons in offshore transactions in reliance on Regulation S. Any Series of Notes may be subject to additional selling restrictions. Any additional restrictions on the sale or transfer of any Series of Notes will be specified in the applicable Pricing Supplement for such Notes.**

**If Notes are being offered or sold to U.S. persons or in the United States, prospective investors are hereby notified that sellers of such Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Arrangers and Dealers, through their**

**respective selling agents, may arrange for the offer and resale of such Notes to U.S. persons or persons in the United States who are QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the Securities Act. For a description of certain restrictions on offers, sales and transfers of Notes and on the distribution of this Offering Circular, see "*Subscription and Sale*".**

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.

This Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted. MiFID II product governance/target market — The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

**UK MiFIR product governance/target market** — The Pricing Supplement in respect of any Notes may include a legend entitled "**UK MiFIR product governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**IMPORTANT — EEA RETAIL INVESTORS** — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT — UK RETAIL INVESTORS** — If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of sales to UK Retail Investors", the Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

**Singapore Securities and Futures Act Product Classification:** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Relevant Obligor(s) has each determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Offering Circular is to be read in conjunction with all information, which is deemed to be incorporated herein by reference (see "*Information Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that such information is incorporated in and forms part of this Offering Circular.

Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Bank, the Branch Issuer, the Subsidiary Issuer, the Group, the Relevant Subsidiary Group or the Notes. In making an investment decision, investors must rely on their own examination of the Bank, the Branch Issuer, the Subsidiary Issuer, the Group, the Relevant Subsidiary Group and the terms of the offering, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Notes.

No person has been authorised by any Relevant Obligor, any Arranger or any Dealer to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other document entered into in relation to the Programme and the sale of Notes and, if given or made, such information or representation should not be relied upon as having been authorised by any Relevant Obligor, any Arranger or any Dealer.

Neither the delivery of this Offering Circular or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the any Relevant Obligor since the date thereof or, if later, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Offering Circular nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by any Relevant Obligor, the Arrangers, the Dealers, the Trustee, the Agents or any director, officer, employee, agent or affiliate of any such person or any of them that any recipient of this Offering Circular or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Offering Circular or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of each Relevant Obligor.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed U.S.$40,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into United States dollars at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealer Agreement (as defined under "*Subscription and Sale*")). The maximum aggregate principal amount of Notes, which may be outstanding at any one time under the Programme, may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN THE APPLICABLE PRICING SUPPLEMENT MAY OVER ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE RELEVANT ISSUE DATE. HOWEVER, THERE IS NO OBLIGATION ON SUCH STABILISATION MANAGER(S) TO DO THIS. SUCH STABILISATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD. SUCH STABILISATION SHALL BE IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.**

None of the Arrangers, the Dealers, the Trustee or any Agents has separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee or any Agent or any director, officer, employee, agent or affiliate of any such person makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee or any Agent or any director, officer, employee, agent or affiliate of any such person accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Arrangers, the Dealers, the Trustee, any Agent, or any director, officer, employee, agent or affiliate of any such person or on its behalf in connection with any Relevant Obligor, the Notes or the issue and offering of the Notes. The Arrangers, the Dealers, the Trustee and each Agent accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor's particular circumstances) of an investment in Notes of a particular issue. Each potential purchaser of the Notes should refer to and consider carefully the relevant Pricing Supplement for each particular issue of Notes, which may describe additional risks and investment considerations associated with such Notes. The risks and investment considerations identified in this Offering Circular and the applicable Pricing Supplement are provided as general information only. Investors should consult their own financial and legal advisors as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in their particular circumstances.

Neither this Offering Circular nor any other information provided or incorporated by reference in connection with the Programme are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any Relevant Obligor or any of the Arrangers, the Dealers, the Trustee or the Agents or any director, officer, employee, agent or affiliate of any such person that any recipient, of this Offering Circular or of any such information, should purchase the Notes. Each potential purchaser of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Relevant Obligor(s), the Group and the Relevant Subsidiary Group. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation, as it deems necessary. None of the Arrangers, the Dealers, the Trustee or the Agents or any director, officer, employee, agent or affiliate of any such person undertakes to review the financial condition or affairs of the Relevant Obligor(s), the Group or the Relevant Subsidiary Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers, the Dealers, the Trustee, the Agents or any of them.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to the "Bank" are to Bank of China Limited, all references herein to the "Issuer" are to the Bank, the relevant Branch Issuer or the relevant Subsidiary Issuer, as the case may be, all references to the "Relevant Obligor(s)" are to the relevant Issuer, and, in the case of Guaranteed Notes, each of the relevant Issuer and the relevant Guarantor; all references to "U.S.$", "USD" and to "U.S. dollars" are to United States dollars; all references to "HK$" and to "HKD" are to Hong Kong dollars; all references to "pounds sterling" and "£" are to the currency of the UK; all references to "euro" and "C" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro as amended; all references to "yen" are to Japanese yen; all references to "Renminbi", "CNH", "RMB" and "CNY" are to the currency of the PRC; all references to "United States" or "U.S." are to the United States of America; references to "China", "Mainland China", "Chinese Mainland" and the "PRC" in this Offering Circular mean the People's Republic of China and for geographical reference only (unless otherwise stated) exclude Taiwan, Macau and Hong Kong; references to "PRC Government" mean the government of the PRC; references to "Hong Kong" are to the Hong Kong Special Administrative Region of the People's Republic of China; references to "Macau" are to the Macau Special Administrative Region of the People's Republic of China; references to "Taiwan" are to Taiwan, province of China; references to "EEA" are to the European Economic Area; and all references to "United Kingdom" and "UK" are to the United Kingdom of Great Britain and Northern Ireland.

In this Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

**Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to Prospective Investors**

Prospective investors should be aware that certain intermediaries in the context of certain offerings of Notes pursuant to the Programme, each such offering, a CMI Offering, including certain Dealers, may be "capital market intermediaries" (together, the "**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (together, the "**OCs**") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealers in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Relevant Obligor(s), a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Relevant Obligor(s), the CMI or the relevant group company. Prospective investors associated with the Relevant Obligor(s) or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Relevant Obligor(s) to all private banks for orders they place (other than in relation to Notes subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Notes distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealers and/or any other third parties as may be required by the SFC Code, including to the Relevant Obligor(s), any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

# FORWARD-LOOKING STATEMENTS

Certain statements under "*Risk Factors*", "*Description of the Bank*" and elsewhere in this Offering Circular constitute "forward looking statements". The words including "believe", "expect", "plan", "anticipate", "schedule", "estimate", "aim", "intend", "project", "seek to", "predict", "future", "goal" and similar words or expressions identify forward looking statements. In addition, all statements other than statements of historical facts included in this Offering Circular, including, but without limitation, those regarding the financial position, business strategy, prospects, capital expenditure and investment plans of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group and the plans and objectives of the management of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group for its future operations (including development plans and objectives relating to the Group's operations), are forward looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results or performance of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group to differ materially from those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Bank's, the Group's, the Relevant Obligor(s)' or the Relevant Subsidiary Group's present and future business strategies of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group and the environment in which the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group will operate in the future. The Bank, the Group, the Relevant Obligor(s) and the Relevant Subsidiary Group expressly disclaim any obligation or undertaking to release any updates or revisions to any forward looking statements contained herein to reflect any change in the expectations of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group with regard thereto or any change of events, conditions or circumstances, on which any such statements were based. This Offering Circular discloses, under "*Risk Factors*" and elsewhere, important factors that could cause actual results to differ materially from the expectations of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group. All subsequent written and forward-looking statements attributable to the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group or persons acting on behalf of the Bank, the Group, the Relevant Obligor(s) or the Relevant Subsidiary Group are expressly qualified in their entirety by such cautionary statements.

# INFORMATION INCORPORATED BY REFERENCE

With respect to (i) any Notes to be issued by the Bank or any Branch Issuer or (ii) any Guaranteed Notes, this Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the audited consolidated financial statements of the Bank as at and for the year ended 31 December 2025 published on the Hong Kong Stock Exchange, the most recently published audited annual financial statements and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements of the Bank from time to time on the Hong Kong Stock Exchange and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents.

With respect to any Notes to be issued by any Subsidiary Issuer, an amendment or supplement to this Offering Circular or a replacement Offering Circular will be published for use in connection with offering of the relevant Notes, which should be read and construed in conjunction with each relevant Pricing Supplement.

As any quarterly financial statements published on the Hong Kong Stock Exchange has not been audited or reviewed by the Bank's auditors, such interim financial information should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit or review. Investors should exercise caution when using such data to evaluate the Group's business, financial condition and results of operation.

Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) from the specified offices of the Paying Agents and the principal office in Hong Kong of the Principal Paying Agent (as defined under "*Summary of the Programme*") (or such other Paying Agent for the time being in Hong Kong) set out at the end of this Offering Circular.

# PRESENTATION OF FINANCIAL INFORMATION

The summary financial information set forth below has been extracted from the Group's audited consolidated financial statements as at and for the year ended 31 December 2025 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board ("**IASB**"). It should also be read in conjunction with any other information incorporated into this Offering Circular (see "*Information Incorporated by Reference*"). There are certain new accounting standards adopted by the Group since 1 January 2025. Please refer to "*Note II 1.1 Standards and amendments effective in 2025 relevant to and adopted by the Group*" of the Group's audited consolidated financial statements as at and for the year ended 31 December 2025.

# AVAILABLE INFORMATION

For so long as any of the Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, each Relevant Obligor will, during any period in which any Relevant Obligor is neither subject to the reporting requirements of Section 13 or 15(d) of the United States Securities Exchange Act of 1934 (the "**Exchange Act**") nor exempt from the reporting requirements of the Exchange Act under Rule 12g3-2(b) thereunder, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owners or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

## ENFORCEABILITY OF CIVIL LIABILITIES

The Bank is incorporated under the laws of the PRC and each Subsidiary Issuer is incorporated under the laws of its jurisdiction of incorporation. Most of their directors and officers reside outside the United States (principally in the PRC and/or the Relevant Obligor's jurisdiction of incorporation). A substantial portion of the assets of the Relevant Obligor(s) and the assets of such persons are or may be located outside the United States. As a result, it may not be possible for investors to effect service of process within the United Stated upon the Relevant Obligor(s) or such persons, or to enforce against the Relevant Obligor(s) or such persons judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States. The Bank has been advised by its PRC counsel, JunZeJun Law Offices, that there is uncertainty or impossible to ascertain as to whether the courts of the PRC would (1) enforce judgments of the U.S. courts obtained against the Bank or its directors and officers predicated upon the civil liability provisions of the federal securities laws of the United States or the securities laws of any state or territory within the United States or (2) entertain original actions brought in the courts of the PRC against the Bank or its directors and officers predicated upon these civil liabilities provisions.

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## SUMMARY OF THE PROGRAMME

*This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of this Offering Circular as a whole, including any information incorporated by reference. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Offering Circular have the same meanings in this summary.*

| | |
|---|---|
| **Issuer** . . . . . . . . . . . . . . . . . . . . . . . . . | Bank of China Limited, such branch of the Bank (including Bank of China Limited, Hong Kong Branch) or such subsidiary of the Bank, as specified in the applicable Pricing Supplement. |
| **Guarantor** . . . . . . . . . . . . . . . . . . . . . | Notes issued by a Subsidiary Issuer may be unconditionally and irrevocably guaranteed by an Overseas Branch as specified in the relevant Pricing Supplement. |
| **Relevant Obligor(s)** . . . . . . . . . . . . | The relevant Issuer (for Notes other than the Guaranteed Notes); each of the relevant Issuer and the relevant Guarantor (for Guaranteed Notes). |
| **Programme Size** . . . . . . . . . . . . . . . | Up to U.S.$40,000,000,000 (or the equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The Bank may increase the amount of the Programme in accordance with the terms of the Dealer Agreement. |
| **Arrangers** . . . . . . . . . . . . . . . . . . . . . | Bank of China Limited and Bank of China (Hong Kong) Limited. |
| **Dealers** . . . . . . . . . . . . . . . . . . . . . . . . | Bank of China Limited, Bank of China (Hong Kong) Limited and any other Dealer appointed from time to time either by the Bank generally in respect of the Programme or by the relevant Issuer in relation to a particular Series of Notes. |
| **Principal Paying Agent, Paying Agent** . . . . . . . . . . . . . . . . . . . . . . . | The Bank of New York Mellon, London Branch (for Notes cleared through Euroclear/Clearstream); The Bank of New York Mellon (for Notes cleared through DTC). |
| **Registrar** . . . . . . . . . . . . . . . . . . . . . . | The Bank of New York Mellon SA/NV, Luxembourg Branch (for Notes cleared through Euroclear/Clearstream); The Bank of New York Mellon (for Notes cleared through DTC); The Bank of New York Mellon, Hong Kong Branch (for Notes cleared through CMU). |
| **Transfer Agent** . . . . . . . . . . . . . . . . . | The Bank of New York Mellon SA/NV, Luxembourg Branch (for Notes cleared through Euroclear/Clearstream); The Bank of New York Mellon (for Notes cleared through DTC); The Bank of New York Mellon, Hong Kong Branch (for Notes cleared through CMU). |
| **CMU Lodging and Paying Agent** | The Bank of New York Mellon, Hong Kong Branch. |
| **Trustee** . . . . . . . . . . . . . . . . . . . . . . . . | The Bank of New York Mellon, London Branch. |

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| **Method of Issue** ................ | The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and their issue price) and intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment date of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the relevant Pricing Supplement. |
| **Clearing Systems** ............... | With respect to Notes (other than CMU Notes), Euroclear, Clearstream and/or DTC and such other clearing system as shall be agreed between the relevant Issuer, the Agents, the Trustee and the relevant Dealer. With respect to CMU Notes, the CMU (each of Euroclear, Clearstream, DTC and the CMU, a "**Clearing System**"). See "*Clearing and Settlement*". |
| **Form of Notes** ................. | Notes may be issued in bearer form or in registered form. Registered Notes will not be exchangeable for Bearer Notes and *vice versa*. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.<br><br>Each Series of Bearer Notes will initially be represented by a Temporary Global Note or a Permanent Global Note, as specified in the applicable Pricing Supplement, which, in each case, may be deposited on the issue date with a common depositary for Euroclear, Clearstream or any other agreed clearance system compatible with Euroclear and Clearstream or, in respect of CMU Notes, a sub-custodian for the CMU. A Temporary Global Note will be exchangeable, in whole or in part, as described therein, for interests in a Permanent Global Note as described under "*Form of the Notes*". A Permanent Global Note may be exchanged, in whole but not in part, for Definitive Notes only upon the occurrence of an Exchange Event as described under "*Form of the Notes*". Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons. Any interest in a Temporary Global Note or a Permanent Global Note will be transferable only in accordance with the rules and procedures or the time being of Euroclear, Clearstream, the CMU and/or any other agreed clearance system, as appropriate. |

Bearer Notes that are issued in compliance with U.S. Treasury Regulations §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) (the "**D Rules**") must be initially represented by a Temporary Global Note. Certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note.

Each Tranche of Registered Notes will be represented by either:

(i) Individual Note Certificates; or

(ii) one or more Global Note Certificate in the case of Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S and/or one or more Restricted Global Note Certificates in the case of Registered Notes sold to QIBs in reliance on Rule 144A,

in each case as specified in the relevant Pricing Supplement, unless if so specified in the relevant Pricing Supplement, no Note Certificate shall be issued in respect of the relevant Tranche of Notes.

Each Note to be cleared through DTC and represented by an Unrestricted Global Note Certificate or a Restricted Global Note Certificate will be registered in the name of Cede & Co. (or such other entity as is specified in the applicable Pricing Supplement) as nominee for DTC and the relevant Global Note Certificate will be deposited on or about the issue date with the DTC Custodian. Each Note to be cleared through Euroclear, Clearstream or CMU and represented by a Global Note Certificate will be registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream and/or any other relevant clearing system or in respect of CMU Notes, a sub-custodian for the CMU and the relevant Global Note Certificate will be deposited on or about the issue date with the common depositary or sub-custodian.

Global Note Certificates will be exchangeable for Individual Note Certificates only upon the occurrence of an Exchange Event as described in "*Form of the Notes*".

Application will be made to have Global Notes or Global Note Certificates of any Series accepted for clearance and settlement through the facilities of DTC, Euroclear, Clearstream and/or the CMU, as appropriate.

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| **Currencies** .................... | Notes may be denominated in any currency or currencies, agreed between the relevant Issuer and the relevant Dealer(s) subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated. |
| **Status of the Senior Notes** ....... | The Senior Notes constitute direct, general, unsubordinated, unconditional, and unsecured obligations of the relevant Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the relevant Issuer under the Notes shall, save for such obligation as may be preferred by provisions of law that are both, at all times rank at least pari passu with all of its other present and future unsecured and unsubordinated obligations as described in "*Terms and Conditions of the Notes — Status of the Notes and Guarantee of Guaranteed Notes — Status of the Senior Notes*". |
| **Events of default relating to Senior Notes** ................. | The Senior Notes will contain events of default provisions relating to non-payment, breach of other obligations, insolvency, winding-up, illegality and guarantee not in force, as further described in Condition 15 (*Events of Default*). |
| **Status of the Guarantee of Senior Notes** ....................... | In the case of Senior Guaranteed Notes, the relevant Guarantor will in the Deed of Guarantee unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by the relevant Issuer in respect of the Notes. This Guarantee of the Notes constitutes direct, general, unconditional and unsubordinated obligations of the Bank which will at all times rank at least pari passu with all other present and future unsecured and unsubordinated obligations of the Bank as described in "*Terms and Conditions of the Notes — Status of the Notes and Guarantee of Guaranteed Notes — Guarantee of the Senior Guaranteed Notes*". |
| **Status, Events of Default and other terms of Subordinated Notes** ....................... | Subordinated Notes will be Dated Subordinated Notes or Undated Subordinated Notes as indicated in the applicable Pricing Supplement. Provisions in relation to the status of the Subordinated Notes and events of default (if any) will be set out in the applicable Pricing Supplement. |
| **Issue Price** ..................... | Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes (which are not Subordinated Notes) may be issued, the issue price of which will be payable in two or more instalments. |
| **Maturities** ..................... | Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements. |

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| | Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the relevant Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by such Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Finance Services and Markets Act 2000 ("**FSMA**") by the relevant Issuer. |
| **Redemption** .................. | Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement. No Subordinated Notes may be redeemed or purchased by the relevant Issuer or its Subsidiaries prior to their respective stated maturity, for tax reasons, regulatory reasons or otherwise, without the prior written consent of the relevant Regulatory Authority as specified in the applicable Pricing Supplement at the relevant time. |
| **Redemption for tax reasons** ..... | Notes may be redeemed before their stated maturity at the option of the relevant Issuer (in whole but not in part) as described in Condition 11(b) (Redemption for tax reasons).<br><br>See "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for tax reasons*". |
| **Redemption for Change of Control** .................... | In the case of Notes issued by a Subsidiary Issuer, subject (in the case of Subordinated Notes) to Condition 11(i) (Additional Conditions for Redemption of Subordinated Notes), if so specified in the relevant Pricing Supplement, at any time following the occurrence of a Change of Control, the holder of any Note will have the right, at such holder's option, to require the relevant Issuer to redeem all, but not some only, of that holder's Notes on the Change of Control Put Date at a price equal to the Early Redemption Amount (Change of Control), together with accrued interest up to, but excluding, the Change of Control Put Date.<br><br>See "*Terms and Conditions of the Notes — Redemption and Purchase — Redemption for Change of Control*". |

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| **Optional Redemption** . . . . . . . . . . . | Notes may be redeemed before their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement as described in Condition 11(c) (*Redemption at the option of the Issuer*) and/or the Noteholders (to the extent if at all) specified in the Condition 11(f) (*Redemption of the Senior Notes or the Dated Subordinated Notes at the option of the Noteholders*). |
| **Interest** . . . . . . . . . . . . . . . . . . . . . . . | Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. All such information will be set out in the relevant Pricing Supplement. |
| **Denominations** . . . . . . . . . . . . . . . . . | Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. |
| **Withholding Tax** . . . . . . . . . . . . . . . | All payments in respect of Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of a Tax Jurisdiction or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, each Relevant Obligor will (subject to certain customary exceptions as described in Condition 14 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes, had no such withholding been required. |
| **Listing and Trading** . . . . . . . . . . . . | Application has been made to the Hong Kong Stock Exchange for the listing of the Programme under which Notes may be issued by way of debt issues to Professional Investors only during the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange.<br><br>However, unlisted Notes and Notes to be listed, traded or quoted on or by any other competent authority, stock exchange or quotation system may be issued pursuant to the Programme. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Hong Kong Stock Exchange or listed, traded or quoted on or by any other competent authority, exchange or quotation system. |

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| **Governing Law** ................ | The Notes, the Non-Guaranteed Notes Trust Deeds, the Guaranteed Notes Trust Deeds, the Deeds of Guarantee, each Alternative Trust Deeds and any non-contractual obligations arising out of or in connection therewith will be governed by, and shall be construed in accordance with, English law, except that the provisions of the Notes, the Non-Guaranteed Notes Trust Deeds, the Guaranteed Notes Trust Deeds, the Alternative Trust Deeds relating to subordination (if any) shall be governed by, and construed in accordance with such law as specified in the relevant Pricing Supplement. |
| **Rating** ........................ | Moody's, Fitch and S&P have assigned a rating of "A1", "A" and "A" to the Programme, respectively. Moody's, Fitch and S&P are expected to rate Senior Notes issued under the Programme "A1", "A" and "A", respectively. Any rating assigned to Subordinated Notes issued under the Programme by Moody's, Fitch and/or S&P would be issued on a case-by-case basis for each Tranche of Subordinated Notes at drawdown.<br><br>Each Series of Notes may be assigned ratings by Moody's, Fitch and/or S&P, as specified in the applicable Pricing Supplement. |
| **Selling Restrictions** ............. | For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering materials in the United States of America, the EEA, the UK, the PRC, Hong Kong, Japan and Singapore, see "*Subscription and Sale*" below.<br><br>For the purpose of Regulation S, Category 2 selling restrictions will apply unless otherwise indicated in the relevant Pricing Supplement.<br><br>In connection with the offering and sale of a particular Series of Notes, additional restrictions may be imposed which will be set out in the applicable Pricing Supplement. Bearer Notes will be issued in compliance with the D Rules unless (i) the applicable Pricing Supplement states that the Bearer Notes are issued in compliance with U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the "**C Rules**") or (ii) the Bearer Notes are issued other than in compliance with the D Rules or the C Rules but in circumstance in which the Notes will not constitute "registration required obligations" for U.S. federal income tax purposes, which circumstance will be referred to in the applicable Pricing Supplement; Bearer Notes with a term of 365 days or less (taking into account unilateral extensions and rollovers) will be issued other than in compliance with the D Rules or the C Rules and will be referred to in the applicable Pricing Supplement as a transaction to which the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**") is not applicable. |

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| **Transfer Restrictions** . . . . . . . . . . . | There are restrictions on the transfer of Notes sold pursuant to Category 2 or Category 3 of Regulation S prior to the expiration of the relevant distribution compliance period and on the transfer of Registered Notes sold pursuant to Rule 144A under the Securities Act. See "*Transfer Restrictions*". |
| **Initial Delivery of Notes** . . . . . . . . | On or before the issue date for each Series, the Global Note representing Bearer Notes or the Global Note Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, DTC or deposited with a sub custodian for the HKMA as operator of the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Trustee, the Principal Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of a nominee or a sub custodian for, such clearing systems. |

# SUMMARY FINANCIAL INFORMATION OF THE BANK

The summary financial information set forth below has been extracted from the Group's audited consolidated financial statements as at and for the year ended 31 December 2025 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board ("**IASB**"). It should also be read in conjunction with any other information incorporated into this Offering Circular (see "*Information Incorporated by Reference*").

There are certain new accounting standards adopted by the Group since 1 January 2025. Please refer to "*Note II 1.1 Standards and amendments effective in 2025 relevant to and adopted by the Group*" of the Group's audited consolidated financial statements as at and for the year ended 31 December 2025.

## CONSOLIDATED INCOME STATEMENT

| | **For the year ended 31 December** | |
|---|---|---|
| | **2025** | **2024** |
| | **(Amount in millions of Renminbi, unless otherwise stated)** | |
| Interest income | 1,000,907 | 1,071,539 |
| Interest expense | (560,202) | (622,605) |
| **Net interest income** | **440,705** | **448,934** |
| Fee and commission income | 95,449 | 88,587 |
| Fee and commission expense | (13,212) | (11,997) |
| **Net fee and commission income** | **82,237** | **76,590** |
| Net trading gains | 52,054 | 36,491 |
| Net gains on transfers of financial asset | 14,667 | 11,399 |
| Other operating income | 70,203 | 59,357 |
| **Operating income** | **659,866** | **632,771** |
| Operating expenses | (256,623) | (235,770) |
| Credit impairment losses | (102,004) | (102,463) |
| Impairment losses on other assets | (1,083) | (259) |
| **Operating profit** | **300,156** | **294,279** |
| Share of results of associates and joint ventures | 1,132 | 675 |
| Profit before income tax | 301,288 | 294,954 |
| Income tax expense | (43,352) | (42,235) |
| **Profit for the year** | **257,936** | **252,719** |
| **Attributable to:** | | |
| Equity holders of the Bank | 243,021 | 237,841 |
| Non-controlling interests | 14,915 | 14,878 |
| | **257,936** | **252,719** |
| Earnings per share for profit attributable to equity holders of the Bank during the year (expressed in RMB per ordinary share) | | |
| – Basic | 0.74 | 0.75 |
| – Diluted | 0.74 | 0.75 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As at 31 December | |
|---|---|---|
| | **2025** | **2024** |
| | **(Amount in millions of Renminbi, unless otherwise stated)** | |
| **Assets** | | |
| Cash and due from banks and other financial institutions | 577,545 | 582,448 |
| Balances with central banks | 2,467,104 | 2,467,857 |
| Placements with and loans to banks and other financial institutions | 1,498,427 | 1,442,072 |
| Government certificates of indebtedness for bank notes issued | 230,240 | 217,405 |
| Precious metals | 305,698 | 179,635 |
| Derivative financial assets | 132,841 | 183,177 |
| Loans and advances to customers, net | 22,876,769 | 21,055,282 |
| Financial investments | 9,659,610 | 8,360,277 |
| – Financial assets at fair value through profit or loss | 757,713 | 600,297 |
| – Financial assets at fair value through other comprehensive income | 4,630,814 | 4,388,945 |
| – Financial assets at amortised cost | 4,271,083 | 3,371,035 |
| Investments in associates and joint ventures | 41,074 | 40,972 |
| Property and equipment | 231,955 | 223,905 |
| Construction in process | 25,294 | 21,717 |
| Investment properties | 23,957 | 22,431 |
| Deferred income tax assets | 82,107 | 62,691 |
| Other assets | 205,455 | 201,430 |
| **Total assets** | **38,358,076** | **35,061,299** |
| **Liabilities** | | |
| Due to banks and other financial institutions | 3,187,303 | 2,933,752 |
| Due to central banks | 1,734,055 | 1,112,016 |
| Bank notes in circulation | 230,111 | 217,415 |
| Placements from banks and other financial institutions | 553,686 | 607,201 |
| Financial liabilities held for trading | 79,717 | 57,604 |
| Derivative financial liabilities | 131,022 | 153,456 |
| Due to customers | 26,182,431 | 24,202,588 |
| Bonds issued | 2,294,688 | 2,056,549 |
| Other borrowings | 54,545 | 42,961 |
| Current tax liabilities | 32,609 | 29,021 |
| Retirement benefit obligations | 1,479 | 1,594 |
| Deferred income tax liabilities | 10,379 | 9,130 |
| Other liabilities | 657,927 | 685,048 |
| **Total liabilities** | **35,149,952** | **32,108,335** |
| **Equity** | | |
| ***Capital and reserves attributable to equity holders of the Bank*** | | |
| Share capital | 322,212 | 294,388 |
| Other equity instruments | 369,953 | 409,513 |
| – Preference shares | 99,969 | 119,550 |
| – Perpetual bonds | 269,984 | 289,963 |
| Capital reserve | 272,304 | 135,768 |
| Other comprehensive income | 59,834 | 95,268 |
| Statutory reserves | 302,179 | 279,006 |
| General and regulatory reserves | 455,118 | 414,638 |
| Undistributed profits | 1,282,444 | 1,187,650 |
| | 3,064,044 | 2,816,231 |
| **Non-controlling interests** | **144,080** | **136,733** |
| **Total equity** | **3,208,124** | **2,952,964** |
| **Total equity and liabilities** | **38,358,076** | **35,061,299** |

# RISK FACTORS

*The Notes are offered to Professional Investors only and are not suitable for retail investors. Investors should not purchase the Notes in the primary or secondary markets unless they are Professional Investors. Investing in the Notes involve risks. Prospective investors should have regard to the factors described in this section before deciding whether to invest in the Notes.*

**Risks relating to the PRC Banking Industry**

***The PRC banking regulatory regime is continually evolving and the Group is subject to future regulatory changes***

The Group operates in a highly regulated industry and is subject to laws and regulations governing all aspects of its operations. The principal banking-related statutes and regulations are the Commercial Banking Law and the Law of PRC on Supervision and Administration of Banking Sector and the related implementation rules. The principal regulators of the PRC banking industry are the National Financial Regulatory Administration (the "**NFRA**") (former China Banking and Insurance Regulatory Commission) ("**CBIRC**"), the People's Bank of China ("**PBOC**") and the State Administration of Foreign Exchange ("**SAFE**").

The PRC banking regulatory regime has been evolving continuously. Changes in the rules and regulations as well as their interpretations may result in additional costs or restrictions on the Group's operations and activities. For example, PBOC exercises significant influence over monetary policies.

In addition, the Group may be required to increase deposit reserves in response to future potential changes in PBOC rules and regulations. The Group may be required to take additional steps to adapt to future changes on a timely basis.

The Group's business and operations are directly affected by changes in the PRC's policies, laws and regulations relating to the banking industry, such as those affecting the extent to which it can engage in specific businesses, as well as changes in other governmental policies. There can be no assurance that the policies, laws and regulations governing the banking industry will not change in the future or that any changes will not materially and adversely affect the Group's business, financial condition and results of operations nor can there be any assurance that the Group will be able to adapt to any changes on a timely basis. For instance, changes in the financial regulatory policies may have a material impact on the operational and financial results of the Bank, while adjustment in the monetary policies and the regulatory methods will have a direct impact on the business activities of the Bank. The Group's business operations will be adversely affected if the Bank is unable to make proper adjustment to its business operations according to the trend of change in the financial regulatory policies and monetary policies. In addition, there may be uncertainties regarding the interpretation and application of new policies, laws and regulations, which may result in penalties and restrictions on the Group's activities and could also have a significant impact on its business.

***The increasingly competitive nature of the PRC banking industry, as well as competition for funds which may arise from the development of the PRC capital markets, could adversely affect the Group's business, financial condition, results of operations and prospects***

The PRC banking industry is becoming increasingly competitive. The Group faces competition from domestic and foreign-invested banks and financial institutions. In addition, the Mainland and Hong Kong Closer Economic Partnership Arrangement, which allows Hong Kong banks to operate in the PRC, may also increase competition in the PRC banking industry. These banks and financial institutions compete with the Group for substantially the same loan, deposit and fee customers. Moreover, the PRC government has, in recent years, implemented a series of measures designed to further liberalise the banking industry, including those relating to interest rates and fee-and-commission based products and services, which are changing the basis on which the Group competes with other banks for customers. Competition in the PRC banking industry may be further aggravated by internet finance and the participation of private capital in the banking businesses. The increased competition may:

- reduce the Group's market share in its principal products and services;
- reduce the growth of the Group's loan portfolio or deposit base and other products and services;
- reduce the Group's interest income, increase the interest expenses and decrease its net interest margin;
- reduce the Group's fees and commission income;
- increase the Group's outgoings and expenses, such as marketing and administrative expenses;
- lead to a deterioration of the Group's asset quality; and
- increase the turnover of and competition for senior management and qualified professional personnel.

The Group faces increased competition in all the business areas in which it currently operates or will in the future operate. The Group may also face competition for funds from other forms of investment alternatives as the PRC capital market continues to develop. For example, the PRC capital market is becoming a more viable and attractive investment alternative and the Group's deposit customers may elect to transfer their funds into bonds, equities, investment funds and other capital market instruments, which may reduce its deposit base and adversely affect its business, financial condition and results of operations.

***The rate of growth of the PRC banking market may not be sustainable***

The Group expects the banking market in the PRC to expand as a result of growth in the PRC economy, increases in household wealth, continued social welfare improvement, demographic changes and the opening of the PRC banking market to foreign participants. The prospective impact on the PRC banking industry of certain trends and events, such as the slowing down of the growth of the economy and the increasing competition in the financial industry, remain uncertain. Consequently, there is no assurance that the historic high rate of growth of the PRC banking market can be sustained.

***The third edition of the Basel Capital Accord promulgated in December 2010 by Basel Committee ("Basel III") and related reforms could have an adverse effect on the Bank's business***

In accordance with Basel III, the minimum Tier 1 Capital Adequacy Ratio will be raised from 4 per cent. to 6 per cent., while the minimum Common Equity Tier 1 Capital will be raised to 4.5 per cent. (with the China Banking and Insurance Regulatory Commission (the "**CBIRC**") expected to require PRC banks to maintain a 5 per cent. Common Equity Tier 1 Capital), with an additional 2.5 per cent. capital conservation buffer and certain buffer for systematically important banks.

CBIRC published the Administrative Measures for the Capital of Commercial Banks of the PRC (for Trial Implementation) (商業銀行資本管理辦法(試行)) (the "**CBIRC Capital Regulations**") in June 2012 requiring commercial banks to meet the regulatory capital adequacy requirements before the end of 2018. On 26 October 2023, the NFRA published the Regulations Governing Capital of Commercial Banks (the "**New Capital Regulations**") which became effective on 1 January 2024 and the CBIRC Capital Regulations ceased to have effect on the same day. The regulatory capital adequacy ratios requirements under the New Capital Regulations include minimum capital requirements, reserve capital requirements, counter-cyclical capital requirements, additional capital requirements for systemically important banks and Tier 2 capital requirements. The New Capital Regulations have set higher requirements for both the quality and quantity of banks' capital and after the implementation of these Measures, there are a more stringent definition of capital, further improved regulatory standards for capital instruments, and gradually reduced traditional subordinated debt capital instruments. Any failure of the Bank to adapt to the more stringent requirements for capital adequacy ratios level under the New Basel Capital Accord and thus to meet the higher requirements for the relevant regulatory indicators may adversely affect the Bank's business.

***The Group's results of operations may be materially and adversely affected if PBOC further deregulates interest rates***

PBOC has adopted reform measures to liberalise the PRC's interest rate regime. For example, in October 2004, PBOC eliminated restrictions in respect of the maximum interest rate for Renminbi-denominated loans and the minimum interest rate for Renminbi-denominated deposits. Thereafter, PBOC continued to lower the minimum interest rate for loans on repeated occasions. In June 2012, PBOC adjusted the maximum interest rate for deposits to 110 per cent. of the relevant benchmark deposit rate and the minimum interest rate for loans to 80 per cent. of the relevant benchmark lending rate. In July of the same year, PBOC again adjusted the minimum interest rate for loans to 70 per cent. of the relevant benchmark lending rate. On 20 July 2013, PBOC entirely removed lending rate control by eliminating the minimum interest rate for loans (except for individual residential mortgage loans) and removing controls on bill discount rates. On 25 October 2013, PBOC introduced a new prime lending rate, officially known as the "loan prime rate", which is based on a weighted average of lending rates from nine commercial banks. In recent years, PBOC has adjusted the benchmark interest rates several times. On 22 November 2014, PBOC lowered the one-year Renminbi benchmark loan interest rate by 0.4 percentage points to 5.6 per cent. and raised the one-year Renminbi benchmark deposit interest rate by 0.25 percentage points to 2.75 per cent. On 1 March 2015, PBOC further lowered the one-year Renminbi benchmark loan interest rate by 0.25 percentage points to 5.35 per cent. and lowered the one-year Renminbi benchmark deposit interest rate by 0.25 percentage points to 2.5 per cent. On 11 May 2015, PBOC further lowered both the one-year Renminbi benchmark loan interest rate and one-year Renminbi benchmark deposit interest rate by 0.25 percentage points to 5.1 per cent. and 2.25 per cent. respectively. On 24 October 2015, PBOC further lowered both the one-year Renminbi benchmark loan interest rate and one-year Renminbi benchmark deposit interest rate by 0.25 percentage points to 4.35 per cent. and 1.5 per cent., respectively. Moreover, the upper limit of the interest rate floating range of the Renminbi-denominated deposits in commercial banks was removed by PBOC on 24 October 2015. Going forward, PBOC may further liberalise the existing interest rate restrictions on Renminbi-denominated loans and deposits. If the existing regulations are substantially liberalised or eliminated, competition in the PRC's banking industry will likely intensify as the PRC's commercial banks seek to offer more attractive interest rates to customers. Further liberalisation by PBOC may result in the narrowing of the spread in the average interest rates between Renminbi-denominated loans and Renminbi-denominated deposits, thereby materially and adversely affecting the Group's business, financial condition and results of operations which in turn may negatively affect the Group's ability to service the Notes and to satisfy its other obligations under the Notes.

***The PRC regulations impose limitations on the types of investments the Group may make and, as a result, the Group has limited ability to seek optimal investment returns to diversify its investment portfolio and to hedge the risks of its Renminbi-denominated assets***

The government of the PRC (the "**PRC Government**") has imposed limitations on what a commercial bank may invest in. These permitted investments by issuers mainly include debt securities of:

- the government;
- public sector and quasi-government;

- policy banks;
- financial institutions; and
- corporates.

These investment restrictions limit the Group's ability to seek optimal returns on its investments. The restrictions may also expose the Group to significantly greater risk of investment loss in the event that a particular type of investment it holds suffers a decrease in value. In addition, due to the limited hedging tools available to it, the Group's ability to manage market and credit risks relating to its Renminbi-denominated assets is limited and any resulting decline in the value of its Renminbi-denominated assets may materially and adversely affect its business, financial condition and results of operations.

***The effectiveness of the Group's credit risk management is affected by the quality and scope of information available in the PRC***

National credit information databases developed by PBOC have been in operation since January 2006. However, as the information infrastructure in the PRC is still under development and there remains limitations on the availability of information, national credit information databases are generally under-developed and are not able to provide complete credit information on many of the Group's credit applicants. Until the PRC has further developed and fully implemented its nationwide unified credit information database on corporate borrowers, the Group has to rely on other publicly available resources and its internal resources to supplement what is currently available on the nationwide unified credit information database for enterprises. These sources of data and information are not sufficiently complete or effective for the robust credit risk management system that the Group attempts to build. Therefore, there can be no assurance that the Group's assessment of the credit risks associated with any particular customer is based on complete, accurate and reliable information, which materially and adversely affects the Group's ability to effectively manage its credit risk.

***The Group is subject to certain operational requirements as well as guidelines set by the PRC banking regulatory authorities, such as maintaining a capital adequacy ratio***

The Group is subject to certain operational requirements and guidelines set by the PRC banking regulatory authorities. NFRA requires all commercial banks in the PRC to maintain certain financial ratios throughout its operations.

In recent years, NFRA (former CBIRC) have issued several regulations and guidelines governing capital adequacy requirements applicable to commercial banks in the PRC. In April 2011, CBIRC promulgated the Guideline Concerning the Implementation of New Regulatory Standards for the PRC Banking Industry to clarify the direction for future regulations and the requirement for prudent regulatory requirements. In June 2012, CBIRC promulgated the CBIRC Capital Regulations which sets out the new requirements for capital adequacy which became effective on 1 January 2013, the minimum capital adequacy ratio, tier 1 capital adequacy ratio and common equity tier 1 capital adequacy ratio for commercial banks to meet by the end of 2018 are 8 per cent., 6 per cent. and 5 per cent., respectively. On 30 November 2012, CBIRC issued the Notice of the China Banking Regulatory Commission on Issues concerning Transitional Arrangements for the Implementation of the Administrative Measures for the Capital of Commercial Banks (for Trial Implementation), which sets out the requirements for capital adequacy ratio during the phase-in period and ceased to have effect on 16 October 2025 pursuant to the Notice on the Abolition and Declaration of Ineffectiveness of Certain Normative Documents issued by the NFRA (國家金融監督管理總局關於部分規範性檔廢止和宣佈失效的通知(金規〔2025〕22號)) on the same day. On 26 October 2023, NFRA published the New Capital Regulations which became effective on 1 January 2024 and the CBIRC Capital Regulations ceased to have effect on the same day. As a domestic systematically important bank and a global systematically important bank, the Group is subject to additional capital requirements of NFRA and the Basel Committee. As at 31 December 2025, the Group's capital adequacy ratio, tier 1 capital adequacy ratio and common equity tier 1 capital adequacy ratio (calculated in accordance with the Capital Rules for Commercial Banks (Provisional)) were 18.85 per cent., 14.34 per cent. and 12.53 per cent., respectively.

Although the Group is currently in compliance with the capital adequacy requirements, there can be no assurance that the National Financial Regulatory Administration ("**NFRA**") will not issue new regulations to heighten the capital adequacy ratios requirements, particularly in the light of the implementation of the new Basel III. Any change in calculation of capital adequacy ratios by NFRA may also affect the Group's compliance with capital adequacy ratios. There can be no assurance that the Group will be able to meet these requirements in the future at all times. If the Bank fails to meet the capital adequacy requirements, NFRA may require the Bank to take corrective measures, such as restricting the growth of its loans and other assets or restricting its declaration or distribution of dividends. These measures could materially and adversely affect the Bank's business, financial condition and results of operations.

In order to support its steady growth and development, the Group may need to raise more capital to ensure that its capital adequacy ratios comply with the regulatory requirements. In its capital raising plan in the future, the Group may issue any equity securities that can replenish the Tier 1 capital or any debt securities that can replenish the Tier 2 capital. The Group's capital-raising ability may be restricted by the Group's future business, financial condition and results of operations, the Group's credit rating, regulatory approvals and overall market conditions, including Chinese and global economic, political and other conditions at the time of capital raising.

***The PRC regulators have implemented measures relating to lending to small and medium-sized enterprises ("SMEs") and the Group may be affected by future regulatory changes***

The NFRA has promulgated a series of measures to encourage banking institutions to implement the PRC Government's macroeconomic policies, and, in particular, to proactively support continued healthy economic growth by increasing lending activities to SMEs while effectively controlling risk. However, SMEs are more vulnerable to fluctuation in the macro-economy as compared to large enterprises due to relatively limited capital, management or other resources required to cope with the adverse impact of major economic or regulatory changes. In addition, SMEs may not be able to provide reliable information necessary for the Bank to assess the credit risks involved. In the absence of accurate assessment of the relevant credit risks, the non-performing loans of the Bank may be significantly increased if its small and medium-sized enterprise clients are affected by economic or regulatory changes, which could materially and adversely affect the Group's business, results of operations and financial condition.

In addition, there can be no assurance that the policies, laws and regulations governing the PRC banking industry, in particular, those relating to lending to SMEs (e.g. incentive policies to encourage lending to SMEs), will not change in the future or that any such changes will not materially and adversely affect the Group's business, financial condition and results of operations.

**Risks relating to the Group's Business**

***If the Group is unable to effectively control and reduce the level of impaired loans and advances in its current loan portfolio and in new loans the Group extends in the future, or if the Group's allowance for loan impairment losses on loans and advances is insufficient to cover actual loan losses, its financial condition and results of operations may be materially and adversely affected***

The Group's results of operations have been and will continue to be negatively impacted by its impaired loans. According to IFRS Accounting Standards, being the set of accounting principles that are applicable to the Group, loans are impaired if there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms of loans. As at 31 December 2025, the Group's non-performing loans ("**NPLs**") under its five-category loan classification were RMB288.036 billion, representing an NPL ratio of 1.23 per cent. The Group seeks to continue to improve its credit risk management policies, procedures and systems, and has been able to effectively control the level of its impaired loans, despite the financial turmoil in global markets.

The amount of the Group's reported impaired loans and the ratio of the Group's impaired loans to its loans and advances to customers may increase in the future for a variety of reasons, including factors which are beyond the Group's control, such as a slowdown in economic growth and other adverse macroeconomic trends in the PRC or a deterioration in the financial condition or results of operations of the Group's borrowers, which could impair the ability of the Group's borrowers to service their debt. There can be no assurance that the Group will be able to maintain or lower its current impaired loan ratio in the future or that the quality of its existing or future loans and advances to borrowers will not deteriorate. As a result of the PRC Government's economic stimulus programmes, many PRC banks, including the Group, experienced high growth in their loan scale in the past. This increase in bank loans may lead to elevated impaired loan ratios and loan loss provisions as well as increasing strain on the Group's risk management resources, which may affect the quality of its loan portfolio.

As at 31 December 2025, the balance of the Group's allowance for impairment losses on loans and advances was RMB577.144 billion and the coverage ratio of allowance for loan impairment losses to NPLs was 200.37 per cent. The Group's allowance for loan impairment losses is affected by various factors, including the quality of the Group's loan portfolio, the Group's borrowers' financial condition, repayment ability and repayment intention, the realisable value of any collateral, the extent of any guarantees, the industry in which the borrower operates, as well as general economic and business conditions. Many of these factors are beyond the Group's control. Furthermore, the adequacy of the Group's allowance for loan impairment depends to a significant extent on the reliability of, and its skills in utilising, its model for determining the level of allowance, as well as its system of data collection. The limitations of the Group's model, its lack of experience in using the model and deficiencies in its data collection system may result in inaccurate and insufficient allowance for impairment losses. As a result, the Group's actual loan impairment losses could prove to be different from its estimates and could exceed its allowance. If the Group's allowance for impairment losses on loans and advances proves insufficient to cover actual losses, it may need to make additional allowance for losses, which could significantly reduce its profit and adversely affect its business, financial condition and results of operations.

***If the Group is unable to realise the collateral or guarantees securing its loans to cover the outstanding principal and interest balance of its loans, its financial condition and results of operations may be adversely affected***

A substantial portion of the Group's loans is secured by collateral. The Group's loan collateral primarily includes real estate and other financial and non-financial assets located in the PRC, the value of which may fluctuate due to factors beyond the Group's control, including macroeconomic factors affecting the PRC economy. In particular, an economic slowdown in the PRC may lead to a downturn in the PRC real estate market, which may in turn result in declines in the value of the collateral securing many of the Group's loans to levels below the outstanding principal balance of such loans. Any decline in the value of the collateral securing the Group's loans may result in a reduction in the amount the Group can recover from collateral realisation and an increase in its impairment losses.

In addition, a considerable portion of the Group's domestic loans are guaranteed. The Group's exposure to guarantors is generally unsecured, and a significant deterioration in the financial condition of these guarantors increases the risk that the Group may not be able to recover the full or any amount of such guarantees if needed and when required.

Furthermore, the guarantee provided by such guarantors may be determined by the court as invalid if the relevant guarantor fails to comply with applicable PRC laws and regulations.

***The Group has granted loans to certain overcapacity sectors, the real estate sector and local government financing vehicles ("LGFVs") and any extended downturn in or change in national policies towards the overcapacity sectors, the real estate sector and LGFVs may adversely affect the Group's financial condition, results of operations and prospects***

*Loans to Overcapacity Sectors, High Energy Sectors and High Pollutant Emission Sectors*

The Group has granted loans to industries and sectors featured by high energy consumption and high pollutant emission and implemented differentiated credit policies in relation to overcapacity sectors.

In the past few years, the Bank has adopted a relatively stringent criteria for extending loans to the overcapacity sector with priority given to the enterprises under key projects of the State or leading enterprises within the industry; meanwhile, the Bank has stepped up efforts in loan restructuring and withdrawn from enterprises that are not compliant with the State's industrial policies. The overall asset quality of loans to overcapacity sectors is maintained at a satisfactory level with the loans primarily going to the leading enterprises within the industry and is therefore better protected against risks. However, if the problem of overcapacity in China continues to aggravate and the relevant enterprises receiving credit facilities from the Bank are unable to implement technology upgrade in a timely manner to stay competitive, the quality of loans to the above sectors may be adversely affected.

*Real Estate Sector*

The Group's loans and advances to the real estate sector primarily comprise loans issued to real estate companies and individual housing loans. In the PRC, the ongoing corporate deleveraging efforts by the PRC government since 2017 and the increased amount of corporate defaults over recent years, particularly in the real estate sector, have contributed to further turmoil in financial markets.

With respect to its real estate loans, the Group follows strictly its credit risk management procedures, including on-going credit monitoring of borrowers' financial information, and strictly enforcing repayment schedules. In addition, the Group has established a regional risk alert system and loan policy adjustment mechanism applicable to the real estate sector.

The Group has instructed its branches to strengthen research of regional and local real estate market conditions, adjust credit guidelines applicable to real estate loans and implement different credit limits to reflect different levels of risk for these loans. The PRC real estate market is subject to volatility and property prices have experienced significant fluctuations in recent years. The PRC Government has plans to and has already implemented certain macroeconomic control and other adjustment measures aiming at managing these fluctuations and preventing the real estate market from over-heating. These policies may have an adverse effect on the growth of the Group's loans to the real estate industry, the quality of loans extended to the real estate industry and the quality of the Group's mortgage loan portfolio. In addition, if the real estate market in the PRC experiences a significant downturn, the value of the real estate securing the Group's loans may decrease, resulting in a reduction in the amount the Group can recover on its loans in the event of default. This may in turn materially and adversely affect the Group's asset quality, business, financial condition and results of operations.

*LGFVs*

LGFVs are legal entities formed by local governments which are primarily responsible for utilisation of financial capitals and external financing in relation to urban infrastructure. Loans to LGFVs are a part of the loan portfolio of commercial banks in PRC, including the Group's. The Group's loans to LGFVs are primarily utilised by infrastructure projects including transportation and urban projects and land reserve centres. A majority of these projects comprise of loans to provincial- and municipal-level platforms with terms of less than 10 years and are mainly fully or partially covered by operating cash flows of the projects.

The Group attaches great importance to the credit management of LGFVs and has undertaken a series of measures, such as access lists, industry quotas, debt limitation models and regular review, to reduce credit risks associated with loans to LGFVs. The Group intends to further strengthen the risk management of LGFVs. Although the Group has taken a variety of credit risk management measures, it may not discover all potential risks associated with irregular operations, large debts and unsustainable revenues of LGFVs or the potential reform or elimination of non-compliant entities by local governments. In addition, as local government revenues are primarily derived from taxes and land premiums, the economic cycles and fluctuations in the real estate market may also adversely affect the quality of such loans. There can be no assurance that the LGFVs will be able to fulfil their obligations under the terms of the loans on time or at all. Any failure by these LGFVs to fulfil their loan obligations may have a material and adverse effect on the Group's business, financial condition and results of operations.

***The formal implementation of the deposit insurance scheme may adversely affect the Group's deposit-taking business and financial position***

The Deposit Insurance Regulations formulated by the State Council came into effect on 1 May 2015, which will result in the formal establishment of a deposit insurance scheme in the PRC. The Deposit Insurance Regulations requires that the commercial banks and other deposit-taking banking financial institutions established in the PRC shall take out deposit insurance and pay deposit insurance premiums to relevant deposit insurance fund management institutions, with such premiums to be used as deposit insurance funds to compensate depositors in the event of the liquidation or similar event of any PRC bank. Under the deposit insurance scheme, upon the liquidation or similar event of any PRC bank, the maximum compensation that a depositor may receive on the total principal and accrued interest deposited with such PRC bank will be capped at RMB500,000.

The deposit insurance premiums to be paid by the Bank in accordance with the Deposit Insurance Regulations and other relevant laws and regulations will increase the Group's operating costs and capital requirements. Furthermore, the deposit insurance scheme may increase competition among PRC banks for deposits as some depositors may consider spreading out their deposits with different PRC banks. This may result deposits currently held with the Group being transferred by depositors to other PRC banks as well as the Group having to offer higher interest rates to retain existing, and attract new, depositors, which may have an adverse effect on the Group's business, financial position and operating results.

***Any deficiencies in the Group's risk management and internal control system may adversely affect the Group's financial condition and results of operations***

With the expansion of its business, products and services, the Group may face significant challenges in risk management and may need to further improve its risk management system. For example, in addition to commercial banking services, the Group provides investment banking, insurance, direct investment, fund management and aircraft leasing services. The risks related to these services are different from those related to commercial banking services. The Group has adopted measures, policies and procedures to improve its risk management and internal control system and strengthen consolidated balance sheet risk management. However, such measures, policies and procedures may not be effective in managing the relevant risks. As a result, the Group's risk management and internal control system still need to be improved. Any deficiencies in the Group's risk management system may affect the Group's ability to respond to these risks. If the risk management system of the Group is unable to effectively manage relevant risks, its financial condition and results of operations may be adversely affected.

The Group assesses specific risks of single corporate clients as well as its overall credit risk through an internal credit assessment system. Its system involves detailed analysis of its borrowers' credit risk, taking into account both quantitative and qualitative factors. Therefore, the Group may be exposed to risks associated with inaccurate assessments. The effectiveness of the Group's credit rating system is also limited by the information available to it and the credit history of its borrowers. The Group has improved its credit policies and guidelines to better process potential risks relating to certain industries, including the real estate industry, and certain borrowers, including affiliated companies and group enterprises. However, the Group may fail to identify these risks on a timely basis given the limited resources and tools available to it. If the Group fails to effectively enforce, constantly follow or continue to improve its credit risk management policies and guidelines, its business operations, financial results and reputation may be materially and adversely affected.

The Group continues to improve its internal control system. The Group's Risk Management and Internal Control Committee under its senior management as well as the risk management and internal control committees of the Group's branches are responsible for ensuring the effective performance of the Group's internal control system. The Group expends significant effort on the development of its internal control system, improvement of its management mechanisms including internal control examination, modification and monitoring of workflow and internal control and compliance assessment, enhancement of the standardisation of management procedures, and strengthening of monitoring of key internal control measures and key positions. In addition, by further increasing the independence, professional competence and effectiveness of its internal audit function, the Group continuously improves its internal audit in overall business and risk management and strengthens the communication between its internal audit committee and external auditor as well as between the management and the internal audit department. However, if the Group's internal control system is not effectively implemented or consistently applied, the Group's business operations, financial results and reputation may be adversely affected.

***The Group may encounter difficulties in effectively implementing centralised management and supervision of its branches and subsidiaries, as well as consistently applying of its policies throughout the Bank, and may not be able to timely detect or prevent fraud or other misconduct by its employees or third parties***

The Group's branches and subsidiaries historically have significant autonomy in their respective operations and managements. In the past, the Group was not always able to timely detect or effectively prevent failures in management at the branch or subsidiary level. In addition, due to limitations in information systems and differences between domestic and overseas regulatory policies, the Group's efforts in detecting or preventing such failures may not be implemented consistently and may not be sufficient to prevent all irregular transactions or incidents.

The Group may be subject to fraud and other misconduct committed by its employees, customers or other third parties, which could adversely affect its business operations and reputation. Common weaknesses that facilitate fraud include inadequate segregation of duties, insufficient internal controls and non-compliance with the Group's internal control policies by the employees. While the Group has implemented measures aimed at detecting and minimising employees' and third parties' misconduct and fraud, it may not always be able to timely detect or prevent such misconduct, and it may need to continue to improve its current, and implement new, policies and measures. If the Group is unable to effectively manage and supervise its branches and subsidiaries, it may not be able to detect or prevent fraud or other misconduct of its employees or third parties in a timely manner, which may result in damage to its reputation and an adverse effect on its business, financial condition, results of operations and prospects.

***The Group is subject to fluctuations in interest rates and exchange rates and other market risks***

The Group's results of operations significantly depend on its net interest income. Fluctuations in interest rates could adversely affect the Group's financial condition and results of operations in different ways. For example, a fall in interest rates may result in a decrease in the interest income of the Bank and an increase in interest rates will normally result in a decline in the value of its fixed rate debt securities. Moreover, the gradual liberalisation of the regulation of interest rates may result in greater interest rate volatility as well as intensified competition in deposit and lending businesses. Such competition could result in an increase in cost of funds and a decrease in pricing on loans, which in turn could lead to a decrease in the Group's net interest income. In addition, despite the withdrawal of interest rate regulations on loans which allows the Group to charge different interest rates to borrowers with different credit ratings, the Group may not be able to benefit from such measures due to increased competition. A significant portion of the Group's outstanding interest-earning assets and, interest-bearing liabilities are denominated in foreign currencies. As a result, the Group's financial condition and results of operations are also affected by fluctuations in the interest rates associated with these foreign currencies.

The Group conducts a substantial portion of its business in Renminbi, with certain transactions denominated in U.S. dollars, HK dollars and, to a much lesser extent, other currencies. The Group's primary subsidiary, Bank of China (Hong Kong) Limited ("**BOCHK**"), conducts a substantial portion of its business in HK dollars and Renminbi. The Group endeavours to manage fund source and application to minimise potential mismatches in accordance with management directives. However, the Group's ability to manage its foreign currency positions in relation to the Renminbi is limited as the Renminbi is not a completely freely convertible currency.

The value of Renminbi against U.S. dollar, Euro and other currencies fluctuates and is affected by many factors, such as changes in political and economic conditions in the PRC and globally. On 21 July 2005, the PRC Government introduced a managed floating exchange rate system to allow the value of Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. In July 2008, the PRC Government announced that its exchange rate regime would change into a managed floating mechanism based on market supply and demand. Given domestic and overseas economic developments, PBOC adjusted the Renminbi exchange rate regime in April 2012 to enhance the flexibility of the Renminbi exchange rate. The PRC Government may make further adjustments to the exchange rate system in the future. Any appreciation of Renminbi against U.S. dollar, Euro or any other foreign currency may result in a decrease in the value of the Group's foreign currency-denominated assets. Conversely, the Group is required to obtain approval from the SAFE before converting foreign currencies into Renminbi for non-current account transactions, such as repayment of the principal of loans and equity investments. All these factors may adversely affect the Group's business, financial condition and results of operations, as well as its compliance with the capital adequacy ratios and operating ratios requirements.

To the extent the Group's foreign currency-denominated assets and liabilities cannot be matched in the same currency or appropriately hedged, fluctuations in foreign currency exchange rates against Renminbi may adversely affect the Group's financial condition and results of operations.

***There are operational risks associated with the Group's industry which, if realised, may have an adverse impact on its business operation***

Like all other financial institutions, the Group is exposed to many types of operational risks, including the risk of fraud, unauthorised transactions or other misconduct by employees (including the violation of regulations for the prevention of corrupt practices, as well as other regulations governing the Group's business activities), or operational errors, including clerical or record keeping errors or errors resulting from computer or telecommunications systems failure. The Group is also exposed to the risk that external vendors may fail to fulfil their contractual obligations to it (or will be subject to the same risk of fraud or operational errors by their employees). Moreover, the Group is exposed to the risk that its (or its vendors') business continuity and data security systems prove not to be sufficient in case of a system failure or natural disaster.

Given the Group's high volume of transactions, certain errors may be repeated or compounded before they are discovered and successfully rectified. In addition, the Group's dependence upon automated systems to record and process transactions may further increase the risk of technical system flaws or employee tampering or manipulation of those systems. The Group may also be subject to disruptions of its operating systems, arising from events that are wholly or partially beyond its control (including, for example, natural disasters, external network attacks or electrical or telecommunication outages), which may give rise to a deterioration in customer service and to loss or liability to it. Although, like all banks, the Group maintains monitoring and controlling system designed to reduce operational risks, the Group has suffered losses from operational risks and there can be no assurance that the Group will not suffer losses from operational risks in the future. The Group's reputation could be adversely affected by the occurrence of any such events involving its employees, customers or third parties. In addition to internal factors that may affect the Group's operations, the rapid growth and expansion of its business in recent years may have also resulted in increasing complexity in its internal and external control systems and risk management measures, which may add to its operational risks.

***The Group's expanding range of products and services exposes it to new risks***

The Group has been expanding and intends to continue to expand the range of its products and services. Expansion of its business activities and product range exposes the Group to a number of risks and challenges, including the following:

- if the Group fails to promptly identify and expand into new areas of business to meet the increasing demand for certain products and services, the Group may fail to maintain its market share or lose some of its existing customers;

- the Group may not have sufficient experience or expertise in certain new products and services and may not compete effectively in these areas;

- the new products and services may not be accepted by the Group's customers or meet its expectations for profitability;

- the new products and services may give rise to potential disputes or claims from customers;

- the Group may not be able to hire new personnel or retrain current personnel to enable it to conduct new business activities;

- the Group may fail to obtain regulatory approval for its new products or services; and

- the Group may not be successful in enhancing its risk management capabilities and information technology systems to support a broader range of products and services. If the Group is unable to achieve the intended results from the expansion of its range of products and services, its business, financial condition and results of operations may be materially and adversely affected.

The continuous rapid growth of the business of the Bank raises higher requirements on management and operation levels and brings various risks and challenges to the Bank. Regardless of the Bank's active efforts in improving corporate structure and governance, it takes time for the Bank to implement the relevant measures and the relevant measures may be unable to enhance such aspects of the Bank as corporate structure and governance as anticipated.

The Bank may require additional capital in order to sustain its business growth. The ability of the Bank to increase capital is subject to various factors, including the Bank's future financial conditions, the approval from governmental and regulatory authorities and the overall conditions of the market.

If the Bank fails to keep growing at the current speed or any new business activity may not achieve expected results or the Bank fails to increase capital and successfully address risks and challenges brought by rapid growth, the Group's business, financial condition, results of operations and prospects may be adversely affected.

***The Group is subject to credit and liquidity risks with respect to certain off-balance sheet commitments***

In the normal course of its business, the Group makes commitments and guarantees which are not reflected as liabilities on its statement of financial position, including commitments, guarantees and letters of credit relating to the performance of its customers. The Group is subject to the credit risk of its customers as a result of these off-balance sheet undertakings. Over time, the creditworthiness of the Group's customers may deteriorate and the Group may be called upon to fulfil its commitments and guarantees in case any of its customers fail to perform their obligations owed to third parties. If the Group is unable to obtain payment or indemnification from its customers in respect of these commitments and guarantees, its business, financial condition and results of operations may be adversely affected.

***The Group is subject to the supervision and inspection of regulators in jurisdictions where it operates***

The Group is subject to supervision and regular and irregular inspection by the PRC's regulatory institutions and other administrative institutions, including the Ministry of Finance, PBOC, NFRA, China Securities Regulatory Commission ("**CSRC**"), the State Administration of Taxation, the State Administration of Industry & Commerce, SAFE, the National Development and Reform Commission (the "**NDRC**") and the National Audit Office and their local counterparts where the Group operates. The Group's branches and regulated subsidiaries must follow local laws, regulations and regulatory requirements of relevant local regulatory institutions. There can be no assurance that the Group's branches and sub-branches will be able to meet the applicable laws and regulatory requirements at all times. Any failure of the Group to meet these requirements may result in fines, penalties or sanctions which may adversely affect the Group's operations, reputation, business, financial position and results of operations.

***The Group implements sanctions compliance policies in accordance with relevant external sanctions regulations. Changes in these sanction regulations could change from time to time***

The U.S. currently imposes various economic sanctions, which are administered mainly by the U.S. Treasury Department's Office of Foreign Assets Control and the U.S. State Department. For instance, U.S. persons can be prohibited from engaging in any transactions with a designated target of certain sanctions, including the purchase and sale of, and receipt of payments under, securities issued by such designated target. Similar sanctions are administered by the UK, the European Union, United Nations Security Council and other applicable jurisdictions. These sanctions are intended to address a variety of policy concerns, among other things denying certain countries, and certain individuals and entities, the ability to support international terrorism and to pursue weapons of mass destruction and missile programmes.

The Group attaches great importance to sanctions compliance and follows the requirements of sanctions resolutions, laws, regulations and regulatory rules of the United Nations Security Council, PRC and other applicable jurisdictions. According to the Bank's compliance policy, no financial service shall be provided to any sanctioned countries, entities or individuals which are prohibited by sanctions. Sanctions regulations will change from time to time, and any such changes above could adversely affect the Group's business, results of operation and financial condition.

***The Group is subject to risks associated with its derivative transactions and investment securities***

The Group enters into derivative transactions primarily for trading, asset and liability management and on behalf of its customers. There are credit, market and operational risks associated with these transactions. In addition, there is not a complete set of market practice and documentation records in the PRC's derivative market and the PRC courts have limited experience in dealing with issues related to derivative transactions. This may further increase the risks associated with these transactions. In addition, the Group's ability to monitor, analyse and report these derivative transactions is subject to the development of the Group's information technology system. As a result, the Group's financial condition and results of operations may be adversely affected by these derivative transactions.

The investments of the Group in securities including bonds, shares or other financial instruments, both domestically issued in the PRC and offshore. Such investments are subject to credit, market liquidity and other types of risks associated with such investments.

The Group will continue to closely follow up with the developments in the international financial markets and assess impairment allowances on related assets in a prudent manner in accordance with IFRS Accounting Standards. Any non-performance or default by the counterparty or volatility of the markets or liquidity of the markets in which may have an adverse effect on the Group's financial condition and results of operations.

***The Group's liquidity may be adversely affected if it fails to maintain its deposit growth or if there is a significant decrease in its deposits***

Most of the funding requirements of the Group's commercial banking operations are met through short-term funding, principally in the form of deposits, including customer and inter-bank deposits. Although the Group has established a liquid assets investment portfolio to supplement its on-going liquidity needs, it continues to rely primarily on customer deposits to meet its funding needs. While the Group's short-term customer deposits have been a stable and predictable source of funding, there can be no assurance that the Group will always be able to rely on this source of funding. If the Group fails to maintain its deposit growth or if there is a significant decrease in its deposits, the Group's liquidity position, business, financial condition and results of operations may be adversely affected. Should any of these events occur, the Group may need to seek more expensive sources of funding to meet its funding requirements.

In addition, there are mismatches between the maturity of the Group's assets and the maturity of its liabilities. If the mismatches between the maturity of its assets and the maturity of its liabilities widen significantly, the Group's liquidity position could be adversely affected and funding from higher-cost source has to be obtained. Furthermore, the Group's ability to obtain additional funds may also be affected by other factors, including factors beyond the Group's control, such as the deterioration of overall market conditions, disturbances to the financial markets or a downturn in the industries where it has substantial credit exposure. All of these factors may result in significant adverse effects on the Group's liquidity, business, financial position and results of operations. See also "*Risk Factors — Risks Relating to the PRC Banking Industry*" for additional information relating to the PRC banking regulatory regime.

***The Group's provisioning policies and loan classification may be different in certain respects from those applicable to banks in certain other countries or regions***

The Group determines a level of allowance for impairment losses and recognises any related provisions made in a year using the concept of impairment under International Financial Reporting Standard No. 9 — Financial Instruments ("**IFRS 9**"). The Group's provisioning policies may be different in certain respects from those of banks incorporated in certain other countries or regions which do not assess loans under IFRS 9. As a result, the Group's allowance for impairment losses, as determined under those provisioning policies, may differ from those that would be reported if it was incorporated in those countries or regions.

The Group classifies its loans as "pass", "special-mention", "substandard", "doubtful" and "loss" by using the five-category classification system according to requirements of NFRA. Its five-category classification system may be different in certain respects from those banks incorporated in certain other countries or regions. As a result, it may reflect a different degree of risk than what would be reported if the Group was incorporated in those countries or regions.

***The Group may not be able to detect money laundering and other illegal or improper activities, which could expose it to additional liability and harm its business***

The Group is required to comply with applicable anti-money laundering laws, anti-terrorism laws and other regulations in the PRC and other jurisdictions in which it has operations. These laws and regulations require the Group, among other things, to formulate "know your customer" policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions.

While the Group has adopted policies and procedures aimed at detecting and preventing the use of its banking network for money laundering activities or by terrorists and terrorist-related organisations and individuals generally, such policies and procedures may not completely eliminate instances where the Group may be used by other parties to engage in money laundering or other illegal or improper activities. To the extent the Group may fail to fully comply with applicable laws and regulations, the relevant government agencies to whom the Group reports have the power and authority to impose fines and other penalties on the Group, which may materially and adversely affect the Group's reputation, business, financial condition and results of operation.

***The Group's business is highly dependent on the proper functioning and improvement of its information technology systems. Malfunction of or failure to improve or upgrade the information technology systems timely could have an adverse effect on the Bank's business***

The Group is highly dependent on the ability of its information technology systems to accurately process a large number of transactions across numerous and diverse markets and products in a timely manner. The proper functioning of the Group's financial control, risk management, accounting, customer service and other data processing systems, together with the communication networks among the Group's various branches and sub-branches and its main data processing centres, are critical to the Group's business operations and its ability to compete effectively. The Group has developed an information system operation and management procedure based on the best practice and passed the certification of ISO 20000 standard of information technology ("**IT**") operation and maintenance. The Group has established information security management system covering areas such as physical environment security, operational security, access control and information security event management. Such security management system complies with international standards and is certified with ISO 27001 international standards. The Group has developed a comprehensive IT emergency response mechanism and work process to cope with IT emergencies and formulated contingency plans covering all application systems, infrastructure and key equipment, which ensures prompt and effective response to IT emergencies. The Group has maintained backup data and developed a disaster recovery process under the "two locations and three centres" framework to ensure the continued function of the information system in disastrous events and the ability to cope with regional disastrous events effectively. However, the Group's operations may be materially disrupted if there is fatal malfunction or regional major disaster. In addition, any security event caused by loss or corruption of data and malfunction of software, hardware or other computer equipment could have a material and adverse effect on the Group's reputation, business, financial condition and results of operations.

The Group's ability to remain competitive will depend largely on its ability to upgrade its IT systems on a timely and cost-effective basis. In addition, the information available to and received by the Group through its existing IT systems may not be timely or sufficient enough for it to manage risks and plan for, and respond to, market changes and other developments in its current operating environment. As a result, the Group is making and intends to continue making investments to improve or upgrade its IT systems. Any failure to improve or upgrade its IT systems effectively or on a timely basis could adversely affect the Group's competitiveness, business, financial condition and results of operations.

***Internet banking services involve risks of security breaches***

Internet banking activities involve the electronic storage and transmission of confidential information, which are vulnerable to unauthorised access, external network attacks and other disruptions. These possible security threats could expose the Group to liability and damage its reputation. Costs incurred in preventing security threats may be high and may adversely affect the Group's business, financial condition and results of operations. The failure of the Group to detect any defects in software products which are used in providing its internet banking services and an unexpected and sudden high volume of internet traffic may have an adverse effect on the Group's internet banking business.

***There can be no assurance of the accuracy or comparability of facts, forecasts and statistics contained in the Offering Circular with respect to the Bank, the Group, the PRC, its economy or its banking industry***

Certain facts, forecasts and statistics in the Offering Circular relating to the PRC, the PRC's economy and global banking industries and the Bank's market share and ranking are derived from various official and other publicly available sources which are generally believed to be reliable. However, the Bank cannot guarantee the quality and reliability of such source materials. In addition, these facts, forecasts and statistics have not been independently verified by the Bank, the Group, or any of their respective directors, employees, representatives, affiliates or advisers and, therefore, none of them makes any representation as to the accuracy or fairness of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside the PRC and may not be complete or up to date. The Bank has taken reasonable care in reproducing or extracting the information from such sources. However, because of possibly flawed or ineffective methodologies underlying the published information or discrepancies between the published information and market practice and other problems, these facts, forecasts and other statistics may be inaccurate or may not be comparable from period to period or be comparable to facts, forecasts or statistics produced for other economies and should not be unduly relied upon.

**Risks relating to the PRC**

***The slowdown of the PRC's economy caused in part by the recent challenging global economic conditions may adversely affect the Group***

The Group relies, to a significant degree, on its domestic operations to achieve revenue growth. Domestic demand for banking services is materially affected by growth of private consumption and overall economic growth in the PRC. The global crisis in financial services and credit markets in 2008 has caused a slowdown in the economic growth in many countries, including the PRC. Although the PRC's economic growth has increased compared to its level immediately after the global financial crisis, it has displayed signs of slowdown as evidenced by a decrease in the growth rate of the PRC's gross domestic product ("**GDP**") in recent years. This was caused by a combination of factors most of which are beyond our control, such as the global economic conditions, governmental policies and changes in market dynamics globally and regionally. In 2024, the PRC Government reported a GDP of RMB134.91 trillion, representing year-on-year growth of 5.0 per cent. In 2025, the PRC Government reported a GDP of RMB140.19 trillion, representing year-on-year growth of 5.0 per cent. Although the PRC Government has recently taken several measures and actions with an aim to increase investors' confidence in the PRC economy, there can be no assurance that those measures will be effective.

Furthermore, the sustained tension between the United States and China over trade policies could undermine the stability of the global economy. The United States and China have been involved in disputes over trade barriers that have escalated into a trade war between the two countries. Both countries have implemented tariffs on certain imported products from the other, casting uncertainty over tariffs and barrier to entry for products on both sides. In particular, the escalating trade dispute between the United

States and other major economics could result in significant adverse impacts, including a slowdown in global economic growth and higher inflation, reduced trade flows and business investment and downside risks for equity, bond and commodity prices. All these would add to the uncertainties relating to the overall prospects for the global and the PRC economies, which may have a material adverse impact on the Group's business, prospects, financial condition and results of operations.

***The Group's business may be affected by the PRC's economic, political and social conditions and the prospects of the industries in which its loans are concentrated***

A significant majority of the Group's businesses, assets and operations are located in the PRC. Accordingly, its financial condition, results of operations and business prospects are, to a significant degree, subject to the economic, political, legal and social developments in the PRC. The PRC's economy differs from the economies of most developed countries in many respects, including, among others, government involvement, level of development, growth rate, control of foreign exchange and allocation of resources.

The PRC economy has been undergoing a transition from a planned economy to a market-oriented economy. A substantial portion of productive assets in the PRC is still owned by the PRC Government. The PRC Government also exercises significant control over the PRC's economic growth by allocating resources, setting monetary policy and providing preferential treatment to particular industries or companies. In recent years, the PRC Government has pushed forward a large number of economic reform measures to introduce market forces and promote the establishment of sound corporate governance structures. Such economic reform measures may be adjusted, modified or applied differently depending on the industries and regions of the country. As a result, the Group may not benefit from certain of such measures.

The PRC Government has the power to implement macroeconomic controls affecting the PRC's economy. The PRC Government has implemented various measures in an effort to control the growth rate of certain industries and restrain inflation. As measured by GDP, the PRC has been one of the world's fastest growing economies in recent years. In 2024, the PRC Government reported a GDP of RMB134.91 trillion, representing year-on-year growth of 5.0 per cent. In 2025, the PRC Government reported a GDP of RMB140.19 trillion, representing year-on-year growth of 5.0 per cent. However, the PRC may not be able to sustain such a growth rate. During the recent global financial crisis and economic slowdown, the growth of the PRC's GDP slowed down. (See "*— Risks relating to the PRC — The slowdown of the PRC's economy caused in part by the recent challenging global economic conditions may adversely affect us*" above.) If the PRC's economy experiences a decrease in growth rate or a significant downturn, any unfavourable business environment or economic condition for the Group's customers could negatively impact their ability or willingness to repay their loans and reduce their demand for the Group's banking services. As a result of the foregoing, the Group's business, financial condition and results of operations may be materially and adversely affected.

***The interpretation of the NDRC Order 56 may involve significant uncertainty, which may adversely affect the enforceability and/or effective performance of the Notes. Any failure to complete the relevant filings and/registration under the NDRC Order 56 within the prescribed time frames may have adverse consequences for the relevant Issuer and/or the investors of the Notes***

The NDRC issued the NDRC Order 56 on 5 January 2023, which came into effect on 10 February 2023. According to the NDRC Order 56, domestic enterprises and their overseas controlled entities shall procure the registration of any debt securities with a term not less than one year issued outside the PRC with the NDRC prior to the issue of the securities, and notify the particulars of the relevant issues within the timeframe prescribed by the NDRC after the completion of the relevant issue.

Under the NDRC Order 56, the Bank shall, (i) file or cause to be filed with the NDRC the requisite information and documents within ten PRC business days after each foreign debt issuance and the expiration of the Certificate with respect to the relevant Notes in accordance with the NDRC Order 56, (ii) file or cause to be filed with the NDRC the requisite information and documents within five PRC business days before the end of January and the end of July each year, and (iii) file or cause to be filed the requisite information and documents upon the occurrence of any material event that may affect the enterprise's due performance of its debt obligations.

Failure to comply with the NDRC post-issue and continuing filing obligations (such as post-issue filing, pre-issuance approval expiration filing, periodical filing and major event filing, etc.) under articles 24 and 26 of the NDRC Order 56 may result in the relevant entities being ordered to make corrections within a time limit, and in the case of aggravating circumstances or in the case that such corrections are not made within the prescribed time limit, relevant entities and their main person-in-charge will be warned. The aforesaid regulatory violations committed by enterprises shall be publicised on the "Credit China" website and the national enterprise credit information publicity system, among others.

The Bank undertakes to file or cause to be filed with the NDRC within the relevant prescribed timeframes after the relevant Issue Date the requisite information and documents in respect of the relevant Notes in accordance with the NDRC Order 56 and any implementation rules or policies as issued by the NDRC from time to time.

However, the NDRC Order 56 is relatively new and its implementation may involve significant uncertainty. The administration and enforcement of the NDRC Order 56 may be subject to executive and policy discretion of the NDRC. While the NDRC Order 56 has set out the legal consequences for debtors and involved professional parties in cases of non-compliance of the NDRC Order 56, the NDRC Order 56 is silent on whether any such non-compliance would affect the validity and enforceability of the Notes. There is no assurance that the failure to comply with the NDRC Order 56 would not result in adverse consequences on the relevant Issuer's or the Bank's ability to perform in accordance with the Terms and Conditions of the Notes or the enforceability of the Notes.

***Interpretation and implementation of the PRC laws and regulations may involve uncertainties***

The Bank is incorporated and exists under the laws of the PRC. The PRC legal system is based on written statutes. Since the late 1970s, the PRC has promulgated laws and regulations dealing with legal relations in respect of such economic matters as foreign investment, corporate organisation and governance, commerce, taxation and trade, with a view towards developing a comprehensive system of commercial law. However, as many of these laws and regulations are relatively new and continue to evolve, especially with respect to the PRC banking regulatory regime, these laws and regulations may be subject to different interpretations and inconsistently enforced. In addition, there is only a limited volume of published court decisions, which may be cited for reference but are not binding on subsequent cases and have limited precedential value. These uncertainties relating to the interpretation and implementation of the PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to holders of the Notes.

For example, NDRC issued the NDRC Order 56 on 5 January 2023, which came into effect on 10 February 2023. According to the NDRC Order 56, domestic enterprises and their overseas controlled entities shall procure the registration of any debt securities with a term not less than one year issued outside the PRC with NDRC prior to the issue of the securities and shall, (i) file or cause to be filed with the NDRC the requisite information and documents within ten PRC business days after each foreign debt issuance and the expiration of the "Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明)" with respect to the relevant Notes issued by NDRC, (ii) file or cause to be filed with the NDRC the requisite information and documents within five PRC business days before the end of January and the end of July each year, and (iii) file or cause to be filed the requisite information and documents upon the occurrence of any material event that may affect the enterprise's due performance of its debt obligations. The NDRC Order 56 mentions some legal consequences of non-compliance with the pre-issue registration requirement. For example, if the enterprise borrows a foreign debt in violation of the NDRC Order 56, the examination and registration authority shall take disciplinary actions such as holding an interview and giving a public warning against the relevant enterprise and its principal person-in-charge according to the seriousness of the circumstances, and if intermediary agency knows or should have known that an enterprise is borrowing a foreign debt in violation of the relevant provision of the NDRC Order 56 but still provides the relevant intermediary services to the enterprise, the examination and registration authority shall circulate a notification of violation of regulations, and consult the relevant department on punishing the relevant intermediary agency and relevant liable persons in accordance with the applicable laws and regulations. In the worst case scenario, if pre-issue registration is required but not complied with, it might become unlawful for the relevant Issuer to perform or comply with any of its obligations under the relevant Notes and the relevant Notes might be subject to the enforcement as provided in Condition 15 (Events of Default). Potential investors of the Notes are advised to exercise due caution when making their investment decisions. Similarly, the NDRC Order 56 mentions some legal consequences of non-compliance with the post-issue notification requirement. For example, failure to comply with the NDRC post-issue and continuing filing obligations (such as post-issue filing, pre-issuance approval expiration filing, periodical filing and major event filing, etc.) under articles 24 and 26 of the NDRC Order 56 may result in the relevant entities being ordered to make corrections within a time limit, and in the case of aggravating circumstances or in the case that such corrections are not made within the prescribed time limit, relevant entities and their main person-in-charge will be warned. The aforesaid regulatory violations committed by enterprises shall be publicised on the "Credit China" website and the national enterprise credit information publicity system, among others.

On 12 January 2017, the PBOC promulgated the Circular on Issues concerning the Macro-prudential Management of Full-covered Cross-border Financing (Yin Fa [2017] No. 9) (中國人民銀行關於全口徑跨境融資宏觀審慎管理有關事宜的通知) (the "**2017 PBOC Circular**"). Under the 2017 PBOC Circular, financial institutions are required to file relevant operating rules and internal control policies and the details of the calculation of their outstanding foreign debt and foreign debt limit with PBOC or SAFE before making their first cross-border financing transaction and they are required to report to PBOC or SAFE of the amount of its capital fund and the financing agreement when a financing agreement is signed and before the drawdown of the loan or issue of debt securities, report its cross-border income after such drawdown, and report its cross-border payments after making interest or principal payments. In addition, financial institutions are also required to report to PBOC or SAFE on the fifth working day of each month on the foreign debt it has borrowed and the change in its outstanding foreign debt during the previous month. The Bank is one of the 27 designated banks required to carry out the aforesaid reporting procedures. The 2017 PBOC Circular is a new regulation and is subject to interpretation and application by relevant PRC authorities. The 2017 PBOC Circular applies to the issue of Notes under the Programme by the Bank or its onshore branches but does not explicitly state whether it applies to offshore branches of financial institutions incorporated in the PRC.

Further, for the purpose of calculating the risk-weighted cross-border financing balance as prescribed in the 2017 PBOC Circular, the foreign debt (including but not limited to the Notes) of offshore branches of financial institutions in the PRC are excluded from the calculation unless PBOC requires that the foreign debt be included if issue proceeds of the Notes is remitted into the PRC. If reporting is required but not complied with, PBOC and/or SAFE may, among other things, (a) issue a notice of censure, (b) request rectification within a time limit, (c) impose a penalty according to the Law of People's Republic of China on the People's Bank of China and the Regulation of the People's Republic of China on the Management of Foreign Exchanges, (d) suspend cross-border financing of the institution, and (e) collect risk reserves from the institution. In addition, in the worst case scenario, if reporting is required but not complied with, it might become unlawful for the Issuer to perform or comply with any of its obligations under the Notes and the Notes might be subject to the enforcement as provided in Condition 15 (Events of Default). Pursuant to the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises of 2025 (Fa Gai Ban Wai Zhai [2025] No. 261) (《企業借用外債備案登記證明》(發改辦外債[2025]261號))

issued by the NDRC General Office on 11 June 2025 (the "**NDRC Approval**"), separate pre-issuance registration with NDRC with respect to the Notes is not required provided that the Notes are issued within the foreign debt quota of the NDRC Approval. This NDRC Approval is subject to interpretation and application by relevant PRC authorities and the above-described uncertainties that apply to the 2017 PBOC Circular also apply to such approval.

***Any force majeure events, including future occurrence of natural disasters or outbreaks of contagious diseases in the PRC or elsewhere, may have an adverse effect on the Group's business operations, financial condition and results of operations***

Any natural disasters or outbreaks of health epidemics and contagious diseases, including avian influenza, severe acute respiratory syndrome, or SARS, swine flu caused by H1N1 virus, or H1N1 Flu, and the coronavirus disease 2019 ("**COVID-19**") may adversely affect the Group's business, financial condition and results of operations. Possible force majeure events may give rise to additional costs to be borne by the Group and have adverse effects on the quality of its assets, business, financial condition and results of operations. An outbreak of a health epidemic or contagious disease could result in a widespread health crisis and restrict the level of business activity in affected areas, which may in turn adversely affect the Group's business. More recently, the COVID-19 pandemic has significantly disrupted the global financial, foreign exchange, commodity and energy markets, and resulting government restrictions and support measures during and after the COVID-19 pandemic. Whether and to what extent countries and territories will be able to return to pre COVID-19 economic levels remain uncertain.

There is no assurance that the outbreak will not lead to decreased demand for services the Group provides; nor is there assurance that the outbreak's adverse impact on the PRC economy and the Group's customers will not adversely affect the level of non-performing loans. The outbreak may also adversely affect the Group's ability to keep normal operations and provide uninterrupted services to its customers. Moreover, the PRC has experienced natural disasters like earthquakes, floods and drought in the past few years. For example, in May 2008 and April 2010, the PRC experienced earthquakes with reported magnitudes of 8.0 and 7.1 on the Richter scale in Sichuan and Qinghai provinces respectively, resulting in the death of tens of thousands of people. Any future occurrence of severe natural disasters in the PRC may adversely affect its economy and in turn the Group's business. There can be no guarantee that any future occurrence of natural disasters or outbreak of avian influenza, SARS, H1N1 Flu, COVID-19 or other epidemics, or the measures taken by the PRC Government or other countries in response to a future outbreak of avian influenza, SARS, H1N1 Flu, COVID-19 or other epidemics, will not seriously interrupt the Group's operations or those of its customers, which may have an adverse effect on its business, financial condition and results of operations.

***Investors may experience difficulties in effecting service of legal process and enforcing judgments against the Group and the Group's management***

The Issuer and a number of the Group's subsidiaries are incorporated in the PRC and a substantial portion of the Group's assets are located in the PRC. In addition, a number of the Group's directors and senior management reside within the PRC and the assets of the Group's directors and officers may be located within the PRC. As a result, it may not be possible to effect service of process outside the PRC upon such directors and senior management, including for matters arising under applicable securities law. The Issuer has irrevocably submitted to the exclusive jurisdiction of the Hong Kong courts in the transaction documents relating to the Notes. Hong Kong and the PRC have entered into certain arrangements on the reciprocal recognition and enforcement of judgments in civil and commercial matters (the "**Reciprocal Arrangements**") which allow for a final court judgment (relating to the payment of money or other civil or commercial proceeding) rendered by a Hong Kong court or PRC court (as the case may be) to be recognised and enforced in the PRC or Hong Kong (as the case may be), provided certain conditions are met. However, certain matters may be excluded under the Reciprocal Arrangements and a judgment may be refused to be recognised and enforced by the requested place in certain circumstances such as for public policy reasons or where the judgment was obtained by fraud. As a general matter, a judgment of a court of another jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with the PRC or if judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requirements. The PRC signed the Hague Convention on Choice of Court Agreements (the "**Hague Convention**") in September 2017 which is intended to promote the use of exclusive choice of court agreements in international contracts and facilitate the creation of a recognition and enforcement regime for court judgements between contracting States. However, the signing of the Hague Convention does not have currently have any legal effect until it is ratified by the PRC Government. The PRC has not entered into treaties or arrangements providing for the reciprocal recognition and enforcement of judgments of courts with numerous countries, including Japan, the United States and the UK. Therefore, it may be difficult for Noteholders to enforce any judgments obtained from such foreign courts against the Group, the Issuer or any of their respective directors or senior management in the PRC.

**Risks Relating to the Global Economy**

***Uncertainties and instability in global market conditions could adversely affect the Group's business, financial condition and results of operations***

The global economic slowdown and turmoil in the global financial markets that started in the second half of 2008 had a negative and lasting impact on the world economy, which in turn affected the PRC real estate industry and many other industries. Subsequently, global markets and economic conditions were adversely affected by the credit crisis in Europe, the credit rating downgrade of the United States, recent conflicts between Russia and Ukraine and heightened market volatility in major stock markets. An armed conflict between Israel and Hamas-led Palestinian militant groups has been evolving in and around the Gaza Strip since October 2023, which lead to further military conflicts between Israel and Iran. In addition, on 31 January 2020, the UK officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019. The UK and the European Union had a transition period which ended on 31 December 2020 to negotiate, among others, trade agreements in detail. The EU and the UK announced their agreement on a Trade and Cooperation Agreement ("**TCA**") on 24 December 2020, and the TCA was provisionally applied from 1 January 2021 and ratified by the European Parliament on 28 April 2021. This event has resulted in a downgrade of the credit ratings of the UK and the uncertainty before, during and after the period of negotiation may also create a negative economic impact and increase volatility in global markets.

The outlook for the world economy and financial markets remains uncertain. In Europe, the Russia-Ukraine war has continued to elevate geopolitical instability which could have significant ramifications for the Bank Group and its customers. For example, the war has contributed to a sharp rise in the price of energy and non-energy commodities, which had already been affected by the impact of the COVID-19 pandemic and later localised COVID-19 outbreaks. The steep rise in inflation engendered by the rise in commodity prices, and by the previous monetary and fiscal policy loosening in response to the COVID-19 pandemic has prompted global central banks to raise their policy rates sharply, with the potential for further increases to come, which may create further challenges for the Bank's customers. Headline inflation is in the process of abating as energy prices moderate, but underlying prices pressures are likely to remain in place.

In addition, economic sanctions, in particular, by the UK, the U.S., and the EU, have adversely affected global markets. The Bank continues to monitor and respond to economic sanctions and trade restrictions that have been adopted in response. These sanctions and trade restrictions are complex, novel and evolving. In particular, significant sanctions and trade restrictions imposed against Russia have been put in place by the U.S., the UK and the EU, as well as other countries. Such sanctions and restrictions have specifically targeted certain Russian government officials, politically exposed persons, business people, Russian oil imports, energy products, financial institutions and other major Russian companies. In addition, there have been put in place more generally applicable investment, export, and import bans and restrictions. These sanctions and restrictions may affect the Bank, its customers and the markets in which the Bank operates by creating regulatory, reputational and market risks. An armed conflict between Israel and Hamas-led Palestinian militant groups has been evolving in and around the Gaza Strip since October 2023, which may lead to a wider conflict on the Middle East. As a result, the aggravated geopolitical tension brings uncertainty to the global economy as well as significant volatilities to the global financial market.

In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, Eastern Europe and Africa, political unrest in various countries has resulted in economic instability and uncertainty. China's economic growth may slow due to weakened exports as well as recent developments surrounding the trade-war with the United States. The United States and China have been involved in disputes over trade barriers that have escalated into a trade war between the two countries. Both countries have implemented tariffs and other barriers on certain industries and products from the other, casting uncertainty over tariffs and barrier to entry for products on both sides. There are uncertainties as to when and whether the trade disputes will be resolved and the trade barriers lifted. The trade war between the United States and China has resulted in disruption to global trade flows, global production and supply chains; and it also increased volatility in the financial markets around the world. In addition, the European Union ("**EU**")-China relations have become increasingly complex with bilateral relations marked by challenges related to market access and investment as well as key foreign and security policy issues. The EU has sought to take steps to remedy what it sees as an uneven playing field, by reducing critical dependencies and vulnerabilities in its supply chains. Moreover, as the PRC is transitioning to a consumption-based economy, the forecast growth rate of the PRC is expected to be significantly lower than its average growth rate over the past thirty years. In addition, the escalating tensions between the PRC and the United States, including ongoing trade disputes and deterioration in diplomatic relations, have contributed to increased market volatility, weakened consumer confidence and diminished expectations for economic growth around the world. Some of these tensions have manifested themselves through actions taken and sanctions imposed by the governments of the United States and the PRC in 2020 and early 2021. The United States has imposed a range of sanctions and trade restrictions on Chinese persons and companies, focusing on entities the United States believes are involved in human rights violations, information technology and communications equipment and services, and military activities, among others. In response, the PRC has announced a number of sanctions and trade restrictions that target or provide authority to target foreign officials and companies, including those in the United States. Heightened geopolitical tensions between the United States and the PRC continue to cause significant uncertainty in the global macroeconomy.

In early 2023, the global financial markets have experienced further turmoil with the collapse of mid-size Silicon Valley Bank, Signature Bank and First Republic Bank in the United States, as well as the collapse of global financial institution Credit Suisse, which has resulted in tightened credit standards, reduced capital investment and higher uncertainty in the global macroeconomic environment. In addition, the ongoing corporate deleveraging efforts by the PRC government since 2017 and the increased amount of corporate defaults over the recent years, particularly in the PRC real estate sector, have contributed to further turmoil in financial markets.

The continuing slowdown of the global economy and increasing uncertainties in financial markets could adversely affect the Bank's business, financial condition and results of operations in many ways, including, among other things:

- during a period of economic slowdown, there is a greater likelihood that more of the Bank's customers or counterparties might default on their loan repayments or other obligations to the Bank, which, in turn, could result in the Bank recording a higher level of non-performing loans, allowance for impairment losses and write-offs;

- the ongoing property market slowdown and deterioration of export trade growth may further adversely affect economic growth;

- increased fiscal policy support may not be sufficient to boost overall domestic demand and business investment;

- the increased regulation and supervision of the financial services industry, including the proposed implementation of new capital adequacy requirements under the Basel III, may restrict the Bank's business flexibility and increase its compliance and operating costs;

- the value of the Bank's investments in the domestic and international debt securities markets may significantly decrease;

- the Bank's ability to raise additional capital on favourable terms, or at all, could be adversely affected; and

- trade and capital flow may further contract as a result of further protectionist measures being introduced in certain markets, which could cause a further slowdown in economies and adversely affect the Bank's business prospects.

Any potential market and economic downturns, economic slowdown or geopolitical uncertainties in the PRC, its neighbouring countries or regions or the rest of the world may exacerbate the risks relating to the PRC capital markets. In addition, global economic uncertainty and the slowdown in PRC economic growth have precipitated, and may continue to raise the possibility of, fiscal, monetary, regulatory and other governmental actions.

The Bank cannot assure the investors that the various macroeconomic measures and monetary policies adopted by the PRC Government will be effective in maintaining a sustainable growth in China's economy. If further economic downturn occurs, the Bank's businesses, financial condition and results of operations could be materially and adversely affected.

Please see also "Risks Relating to the Group's Business" and "The Group is subject to risks associated with its derivative transactions and investment securities" for further details.

**Risks Relating to the Market Generally**

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity***

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Series, such Series is to be consolidated with and form a single series with a Series of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Relevant Obligor(s). If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances, investors may not be able to sell their Notes at all or at their fair market value. In addition, the market for investment grade has been subject to disruptions that have caused volatility in prices of securities similar to the Notes issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Series of Notes.

***Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected***

Each Relevant Obligor will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes, and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Changes in market interest rates may adversely affect the value of Notes that carry a fixed interest rate ("Fixed Rate Notes")***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

**Risks Relating to Subordinated Notes Issued under the Programme**

***Basel III and related reforms***

The Basel Committee has proposed a number of fundamental reforms to the regulatory capital framework for internationally active banks which are designed, in part, to ensure that capital instruments issued by such banks fully absorb losses before taxpayers are exposed to loss (the "**Basel III Reforms**"), the principal elements of which are set out in its papers dated 16 December 2010 (as revised in June 2011) and its press release dated 13 January 2011. The implementation of the Basel III Reforms in the PRC are currently under way by NFRA. The PBOC may also be involved in the process as the appropriate authority regarding certain issues.

Following the issuance of Basel III, on 27 April 2011, the former CBRC issued new guidelines setting more stringent capital adequacy, leverage, liquidity and loan loss provisioning requirements for PRC banks in accordance with the reform of the PRC banking industry and the related regulatory framework. On 7 June 2012, the CBRC further issued the CBIRC Capital Regulations which established a unified and comprehensive regulatory system for capital adequacy, re-defined the term "capital", expanded the scope of capital risk coverage and set forth different regulatory requirements for commercial banks with different capital adequacy levels, including the categorisation of regulatory requirements on capital into four levels. The CBIRC Capital Regulations became effective on 1 January 2013 and it requires commercial banks to meet the regulatory capital adequacy requirements before the end of 2018.

Furthermore, the Financial Stability Board identified us as a globally systemically important bank ("**G-SIB**") on 11 November 2013. As a G-SIB, we are required to satisfy heightened capital adequacy ratios pursuant to Basel III as well as the Provisions on the Additional Regulation of Systemically Important Banks (for Trial Implementation) issued by the PBOC and CBRC on 30 September 2021.

In November 2017, the Basel Committee on Banking Supervision further issued new rules on how banks calculate risk-weighted assets, which were implemented in 2022. The new regulations focus on enhancing the robustness of standard risk-weighted asset calculation models and limiting the scope of use of banks' internal capital models.

On 26 October 2023, NFRA published the New Capital Regulation which became effective on 1 January 2024 and the Capital Regulation ceased to have effect on the same day. Based on the current situation of China's banking industry and the latest international regulatory reform, NFRA made a number of amendments to the CBIRC Capital Regulation, including the elimination of specific quantitative requirements for counter-cyclical capital and globally or domestically systemically important institutions, which would be separately stipulated by the PBOC and NFRA. The New Capital Regulation focuses on five aspects, including building a differentiated capital supervision system, comprehensively revising the rules for measuring risk-weighted assets, requesting the banks to develop effective policies, procedures, systems and measures to timely and comprehensively understand changes in risks to which the customers are exposed, ensuring the applicability and prudence of risk weights, strengthening supervision and inspection, and improving the information disclosure standards, so as to further improve the rules for capital supervision of commercial banks, strengthen the risk management level of banks, and enhance the quality and efficiency of their services.

In accordance with the New Capital Regulation, all Tier 2 instruments are required to contain contractual terms providing for their writing off or conversion into ordinary shares upon the occurrence of a Non-Viability Event (as defined below).

As used above, "Non-Viability Event" means the earlier of (a) a decision that a write-off or conversion into shares, without which the relevant bank would become non-viable, is necessary as determined by NFRA; and (b) the decision to make a public sector injection of capital, or equivalent support, without which the relevant bank would become non-viable, as determined by the relevant regulatory authority in the PRC.

The Subordinated Notes may contain certain non-viability loss absorption provisions; it is also possible that the powers which may result from any future change to the CBIRC Measures or 2012 Guiding Opinions (defined below) or the application of relevant laws, including those arising from the Basel III Reforms (including NFRA's implementation of the Basel III Reforms) or other similar regulatory proposals, could be used in such a way as to result in the Notes absorbing losses in the manner described above. The determination that all or part of the principal amount of the Notes will be subject to loss absorption is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Relevant Obligor(s)' control. Because of this inherent uncertainty, it will be difficult to predict when, if at all, a principal write off or conversion to equity will occur. Accordingly, trading behaviour in respect of the Notes is not necessarily expected to follow the trading behaviour associated with other types of securities. Potential investors in the Notes should consider the risk that a holder may lose all of its investment, including the principal amount plus any accrued interest, if such statutory loss absorption measures are acted upon.

Furthermore, there can be no assurance that, prior to their implementation, the Basel Committee will not amend the Basel III Reforms. Furthermore, the relevant regulatory authority may implement the Basel III Reforms, including the provisions relating to terms which capital instruments are required to have, in a manner that is different from that which is currently envisaged or may impose more onerous requirements. Until fully implemented, no Relevant Obligor can predict the precise effect of the changes that will result from the implementation of the Basel III Reforms on the pricing or market value of the Notes. In addition, further changes in law after the date hereof may affect the rights of holders of the Notes as well as the market value of the Notes.

Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (as amended, the "**BRRD II**") is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity. This is so as to ensure the continuity of the relevant entity's critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

The BRRD II contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business — which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution — which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation — which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in — which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing relevant entity (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims (including Notes) to equity or other instruments of ownership (the "**general bail-in tool**"), which equity or other instruments could also be subject to any future cancellation, transfer or dilution.

***The terms of Subordinated Notes may contain non-viability loss absorption provisions, and the occurrence of a non-viability event may be inherently unpredictable or may depend on a number of factors which may be outside of the Relevant Obligor(s)' control***

To the extent that any series of Subordinated Notes contains provisions relating to loss absorption upon the occurrence of a Non-Viability Event of the Relevant Obligor(s) as determined by the relevant Regulatory Authority as specified in the applicable Pricing Supplement, additional provisions relating to the mechanics of the loss absorption and the respective roles of the Trustee and the Agents may have to be added to the Conditions of such Series, the Trust Deed and the Agency Agreement (each as defined in the Conditions) and the Relevant Obligor(s) may be required, subject to the terms of the relevant series of Subordinated Notes, irrevocably (without the need for the consent of the holders of the Subordinated Notes) to effect a full write-off or conversion into shares of the outstanding principal and accrued and unpaid interest in respect of such Subordinated Notes. Any written-off amount or converted shall be irrevocably lost and holders of such Subordinated Notes will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to write-off or conversion.

The occurrence of a Non-Viability Event is dependent on a determination by the relevant Regulatory Authority (a) that a write-off or conversion into shares, without which the Relevant Obligor(s) would become non-viable, is necessary; or (b) to make a public sector injection of capital, or equivalent support, without which the Relevant Obligor(s) would have become non-viable. As a result, the relevant Regulatory Authority may require or may cause a write-off in circumstances that are beyond the control of the Relevant Obligor(s) and with which the Relevant Obligor(s) may not agree.

Because of the inherent uncertainty regarding the determination of whether a Non-Viability Event exists, it will be difficult to predict when, if at all, a write-off or conversion will occur. Accordingly, trading behaviour in respect of Subordinated Notes which have the non-viability loss absorption feature is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that any Relevant Obligor is trending towards a Non-Viability Event could have an adverse effect on the market price of the relevant Subordinated Notes.

Potential investors should consider the risk that a holder of Subordinated Notes which have the non-viability loss absorption feature may lose all of its investment in such Subordinated Notes, including the principal amount plus any accrued but unpaid interest, in the event that a Non-Viability Event occurs.

There is no assurance that any contractual provisions with non-viability loss absorption features, to the extent applicable, will be sufficient to satisfy the Basel III-compliant requirements that the Relevant Authorities may implement in the future. There is a risk that the Relevant Authorities may deviate from the Basel III proposals by implementing reforms which differ from those envisaged by the Basel Committee.

***Regulations on non-viability loss absorption are new, untested and subject to interpretation and application by regulations in the PRC***

The regulations on non-viability loss absorption are new and untested and will be subject to the interpretation and application by the relevant authorities in the PRC. It is uncertain how the relevant Regulatory Authority (as specified in the relevant Pricing Supplement) would determine the occurrence of a Non-Viability Event, and it is possible that the grounds that constitute Non-Viability Events may change (including that additional grounds are introduced). Accordingly, the operation of any such future legislation may have an adverse effect on the position of holders of the Subordinated Notes.

A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise to evaluate how the Subordinated Notes will perform under changing conditions, the resulting effects on the likelihood of a write-off or conversion and the value of the Subordinated Notes, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Circular and in the applicable Pricing Supplement.

***Other regulatory capital instruments may not be subject to write-off or conversion***

If so specified in the relevant Pricing Supplement, when a Non-Viability Event occurs, the Relevant Obligor has the right (without any requirement for the consent of the Noteholders), on giving notice to the Noteholders, the Trustee and the Agents, to irrevocably cancel the principal amount of the Subordinated Notes (in whole but not in part) and cease the payment of any accrued but unpaid interest under the Subordinated Notes, in accordance with the Conditions of the Subordinated Notes.

***No limitation on issuing senior or pari passu securities in respect of Subordinated Notes***

There is no restriction on the amount of securities which any Relevant Obligor may issue and which rank senior to, or pari passu with, the Subordinated Notes. The issue of any such securities may reduce the amount recoverable by holders of Subordinated Notes in case of a winding-up of such Relevant Obligor. The Subordinated Notes are subordinated obligations of such Relevant Obligor. Accordingly, in the winding-up of such Relevant Obligor, there may not be a sufficient amount to satisfy the amounts owing to the holders of Subordinated Notes.

***The Bankruptcy Law of the PRC may be different from equivalent bankruptcy laws in other jurisdictions with which the Noteholders are familiar***

The Bank is incorporated under the laws of the PRC. Any bankruptcy procedure relating to the Bank may involve the Bankruptcy Law of the PRC, the procedures and major provisions of which may be different from the similar provisions set out in the bankruptcy laws in other jurisdictions with which the Noteholders are familiar.

***The Relevant Obligor's obligations under the Subordinated Notes are subordinated and there are limited remedies for non-payment under the Subordinated Notes***

The claims of the Noteholders for payment of principal and any interest under the Subordinated Notes may, in the event of the Winding-Up (as specified in the relevant Pricing Supplement) of any Relevant Obligor(s), be subordinated to the claims of depositors and general creditors of each Relevant Obligor and shall rank in priority to the claims of all holders of equity capital, Additional Tier 1 Capital Instruments (as specified in the relevant Pricing Supplement) and hybrid capital bonds of the Relevant Obligor, present or future, and will rank at least pari passu with the claims under any other Subordinated Indebtedness (as specified in the relevant Pricing Supplement) of the Relevant Obligor, present or future (including any other Tier 2 Capital Instruments (as specified in the relevant Pricing Supplement) expressed to rank pari passu with the Notes which may be issued in the future by the Relevant Obligor).

In the event of a shortfall of funds on a Winding-Up (as specified in the relevant Pricing Supplement) of the Relevant Obligor, there is a risk that an investor in the Notes will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid amounts due under the Subordinated Notes.

The Noteholders shall not have any right to accelerate any payment of principal or interest under the Subordinated Notes other than upon the initiation of any cessation of business, bankruptcy or other Winding-up Proceedings (as specified in the relevant Pricing Supplement) of the Relevant Obligor.

Under the PRC laws and regulations, the prior approval of NFRA would need to be obtained in order for a Winding-Up (as specified in the relevant Pricing Supplement) of a Chinese bank to proceed.

***The provisions on available resources in the New Capital Regulations are subject to interpretation by the relevant regulatory authorities and the application of relevant laws, rules and regulations***

If so specified in the relevant Pricing Supplement, any payment of interest on the Subordinated Notes could be subject to the applicable regulatory requirements of the relevant regulatory authorities in effect at the time of such payment. As such, all payments of interest shall be made from the available resources of the Relevant Obligor(s). According to the New Capital Regulations, any payment of income (in the case of Common Equity Tier 1 Capital Instruments (as defined in the New Capital Regulations)), dividend or interest (in the case of Additional Tier 1 Capital Instruments (as defined in the New Capital Regulations)) is required to be made from available resources of the Bank. However, as the New Capital Regulations are new and untested, the Bank is not aware of any precedent in the market where the payment of dividend or interest was deferred, suspended or cancelled due to lack of available resources. The concept of available resources in the context of Common Equity Tier 1 Capital Instruments and Additional Tier 1 Capital Instruments is used in both domestic and offshore regulatory capital instruments issues, so the investors may be aware of and familiar with it. However, it is uncertain how the PRC relevant authorities would define what constitutes available resources and determine the occurrence of insufficient or no available resources as the definition is not specified in the New Capital Regulations. This in turn, results in uncertainty regarding the payment of interest.

As a result of the foregoing, there is uncertainty as to: (1) what constitutes available resources of the Bank, (2) under what circumstances would the Bank have insufficient or no available resources and (3) in the event of insufficient or no available resources, the impact on payment of interest, that is, whether in such event, payment of interest would be deferred, suspended temporarily or cancelled permanently. These aforementioned uncertainties are all subject to further interpretation by the relevant regulatory authorities and the application of relevant laws, rules and regulations. Such uncertainties would have an adverse effect on interest payments to investors, for example, payment of interest to investors may be deferred, suspended or cancelled, and there is a risk that the Noteholders may lose all or some of the interest due under the Subordinated Notes.

**Risks Relating to Notes Issued under the Programme**

***Notes may not be a suitable investment for all investors***

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets;

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and

(vi) have sufficient knowledge and expertise (either alone or with a financial adviser) to evaluate the effect or the likelihood of the occurrence of a Non-Viability Event for Subordinated Notes which feature loss absorption.

***Investors shall pay attention to any modification, waivers and substitution***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Receipts, the Coupons, the relevant

Non-Guaranteed Notes Trust Deed, the relevant Guaranteed Notes Trust Deed, the relevant Deed of Guarantee or, as applicable, the relevant Alternative Trust Deed which is not prejudicial to the interests of the Noteholders; or (b) any modification of the Notes, the Receipts, the Coupons, the relevant Non-Guaranteed Notes Trust Deed, the relevant Guaranteed Notes Trust Deed, the relevant Deed of Guarantee or the relevant Alternative Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law as described in Condition 19 (Meetings of Noteholders; Modification and Waiver).

***Investors shall be aware of the effect of change of law***

The Terms and Conditions of the Notes are based on English law (except that the provisions of the Notes relating to subordination shall be governed by, and construed in accordance with, the laws as specified in the relevant Pricing Supplement) in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or the laws as specified in the Pricing Supplement, or administrative practices after the date of this Offering Circular.

***Considerations related to a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

*The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"*

Interest rates and indices which are deemed to be "benchmarks" (including the euro interbank offered rate ("**EURIBOR**")), are the subject of national and international regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from LIBOR), and "benchmarks" remain subject to ongoing monitoring. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

Regulation (EU) 2016/1011 (as amended) (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of in-scope benchmarks, the contribution of input data to an in-scope benchmark and the use of an in-scope benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of in-scope benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark which is in-scope of one or both regulations, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if an inter-bank offered rate (such as EURIBOR) or other relevant reference rate (which could include, without limitation, any mid-swap rate), and/or any page on which such benchmark may be published (or any successor service) becomes unavailable, or if any Paying Agent, Calculation Agent, the Issuer or other party is restricted from calculating, or is no longer permitted lawfully to calculate, interest on any Notes by reference to such benchmark, all as more particularly set out in the definition of "Benchmark Event". Such fallback arrangements include the possibility that the rate of interest could be set by reference to a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (both as defined in the Terms and Conditions of the Notes), in each case with or without the application of an adjustment spread which, if applied, could be positive, negative or zero, and allow the Issuer to make amendments to the Terms and Conditions of the Notes to ensure the proper operation of the Successor Rate or Alternative Reference Rate (as the case may be) and, in either case, an Adjustment Spread (if any).

Under these fallback arrangements, the Issuer will use all reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser (as defined in the Terms and Conditions of the Notes) to determine (acting in good faith), a Successor Rate or Alternative Reference Rate (as applicable) and, in either case, an Adjustment Spread (if any) (as defined in the Terms and Conditions of the Notes), no later than five Business Days (as defined in the Terms and Conditions of the Notes) prior to the relevant Interest Determination Date (as defined in the Terms and Conditions of the Notes), being the IA Determination Cut-off Date, but in the event that the Issuer is unable to appoint an Independent Adviser, or such Independent Adviser fails to determine the Successor Rate or Alternative Reference Rate and, in either case, an Adjustment Spread (if any), prior to the IA Determination Cut-off Date, the Issuer (acting in good faith) will have discretion to determine the relevant Successor Rate or, or if there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread (if any). There can be no assurance that such Successor Rate or Alternative Reference Rate (as applicable) determined by the Issuer will be set at a level which is on terms commercially acceptable to all Noteholders. However, it may not be possible to determine or apply an Adjustment Spread and even if an adjustment is applied, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to investors. If no Adjustment Spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest. The use of a Successor Rate or Alternative Reference Rate (including the application of an Adjustment Spread) is likely to result in any Notes linked to or referencing the relevant Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the relevant Reference Rate were to continue to apply in its current form.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period (as defined in the Terms and Conditions of the Notes) may result in the Rate of Interest for the last preceding Interest Period being used (or alternatively, if there has not been a first Interest Payment Date, the initial Rate of Interest). This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page (as defined in the Terms and Conditions of the Notes).

Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, any determinations that may need to be made by the Issuer and the involvement of an Independent Adviser, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any other international or national reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to any Notes or referencing a benchmark.

*Notes subject to optional redemption by the relevant Issuer*

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes will generally not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*Dual Currency Notes*

An Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

(i) the market price of such Notes may be volatile;

(ii) they may receive no interest;

(iii) the payment of principal or interest may occur at a different time or in a different currency than expected; and

(iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero.

*Partly-paid Notes*

An Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

*Variable Rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

*Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market values of such Notes are typically more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

*Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the prevailing rates on its Notes.

***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

***The Notes are redeemable in the event of certain withholding taxes being applicable***

There can be no assurance as to whether or not payments on the Notes may be made without withholding taxes or deductions applying for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of a Tax Jurisdiction (as defined in the Terms and Conditions of the Notes) or any political subdivision therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. Although pursuant to the Terms and Conditions of the Notes, each Relevant Obligor is required to gross up payments on account of any such withholding taxes or deductions (whether by way of PRC enterprise income tax ("**EIT**"), PRC value-added tax ("**VAT**") or otherwise), a Branch Issuer or a Subsidiary Issuer also has the right to redeem the Notes at any time in the event (i) a Relevant Obligor has or will become obliged to pay additional amounts as provided or referred to in Condition 14 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes, (ii) such obligation cannot be avoided by the Relevant Obligor taking reasonable measures available to it, and (iii) in the case of Subordinated Notes, the prior written approval of the Regulatory(ies) specified in the relevant Pricing Supplement shall have been obtained.

If the relevant Issuer redeems the Notes prior to their maturity dates, investors may not receive the same economic benefits they would have received had they held the Notes to maturity, and they may not be able to reinvest the proceeds they receive in a redemption in similar securities. In addition, such Issuer's ability to redeem the Notes may reduce the market price of the Notes.

***The Trustee may request that the Noteholders provide an indemnity and/or security and/or pre-funding to its satisfaction***

In certain circumstances (including without limitation the giving of notice to the Relevant Obligor(s) pursuant to Condition 15 (*Events of Default*) and the taking of enforcement steps pursuant to Condition 20 (*Enforcement*)), the Trustee may (at its sole discretion) request the Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes actions on behalf of the Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the relevant Non-Guaranteed Notes Trust Deed, the relevant Guaranteed Notes Trust Deed, the relevant Deed of Guarantee, the relevant Alternative Trust Deed or the Terms and Conditions of the Notes constituting the Notes and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

***The Financial Institutions (Resolution) Ordinance may adversely affect the Notes***

On 7 July 2017, the Financial Institutions (Resolution) Ordinance (Cap. 628) of Hong Kong (the "**FIRO**") came into operation. The FIRO provides for, among other things, the establishment of a resolution regime for authorised institutions and other within scope financial institutions in Hong Kong which may be designated by the relevant resolution authorities, which may include the Bank and other members of the Bank (a "**FIRO Group Entity**"). The resolution regime seeks to provide the relevant resolution authorities with administrative powers to bring about timely and orderly resolution in order to stabilise and secure continuity for a failing authorised institution or within scope financial institution in Hong Kong. In particular, in the context of a resolution of any FIRO Group Entity, the relevant resolution authority will have the ability to resolve other entities within the Bank as if they were themselves a within scope financial institution for the purposes of FIRO and take certain actions and make certain directions in relation to such entities. Any such actions could potentially affect contractual and property rights relating to the Bank. In addition, the relevant resolution authority is provided with powers to affect contractual and property rights as well as payments (including in respect of nay priority of payment) that creditors would receive in resolution. These may include, but are not limited to, powers to cancel, write off, modify, convert or replace all or a part of the Notes or the principal amount of, or interest on, the Notes, and powers to amend or alter the contractual provisions of the Notes, all of which may adversely affect the value of the Notes, and the holders thereof may suffer a loss of some or all of their investment as a result. Noteholders (whether senior or subordinated) may become subject to and bound by the FIRO. The implementation of FIRO remains untested and certain detail relating to FIRO will be set out through secondary legislation and supporting rules. Therefore, the Bank is unable to assess the full impact of FIRO on the financial system generally, the Bank's counterparties, the Bank, any of its consolidated subsidiaries or other Group entities, the Bank's operations and/or its financial position.

**Risks Relating to Renminbi Denominated Notes**

A description of risks which may be relevant to an investor in Notes denominated in Renminbi ("**Renminbi Notes**") are set out below.

***Renminbi is not completely freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Notes***

Renminbi is not completely freely convertible at present. The PRC Government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although starting from 1 October 2016, the Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC Government will continue to liberalise control over cross-border remittance of Renminbi in the future, that the pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of any Relevant Obligor to source Renminbi to finance its obligations under Notes denominated in Renminbi.

***There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and any Relevant Obligor's ability to source Renminbi outside the PRC to service Renminbi Notes***

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**"), including but not limited to Hong Kong and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

The offshore Renminbi market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future so as to have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent a Relevant Obligor is required to source Renminbi outside the PRC to service its Renminbi Notes, there is no assurance that such Relevant Obligor will be able to source such Renminbi on satisfactory terms, if at all.

***Investment in the Renminbi Notes is subject to exchange rate risks***

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. In August 2015, PBOC implemented changes to the way it calculates the midpoint against the U.S. dollar to take into account market-maker quotes before announcing the midpoint. This change, among others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. Each Relevant Obligor will make all payments of interest and principal with respect to Renminbi Notes in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another currency, the value in the currency of the investment made by a holder of the Renminbi Notes will decline.

***Investment in the Renminbi Notes is subject to interest rate risks***

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of foreign exchange controls imposed by PRC law and regulations and prevailing market conditions.

As Renminbi Notes may be Fixed Rate Notes or have a resettable interest rate ("**Resettable Notes**"). Consequently, the trading price of the Renminbi Notes which are Fixed Rate Notes or Resettable Notes will vary with the fluctuations in the Renminbi interest rates. If holders of such Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

***Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes***

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. All Renminbi payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by Global Notes or Global Note Certificates held with the common depositary for Euroclear and Clearstream, deposited with a custodian of DTC, lodged with a sub-custodian for or registered with the CMU or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong, or (ii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Other than described in the Terms and Conditions of the Notes, no Relevant Obligor can be required to make payment by any other means (including in any other currency or in bank instruments, by cheque or draft or by transfer to a bank account in the PRC).

***Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws***

Under the PRC EIT Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders may be subject to EIT or PRC individual income tax ("**IIT**") if such gain is regarded as income derived from sources within the PRC. While the PRC EIT Law levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise holder from the transfer of the Renminbi Notes, its implementation rules have reduced the enterprise income tax rate to 10 per cent. In accordance with the PRC IIT Law and its implementation rules (as amended from time to time), any gain realised by a non-PRC resident individual holder from the transfer of the Notes may be regarded as being sourced from the PRC and thus be subject to IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident individual holder from the transfer of the Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and subject to EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC EIT Law, the IIT Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, holders who are residents of Hong Kong, including enterprise holders and individual holders, will not be subject to EIT or IIT on any capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC resident enterprise or resident individual holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes (such EIT is currently levied at the rate of 10 per cent. of gains realised and such IIT is currently levied at the rate of 20 per cent. of gains realised (with deduction of reasonable expenses)), unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT (however, qualified holders may not enjoy the treaty benefit automatically but through a successful application with the PRC tax authorities), the value of their investment in Renminbi Notes may be materially and adversely affected.

# USE OF PROCEEDS

The net proceeds from each issue of Notes will be used by the relevant Issuer for general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

# FORM OF THE NOTES

## BEARER NOTES

Each Series of Notes to be issued in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**", together with the Temporary Global Note, the "**Global Note**"), without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note will be deposited on or around the issue date of the relevant Series of the Notes with a depositary or a common depositary for Euroclear as operator of the Euroclear System and/or Clearstream and/or any other relevant clearing system and/or a sub-custodian for the HKMA as operator of the CMU.

In the case of each Series of Bearer Notes, the relevant Pricing Supplement will also specify whether the C Rules or the D Rules are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the C Rules nor the D Rules are applicable.

### Temporary Global Note exchangeable for Permanent Global Note

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be issued in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Series of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the relevant Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and

(ii) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership, within seven days of the bearer requesting such exchange.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Issue Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

### Temporary Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the C Rules are applicable or that neither the C Rules nor the D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Series of the Notes.

If the relevant Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the D Rules are applicable, then the Notes will initially be issued in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Series of the Notes upon, certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

**Permanent Global Note exchangeable for Definitive Notes**

If the relevant Pricing Supplement specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be issued in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or

(ii) at any time, if so specified in the relevant Pricing Supplement; or

(iii) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:

  (a) Euroclear or Clearstream, the CMU or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or

  (b) any of the circumstances described in Condition 15 (*Events of Default*) occurs in respect of any Note of the relevant Series.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

**Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Pricing Supplement which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

**Legend concerning United States persons**

In the case of any Series of Bearer Notes having a maturity of more than 365 days, the Bearer Notes in global form, the Bearer Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE UNITED STATES INTERNAL REVENUE CODE."

**Registered Notes**

Each Series of Notes in registered form ("**Registered Notes**") will be represented by either:

(i) individual Note Certificates in registered form ("**Individual Note Certificates**"); or

(ii) one or more global note certificate or unrestricted global note certificates ("**Unrestricted Global Note Certificate(s)**") in the case of Registered Notes sold outside the United States to non-U.S. persons in reliance on Regulation S ("**Unrestricted Notes**") and/or one or more restricted global note certificates ("**Restricted Global Note Certificates**") in the case of Registered Notes sold to QIBs in reliance on Rule 144A ("**Restricted Notes**"),

in each case as specified in the relevant Pricing Supplement, and references in this Offering Circular to "*Global Note Certificates*" shall be construed as to include Unrestricted Global Note Certificates and Restricted Global Note Certificates.

Each Note to be cleared through DTC and represented by an Unrestricted Global Note Certificate or a Restricted Global Note Certificate will be registered in the name of Cede & Co. (or such other entity as is specified in the applicable Pricing Supplement) as nominee for DTC and the relevant Global Note Certificate will be deposited on or about the issue date with the DTC Custodian.

Each Note to be cleared through Euroclear, Clearstream or CMU and represented by a Global Note Certificate will be registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream and/or any other relevant clearing system or in respect of CMU Notes, a sub-custodian for the CMU and the relevant Global Note Certificate will be deposited on or about the issue date with the common depositary or sub-custodian.

If the relevant Pricing Supplement specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be represented by Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

***Global Note Certificate exchangeable for Individual Note Certificates***

If the relevant Pricing Supplement specifies the form of Notes as being "Global Note Certificate exchangeable for Individual Note Certificates", then the Notes will initially be represented by one or more Global Note Certificates, each of which will be exchangeable in whole, but not in part, for Individual Note Certificates:

(i) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or

(ii) at any time, if so specified in the relevant Pricing Supplement; or

(iii) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Global Note Certificate", then:

(a) in the case of any Global Note Certificate held by or on behalf of DTC, if DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Global Note Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or if at any time DTC is no longer eligible to act as such, and the relevant Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC;

(b) in the case of any Global Note Certificate held by or on behalf of, Euroclear and/or Clearstream, the CMU and/or any other clearing system (other than DTC), if Euroclear, Clearstream, the CMU or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; and

(c) in any case, if any of the circumstances described in Condition 15 (*Events of Default*) occurs in respect of any Note of the relevant Series.

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, each person having an interest in a Global Note Certificate must provide the Registrar (through the relevant clearing system) with such information as the relevant Issuer and the Registrar may require to complete and deliver Individual Note Certificates (including the name and address of each person in which the Notes represented by the Individual Note Certificates are to be registered and the principal amount of each such person's holding). In addition, whenever a Restricted Global Note Certificate is to be exchanged for Individual Note Certificates, each person having an interest in the Restricted Global Note Certificate must provide the Registrar (through the relevant clearing system) with a certificate given by or on behalf of the holder of each beneficial interest in the Restricted Global Note Certificate stating either (i) that such holder is not transferring its interest at the time of such exchange or (ii) that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that the person transferring such interest reasonably believes that the person acquiring such interest is a QIB and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A. Individual Note Certificates issued in exchange for interests in the Restricted Global Note Certificate will bear the legends and be subject to the transfer restrictions set out under "*Transfer Restrictions*".

Whenever a Global Note Certificate is to be exchanged for Individual Note Certificates, the relevant Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Note Certificate to the Registrar of such information as is required to complete and deliver such Individual Note Certificates against the surrender of the Global Note Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Trust Deed, the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

**Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Pricing Supplement which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Global Note Certificate will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

## TERMS AND CONDITIONS OF THE NOTES

*The following (other than the words in italics) is the text of the terms and conditions which, as completed by the relevant Pricing Supplement, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Forms of the Notes" and "Summary of Provisions Relating to the Notes while in Global Form".*

### 1 INTRODUCTION

(a) **Programme:** Bank of China Limited (the "**Bank**") has established a Medium Term Note Programme (the "**Programme**") for the issuance of up to U.S.$40,000,000,000 in aggregate principal amount of notes (the "**Notes**").

(b) **Pricing Supplement:** The terms and conditions applicable to any particular tranche of Notes (a "**Tranche**") are set out in the relevant pricing supplement (the "**Pricing Supplement**") which supplements, amends and/or replaces these terms and conditions (the "**Conditions**"). In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement shall prevail. Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more Tranches. Each Series of Notes may be issued by the Bank, any branch of the Bank (each a "**Branch Issuer**") or any Subsidiary of the Bank (each a "**Subsidiary Issuer**"), as specified in the relevant Pricing Supplement. Notes issued by a Subsidiary Issuer may be unconditionally and irrevocably guaranteed by the Guarantor (as defined below) as specified in the relevant Pricing Supplement. References herein to the "Relevant Obligor(s)" are to the relevant Issuer, and, in the case of any Guaranteed Note, each of the relevant Issuer and the relevant Guarantor.

(c) **Trust Deed:**

(i) Non-Guaranteed Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 13 April 2022 (as further amended or supplemented from time to time, the "**Non-Guaranteed Notes Principal Trust Deed**") between the Bank (on behalf of itself and each Branch Issuer) and The Bank of New York Mellon, London Branch as trustee (the "**Trustee**", which expression includes, where the context requires, all persons for the time being trustee or trustees appointed under the Non-Guaranteed Notes Principal Trust Deed). In order for a Subsidiary Issuer to issue Non-Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Non-Guaranteed Notes, (A) accede to the Non-Guaranteed Notes Principal Trust Deed by executing an accession deed between such Subsidiary Issuer and the Trustee, or (B) supplement the Non-Guaranteed Notes Principal Trust Deed by executing a supplemental trust deed between such Subsidiary Issuer, the Bank and the Trustee, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Non-Guaranteed Notes Principal Trust Deed, the "**Non-Guaranteed Notes Trust Deed**").

(ii) Guaranteed Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 13 April 2022 (as further amended or supplemented from time to time, the "**Guaranteed Notes Principal Trust Deed**") between the Bank (on behalf of itself as Issuer and each Overseas Branch (as defined below) as Guarantor) and the Trustee (which expression includes, where the context requires, all persons for the time being trustee or trustees appointed under the Guaranteed Notes Principal Trust Deed). In order for a Subsidiary Issuer to issue

Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Guaranteed Notes, (A) accede to the Guaranteed Notes Principal Trust Deed by executing an accession deed between such Subsidiary Issuer and the Trustee, or (B) supplement the Guaranteed Notes Principal Trust Deed by executing a supplemental trust deed between such Subsidiary Issuer, the Bank and the Trustee, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Guaranteed Notes Principal Trust Deed, the "**Guaranteed Notes Trust Deed**", and together with the Non-Guaranteed Notes Trust Deed, the "**Trust Deed**"). The relevant Guarantor must execute a deed of guarantee to be dated on or before the relevant Issue Date (each as amended or supplemented from time to time, a "**Deed of Guarantee**").

(iii) Notes issued by the Bank may be constituted by either the Non-Guaranteed Notes Principal Trust Deed or the Guaranteed Notes Principal Trust Deed as specified in the relevant Pricing Supplement.

(iv) Without prejudice to the foregoing, if the relevant Pricing Supplement specifies that an alternative trustee shall be appointed for a relevant Series of Notes, such Series of Notes shall be constituted by a deed (as further amended or supplemented from time to time, the "**Alternative Trust Deed**") between the relevant Issuer (and in the case of Notes issued by a Branch Issuer or a Subsidiary Issuer, the Bank) and the specified alternative trustee (the "**Alternative Trustee**") incorporating the Non-Guaranteed Notes Principal Trust Deed or the Guaranteed Notes Principal Trust Deed, as the case may be. The Alternative Trustee shall be the Trustee for the purposes of the Conditions applicable to such Series of Notes.

(d) **Agency Agreement:**

(i) Non-Guaranteed Notes are the subject of an amended and restated issue and paying agency agreement dated 3 April 2018 (as further amended or supplemented from time to time, the "**Non-Guaranteed Notes Principal Agency Agreement**") between the Bank (on behalf of itself and each Branch Issuer), The Bank of New York Mellon, London Branch and The Bank of New York Mellon as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), The Bank of New York Mellon SA/NV, Luxembourg Branch, The Bank of New York Mellon and The Bank of New York Mellon, Hong Kong Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent (the "**CMU Lodging and Paying Agent**", which expression includes any successor CMU lodging and paying Agent appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent and the CMU Lodging and Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and the Trustee. In these Conditions references to the "Agents" are to the Paying Agents and the Transfer Agents and any reference to an "Agent" is to any one of them. In order for a Subsidiary Issuer to issue Non-Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Non-Guaranteed Notes, (A) accede to the Non-Guaranteed Notes Principal Agency Agreement by executing an accession agreement between such Subsidiary Issuer, the

Trustee and the Agents named therein, or (B) supplement the Non-Guaranteed Notes Principal Agency Agreement by executing a supplemental agency agreement between such Subsidiary Issuer, the Bank, the Trustee and the Agents named therein, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Non-Guaranteed Notes Principal Agency Agreement, the "**Non-Guaranteed Notes Agency Agreement**").

(ii) Guaranteed Notes are the subject of an amended and restated issue and paying agency agreement dated 3 April 2018 (as further amended or supplemented from time to time, the "**Guaranteed Notes Principal Agency Agreement**") between the Bank (on behalf of itself as Issuer and each Overseas Branch (as defined below) as Guarantor), the Trustee and the Agents named therein. In order for a Subsidiary Issuer to issue Guaranteed Notes, such Subsidiary Issuer shall, in respect of such Guaranteed Notes, (A) accede to the Guaranteed Notes Principal Agency Agreement by executing an accession agreement between such Subsidiary Issuer, the Trustee and the Agents named therein, or (B) supplement the Guaranteed Notes Principal Agency Agreement by executing a supplemental agency agreement between such Subsidiary Issuer, the Bank, the Trustee and the Agents named therein, in each case, dated on or before the relevant Issue Date (as amended or supplemented from time to time and together with the Guaranteed Notes Principal Agency Agreement, the "**Guaranteed Notes Agency Agreement**", and together with the Non-Guaranteed Notes Agency Agreement, the "**Agency Agreement**").

(iii) Notes issued by the Bank may be the subject of the Non-Guaranteed Notes Principal Agency Agreement (in case of Notes constituted by the Non-Guaranteed Notes Principal Trust Deed) or the Guaranteed Notes Principal Agency Agreement (in case of Notes constituted by the Guaranteed Notes Principal Trust Deed).

(iv) Without prejudice to the foregoing, if the relevant Pricing Supplement specifies that an Alternative Trustee shall be appointed for the relevant Series of Notes, neither the Non-Guaranteed Notes Principal Agency Agreement nor the Guaranteed Notes Principal Agency Agreement shall apply to such Series of Notes and such alternative arrangement (as further amended or supplemented from time to time, the "**Alternative Agency Agreement**") as specified in the Pricing Supplement shall apply.

(e) **The Notes:** The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Pricing Supplement. Copies of the relevant Pricing Supplement are available for viewing and copies may be obtained from the Specified Office of each of the Paying Agents and Transfer Agents.

(f) **Summaries:** Certain provisions of these Conditions are summaries of the Trust Deed, the relevant Deed of Guarantee and the Agency Agreement and are subject to their detailed provisions. Noteholders and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the relevant Deed of Guarantee, as applicable, and the Agency Agreement applicable to them. Copies of the Trust Deed, each Deed of Guarantee, as applicable and the Agency Agreement are (i) available for inspection by Noteholders during normal business hours at the Specified Offices of the Paying Agents and the principal office in Hong Kong of the Principal Paying Agent or (ii) available electronically via e-mail from the Principal Paying Agent.

## 2 INTERPRETATION

(a) **Definitions:** In these Conditions the following expressions have the following meanings:

"Accrual Yield" has the meaning given in the relevant Pricing Supplement;

"Additional Business Centre(s)" means the city or cities specified as such in the relevant Pricing Supplement;

"Additional Financial Centre(s)" means the city or cities specified as such in the relevant Pricing Supplement;

"Business Day", other than in Condition 3(g) (*Registration and delivery of Note Certificates*) means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;

(ii) in relation to any sum payable in a currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments generally, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and

(iii) for the purposes of Notes denominated in Renminbi only, any day (other than a Sunday or a Saturday) on which commercial banks and foreign exchange markets are open for business and settle Renminbi payments in Hong Kong and are not authorised or obligated by law or executive order to be closed;

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "Following Business Day Convention" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "Modified Following Business Day Convention" or "Modified Business Day Convention" means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "Preceding Business Day Convention" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "FRN Convention", "Floating Rate Convention" or "Eurodollar Convention" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "No Adjustment" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Calculation Agent" means the Principal Paying Agent or such other Person, in each case as specified in the relevant Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Pricing Supplement;

"Calculation Amount" has the meaning given in the relevant Pricing Supplement;

a "Change of Control" occurs when the Bank ceases to have Control of the Issuer. For the avoidance of doubt, the Bank shall cease to Control the Issuer if both limbs (i) and (ii) in the definition of "Control" cannot be satisfied;

"CMU" means the Central Moneymarkets Unit Service, operated by the Hong Kong Monetary Authority;

"Control" means (where applicable), with respect to a Person, (i) the ownership, acquisition or control of the Relevant Percentage of the voting rights of the issued share capital of such Person, whether obtained directly or indirectly or (ii) the right to appoint and/or remove the Relevant Percentage of the members of the Person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

"Coupon Sheet" means, in respect of a Note, a coupon sheet relating to the Note;

"Dated Subordinated Notes" means Notes specified in the applicable Pricing Supplement as dated subordinated notes;

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Pricing Supplement and:

(i) if "Actual/Actual (ICMA)" is so specified, means:

(A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(B) where the Calculation Period is longer than one Regular Period, the sum of:

(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year; and

(2) the actual number of days in such Calculation Period falling in the next Regular Period divided

by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods in any year;

(ii) if "Actual/365" or "Actual/Actual (ISDA)" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "Actual/365 (Fixed)" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "Actual/360" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "30/360" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and $D_1$ is greater than 29, in which case $D_2$ will be 30;

(vi) if "30E/360" or "Eurobond Basis" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case $D_2$ will be 30; and

(vii) if "30E/360 (ISDA)" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$Y_1$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$Y_2$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$M_1$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$M_2$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$D_1$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case $D_1$ will be 30; and

"$D_2$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case $D_2$ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"DTC" means The Depository Trust Company;

"Early Redemption Amount (Change of Control)" means, in respect of any Note, 101 per cent. of its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Early Redemption Amount (Tax)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Early Termination Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Pricing Supplement;

"Extraordinary Resolution" has the meaning ascribed to it in the Trust Deed;

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"First Interest Payment Date" means the date specified in the relevant Pricing Supplement;

"Fixed Coupon Amount" has the meaning given in the relevant Pricing Supplement;

"Guarantee of the Notes" means the guarantee of the Notes given by the relevant Guarantor in the relevant Deed of Guarantee;

"Guaranteed Notes" means Notes issued by a Subsidiary Issuer which are guaranteed by the Guarantor as specified in the relevant Pricing Supplement;

"Guarantor" means such Overseas Branch as specified in the relevant Pricing Supplement as guarantor of the Guaranteed Notes;

"Holder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer — Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer — Title to Registered Notes*);

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Pricing Supplement;

"Interest Determination Date" has the meaning given in the relevant Pricing Supplement;

"Interest Payment Date" means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"ISDA Definitions" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.) unless otherwise specified in the relevant Pricing Supplement;

"Issue Date" has the meaning given in the relevant Pricing Supplement;

"Issuer" means the Bank, the Branch Issuer or the Subsidiary Issuer, as specified in the relevant Pricing Supplement;

"Macau" means the Macau Special Administrative Region of the People's Republic of China;

"Margin" has the meaning given in the relevant Pricing Supplement;

"Material Subsidiary":

(i) in the case of (A) Notes issued by the Bank or a Branch Issuer, or (B) Guaranteed Notes, means, a Subsidiary of the Bank whose total assets or total revenue as at the date at which its latest audited financial statements were prepared or, as the case may be, for the financial period to which the audited financial statements relate, account for 5 per cent. or more of the consolidated assets or consolidated revenue of the Bank as at such date or for such period. If a Material Subsidiary transfers all of its assets and business to another Subsidiary of the Bank, the transferee shall become a Material Subsidiary and the transferor shall cease to be a Material Subsidiary on completion of such transfer; and

(ii) in the case of Non-Guaranteed Notes issued by a Subsidiary Issuer, has the meaning given in the relevant Pricing Supplement;

"Maturity Date" has the meaning given in the relevant Pricing Supplement;

"Maximum Redemption Amount" has the meaning given in the relevant Pricing Supplement;

"Minimum Redemption Amount" has the meaning given in the relevant Pricing Supplement;

"NDRC" means the National Development and Reform Commission;

"NDRC Circular" means the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號)) issued by the NDRC and which came into effect on 14 September 2015 and any implementation rules or policies as issued by the NDRC from time to time;

"Non-Guaranteed Notes" means Notes issued by a Branch Issuer or a Subsidiary Issuer which are not guaranteed and specified as such in the relevant Pricing Supplement;

"Noteholder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer — Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer — Title to Registered Notes*);

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement;

"Optional Redemption Date (Call)" has the meaning given in the relevant Pricing Supplement;

"Optional Redemption Date (Put)" has the meaning given in the relevant Pricing Supplement;

"Overseas Branch" means a branch of the Bank which is outside the PRC;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Payment Business Day" means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which (a) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and (b) a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the

Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent has its Specified Office; and

(B) in the case of payment by transfer to an account, (a) a TARGET Settlement Day and (b) a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is:

(A) a day on which (a) banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies and (b) a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent has its Specified Office; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies (including, in the case of Notes denominated in Renminbi, settlement of Renminbi payments) may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"PRC" means, for the purpose of these Conditions, the People's Republic of China excluding Hong Kong, Macau and Taiwan;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency provided, however, that:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

(ii) in relation to Australian dollars, it means Sydney and in relation to New Zealand dollars, it means Auckland, in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent or, in each case, the principal financial centre as is specified in the applicable Pricing Supplement; and

(iii) in relation to Renminbi, it means Hong Kong or the principal financial centre as is specified in the applicable Pricing Supplement;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement;

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Early Redemption Amount (Change of Control), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement;

"Reference Banks" has the meaning given in the relevant Pricing Supplement or, if none, four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

"Relevant Percentage" means, in respect of any Subsidiary Issuer, the percentage as specified in the relevant Pricing Supplement;

"Reference Price" has the meaning given in the relevant Pricing Supplement;

"Reference Rate" has the meaning given in the relevant Pricing Supplement;

"Regular Period" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" has the meaning given in the relevant Pricing Supplement;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Relevant Time" has the meaning given in the relevant Pricing Supplement;

"Reserved Matter" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes, (in the case of any Guaranteed Note) modify any provision of the Guarantee of the Notes (other than the modifications pursuant to any further issue under Condition 21 (*Further Issues*)) or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Securities Act" means the United States Securities Act of 1933, as amended;

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"Senior Guaranteed Notes" means the Senior Notes specified in the applicable Pricing Supplement as Senior Guaranteed Notes;

"Senior Notes" means Notes specified in the applicable Pricing Supplement as senior notes (including the Senior Guaranteed Notes);

"Specified Clearing System" means the clearing system specified in the relevant Pricing Supplement in respect of a Tranche of Notes for which no Note Certificates are to be issued;

"Specified Currency" has the meaning given in the relevant Pricing Supplement;

"Specified Denomination(s)" has the meaning given in the relevant Pricing Supplement;

"Specified Office" has the meaning given in the Agency Agreement;

"Specified Period" has the meaning given in the relevant Pricing Supplement;

"Subordinated Guaranteed Notes" means the Subordinated Notes specified in the applicable Pricing Supplement as Subordinated Guaranteed Notes, which are either Dated Subordinated Notes or Undated Subordinated Notes;

"Subordinated Notes" means Notes specified in the applicable Pricing Supplement as subordinated notes, which are either Dated Subordinated Notes or Undated Subordinated Notes (including the Subordinated Guaranteed Notes);

"Subsidiary" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

(a) of which the first Person controls or has the power to control, 50 per cent. or more of the share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such person; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"Talon" means a talon for further Coupons;

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro;

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"Tax Jurisdiction" means the PRC and the relevant tax jurisdiction of a Relevant Obligor specified in the applicable Pricing Supplement, or in each case any political subdivision or any authority thereof or therein having power to tax payments made by such Relevant Obligor of principal or interest on the Notes, Receipts or Coupons;

"Treaty" means the Treaty establishing the European Communities, as amended;

"Undated Subordinated Notes" means Notes specified in the applicable Pricing Supplement as undated subordinated notes; and

"Zero Coupon Note" means a Note specified as such in the relevant Pricing Supplement.

(b) **Interpretation:** In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 14 (*Taxation*), any undertaking given in addition to or substitution for Condition 14 (*Taxation*) pursuant to the Trust Deed, any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 14 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;

(vii) if an expression is stated in Condition 2(a) (*Interpretation — Definitions*) to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and

(viii) any reference to:

(A) the Trust Deed shall be construed as a reference to the Non-Guaranteed Notes Trust Deed, the Guaranteed Notes Trust Deed or the relevant Alternative Trust Deed, as the case may be,

(B) the Agency Agreement shall be construed as a reference to the Non-Guaranteed Notes Agency Agreement, the Guaranteed Notes Agency Agreement or the relevant Alternative Agency Agreement, as the case may be,

(C) a Deed of Guarantee shall be construed as a reference to the relevant Deed of Guarantee,

each as amended and/or supplemented up to and including the Issue Date of the Notes.

## 3 FORM, DENOMINATION, TITLE AND TRANSFER

(a) **Bearer Notes:** Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Pricing Supplement, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

(b) **Title to Bearer Notes:** Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "Holder" means the holder of such Bearer Note and "Noteholder" and "Couponholder" shall be construed accordingly.

(c) **Registered Notes:** Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Pricing Supplement and higher integral multiples of a smaller amount specified in the relevant Pricing Supplement.

(d) **Title to Registered Notes:** The Registrar will maintain a register outside the United Kingdom in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the register (the "**Register**"). In the case of Registered Notes, "Holder" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "Noteholder" shall be construed accordingly. If so specified in the relevant Pricing Supplement, no Note Certificate shall be issued in respect of the relevant Tranche of Notes, all references to "Holder" shall mean the person appearing in the records of the Specified Clearing System as the Accountholder entitled to such Notes and "Noteholder" shall be construed accordingly.

(e) **Ownership:** The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note, the Deed of Guarantee, as applicable or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

(f) **Transfers of Registered Notes:** Subject to paragraphs (i) (Closed periods) and (j) (Regulations concerning transfers and registration) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; provided, however, that a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are in Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

(g) **Registration and delivery of Note Certificates:** Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (Transfers of Registered Notes) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "business day" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(h) **No charge:** The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(i) **Closed periods:** Noteholders may not require transfers to be registered:

(i) during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes;

(ii) during the period of 15 days ending on any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 11(b) (*Redemption for tax reasons*) or Condition 11(c) (*Redemption at the option of the Issuer*); and

(iii) after a Change of Control Put Exercise Notice or Put Option Notice has been delivered in respect of the relevant Note(s) in accordance with Condition 11(e) (*Redemption for Change of Control*) or Condition 11(f) (R*edemption of the Senior Notes or the Dated Subordinated Notes at the option of the Noteholders*).

(j) **Regulations concerning transfers and registration:** All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

## 4 STATUS OF THE NOTES AND GUARANTEE OF GUARANTEED NOTES

(a) **Status of the Senior Notes:** This Condition 4(a) applies only to Notes specified in the Pricing Supplement as Senior and being Senior Notes. The Senior Notes and any related Receipts and Coupons constitute direct, general, unsecured, unconditional and unsubordinated obligations of the Issuer which will at all times rank pari passu without any preference among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) **Status of the Subordinated Notes:** Provisions relating to the status of Subordinated Notes will be set out in the relevant Pricing Supplement.

(c) **Guarantee of the Senior Guaranteed Notes:** This Condition 4(c) applies only to Notes specified in the Pricing Supplement as Senior and being Senior Guaranteed Notes. In the case of any Senior Guaranteed Note, the Guarantor will in the Deed of Guarantee unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. This Guarantee of the Notes constitutes direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(d) **Guarantee of the Subordinated Guaranteed Notes:** In the case of any Subordinated Guaranteed Note, provisions relating to the status of the Guarantee of the Notes will be set out in the relevant Pricing Supplement.

## 5 COVENANTS

(a) **Undertaking to Maintain Ratings:** So long as any Note remains outstanding, save with the approval of an Extraordinary Resolution of holders of the Notes, each Relevant Obligor undertakes that it will use all its reasonable endeavours to maintain the rating on the Notes by a Rating Agency specified in the relevant Pricing Supplement.

(b) **Notification to NDRC:** Where the NDRC Circular applies to the Tranche of Notes to be issued in accordance with these Conditions and the Trust Deed, the Bank undertakes to provide or cause to be provided a notification to the NDRC of the requisite information and documents within the prescribed timeframe after the relevant Issue Date in accordance with the NDRC Circular and any implementation rules as may be issued by the NDRC prior to the completion of such notification.

## 6 FIXED RATE NOTE PROVISIONS

(a) **Application:** This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Accrual of interest:** The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 12 (*Payments — Bearer Notes*) and 13 (*Payments — Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) **Fixed Coupon Amount:** The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) **Calculation of interest amount:** The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

## 7 FLOATING RATE NOTE PROVISIONS

(a) **Application:** This Condition 7 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Accrual of interest:** The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 12 (*Payments — Bearer Notes*) and 13 (*Payments — Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) **Screen Rate Determination:** If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:

(A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(B) determine the arithmetic mean of such quotations; and

(iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(v) notwithstanding the foregoing, if the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as CNH HIBOR:

(A) the Rate of Interest for each Interest Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2.30 p.m. (Hong Kong time), then 2.30 p.m. (Hong Kong time) on the Interest Determination Date in question as determined by the Calculation Agent.

(B) and the Relevant Screen Page is not available or, if sub-paragraph (v)(A)(1) above applies and no such offered quotation appears on the Relevant Screen Page, or, if subparagraph (v)(A)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request the principal Hong Kong office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.15 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent. If all four Reference Banks provide the Calculation Agent with such offered quotations, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations;

(C) if subparagraph (v)(B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered at approximately 11.15 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in CNH for a period equal to that which would have been used for the Reference Rate by leading banks in the Hong Kong inter-bank market. If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest shall be (i) the offered rate for deposits in CNH for a period equal to that which would have been used for the Reference Rate by a bank, or (ii) the arithmetic mean of the offered rates for deposits in CNH for a period equal to that which would have been used for the Reference Rate by two or more banks, in each case as informed to the Calculation Agent by such bank or banks (which shall be such bank or banks being in the opinion of the Issuer suitable for such purpose) as being quoted by each such bank at approximately 11.15 a.m. (Hong Kong time) on the relevant Interest Determination Date to leading banks in the Hong Kong inter-bank market, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period); and

(D) in no event shall the Rate of Interest be less than zero per cent. per annum.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than CNH HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(d) **ISDA Determination:** If ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Pricing Supplement;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Pricing Supplement; and

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on (y) the Eurozone inter-bank offered rate

(EURIBOR) or (z) the Hong Kong inter-bank offered rate (HIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Pricing Supplement.

(e) **Benchmark Replacement:** In addition, notwithstanding the provisions above in this Condition 7 (*Floating Rate Note Provisions*), if the Issuer determines that a Benchmark Event (as defined below) has occurred in relation to the relevant Reference Rate specified in the relevant Pricing Supplement when any Rate of Interest (or the relevant component part thereof) remains to be determined by such Reference Rate, then the following provisions shall apply:

(i) the Issuer shall use all reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser (as defined below) to determine (acting in good faith), no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**"), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

(ii) if the Issuer (acting in good faith) is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, such Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 7(e) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) applies and the Issuer (acting in good faith) is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the rate of interest shall be the initial Rate of Interest) (subject, where applicable, to substituting the Margin (as defined below), Maximum Rate of Interest or Minimum Rate Interest that applied to such preceding Interest Period for the Margin, Maximum Rate of Interest or Minimum Rate Interest that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 7(e) (*Benchmark Replacement*));

(iv) if the Independent Adviser or the Issuer (acting in good faith) determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (acting in good faith) (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, if such changes are necessary to ensure the proper operation of such

Successor Rate, Alternative Reference Rate and/or Adjustment Spread (as defined below) (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith) (as applicable), determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (acting in good faith) (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Principal Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Non-Guaranteed Notes Principal Agency Agreement or the Guaranteed Notes Principal Agency Agreement, as the case may be, and these Conditions as may be required in order to give effect to this Condition 7(e) (*Benchmark Replacement*). Noteholder or Couponholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Principal Paying Agent (if required); and

(v) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable), give notice thereof to the Principal Paying Agent and the Noteholders and Couponholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions (including the amount of the Adjustment Spread, if any),

provided that the determination of any Successor Rate or Alternative Reference Rate, and any other related changes to the Notes, shall be made in accordance with applicable law.

For the purposes of this Condition 7(e) (*Benchmark Replacement*):

"Adjustment Spread" means (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in good faith) (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or

(iii) if no such determination as provided in (ii) above is made, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in good faith) to be appropriate in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable);

"Alternative Reference Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith) is most comparable to the relevant Reference Rate;

"Benchmark Event" means, in respect of a Reference Rate:

(i) such Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;

(ii) the making of a public statement by the administrator of such Reference Rate that it has ceased or will cease publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate);

(iii) the making of a public statement by the supervisor of the administrator of such Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued;

(iv) the making of a public statement by the supervisor of the administrator of such Reference Rate that such Reference Rate will be prohibited from being used either generally or in respect of the Notes or that its use will be subject to restrictions;

(v) the making of a public statement by the supervisor of the administrator of the Reference Rate that the Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using such Reference Rate;

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Reference Rate or the discontinuation of the Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition or restriction of use of the Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement;

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser of recognised standing and with appropriate expertise, in each case appointed by the Issuer at its own expense;

"Relevant Nominating Body" means, in respect of a reference rate:

(i) the central bank for the currency to which the relevant Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant Reference Rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the relevant Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the relevant Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

"Successor Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(f) **Maximum or Minimum Rate of Interest:** If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(g) **Calculation of Interest Amount:** The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(h) **Calculation of other amounts:** If the relevant Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Pricing Supplement.

(i) **Publication:** The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(j) **Notifications etc.:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on each Relevant Obligor, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## 8 DEFERRAL OF INTEREST ON UNDATED SUBORDINATED NOTES:

Provisions relating to the deferral of interest on Undated Subordinated Notes will be set out in the relevant Pricing Supplement.

## 9 ZERO COUPON NOTE PROVISIONS

(a) **Application:** This Condition 9 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Late payment on Zero Coupon Notes:** If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

## 10 DUAL CURRENCY NOTE PROVISIONS

(a) **Application:** This Condition 10 (*Dual Currency Note Provisions*) is applicable to the Notes only if the Dual Currency Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Rate of Interest:** If the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Pricing Supplement.

## 11 REDEMPTION AND PURCHASE

(a) **Scheduled redemption:** Unless previously redeemed, or purchased and cancelled, each Note which is not an Undated Subordinated Note will be redeemed at its Final Redemption Amount on the Maturity Date, subject as provided in Conditions 12 (*Payments — Bearer Notes*) and 13 (*Payments — Registered Notes*). If such Note is an Undated Subordinated Note, it has no final maturity and is only redeemable in accordance with the following provisions of this Condition 11 or Condition 15(b) (*Events of Default relating to Subordinated Notes*).

(b) **Redemption for tax reasons:** Subject (in the case of Subordinated Notes) to Condition 11(i) (*Additional Conditions for Redemption of Subordinated Notes*), where the Issuer is a Branch Issuer or a Subsidiary Issuer, the Notes may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Pricing Supplement as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

(A) (1) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 14 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of Notes;

(2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and

(3) in the case of Subordinated Notes, the prior written approval of the Regulatory Authority(ies) specified in the relevant Pricing Supplement shall have been obtained;

(B) in the case of Guaranteed Notes:

(1) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 14 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of Notes;

(2) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it; and

(3) in the case of Subordinated Guaranteed Notes, the prior written approval of the Regulatory Authority(ies) specified in the relevant Pricing Supplement shall have been obtained;

provided, however, that no such notice of redemption shall be given earlier than:

(i) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Relevant Obligor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or

(ii) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Relevant Obligor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall procure that there is delivered to the Trustee (A) a certificate signed by an Authorised Signatory (as defined in the Trust Deed) of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (B) an opinion of independent legal advisers of recognised standing to the effect that the Relevant Obligor has or will become obliged to pay such additional amounts as a result of such change or amendment and, further (C) in the case of Subordinated Notes, a copy of the written approval of the Regulatory Authority(ies) specified in the applicable Pricing Supplement.

The Trustee shall be entitled without further enquiry to accept such written approval (where applicable), certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out above, in which event they shall be conclusive and binding on the holders of the Notes, Receipts and Coupons.

Upon the expiry of any such notice as is referred to in this Condition 11(b), the Issuer shall be bound to redeem the Notes accordingly.

(c) **Redemption at the option of the Issuer:** Subject (in the case of Subordinated Notes) to Condition 11(i) (*Additional Conditions for Redemption of Subordinated Notes*), if the Call Option is specified in the relevant Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Pricing Supplement, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Relevant Obligor's having (1) in the case of Subordinated Notes, obtained the prior written approval from the Regulatory Authority(ies) specified in the applicable Pricing Supplement, and (2) given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 22 (*Notices*); and

(ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the fixed date for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date (Call) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date (Call); provided, however, that, in the case of Subordinated Notes, such redemption shall be subject to the prior written approval of the relevant Regulatory Authority(ies) pursuant to the relevant regulations, as set out in the applicable Pricing Supplement, in effect at the applicable time.

(d) **Partial redemption:** If the Notes are to be redeemed in part only on any date in accordance with Condition 11(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Principal Paying Agent approves and in such manner as the Principal Paying Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 11(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Pricing Supplement, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(e) **Redemption for Change of Control:** In the case of Notes issued by a Subsidiary Issuer, subject (in the case of Subordinated Notes) to Condition 11(i) (*Additional Conditions for Redemption of Subordinated Notes*), if Change of Control Put is specified in the relevant Pricing Supplement as being applicable, at any time following the occurrence of a Change of Control, the holder of any Note will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of that holder's Notes on the Change of Control Put Date at a price equal to the Early Redemption Amount (Change of Control), together with accrued interest up to, but excluding, the Change of Control Put Date. To exercise such right, the holder of the relevant Note must deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (a "**Change of Control Put Exercise Notice**"), together with the Certificate evidencing the Notes to be redeemed, by not later than 30 days following a Change of Control, or, if later, 30 days following the date upon which notice thereof is given to Noteholders by the Issuer in accordance with Condition 22 (*Notices*). The "Change of Control Put Date" shall be the fourteenth day after the expiry of such period of 30 days as referred to above in this Condition 11(e).

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Notes which are the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

The Issuer shall give notice to Noteholders (in accordance with Condition 22 (*Notices*)) and the Trustee by not later than 14 days following the first day on which it becomes aware of the occurrence of a Change of Control, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Notes pursuant to this Condition 11(e).

Neither the Trustee nor the Agents shall be required to monitor whether a Change of Control or any event which could lead to the occurrence of a Change of Control has occurred and shall not be liable to Noteholders or any other person for not doing so.

(f) **Redemption of the Senior Notes or the Dated Subordinated Notes at the option of the Noteholders:** Subject (in the case of Subordinated Notes) to Condition 11(i) (*Additional Conditions for Redemption of Subordinated Notes*), if the Put Option is specified in the relevant Pricing Supplement as being applicable, the Issuer shall, at the option of the Holder of any Senior Note or, as the case may be, any Dated Subordinated Note, redeem such Senior Note or, as the case may be, any Dated Subordinated Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 11(f), the Holder of a Senior Note or a Dated Subordinated Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Senior Note or, as the case may be, such Dated Subordinated Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Senior Note or, as the case may be, or a Dated Subordinated Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Senior Noteholder or Dated Subordinated Noteholder. No Senior Note or Dated Subordinated Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 11(f), may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Senior Note or Dated Subordinated Note becomes immediately due and payable or, upon due presentation of any such Senior Note or Dated Subordinated Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Senior Noteholder or Dated Subordinated Noteholder at such address as may have been given by such Senior Noteholder or such Dated Subordinated Noteholder in the relevant Put Option Notice and shall hold such Senior Note or such Dated Subordinated Note at its Specified Office for collection by the depositing Senior Noteholder or Dated Subordinated Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Senior Note or Dated Subordinated Note is held by a Paying Agent in accordance with this Condition 11(f), the depositor of such Senior Note or such Dated Subordinated Note and not the Paying Agent shall be deemed to be the Holder of such Senior Note or such Dated Subordinated Note for all purposes. Any Put Option Notice given by a Holder pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred in which event such Holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Senior Note or Dated Subordinated Note forthwith due and payable pursuant to Condition 15 (*Events of Default*).

(g) **Early redemption of Zero Coupon Notes:** Unless otherwise specified in the relevant Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Pricing Supplement for the purposes of this Condition 11(g) or, if none is so specified, a Day Count Fraction of 30E/360.

(h) **Purchase:** Any Relevant Obligor or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, provided that all unmatured Coupons are purchased therewith. The Notes so purchased, while held by or on behalf of any Relevant Obligor or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 19(a) (*Meetings of Noteholders*).

(i) **Additional Conditions for Redemption of Subordinated Notes:** The additional conditions for redemption of Subordinated Notes (including, but not limited to, conditions for redemption of Subordinated Notes for regulatory reasons) will be specified in the applicable Pricing Supplement.

## 12 PAYMENTS — BEARER NOTES

This Condition 12 is only applicable to Bearer Notes.

(a) **Principal:** In relation to Bearer Notes not held in the CMU, payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre of that currency.

(b) **Interest:** In relation to Bearer Notes not held in the CMU, payments of interest shall, subject to paragraph (h) below, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.

(c) **Payments in the relation to Bearer Notes held in the CMU:** In relation to Bearer Notes held in the CMU, payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time.

*Payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the CMU for their distribution, on the order of the holder of the Bearer Notes, to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.*

(d) **Payments in New York City:** Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(e) **Payments subject to fiscal laws:** All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*), and (ii) notwithstanding the provisions of Condition 14 (*Taxation*), any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or (without prejudice to the provisions of Condition 14 (*Taxation*) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(f) **Deductions for unmatured Coupons:** If the relevant Pricing Supplement specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; provided, however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; provided, however, that where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; provided, however, that, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.

(g) **Unmatured Coupons void:** If the relevant Pricing Supplement specifies that this Condition 12(f) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 11(b) (*Redemption and Purchase — Redemption for tax reasons*), Condition 11(c) (*Redemption and Purchase — Redemption at the option of the Issuer*), Condition 11(e) (*Redemption for Change of Control*) or Condition 11(f) (*Redemption of the Senior Notes or the Dated Subordinated Notes at the option of the Noteholders*) or Condition 15 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(h) **Payments on business days:** If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(i) **Payments other than in respect of matured Coupons:** Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).

(j) **Partial payments:** If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(k) **Exchange of Talons:** On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 16 (Prescription). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## 13 PAYMENTS — REGISTERED NOTES

This Condition 13 is only applicable to Registered Notes.

(a) **Principal:** In relation to Registered Notes not held in the CMU, payments of principal shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London), and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong, and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) **Interest:** In relation to Registered Notes not held in the CMU, payments of interest shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London), and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong, and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(c) **Payments in the relation to Registered Notes held in the CMU:** In relation to Registered Notes held in the CMU, payments of principal and interest in respect of Registered Notes held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time.

*Payments of principal and interest in respect of Registered Notes held in the CMU will be made to the CMU for their distribution, on the order of the holder of the Registered Notes, to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with the CMU in accordance with the CMU Rules at the relevant time and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.*

(d) **Payments subject to fiscal laws:** All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*), and (ii) notwithstanding the provisions of Condition 14 (*Taxation*), any withholding or deduction required pursuant to an agreement described in Section 147 1(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or (without prejudice to the provisions of Condition 14 (*Taxation*) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(e) **Payments on business days:** Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 13 arriving after the due date for payment or being lost in the mail.

(f) **Partial payments:** If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(g) **Record date:** Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the close of business in the place of the Registrar's Specified Office on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the close of business on the relevant Record Date.

*So long as the Global Note Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Note Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

*In respect of a Global Note Certificate representing Notes held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note Certificate are credited (as set out in the records of the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Note Certificate shall be required for such purpose. For the purposes of this paragraph, "Clearing System Business Day" means a day on which the CMU is operating and open for business.*

## 14 TAXATION

(a) All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of a Relevant Obligor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of a Tax Jurisdiction or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, such Relevant Obligor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

(i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or

(ii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

(b) If any Relevant Obligor becomes subject at any time to any taxing jurisdiction other than the Tax Jurisdiction(s), references in these Conditions to the Tax Jurisdiction(s) shall be construed as references to the Tax Jurisdiction(s) and/or such other jurisdiction.

## 15 EVENTS OF DEFAULT

(a) **Events of Default relating to Senior Notes:** If any of the following events occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Senior Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or provided with security and/or pre-funded to its satisfaction) give written notice to the Relevant Obligor(s) declaring the Senior Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality:

(i) *Non-Payment*: the Relevant Obligors fail to pay the principal of, or any interest on, any of the Notes when due and such failure continues for a period of 30 days;

(ii) *Breach of Other Obligations*: any Relevant Obligor defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the Deed of Guarantee, as applicable, the Trust Deed and such default remains unremedied for 45 days after written notice has been delivered to the Relevant Obligor(s);

(iii) *Insolvency*: any Relevant Obligor or any of the Material Subsidiaries is insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all or a material part of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of the debts of any Relevant Obligor or any of the Material Subsidiaries;

(iv) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution or administration of any Relevant Obligor or any of the Material Subsidiaries, or any Relevant Obligor ceases to carry on all or a material part of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (a) on terms approved by an Extraordinary Resolution of the Noteholders, or (b) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in any Relevant Obligor or another of its Subsidiaries;

(v) *Illegality*: it is or will become unlawful for any Relevant Obligor to perform or comply with any one or more of its obligations under any of the Notes, Coupons, the Deed of Guarantee, as applicable or the Trust Deed; or

(vi) *Guarantee not in force*: in the case of Guaranteed Notes, the Guarantee of the Notes or the Deed of Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

(b) **Events of Default relating to Subordinated Notes:** Events of Default relating to Subordinated Notes will be set out in the relevant Pricing Supplement.

## 16 PRESCRIPTION

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

## 17 REPLACEMENT OF NOTES AND COUPONS

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Relevant Obligor(s) may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

## 18 TRUSTEE AND AGENTS

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with any Relevant Obligor and any entity relating to a Relevant Obligor without accounting for any profit.

In the exercise of its powers and discretions under these Conditions, the Deed of Guarantee, as applicable and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual Holders of Notes as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Relevant Obligor(s) and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Pricing Supplement. The Relevant Obligor(s) reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or registrar or Calculation Agent and additional or successor paying agents; provided, however, that:

(i) the Relevant Obligor(s) shall at all times maintain a principal paying agent and a registrar;

(ii) if a Calculation Agent is specified in the relevant Pricing Supplement, the Relevant Obligor(s) shall at all times maintain a Calculation Agent;

(iii) the Relevant Obligor(s) shall at all times maintain a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU; and

(iv) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Relevant Obligor(s) shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

The Trust Deed provides that, in respect of any Tranche of Notes, the Relevant Obligor(s) may enter into a deed with the Alternative Trustee incorporating all the provisions of the Trust Deed (as modified or amended by such deed or the relevant Pricing Supplement) and thereby constituting such Notes. In such event The Bank of New York Mellon, London Branch as trustee of the Trust Deed shall have no liability or responsibility whatsoever for the appointment of the Alternative Trustee or for any acts, omissions or defaults of any such Alternative Trustee and no fiduciary or agency relationship between any Holder of such Notes and it will be created or implied to be created.

## 19 MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER

(a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by any Relevant Obligor or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; provided, however, that Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in aggregate principal amount of Notes outstanding will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) **Modification and waiver:** The Trustee may, but shall not be obliged to, without the consent of the Noteholders, agree to any modification of these Conditions, the Deed of Guarantee, as applicable or the Trust Deed (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes, the Deed of Guarantee, as applicable or the Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, but shall not be obliged to, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes, the Deed of Guarantee, as applicable or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Unless the Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders as soon as practicable thereafter.

## 20 ENFORCEMENT

The Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed or the Deed of Guarantee, as applicable in respect of the Notes, but it shall not be bound to do so unless:

(i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(ii) it has been indemnified and/or pre-funded and/or provided with security to its satisfaction.

No Noteholder may proceed directly against any Relevant Obligor unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

## 21 FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Date, first Interest Payment Date and if applicable, and the timing for notification to the NDRC) so as to form a single series with the Notes. The Issuer may from time to time create and issue other series of notes having the benefit of the Trust Deed.

## 22 NOTICES

(a) **Bearer Notes:** Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in Hong Kong or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Asia. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

(b) **Registered Notes:** Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

*So long as the Notes are represented by a Global Note or a Global Note Certificate and such Global Note or Global Note Certificate is held on behalf of Euroclear or Clearstream or DTC or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note Certificate or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the CMU in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note Certificate, and any such notice shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the CMU.*

## 23 CURRENCY INDEMNITY

If any sum due from any Relevant Obligor in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against such Relevant Obligor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, such Relevant Obligor shall indemnify each Noteholder, on the written demand of such Noteholder addressed to such Relevant Obligor and delivered to such Relevant Obligor or to the Specified Office of the Principal Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of each Relevant Obligor and shall give rise to a separate and independent cause of action.

## 24 ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

## 25 GOVERNING LAW AND JURISDICTION

(a) **Governing law:** The Notes, the Trust Deed, the Deed of Guarantee, as applicable and any non-contractual obligations arising out of or in connection with the Notes, the Trust Deed and the Deed of Guarantee, as applicable are governed by English law except that subordination provisions relating to Subordinated Notes in the Trust Deed and the Deed of Guarantee, as applicable, are governed by the laws of the People's Republic of China or such law as specified in the applicable Pricing Supplement and provisions in the applicable Pricing Supplement are governed by, and shall be construed in accordance with such law as specified in the applicable Pricing Supplement.

(b) **Jurisdiction:** The Relevant Obligor(s) have in the Trust Deed and (in the case of any Guaranteed Notes) the Guarantor has in the Deed of Guarantee (i) agreed for the benefit of the Trustee and the Noteholders that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes); (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; and (iii) designated a person in Hong Kong to accept service of any process on its behalf.

(c) **Waiver of immunity:** To the extent that any Relevant Obligor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to such Relevant Obligor or its assets or revenues, such Relevant Obligor agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

(d) **Consent to enforcement, etc:** Each Relevant Obligor irrevocably and generally consents in respect of any proceedings anywhere to the giving of any relief or the issue and service on it of any process in connection with those proceedings including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use or intended use) of any order or judgment which may be made or given in those proceedings.

# FORM OF PRICING SUPPLEMENT

*The Pricing Supplement in respect of each Series of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue.*

Pricing Supplement dated [●]

**[Bank of China Limited/**[*specify Branch Issuer*]]/[*specify Subsidiary Issuer*]

**Issue of [Aggregate Nominal Amount of Series] [Title of Notes]**
**under the U.S.$40,000,000,000 Medium Term Note Programme**

**[guaranteed by Bank of China Limited[, [***specify***]** Branch]]

[**MiFID II product governance/Professional investors and ECPs only target market** — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR product governance/Professional investors and ECPs only target market** — Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**Prohibition of sales to EEA retail investors** — The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**Prohibition of sales to UK retail investors** — The Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is either one (or both) of the following: (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[This document is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**")) ("**Professional Investors**") only.

**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer[, the Guarantor] or quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

**Notice to Hong Kong investors:** The Issuer [and the Guarantor] confirm[s] that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer [and the Guarantor] confirm[s] that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

This document, together with the Offering Circular, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer [and the Guarantor]. The Issuer [and the Guarantor each] accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.]

[**Singapore Securities and Futures Act Product Classification** — In connection with Section 309B of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

The document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the offering circular dated [●] 2026 (the "**Offering Circular**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular [and the supplemental offering circular dated [*date*]].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the offering circular dated [●] 2026 (the "**Offering Circular**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular [and the supplemental offering circular dated [*date*]], save in respect of the Conditions which are extracted from the Offering Circular and are attached hereto.]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Pricing Supplement.*]

| | | | |
|---|---|---|---|
| 1 | [(i)] | Issuer: | [Bank of China Limited/[*specify Branch Issuer*]]/[*specify Subsidiary Issuer*] |
| | [(ii) | Guarantor: | Bank of China Limited[, [*specify*] Branch]] |
| 2 | [(i)] | Series Number: | [●] |
| | [(ii) | Tranche Number: | [●] |
| | *(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).*] | | |
| | (iii) | Tax Jurisdiction: | [●] |
| 3 | Specified Currency or Currencies: | | [●] |
| 4 | Aggregate Nominal Amount: | | [●] |
| | [(i)] | Series: | [●] |
| | [(ii) | Tranche: | [●]] |
| 5 | (i) | Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)] |
| | (ii) | Net Proceeds: | [●] [(Required only for listed issues)] |

| | | | |
|---|---|---|---|
| 6 | (i) | Specified Denominations[1, 2]: | [●] |
| | (ii) | Calculation Amount: | [●] |
| 7 | (i) | Issue Date: | [●] |
| | (ii) | Interest Commencement Date: | [*Specify*/Issue Date/Not Applicable] |
| 8 | [(i)] | Status of the Notes: | [Senior/Subordinated] |
| | [(ii) | Status of the Guarantee of the Notes: | [*Specify in the case of Subordinated Guaranteed Notes*]] |
| 9 | Maturity Date: | | [*Specify date or (for Floating Rate Notes) Interest Payment Date falling on or nearest to the relevant month and year*][3]<br><br>[*If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to "professional investors" or (ii) another applicable exemption from section 19 of the FSMA must be available.*] |
| 10 | Interest Basis: | | [[●] per cent. Fixed Rate]<br>[[*Specify* reference rate] +/-[●] per cent. Floating Rate]<br>[Zero Coupon]<br>[Other (*Specify*)]<br>(further particulars specified below) |

1 Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year and must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

2 If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: 100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]. In relation to any issue of Notes which are a "Global Note exchangeable for Definitive Notes" in circumstances other than "in the limited circumstances specified in the Global Notes", such Notes may only be issued in denominations equal to, or greater than, €100,000 (or equivalent) and multiples thereof.

3 Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where Interest Payment Dates are subject to modification it will be necessary to use the second option here.

| | | | |
|---|---|---|---|
| 11 | Redemption/Payment Basis: | | [Redemption at par]<br>[Dual Currency]<br>[Partly Paid]<br>[Instalment]<br>[Other (*Specify*)] |
| 12 | Change of Interest or Redemption/Payment Basis: | | [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]<br>[Not applicable] |
| 13 | Put/Call Options: | | [Investor Put]<br>[Issuer Call]<br>[Change of Control Put] (only applicable to Notes issued by a Subsidiary Issuer)<br>[(further particulars specified below)] |
| 14 | Listing: | | [Hong Kong Stock Exchange/Other (*specify*)/None] (For Notes to be listed on the [Hong Kong Stock Exchange], insert the expected effective listing date of the Notes) |
| 15 | [(i)] | [Date of [Board] approval for issuance of Notes [and the Guarantee of the Notes] [respectively]] obtained: | [Board] approval: [●] [and [●], respectively]] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*) |
| | [(ii) | [Date of regulatory approval(s) for issuance of Notes obtained]: | [describe approval obtained] from [identify relevant regulator] dated [●]] |
| 16 | Method of distribution: | | [Syndicated/Non-syndicated] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 17 | **Fixed Rate Note Provisions** | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | Rate[(s)] of Interest: | [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear |
| | (ii) | Interest Payment Date(s): | [●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted] |

| | | | |
|---|---|---|---|
| | (iii) | Fixed Coupon Amount[(s)]: | [●] per Calculation Amount[4] |
| | (iv) | Broken Amount(s): | [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] |
| | (v) | Day Count Fraction: | [30/360/Actual/Actual (ICMA/ISDA)/other] |
| | (vi) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | [Not Applicable/*give details*] |
| 18 | **Floating Rate Note Provisions** | | [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | Interest Period(s): | [[●], subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]] |
| | (ii) | Specified Period: | [●] *(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")* |
| | (iii) | Specified Interest Payment Dates: | [[●], subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]] *(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")* |
| | (iv) | First Interest Payment Date: | [●] |

4 For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes to the nearest HK$0.01, HK$0.005 for the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards."

| | | |
|---|---|---|
| (v) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)] [Not Applicable] |
| (vi) | Additional Business Centre(s): | [Not Applicable/*give details*] |
| (vii) | Manner in which the Rate(s) of Interest is/are to be determined: | [Screen Rate Determination/ISDA Determination/other (*give details*)] |
| (viii) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Principal Paying Agent]): | [[*Name*] shall be the Calculation Agent *(no need to specify if the Principal Paying Agent is to perform this function)*] |
| (ix) | Screen Rate Determination: | |
| | • Reference Rate: | [*For example, EURIBOR*] |
| | • Interest Determination Date(s): | [●] |
| | • Relevant Screen Page: | [*For example, Reuters EURIBOR 01*] |
| | • Relevant Time: | [*For example, 11.00 a.m. Brussels time*] |
| | • Relevant Financial Centre: | [*For example, Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro*] |
| (x) | ISDA Determination: | |
| | • Floating Rate Option: | [●] |
| | • Designated Maturity: | [●] |
| | • Reset Date: | [●] |
| (xi) | Margin(s): | [+/-][●] per cent. per annum |
| (xii) | Minimum Rate of Interest: | [●] per cent. per annum |
| (xiii) | Maximum Rate of Interest: | [●] per cent. per annum |
| (xiv) | Day Count Fraction: | [●] |
| (xv) | Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | [●] |

| | | | |
|---|---|---|---|
| 19 | **Zero Coupon Note Provisions** | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | [Amortisation/Accrual] Yield: | [●] per cent. per annum |
| | (ii) | [Reference Price: | [●]] |
| | (iii) | [Day Count Fraction in relation to Early Redemption Amounts: | [[30/360] [Actual/360] [Actual/365]] [*specify other*]] |
| | (iv) | Any other formula/basis of determining amount payable: | [*Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 11(f)*] |
| 20 | Dual Currency Note Provisions | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | Rate of Exchange/method of calculating Rate of Exchange: | [*give details*] |
| | (ii) | Calculation Agent, if any, responsible for calculating the principal and/or interest due: | [●] |
| | (iii) | Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: | [●] |
| | (iv) | Person at whose option Specified Currency(ies) is/are payable: | [●] |

**PROVISIONS RELATING TO REDEMPTION**

| | | | |
|---|---|---|---|
| 21 | **Call Option** | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | Optional Redemption Date(s): | [●] |
| | (ii) | Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | [●] per Calculation Amount |
| | (iii) | If redeemable in part: | |
| | | (a) Minimum Redemption Amount: | [●] per Calculation Amount |
| | | (b) Maximum Redemption Amount: | [●] per Calculation Amount |

| | | | |
|---|---|---|---|
| | (iv) | Notice period: | [●] |
| 22 | **Put Option** | | [Applicable/Not Applicable]<br>*(If not applicable, delete the remaining subparagraphs of this paragraph)* |
| | (i) | Optional Redemption Date(s): | [●] |
| | (ii) | Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): | [●] per Calculation Amount |
| | (iii) | Notice period: | [●] |
| 23 | **Change of Control Put** | | [Applicable/Not Applicable]<br>*(only applicable to Notes issued by a Subsidiary Issuer)* |
| 24 | **Final Redemption Amount of each Note** | | [●] per Calculation Amount |
| 25 | Early Redemption Amount Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, change of control or an event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | | [Not Applicable<br>*(If each of the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax), Early Redemption Amount (Change of Control) and/or the Early Termination Amount if different from the principal amount of the Notes)*] |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 26 | **Form of Notes** | **Bearer Notes:**<br>[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]<br><br>[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice][5]<br><br>[Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note][5] |

5 If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including €199,000", the Temporary/Permanent Global Note shall not be exchangeable on [●] days notice.

| | | |
|---|---|---|
| | | **Registered Notes:**<br>[Global Note Certificate exchangeable for Individual Note Certificates on [●] days' notice/at any time/in the limited circumstances described in the Global Note Certificate]<br><br>[Other (as applicable): [●]] |
| 27 | Additional Financial Centre(s) or other special provisions relating to payment dates: | [Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraph 18(vi) relates*]<br>For the avoidance of doubt, references to the Principal Financial Centre [and Additional Financial Centre] in the "Payment Business Day" shall be construed to refer to [set out the Principal Financial Centre according to the Conditions] as the Principal Financial Centre [and [set out all Additional Financial Centre(s)] as the Additional Financial Centre]. |
| 28 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. If yes, *give details*] |
| 29 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: | [Not Applicable/*give details*] |
| 30 | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | [Not Applicable/*give details*] |
| 31 | Redenomination, renominalisation and reconventioning provisions: | [Not Applicable/The provisions annexed to this Pricing Supplement apply] |
| 32 | Consolidation provisions: | [The provisions in Condition 21 (*Further Issues*)] [annexed to this Pricing Supplement] apply |
| 33 | Any applicable currency disruption/fallback provisions: | [Not Applicable/*give details*] |
| 34 | Other terms or special conditions: | [Not Applicable/*give details*]<br>[*Insert provisions for Subordinated Notes*] |
| 35 | NDRC Post-Issue Filing: | [Applicable/Not Applicable] |

**DISTRIBUTION**

| | | |
|---|---|---|
| 36 | (i) If syndicated, names of Managers: | [Not Applicable/*give names*] |
| | (ii) Stabilisation Manager(s) (if any): | [Not Applicable/*give name*] |
| 37 | If non-syndicated, name and address of Dealer: | [Not Applicable/*give name and address*] |
| 38 | [Total commission and concession: | [●] per cent. of the Aggregate Nominal Amount] |
| 39 | U.S. Selling Restrictions: | [Reg. S Category [1/2/3]]/[Rule 144A]; *(In the case of Bearer Notes)* — [C RULES/D RULES/TEFRA Not Applicable]<br><br>*(In the case of Registered Notes)* — TEFRA Not Applicable |
| 40 | Prohibition of Sales to EEA Retail Investors: | [Applicable/Not Applicable] *(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)* |
| 41 | Prohibition of Sales to UK Retail Investors: | [Applicable/Not Applicable] *(If the Notes clearly do not constitute consumer composite investments or the Notes do constitute consumer composite investments and a disclosure document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute consumer composite investments and no disclosure document will be prepared, "Applicable" should be specified.)* |
| 42 | Additional selling restrictions: | [Not Applicable/*give details*] |

**OPERATIONAL INFORMATION**

| | | |
|---|---|---|
| 43 | ISIN Code: | [●] |
| 44 | Common Code: | [●] |
| 45 | Legal Entity Identifier: | [●] |
| 46 | CUSIP: | [●] |
| 47 | CMU Instrument Number: | [●] |

| | | |
|---|---|---|
| 48 | Any clearing system(s) other than Euroclear/Clearstream, DTC and the CMU and the relevant identification number(s): | [Not Applicable/*give name(s) and number(s)*] |
| 49 | Delivery: | Delivery [against/free of] payment |
| 50 | Trustee: | [The Bank of New York Mellon, London Branch] |
| 51 | Additional Paying Agent(s) (if any): | [Not Applicable/*give details*] |
| 52 | Alternative Trustee (if any): | [Not Applicable/*give details*] |

**GENERAL**

| | | |
|---|---|---|
| 53 | [Translation of the aggregate principal amount of Notes issued/The aggregate principal amount of Notes issued has been translated into United States dollars at the rate of [●], producing a sum of (for Notes not denominated in United States dollars)]: | [Not Applicable/U.S.$[●]] |
| 54 | [Ratings: | The Notes to be issued [have been] [are expected to be] rated:<br>[Moody's: [●]];<br>[Fitch: [●]]; [and] [S&P: [●]]<br>(each a "**Rating Agency**").<br>If any Rating Agency shall not make a rating of the Notes publicly available, the Issuer [and the Guarantor] shall select and substitute them with [●] or [●] and its successors.] |

**[USE OF PROCEEDS**

G*ive details if different from the "Use of Proceeds" section in the Offering Circular*.]

**[STABILISATION**

In connection with the issue of the Notes, [*name(s) of Stabilisation Manager(s)*] (or persons acting on behalf of [*name(s) of Stabilisation Manager(s)*]) (the "**Stabilisation Manager[s]**") may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there is no obligation on such Stabilisation Manager[s] to do this. Such stabilisation, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilisation shall be in compliance with all applicable laws, regulations and rules.]

**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for listing on the Hong Kong Stock Exchange of the Notes described herein pursuant to the U.S.$40,000,000,000 Medium Term Note Programme of [Bank of China Limited/the Issuer].

**RESPONSIBILITY**

The Issuer [and the Guarantor each] accepts responsibility for the information contained in this Pricing Supplement.

[The Issuer acknowledges that it will be bound by the provisions of the Trust Deed.]

Signed on behalf of
[Bank of China Limited/
[*specify branch*]]/[*specify subsidiary*]

By: ________________________________________
Duly authorised

[Signed on behalf of Bank of
China Limited [*specify*] Branch]

By: ________________________________________
Duly authorised

# SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

## CLEARING SYSTEM ACCOUNTHOLDERS

In relation to any Series of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary for Euroclear and/or Clearstream and/or any other relevant clearing system and/or a sub-custodian for the HKMA as operator of the CMU, will be that depositary, common depositary or, as the case may be, sub-custodian.

In relation to any Series of Notes represented by one or more Global Note Certificates, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name the relevant Global Note Certificate is for the time being registered in the Register which (a) in the case of a Restricted Global Note Certificate held by or on behalf of DTC will be Cede & Co. (or such other entity as is specified in the applicable Pricing Supplement) as nominee for DTC and (b) in the case of any Unrestricted Global Note Certificate which is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream and/or any other relevant clearing system, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Each of the persons shown in the records of DTC, Euroclear, Clearstream and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Note Certificate (each an "**Accountholder**") must look solely to DTC, Euroclear, Clearstream and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by each Relevant Obligor to the holder of such Global Note or Global Note Certificate and in relation to all other rights arising under such Global Note or Global Note Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under a Global Note or Global Note Certificate will be determined by the respective rules and procedures of DTC, Euroclear and Clearstream and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Note Certificate, Accountholders shall have no claim directly against any Relevant Obligor in respect of payments due under the Notes and such obligations of each Relevant Obligor will be discharged by payment to the holder of such Global Note or Global Note Certificate.

If a Global Note or a Global Note Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Note Certificate are credited as being held in the CMU in accordance with the CMU Rules shall be the only person(s) entitled (or, in the case of Registered Notes, directed or deemed by the CMU as entitled) to receive payments in respect of Notes represented by such Global Note or Global Note Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Note Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Note Certificate must look solely to the CMU for his share of each payment so made by the Issuer in respect of such Global Note or Global Note Certificate.

## TRANSFERS OF INTERESTS IN GLOBAL NOTES AND GLOBAL NOTE CERTIFICATES

Transfers of interests in Global Notes and Global Note Certificates within DTC, Euroclear and Clearstream or any other relevant clearing system will be in accordance with their respective rules and operating procedures. None of the Relevant Obligor(s), the Trustee, the Registrar, the Arrangers, the Dealers or the Agents will have any responsibility or liability for any aspect of the records of any DTC, Euroclear and Clearstream or any other relevant clearing system or any of their respective participants relating to payments made on account of beneficial ownership interests in a Global Note or Global Note

Certificate or for maintaining, supervising or reviewing any of the records of DTC, Euroclear and Clearstream or any other relevant clearing system or the records of their respective participants relating to such beneficial ownership interests.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Global Note Certificate to such persons will be limited. Because clearing systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note Certificate to pledge such interest to persons or entities which do not participate in the relevant clearing systems, or otherwise take actions in respect of such interest, may be affected by the lack of an Individual Note Certificate representing such interest.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Transfer Restrictions*", transfers between DTC participants, on the one hand, and Euroclear or Clearstream accountholders, on the other will be effected by the relevant clearing systems in accordance with their respective rules and through action taken by the DTC Custodian, the Registrar and the Principal Paying Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear will generally have a settlement date two business days after the trade date (T+2), unless the parties agree to an alternate settlement date at the time of the transaction. The customary arrangements for delivery versus payment will apply to such transfers. On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in DTC will generally have a settlement date one business day after the trade date (T+1), unless the parties agree to an alternate settlement date at the time of the transaction. Such transfers may occur on a free delivery basis or delivery versus payment basis at the election of the parties.

Transfers between DTC participants, on the one hand, and Euroclear or Clearstream accountholders, on the other will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other, transfers of interests in the relevant Global Note Certificates will be effected through the Principal Paying Agent, the DTC Custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Note Certificate resulting in such transfer and (ii) two business days after receipt by the Principal Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately. The customary arrangements for delivery versus payment between Euroclear and Clearstream account holders or between DTC participants are not affected.

For a further description of restrictions on the transfer of Notes, see "*Subscription and Sale*" and "*Transfer Restrictions*".

Upon the issue of a Restricted Global Note Certificate to be held by or on behalf of DTC, DTC or the DTC Custodian will credit the respective nominal amounts of the individual beneficial interests represented by such Global Note Certificate to the account of DTC participants. Ownership of beneficial interests in such Global Note Certificate will be held through participants of DTC, including the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in such Global Note Certificate will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee. DTC has advised each Relevant Obligor that it will take any action permitted to be taken by a holder of Registered Notes represented by a Global Note Certificate held by or on behalf of DTC (including, without limitation, the presentation of such Global Note Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in such Global Note Certificate are credited, and only in respect of such portion of the aggregate nominal amount of such Global Note Certificate as to which such participant or participants has or have given such direction. However, in certain circumstances, DTC will exchange the relevant Global Note Certificate for Individual Note Certificates (which will bear the relevant legends set out in "*Transfer Restrictions*").

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Note Certificates among participants and account holders of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Relevant Obligor(s), the Trustee, the Registrar, the Arrangers, the Dealers or the Agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

While a Global Note Certificate is lodged with DTC, Euroclear, Clearstream or any relevant clearing system, Individual Note Certificates for the relevant Series of Notes will not be eligible for clearing and settlement through such clearing systems.

**CONDITIONS APPLICABLE TO GLOBAL NOTES**

Each Global Note and Global Note Certificate will contain provisions which modify the Conditions as they apply to the Global Note or Global Note Certificate. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Global Note or Global Note Certificate which, according to the Conditions, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Note Certificate to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Relevant Obligor in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the relevant Issuer shall procure that the payment is noted in a schedule thereto.

*Payment Business Day:* in the case of a Global Note or a Global Note Certificate, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Payment Record Date:* Each payment in respect of a Global Note Certificate will be made to the person shown as the holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "Clearing System Business Day" a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

*Exercise of put option:* In order to exercise the option contained in Condition 11(e) (*Redemption for Change of Control*) or Condition 11(f) (*Redemption of the Senior Notes or the Dated Subordinated Notes at the option of the Noteholders*) the bearer of a Permanent Global Note or the holder of a Global Note Certificate must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 11(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or Global Note Certificate may be redeemed in part in the principal amount specified by the relevant Issuer in accordance with the Conditions to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of DTC, Euroclear and/or Clearstream or the CMU (as the case may be) (to be reflected in the records of DTC, Euroclear and/or Clearstream or the CMU (as the case may be) as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 22 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Note Certificate and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Note Certificate is, registered in the name of DTC's nominee or deposited with a depositary or a common depositary for Euroclear and/or Clearstream or held on behalf of any other relevant clearing system, notices to Noteholders may be given by delivery of the relevant notice to DTC and/or Euroclear and/or Clearstream and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 22 (Notices) on the date of delivery to DTC and/or Euroclear and/or Clearstream and/or any other relevant clearing system.

So long as the Notes are represented by one or more Global Notes and Global Note Certificates held on behalf of the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the CMU in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of such Global Note or Global Note Certificate, and any such notice shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the CMU.

# CAPITALISATION AND INDEBTEDNESS

The following table sets forth the Group's audited consolidated debt and capitalisation as at 31 December 2025. Please read this table in conjunction with the Group's audited consolidated financial statements as at and for the year ended 31 December 2025 and the accompanying notes which have been incorporated by reference into this Offering Circular.

| | **As at 31 December 2025** |
|---|---|
| | **(Audited)** |
| | **(RMB million)** |
| **Debt[1]** | |
| Bonds issued | 2,294,688 |
| Other borrowings | 54,545 |
| Total debt | 2,349,233 |
| **Equity** | |
| **Capital and reserves attributable to equity holders of the Bank** | |
| Share capital | 322,212 |
| Other equity instruments | 369,953 |
| Capital reserve | 272,304 |
| Other comprehensive income | 59,834 |
| Statutory reserves | 302,179 |
| General and regulatory reserves | 455,118 |
| Undistributed profits | 1,282,444 |
| Non-controlling interests | 144,080 |
| Total equity | 3,208,124 |
| Total equity and liabilities | 38,358,076 |

*Note:*

(1) For the purpose of this table, the total debt of the Group only includes bonds issued and other borrowings. As at 31 December 2025, the Group had other liabilities and indebtedness including due to banks and other financial institutions, due to central banks, bank notes in circulation, placements from banks and other financial institutions, financial liabilities held for trading, derivative financial liabilities, due to customers, current tax liabilities, retirement benefit obligations, deferred income tax liabilities and other liabilities.

As at 31 December 2025, the registered capital of the Bank was RMB322,212 million divided into 322,212,411,814 ordinary shares of RMB1.00 par value each, all of which had been issued and were fully paid-up, including 238,590,135,419 A Shares and 83,622,276,395 H Shares.

From time to time, the Bank and/or its various offshore branches may issue debt or other regulatory capital securities in various currencies and tenor depending on market conditions.

Except as disclosed in this Offering Circular, there has been no material adverse change in the capitalisation and indebtedness of the Group since 31 December 2025.

# DESCRIPTION OF THE BANK

## OVERVIEW

The Group is one of the largest state-owned commercial banks in the PRC, which owns a comprehensive financial service platform. Besides the commercial banking business which includes corporate banking, personal banking and financial market business, the Group also operates an investment banking business through BOC International Holdings Limited ("**BOC International**") and BOC International (China) Company Limited ("**BOCI China**"), an insurance business through Bank of China Group Insurance Company Limited ("**BOCG Insurance**"), BOC Group Life Assurance Company Limited ("**BOC Life**") and Bank of China Insurance Company Limited ("**BOC Insurance**"), a fund management business through Bank of China Investment Management Co., Ltd. ("**BOCIM**"), direct investment and investment management business through the Bank of China Group Investment Limited ("**BOCG Investment**"), an asset management business through BOC Wealth Management Co., Ltd. ("**BOC Wealth Management**"), a financial leasing, transfer and receiving of financial leasing assets business through BOC Financial Leasing Co., Ltd. ("**BOCL**"), and debt-for-equity conversion and related business in the Chinese Mainland through BOC Financial Asset Investment Co., Ltd. ("**BOC Asset Investment**"). In 2006, after successfully acquiring Singapore Aircraft Leasing Enterprise, a leading company in such business in Asia, the Group changed the acquired company's name to BOC Aviation Pte. Ltd. and became the first Chinese bank to enter the global aircraft leasing business. In connection with the global offering and the listing of its shares on the Hong Kong Stock Exchange, on 12 May 2016, BOC Aviation Pte. Ltd. was converted to a public company limited by shares and the name was changed to BOC Aviation Limited ("**BOC Aviation**"), which took effect on 19 May 2016. The combination of these businesses has created a universal banking platform that provides the Bank with the ability to offer a broad range of financial products and services and enables it to establish stronger relationships with strategically targeted customers and strengthen customer loyalty.

Established in 1912, the Bank is one of the best-known commercial banks in the PRC. During its more than 100 years of history, the Bank has built one of the most recognised brand names in the PRC through its contributions to the evolution of the PRC commercial banking industry. The Bank has many significant achievements in the PRC commercial banking sector. For example, in 1929, the Bank was the first PRC commercial bank to establish a foreign branch with the opening of its London branch. In addition, in 1985, the Bank offered the first bank card in the PRC. In 1994 and 1995, the Bank's Hong Kong subsidiary and Macau branch became bank note issuing banks in Hong Kong and Macau, respectively. Furthermore, in 1998, the Bank arranged the first U.S. dollar-denominated syndicated loan for a PRC bank as the lead manager and agent. In 2002, BOC Hong Kong (Holdings) Limited was listed on the Hong Kong Stock Exchange after a special restructuring of 12 banks in Hong Kong. The Bank was the sponsor of the 2008 Olympic Games held in Beijing and is the official commercial banking partner of the 2022 Beijing Olympic and Paralympic Winter Games. The Bank was converted into a joint stock company in the PRC in 2004. In 2006, the Bank became listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange. The Bank celebrated its 100th year anniversary in 2012.

On 4 November 2011, the Bank was included by the Financial Stability Board, an international organisation for financial supervision and consultation, in the list of the 29 global systemically important financial institutions, among which the Bank was the first bank from China and emerging economy countries and regions. From 2011 to 2025, the Bank was listed and designated each year as a global systemically important financial institution, making it the sole financial institution from emerging economies to be listed and designated as such for 15 consecutive years.

As at 31 December 2025, the Group's NPLs totalled RMB288.036 billion, representing an increase of RMB19.255 billion compared with the prior year-end. The NPL ratio was 1.23 per cent., a decrease of 0.02 percentage points compared with the prior year-end. The Group's allowance for impairment losses on loans and advances amounted to RMB577.144 billion, an increase of RMB37.967 billion compared with the prior year-end. The coverage ratio of allowance for loan impairment losses to NPLs was 200.37 per cent., a decrease of 0.23 percentage points compared with the prior year-end. The NPLs of the Bank's institutions in the Chinese Mainland totalled RMB239.277 billion, an increase of RMB23.188 billion compared with the prior year-end. The NPL ratio of the Bank's institutions in the Chinese Mainland was 1.18 per cent., an increase of 0.01 percentage points compared with the prior year-end. The Group's outstanding special-mention loans stood at RMB343.470 billion, an increase of RMB27.009 billion compared with the prior year-end, accounting for 1.47 per cent. of total loans and advances, a figure which remained unchanged compared with the prior year-end. For the year ended 31 December 2025, the Group recorded a profit for the year of RMB257.936 billion, an increase of 2.06 per cent. compared with the year ended 31 December 2024. It realised a profit attributable to equity holders of the Bank of RMB243.021 billion, an increase of 2.18 per cent. compared with the year ended 31 December 2024.

As at 31 December 2025, the Group's loans and advances to customers amounted to RMB23,453.492 billion, an increase of RMB1,859.424 billion or 8.61 per cent. compared with the prior year-end. Specifically, the Group's RMB-denominated loans and advances to customers totalled RMB20,355.245 billion, an increase of RMB1,840.725 billion or 9.94 per cent. compared with the prior year-end, while its foreign currency loans and advances amounted to USD440.793 billion, an increase of USD12.388 billion or 2.89 per cent. compared with the prior year-end. As at 31 December 2025, the Group's capital adequacy ratio, tier 1 capital adequacy ratio and common equity tier 1 capital adequacy ratio (calculated in accordance with the Capital Rules for Commercial Banks (Provisional)) were 18.85 per cent., 14.34 per cent. and 12.53 per cent., respectively.

## THE BANK'S STRENGTHS

The Bank's principal strengths include:

### Well-Recognised Brand Name

The Bank is one of the most well-known commercial banks in the PRC. In the Bank's over 100 years history, the Bank has successfully built one of the most recognised brand names in the PRC through its contributions to the evolution of the PRC commercial banking industry.

### Largest and Rationally Distributed Overseas Network Complementing an Extensive Domestic Network

As at 31 December 2025, the Bank had a total of 11,459 institutions worldwide, including 10,926 institutions in the Chinese Mainland and 533 institutions in Hong Kong, Macau, Taiwan and other countries and regions. Its commercial banking business in the Chinese Mainland (including Head Office, tier-1 branches, tier-2 branches and outlets) comprised 10,255 institutions, including 38 tier-1 and direct branches, 376 tier-2 branches and 9,840 outlets.

The Bank's extensive domestic and overseas network enables it to structure and deliver products and services to serve its customers on a global basis and allows it to capture the business opportunities arising from the increasing integration of the PRC into the global economy.

### Solid Customer Base and Strong Presence in Attractive Customer Segments

In the PRC, foreign exchange services tend to be utilised by large corporate customers and affluent individuals. Capitalising on the Bank's position as one of the most experienced foreign exchange banks in the PRC and its extensive global network, the Bank has established and continued to maintain strong relationships with leading domestic and international corporations and financial institutions. The Bank also has a strong presence in the retail customer segment.

**Universal Banking Platform**

In addition to commercial banking, the Bank provides investment banking, insurance and other services through the Bank's wholly-owned subsidiaries, namely, BOC Wealth Management, BOC Asset Investment, BOC International, BOCG Insurance, BOC Insurance and BOCG Investment and through the Bank's subsidiaries such as BOCL, BOC Aviation, BOC Life and BOCIM.

The Bank fully utilises the advantages in its diversified business platform and its subsidiaries embrace the Group's overall strategy to focus on their specialised business areas, establish business linkage, promote cross-selling and product innovation to enhance the synergy across the Group and provide comprehensive and quality financial services to the customers.

**Leader in Non-Interest Income and Treasury Businesses with Strong Product Innovation Capabilities**

The Bank believes its diversified products and innovation capabilities have enabled it to generate a higher level of non-interest income, thus reducing its reliance on its traditional lending business. The Group's operating income comprises net interest income and non-interest income. In recent years, the Bank has further built upon its strengths in the trade finance business and co-ordinated the development of traditional businesses such as international settlement and issuance of letters of guarantee, and emerging businesses, such as cross-border Renminbi business and supply chain financing. The Bank has also experienced a steady growth in revenue from the letter of credit, letters of guarantee, factoring and trade finance-related businesses. In addition, the accelerated development of the domestic settlement business has promoted the income growth of settlement and clearing businesses. The Bank has also further developed its insurance agency and pension businesses, which resulted in a substantial increase in income related to agency commission fees. For clearing services, the Bank continuously improved its cross-border Renminbi clearing capabilities and further consolidated its position at the leading edge of international payments. The Bank continued to support the expansion of the Cross-border Interbank Payment System global network (the "**CIPS**"), maintaining 46 direct participants and over 700 indirect participants. As at 31 December 2025, the Bank held 16 RMB clearing bank licenses among the 33 countries/regions designated by the People's Bank of China, maintaining its top ranking among peer banks. The Bank's global markets department offers a broad range of treasury products and services for different customer groups, as well as conducts settlement and related quotation, and 24-hour daily treasury activities through its five trading centres located in Hong Kong, London, New York, Beijing and Shanghai.

The Bank believes its ability to offer innovative financial solutions to its customers provides it with a competitive advantage over other PRC commercial banks.

**Experienced Senior Management Team**

The Bank's senior management team has extensive experience in the banking and financial services. The Bank's Chairman, Mr. Ge Haijiao, has served as Chairman of the Board since April 2023. Mr. Ge joined the Bank in 2023. From November 2021 to March 2023, Mr. Ge served as a member of the Standing Committee of Hebei Provincial Committee of the CPC, the Executive Vice Governor of Hebei Province, Secretary of the Commission for Science, Technology, and Industry for National Defense under Hebei Provincial Committee of the CPC, and Head of the Office of Leading Group for Xiong'an New Area Planning and Construction under Hebei Provincial Committee of the CPC. From September 2019 to November 2021, he served as Vice Governor of Hebei Province. From December 2018 to September 2019, Mr. Ge served as an Executive Director of China Everbright Group Ltd. From January 2019 to September 2019, Mr. Ge served as the Executive Director and President of China Everbright Bank. From December 2016 to December 2018, he served as Deputy General Manager of China Everbright Group Ltd. Prior to that, Mr. Ge had held various positions in Agricultural Bank of China, including General

Manager of the International Banking Department of Liaoning Branch, General Manager of Liaoyang Branch, Deputy General Manager of Dalian Branch, General Manager of Singapore Branch, Deputy General Manager (department general manager level) of the International Banking Department of Head Office, senior executive of Sydney Branch, and General Manager of Heilongjiang Branch. Mr. Ge graduated and obtained a double Bachelor's Degree in Laws and in Economics from the Department of International Economics of Liaoning University in 1993, major in International Finance, and a Master's Degree in Economics from the Department of Economics of Jilin University in 1999, major in World Economics. He obtained a Master's Degree in Management from Nanjing Agricultural University in 2000, and a Doctor's Degree in Management from Nanjing Agricultural University in 2008. Mr. Ge is also a delegate to the 14th National People's Congress, and was a delegate to the 13th and 14th Hebei Provincial People's Congress and to the 12th Heilongjiang Provincial People's Congress. Mr. Ge holds the qualifications of Senior Economist and International Business Engineer.

## PRINCIPAL BUSINESS ACTIVITIES

The Group's principal lines of business consist of commercial banking, investment banking and insurance. The following table sets forth the profit before income tax by the Group's principal lines of business for the periods indicated:

### Profit before Income Tax by Business Lines

| | For the year ended 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| Corporate banking business | 125,198 | 41.55 | 127,293 | 43.16 |
| Personal banking business | 80,823 | 26.83 | 80,757 | 27.38 |
| Treasury operations | 69,286 | 23.00 | 60,199 | 20.41 |
| Investment banking and insurance | 9,964 | 3.31 | 9,764 | 3.31 |
| Others and elimination | 16,017 | 5.32 | 16,941 | 5.74 |
| Total | 301,288 | 100.00 | 294,954 | 100.00 |

The Group conducts its business activities in the Chinese Mainland as well as 64 countries and regions. The following table sets forth a geographical breakdown of the profit before income tax of the Group for the periods indicated:

| | For the year ended 31 December | |
|---|---|---|
| | 2025 | 2024 |
| | (RMB million) | |
| Chinese Mainland | 217,380 | 216,712 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 63,790 | 60,686 |
| Other countries and regions | 20,712 | 18,352 |
| Elimination | (594) | (796) |
| Total | 301,288 | 294,954 |

### Commercial Banking in the Chinese Mainland

The Bank actively fulfilled its mission and responsibilities as a major financial institution, effectively implemented the country's macroeconomic policies, and strived to act as a primary driver in serving the real economy. For the year ended 31 December 2025, the Group's commercial banking business in the Chinese mainland recorded an operating income of RMB487.937 billion, an increase of RMB9.762 billion or 2.04 per cent. compared with the year ended 31 December 2024.

## Corporate Banking

Centring on the needs of the real economy, the Bank continuously advanced the high-quality development of its corporate banking business. It actively served the building of a modern industrial system and stepped up credit support to major national strategies, key areas and weak links of the economy. It enhanced the quality of services supporting the establishment of industrial systems for advanced manufacturing and the digital economy, and promoted the region-specific development of new quality productive forces. Leveraging its financial strength, the Bank supported coordinated regional development in areas such as the Beijing-Tianjin-Hebei region, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Economic Belt, assisting the implementation of national strategies. It developed a marketing mechanism covering the entire product line for corporate banking customers, improving its responsiveness to customer demand for financial products. The Bank built a customer-centric corporate customer service system, refined its tiered and classified management system for various customer groups, including large, medium, small and micro-sized enterprises, and recorded improvements in both the size and quality of its customer base. As at 31 December 2025, the total number of corporate clients increased by 13.88 per cent. compared to the previous year-end. In 2025, the Group's corporate banking business in the Chinese mainland recorded operating income of RMB201.872 billion.

### *Corporate Deposits*

Adhering to the principle of coordinated development of volume and pricing, the Bank continued to promote the high-quality development of its deposit business. It continued to enhance its customer-centric philosophy and improve its tiered customer marketing management system to strengthen its comprehensive service capabilities. The Bank further optimised its business structure, enhanced pricing capability, balanced risk with development, and continued to achieve reasonable growth in quantity alongside effective improvement in quality. It also gave full play to the strategic positioning of its administrative institution business. In light of more proactive fiscal policies, the Bank focused on the core concerns of government entities and provided them with comprehensive financial services. As at 31 December 2025, RMB corporate deposits of the Bank's commercial banking business in the Chinese mainland totalled RMB9,143.963 billion, an increase of RMB281.737 billion or 3.18 per cent. from the prior year-end, indicating a further improvement in market competitiveness. Foreign currency corporate deposits amounted to USD112.887 billion, an increase of USD34.313 billion or 43.67 per cent. from the prior year-end, maintaining the leading position among peers.

### *Corporate Loans*

The Bank closely tracked customer financing needs, increased credit supply to major national strategies, key areas and weak links, and effectively improved the quality and efficiency of its service to the real economy. It supported the nation's high-level self-reliance and strength in science and technology, and increased credit supply to strategic emerging industries to assist in the building of a modern industrial system. The Bank served the nation's ecological conservation strategy, improved its green credit products and services and created the BOC Green Finance brand, thereby contributing to sustainable social and economic development. It supported the strategy of expanding domestic demand, optimised financial services for the manufacturing sector and private enterprises, accelerated the development of scenario ecosystems, achieved breakthroughs in online products, and helped to deepen supply-side structural reform. It served the rural revitalisation strategy, supported the development of modern agriculture, and consolidated and expanded poverty alleviation achievements. The Bank supported coordinated regional development and increased credit support for key industries according to local conditions, thereby injecting financial momentum into the building of a regional economic layout characterised by complementary advantages and high-quality development. It fully leveraged the advantages of its integrated commercial and investment banking structure to comprehensively serve customers' needs across the entire chain of M&A transactions. In 2025, the Bank was honoured with the Tianji Award for

"2025 Outstanding M&A Financing Bank" by Securities Times. It supported the national strategy of mutually beneficial opening up, releasing a white paper on serving enterprises' global expansion needs as well as action plans for assisting China's "Going Global" automakers and private enterprises. It strengthened economic and trade cooperation with overseas countries and diligently delivered financial services to support Belt and Road financial cooperation. As at 31 December 2025, RMB corporate loans and advances of the Bank's commercial banking business in the Chinese mainland amounted to RMB13,971.156 billion, an increase of RMB1,815.779 billion or 14.94 per cent. from the prior year-end, while foreign currency corporate loans and advances amounted to USD30.854 billion. Corporate green loans, loans to private enterprises, and loans to the manufacturing industry increased by 28.41 per cent., 18.35 per cent. and 17.18 per cent., respectively, compared with the prior year-end.

***Financial Institutions Business***

Leveraging on a global and integrated business platform, the Bank provided comprehensive and high-quality financial services to customers around the world.

The Bank deepened cooperation with various types of financial institutions. It maintained correspondent relationships with more than 1,500 institutions around the world and has opened 1,630 cross-border RMB clearing accounts for correspondent banks from 117 countries and regions, establishing itself as a leader among Chinese banks. The Bank promoted the RMB Cross-Border Interbank Payment System (CIPS) and has forged indirect participant partnerships with over 700 domestic and overseas financial institutions, capturing the largest market share among peers. Its custodian service for Qualified Foreign Investors (QFI) and its agency service for overseas central banks and other sovereign institutions led the industry in terms of both customer base and business scale. It also ranked first in terms of amount under custody of bonds invested by overseas institutions in the China interbank bond market (CIBM).

The Bank actively promoted RMB internationalisation. It held global roadshows and conducted market promotion for RMB international usage business, using the Chinese capital market as the starting point to provide comprehensive RMB investment and financing services as well as promoting commercial utilisation under currency swap agreements.

The Bank established multi-level partnerships with sovereign institutions and international multilateral financial institutions. It assisted the Asian Infrastructure Investment Bank, New Development Bank, Asian Development Bank, African Export-Import Bank and the governments of Hungary and the Emirate of Sharjah in issuing Panda bonds.

The Bank enriched product supply in capital markets. It supported a pilot programme for gold investment by insurance funds, formulating a service scheme to support insurance funds' participation in the Shanghai Gold Exchange and providing trading quotation, custody and margin depository services for six insurance company members. One of the first participants in free trade zone offshore bonds, the Bank launched the world's first Shanghai Free Trade Zone offshore bond project, attracting a large number of overseas investors.

***Transaction Banking Business***

The Bank actively supported high-level opening up, fully leveraging its professional strengths in foreign exchange and foreign trade. It continued to deepen the digital and intelligent transformation of its transaction banking business, coordinating domestic and international markets and resources to steadily enhance the quality and efficiency of its service to the real economy.

The Bank tapped into cross-border services to increase support for trade and investment facilitation. It continuously improved its foreign trade support system by formulating a range of service programmes, including measures to stabilise foreign trade and initiatives to enhance cross-border trade facilitation, so as to help foreign trade enterprises achieve stable and sustainable development. Cross-border settlement volumes recorded steady growth. The Bank continued to promote foreign exchange facilitation measures and iteratively upgraded services such as the "BOC Cross-border Remittance Express", online trade document services and letters of guarantee. During the year, the international settlement volume and cross-border RMB settlement volume of the Group's domestic institutions exceeded USD4.45 trillion and RMB17.7 trillion, respectively, maintaining leading market position and further consolidating the Bank's competitive advantages in foreign trade-related documents and letters of guarantee. The Bank also achieved rapid growth in emerging forms of foreign trade. By enhancing its comprehensive service system for cross-border e-commerce, which offers customers "full-chain support and global responsiveness", the Bank recorded an annual cross-border e-commerce settlement volume of RMB1.18 trillion, a year-on-year increase of 45 per cent., retaining its position as market leader. It comprehensively enhanced the quality and efficiency of its global cash management services, achieving full coverage of international financial centres, global currencies, benchmark industries, and central state-owned enterprises "Going Global". The Bank rolled out Integrated RMB and Foreign Currency Cash Pooling for Multinational Corporations across 26 pilot provinces and municipalities, leading the market in the scale of cross-border cash pools.

The Bank pursued innovation while upholding fundamental principles, and improved the quality and effectiveness of corporate domestic business services. It further strengthened its foundational corporate banking services by carefully crafting and refining its corporate account processes, thereby achieving simplified account opening, self-service account changes and centralised account closure. It accelerated the optimisation of its remittance service processes through form simplification and intelligent reporting, and promoted intensive corporate remittance operations to empower enterprises with efficient and convenient financial services. The Bank provided comprehensive supply-chain trade financing services for customers, covering products such as bills, letters of credit, and electronic vouchers for accounts receivable. It launched the "BOC Bill e-Connect" business model to meet the payment and financing needs of industrial-chain customer groups for one-stop, immediate bill issuance and discounting. As at 31 December 2025, the number of RMB corporate settlement accounts increased by 12.49 per cent. year-on-year. In 2025, the amount incurred of supply-chain trade financing reached RMB3.1 trillion, increased by 37 per cent. compared with the previous year.

***Inclusive Finance***

The Bank remained deeply committed to serving the broad mass of inclusive customers, focused on key industries and weak links, and enhanced service quality and efficiency, helping to improve people's well-being. The Bank continued to leverage its distinctive advantages such as the "credit factory" model, optimised business processes, and strived to build a scenario-based, data-intelligent financial service model. As at 31 December 2025, the Bank's outstanding inclusive finance loans to micro and small-sized enterprises (calculated in accordance with NFRA statistical standards) reached RMB2,770.131 billion, representing growth of 21.52 per cent. compared with the prior year-end. The number of customers totalled nearly 1.84 million, up by 22.86 per cent. compared with the prior year-end. The Bank advanced all-round rural revitalisation, with the balance of agriculture-related loans constantly increasing and the growth of inclusive agriculture-related loans outpacing the Bank's average loan growth rate. The Bank leveraged technology to enhance the quality and efficiency of its services and carried out financing promotion activities for SMEs. It formulated the Action Plan for Promoting Financing for Specialised and Sophisticated SMEs through the "One Chain per Month" Campaign and provided financial support for the development of specialised and sophisticated SMEs. The Bank recorded RMB38.260 billion in intellectual property pledge financing loans, serving over 4,000 customers. Committed to benefitting the people, the Bank targeted groups such as self-employed individuals, new urban residents, foreign trade merchants and veterans, and launched exclusive financial services such as loans for "famous-brand, special, excellent and new products", "Huichuang Loan", and "Huijun Loan".

*Pension Business*

The Bank implemented the national strategy of actively responding to the ageing population, fully supported the development of a multi-level and multi-pillar pension insurance system, and promoted the improvement and expansion of its pension business. As at 31 December 2025, the Bank's entrusted pension funds reached RMB318.033 billion, an increase of RMB58.942 billion or 22.75 per cent. compared with the prior year-end. Enterprise annuity individual accounts held by the Bank reached 4.5973 million, up by 0.1616 million or 3.64 per cent. compared with the prior year-end. The Bank provided enterprise annuity services to more than 20,000 institutional customers.

*Personal Banking*

Adhering to a customer-centric approach, the Bank made every effort to support people's wellbeing and accelerated the high-quality development of personal financial services. As at 31 December 2025, the Bank's domestic commercial banking business served approximately 554 million personal customers, an increase of 2.66 per cent. compared with the prior year-end. In 2025, the Bank's personal banking business in the Chinese Mainland realised an operating income of RMB231.387 billion.

*Account Management Business*

The Bank is committed to offering inclusive and high-quality account management services. It accelerated the optimisation of basic customer service processes and promoted the paperless transformation of over-the-counter services in key business scenarios such as account opening, transaction limit adjustment and card replacement/renewal, thereby making customer services more convenient. The Bank strengthened its personal pension business and comprehensively upgraded its one-stop comprehensive pension scheme, covering pension account opening, pension contribution and asset management. As at 31 December 2025, it provided personal pension account management services for more than 10 million customers, with cumulative contributions exceeding RMB10 billion and multiple services ranking among the top in the industry in terms of quality. The Bank continued to promote its Chinese Mainland personal account opening witness service in Hong Kong and Macao (known as the "Greater Bay Area Account Opening" service) and provided secure and convenient digital card services. As at 31 December 2025, the Bank opened over 440,000 accounts via its "Greater Bay Area Account Opening" service, an increase of 7.83 per cent. compared with the prior year-end. It actively reduced fees and made profit concessions, waiving personal debit card annual fees and management fees for petty accounts.

*Wealth Finance Business*

Fully adhering to the principles of openness and mutual benefit, the Bank robustly promoted the high-quality development of its wealth management business. It continually enhanced its product selection and management capability in pursuit of a "Market-wide + Group-wide" product shelf. It carried out monitoring and evaluation, dynamic optimisation and differentiated allocation based on market conditions. As at 31 December 2025, the Bank distributed 2,295 personal wealth management products and 5,246 public mutual fund products, meeting customer demand for wealth management across asset classes, strategies and regions. It steadily expanded cooperation with up to 20 wealth management companies, maintaining a market leading position. It strengthened product and service innovation, becoming the first in the market to offer actively managed publicly offered equity mutual fund products with performance based management fees. It pioneered the introduction of Canadian Dollar-denominated wealth management products and launched new Australian Dollar-denominated wealth management products, maintaining market leadership in terms of the diversity of personal foreign currency wealth management products and ranking first in the market in terms of related outstanding balances. The Bank strengthened its professional asset allocation capabilities, offered wealth allocation recommendations in accordance with customers' risk appetites and market conditions, and provided comprehensive wealth management planning for customers so as to meet their multi-dimensional requirements for liquidity, profitability and safety. It enhanced its whole-process customer service capabilities and continuously optimised "BOC Investment Strategy", a global investment strategy information service system covering major asset categories across different time intervals. It expanded its "Fortune" mobile banking community, providing customers with more comprehensive market information and investor education content. As at 31 December 2025, 44 cooperating financial institutions had joined the "Fortune" community, covering funds, insurance, securities and wealth management firms, among others. Ongoing efforts were made to optimise the interactive display of wealth management products on the Bank's mobile banking platform and enhance user-friendliness.

As at 31 December 2025, the total financial assets under management of the Group's personal customers reached RMB17.58 trillion, with a steady expansion of the medium and high-end customer base and related assets under management. The balance of domestic distributed personal wealth management products amounted to RMB1.54 trillion, an increase of 11.80 per cent. compared with the prior year-end, and the total volume of distributed publicly offered mutual fund products amounted to RMB406.321 billion, an increase of 12.73 per cent. compared with the prior year-end. In 2025, the sales volume of domestic distributed publicly-offered mutual funds amounted to RMB440.961 billion, a year-on-year increase of 5.70 per cent.; distributed personal insurance premiums amounted to RMB48.208 billion, a year-on-year increase of 17.50 per cent., and the sales volume of physical precious metals amounted to RMB74.552 billion, a year-on-year increase of 113.62 per cent. The Bank has established 8,506 wealth management centres and 1,278 prestigious wealth management centres in the Chinese mainland.

In 2025, the Bank received multiple industry awards, including the "Yinghua Award for Excellent Wealth Management Institution" and "Yinghua Award for Excellent Wealth Sales Bank" from China Fund News, the "2025 Tianji Award for Wealth Management Bank" from Securities Times, and the "Golden Bull Award for Banking Wealth Management Services" from China Securities Journal.

***Consumer Finance Business***

Closely focusing on residents' consumption needs, the Bank intensified efforts to improve its consumer finance services. Responding promptly to a series of policies aimed at boosting consumption, it issued the Special Action Plan of Bank of China for Developing Consumer Finance to Support Consumption Recovery, and systematically developed the "BOC Roadmap" with targeted measures to boost consumption and expand domestic demand. The Bank fully implemented national strategies and plans and continued to increase the provision of housing loans, supporting efforts to stabilise the real estate market. It actively implemented the requirements of the government's package of financial policies to stabilise markets and anchor expectations, as well as relevant relief measures and fiscal interest subsidies, ensuring that policy benefits reached consumers. As at 31 December 2025, RMB personal loans of the Bank's commercial banking business in the Chinese mainland reached RMB6,021.226 billion.

***Private Banking Business***

The Bank continued to develop globalised, comprehensive and customised private banking services. It enhanced the investment advisory services by regularly publishing global asset allocation strategy reports. It optimised the product distribution layout across the full product spectrum, introduced cross-border private FOF (fund of funds) products to strengthen its global allocation capabilities. The Bank provided customised asset allocation solutions and enhanced the intelligence of asset allocation. Focusing on the protection and inheritance of customers and their families' wealth, it continued to promote the development of trust business. The number of wealth management service trust and charitable trust customers increased by 64 per cent. compared with the prior year-end. The Bank enhanced its "Entrepreneur Office" service and upgraded the "GBIC" (Government, Business, Investment, Consumption) forum. The Bank enhanced global integrated services and enabled convenient mutual recognition and benefits sharing for medium and high-end customers between subsidiaries, which has improved the cross-border integrated service experience. Fulfilling its social responsibilities, the Bank has carried out "BOC Private Select-Charity Platform-Spring Bud Project" for 11 consecutive years, promoting the issuance of charitable products and trusts, and carried out the "Eternal Flame" intangible cultural heritage preservation and transmission initiative.

In 2025, the Bank was honoured with "China's Best State-Owned Private Bank" and "Best Private Bank for Impact Investing" by Euromoney; "Best Private Bank — National", "Best Private Bank — Wealth Planning", "Best Private Bank — Entrepreneurs" and "Best Private Bank — Philanthropy" by Asian Private Banker; "Best Private Bank for Global Entrepreneurs and Business Owners in China" by The Asian Banker, and "Outstanding Private Bank" by China Fund News. A total of 13 branches of the Bank were listed in the "Top 100 Private Banking Centres" by Retail Banking.

***Personal Foreign Exchange Business***

With a focus on key customers, regions and businesses, the Bank accelerated innovation in personal cross-border products and services and continued to optimise its service capabilities to consolidate its leading position. It actively supported new connectivity mechanisms for national cross-border payment infrastructure, becoming one of the first banks to launch Payment Connect services between the Chinese mainland and Hong Kong and leading the market in the cumulative scale of related transactions. It continuously facilitated cross-border financial services and implemented facilitation measures such as the digitalisation of the permit to carry foreign currency. As at 31 December 2025, the Bank led its domestic peers in transaction volume of personal foreign currency exchange against RMB as well as foreign currency personal deposits. It also continued to lead peers in terms of personal deposit-withdrawal currency coverage, offering 22 currencies, and personal foreign currency cash exchange coverage, offering 36 currencies.

***Bank Card Business***

The Bank continued to optimise its bank card products and services to meet the comprehensive needs of customers, thereby improving quality and effectiveness in the development of its bank card business.

The Bank enhanced the quality and efficiency of its debit card services to support the wellbeing of the people. The Bank further enhanced the functionality of its social security cards through "all-in-one card" functional upgrades and launched the "BOC-China Railway & Banking Expresspay" third-generation social security card in Tianjin, becoming the first bank to integrate financial services, social security, and local and inter-city transport in a single card. As at 31 December 2025, the Bank had issued a total of 128.5958 million physical social security cards. It actively served the country's rural revitalisation strategy and intensified efforts to promote rural revitalisation-themed debit cards, with a total of 9.2408 million cards issued. To improve its digital service capabilities, the Bank optimised the customer experience in quick payment card binding and payment processes. It launched the innovative "BOC Travel Benefits" quick payment brand and introduced a series of payment incentives to boost consumption across sectors such as travel and tourism, the night-time economy, cross-border consumption and campus life. In 2025, the transaction volume of quick payments via debit cards exceeded RMB8 trillion. As at 31 December 2025, the cumulative number of debit cards issued exceeded 738 million.

The Bank fully leveraged its professional credit card service capabilities to meet customers' diverse consumption needs. To implement the national policy of boosting consumption, the Bank continued to advance the high-quality development of its credit card business. Focusing on key customer groups, it upgraded the benefits offered under its "Great Wall" premium product series to private banking, prestigious wealth management and wealth management customers, and introduced a beneficiary-customisable benefits access mechanism. For younger customers, the Bank launched the capybara-themed “YOU Card”, while for culture and tourism customers, it issued the “BOC Hainan Free Trade Port” credit card and the “BOC Sichuan-Chongqing Unbounded Theme Card”, thus enhancing customer loyalty and boosting service experience. The Bank refined its processes and services and forged deep partnerships with leading new energy brands, thereby improving the core competitiveness of its new energy vehicle instalments business. It expanded partnerships across channels in key areas such as home renovation, furnishings and household appliances to provide flexible services to meet residents’ diverse consumption needs. The Bank proactively seized opportunities arising from government subsidy programmes, focusing on building key consumption scenarios, including clothing, food, accommodation, transportation and shopping. By deepening cooperation with leading payment institutions such as WeChat Pay and Alipay, the Bank consolidated the customer base for BOC card-binding services, expanded transaction scale and offered payment and bonus point benefits across diversified consumption scenarios to meet the consumption needs of residents. As at 31 December 2025, the Bank had issued a cumulative total of 150.0975 million credit cards. The balance of credit card loans reached RMB486.005 billion. Credit card transaction volume amounted to RMB1,103.677 billion. The total instalment volume of credit cards stood at RMB221.827 billion.

***Payment Merchant Business***

Upholding the principle of “payment for the people”, the Bank adhered to its strategy of improving the customer experience and made solid progress in payment service optimisation.

The Bank aligned with requirements of key customer groups by enhancing its payment service capabilities for elderly customers. As at 31 December 2025, 100% of its banking outlets had undergone elderly-friendly renovation, and a cumulative total of over 6 million “petty cash packs” had been distributed. In response to overseas visitors’ payment needs for dining, accommodation, transport and travel, the Bank continuously expanded its merchant network, maintained a leading market position in the foreign-card acquiring business and achieved 100% coverage of key merchants designated by the PBOC. It enhanced its ATM service capabilities, offering a 24/7 ATM cash withdrawal service for major overseas international bank cards. ATM interfaces supported multiple languages, and a small-denomination foreign-currency cash-withdrawal function was rolled out in key areas.

The Bank focused on key business scenarios by expanding coverage of its Railway e-Card services to 90 inter-city railway lines, covering key areas such as the Beijing-Tianjin-Hebei region, the Yangtze River Delta and the Guangdong-Hong Kong-Macao Greater Bay Area, serving over 46 million journeys. With a focus on high-frequency scenarios such as international business districts, transportation hubs and culture and tourism venues, it continuously strengthened its support for foreign card acceptance services. In 2025, the transaction volume of foreign card acceptance increased by approximately 75.73% year-on-year.

The Bank provided services to major exhibitions and vigorously supported payment facilitation at major international events, the Bank constructed foreign card acceptance environments for events such as the China Import and Export Fair (Canton Fair), CIIE and CIFTIS, ensuring a smooth and convenient payment experience.

***Financial Markets Business***

The Bank closely tracked global financial market dynamics, actively responded to market changes, leveraged its unique advantages in the financial markets business, strived to ensure prudent and compliant operations and continually adjusted its business structure, thus promoting the high-quality development of its financial markets business.

*Investment Business*

The Bank constantly strengthened its professional forecast and analysis of macroeconomic and financial market trends, dynamically optimised its portfolio structure and effectively balanced market risks and investment opportunities. It supported the development of the real economy, increased RMB portfolio investments in key areas such as central government bonds, local government bonds, sci-tech innovation bonds, green bonds and private enterprise bonds, retained its position as a leading investor in green debt financing instruments, and participated in the first interbank market sci-tech innovation bond investment. The Bank developed the "FTSE BOC China Local Government Bond Index Series" to support the opening up of China's bond market. It strengthened active management and diversified investment in its foreign currency portfolios, actively identified high-quality investment opportunities in bonds issued by Belt and Road partner countries, and enhanced portfolio diversification across assets and currencies, thus properly controlling risks while achieving steady growth in the scale and returns of its foreign currency portfolio.

*Trading Business*

The Bank constantly optimised its financial markets service system, while focusing on improving its comprehensive customer service capabilities.

The Bank sustainably consolidated its leading market position. Enhancing its capabilities in emerging market currencies, it launched foreign currency exchange against RMB for the Serbian Dinar and the Polish Zloty, bringing the total number of quoted foreign currencies against RMB to 42, and executed its first client spot foreign exchange transaction in Brazilian Real. Through these initiatives, the Bank led the domestic market in terms of volume of foreign currency exchange against RMB and the number of tradable foreign currencies. It served over 200,000 corporate customers in foreign currency exchange against RMB, with more than 100,000 corporate customers conducting transactions through online channels. The Bank fully served the real economy, actively advocated the concept of foreign exchange risk neutrality, and used a comprehensive range of financial market trading tools to help enterprises manage exchange rate risk. It continued to improve the functions of its electronic channels and upgraded the quality and efficiency of its hedging services for micro, small and medium-sized enterprises.

The Bank advanced the construction of a multi-level capital market. It supported the development of the "Science and Technology Innovation Board" of the CIBM (China Interbank Bond Market) and jointly created the "Bank of China-Huatai Securities Short-and-Medium-term Sci-tech Innovation Bond Joint Quotation Basket" with Huatai Securities, actively participating in quotation services for the CIBM's "Financial Sci-Tech Bond Standard Basket". It supported the development of a multi-level bond market by optimising its over-the-counter (OTC) bond business, enriching product supply and accelerating the expansion of OTC bond market capacity. By actively fulfilling its responsibilities as a core market-maker, the Bank received awards such as "Excellent RMB FX Market Maker" and "Excellent FX Pair Market Maker" from the China Foreign Exchange Trade System for several consecutive years, and maintained its leading position among gold market-makers on the Shanghai Gold Exchange. It continued to enrich and refine its quantitative trading strategies and explored the application of emerging technologies such as artificial intelligence (AI) in trading business scenarios to enhance its market-making and quotation capabilities. The Bank actively participated in the development of factor markets and completed the first Hong Kong gold contract transaction conducted by a domestic institution. It supported the Shanghai Gold Exchange pilot programme for insurance funds and completed the first gold spot transaction with an insurance institution.

The Bank served the high-level opening up of financial markets. It further streamlined international capital investment channels and continuously expanded services for overseas institutional investors. The Bank became one of the first market-makers for repo transactions under Bond Connect (Northbound) and further enhanced its full-suite product and service framework for overseas institutional investors, covering Bond Connect, Swap Connect and Repo Connect. It was among the first to sign a Swap Connect agreement with overseas institutional investors and participated in the expansion and upgrading of Swap Connect products. It was awarded "Excellent Northbound Market Maker under Bond Connect" for the eighth consecutive year. Over the past three years, the Bank's annual bond trading volume with overseas institutional investors has consistently exceeded RMB1 trillion, maintaining a leading position in the market. In support of the international use of RMB, the Bank continued to enrich its product and service offerings and actively advanced innovation in RMB-denominated asset collateral business.

The Bank constructed a solid line of defence against risks. It adhered to "centralised operation and unified management", strengthened its forward-looking, proactive and professional forecasting and analysis of financial markets, increased the proportion of high-rated bond investments, diversified the country composition of bond holdings and responded to changes in international trade dynamics and market volatility in an agile and efficient manner. It strengthened the infrastructure construction of financial market business, continuously deepened the application of risk mitigation tools such as master agreements and collateral for financial market transactions and reduced counterparty credit risk exposure. As a result, its risk management and control capabilities constantly improved.

***Asset Management Business***

The Bank seized market opportunities arising from residents' growing wealth and the expansion of the cross-border asset management sector, continuously optimised its product system, consolidated channel development, enhanced investment research and further improved its capabilities in compliance risk management, thus promoting the high-quality development of its asset management business. It actively served the real economy and residents' wealth management, coordinated with institutions such as BOC Wealth Management, BOCIM, BOCI China, BOC Assets Investment, BOC Hong Kong Asset Management, and BOCI-Prudential Asset Management, etc., to carry out asset management business, provided individual and institutional investors with domestic and foreign currency products featuring a comprehensive range of asset categories and diversified investment strategies across the full investment cycle, and continued to accelerate the issuance of various innovative products with distinctive themes. As at 31 December 2025, the scale of the Group's asset management business reached RMB3.68 trillion, reflecting its growing market influence.

***Custody Business***

The Bank continued to leverage synergistic efficiencies to strengthen the development momentum of its custody business, thus promoting steady and secure growth. Its scale of public offering fund custody has grown at a market-leading pace, while the number of wealth management subsidiary clients from peer institutions increased by 46%. It secured contracts for a number of leading insurance companies and was selected as the only newly added custodian bank for the occupational annuity plan by the Beijing Municipality. The number of publicly offered real estate investment trust funds (REITs) under its custody ranked among the top tier in the market. As at 31 December 2025, the Group's custody assets amounted to RMB24.5 trillion, including RMB5.5 trillion of insurance assets, RMB2.7 trillion of publicly offered funds, RMB2.3 trillion of pension funds and RMB2.1 trillion of bank wealth management products. Both the scale of domestic custody assets and the market share of custody fee income hit record highs, with their respective growth rates ranking first among major peers. The average daily balance of custody deposits reached RMB502.4 billion, also hitting a record high.

***Village Bank***

BOC Fullerton Community Bank is a vital platform of the Bank for promoting the high-quality development of inclusive finance and implementing the nation's rural revitalisation strategy. It is committed to providing modern financial services to county-level micro and small-sized enterprises, individual merchants, wage earners and farmers in accordance with the ideal of "focusing on county area development, supporting farmers and small-sized enterprises, and growing together with communities". As at 31 December 2025, BOC Fullerton Community Bank had established 134 village banks with 185 sub-branches in 22 provinces (including municipalities directly under the Central Government). Its registered capital amounted to RMB10.585 billion, with total assets and net assets standing at RMB104.455 billion and RMB15.740 billion, respectively. In 2025, BOC Fullerton Community Bank achieved profit for the year of RMB212 million.

BOC Fullerton Community Bank continually improved its product and service system, further expanding its customer base and business scale. Serving the real economy, it increased support for micro and small-sized enterprises and individual merchants. It also boosted rural revitalisation, delivered financial services to households in villages, and improved the quality and efficiency of services to agriculture-related entities such as large-scale planting and breeding households and family farms. BOC Fullerton Community Bank pressed ahead with digital transformation, thereby unblocking "last mile" barriers to county-level financial services. It also optimised its comprehensive risk management system for business lines that support farmers and small-sized enterprises. Its NPL ratio was 1.78 per cent., and its ratio of allowance for loan impairment losses to NPLs was 191.19 per cent. As at 31 December 2025, the balances of the total deposits and loans of its banks stood at RMB81.337 billion and RMB86.517 billion, respectively.

BOC Fullerton Community Bank received multiple awards and recognitions during the year, including "People's Craftsmanship Service" from people.cn, "2025 Excellent Case of Financial Consumer Protection and Service Innovation" from China Financial Media, "7th Annual Outstanding Brand Case in the Financial Industry" from China Finance, and "National Outstanding Lead Sponsor Bank for Village Banks in Fulfilling Social Responsibility (2024-2025)" from the Organising Committee of the Forum for the Development of Chinese Village and Township Banks, among others.

**Globalised Operation**

The Bank fully leveraged its strengths in globalised operations, further deepened coordination across the Group, gave full play to the service mechanism with global expertise accessible at any point of contact, and continued to enhance its global development capabilities and international competitiveness.

The Bank realised steady and orderly development in its globalised businesses and constantly improved its ability to create value. As at 31 December 2025, its overseas commercial banking business recorded customer deposits of USD656.206 billion, an increase of 11.39 per cent. compared with the prior year-end, and had issued loans and advances to customers of USD443.422 billion, an increase of 4.65 per cent. compared with the prior year-end. In 2025, the Bank's overseas commercial banking business achieved a profit before income tax of USD10.071 billion, an increase of 8.57 per cent. compared with the prior year.

The Bank continued to optimise its network and further enhanced its global service capabilities. It continuously improved its capability to operate and compete globally, promoted cross-border business, trade and economic exchange, and provided premier financial services for high-quality "Bringing In" and high-level "Going Global" initiatives. As at 31 December 2025, the Bank had 533 overseas institutions covering 64 countries and regions outside the Chinese mainland, including 45 Belt and Road partner countries, encompassing all of the world's important strategic nodes. In October 2025, Ankara Branch under Bank of China Turkey A.Ş. officially commenced operation.

The Bank strengthened top-level design for global development and forging synergies to drive the coordinated development of its institutions. It deepened operations in overseas markets and advanced the implementation and dynamic optimisation of market-by-market strategies for its overseas institutions, thus continuously strengthening their market competitiveness. The Bank improved its regional and intensive development mechanism for its overseas institutions, and implemented the BOCHK Southeast

Asia Regional Development Action Plan. It gave full play to the role of BOCHK in driving the development of its overseas institutions in Southeast Asia, reinforced the capability of BOC (Europe) as the Intermediate Parent Undertaking (IPU) of Bank of China in the EU, and continued to advance intensive operations in its middle and back offices.

***Corporate Banking***

The Bank leveraged the mechanism of "accessing the Bank's global resources and services at any point of contact", gathered domestic and overseas forces, engaged deeply in developing overseas markets, and promoted the high-quality growth of its overseas corporate banking business.

The Bank continuously expanded overseas corporate deposits, loans and other core businesses to consolidate and develop its competitive edge in globalised operations. It closely tracked changes in global markets, adopted targeted strategies based on a market-by-market approach, and leveraged the Group's mechanism of "accessing the Bank's global resources and services at any point of contact" to proactively provide services for Chinese enterprises expanding overseas, overseas enterprises entering China, and other key overseas investors. As a result, its cross-border service capabilities and market competitiveness steadily improved. The Bank also enhanced cross-border services in its investment banking business. It served as lead underwriter for 56 Panda bonds with a total issuance amount of RMB112.6 billion. It promoted the development of green finance, with its overseas green bond underwriting ranking first among Chinese-funded institutions.

The Bank proactively served China's high-standard opening up by striving to be the pacesetter in financial services. It actively supported high-quality Belt and Road cooperation, facilitating major progress in landmark projects such as the Simandou Iron Mine and making new headway in "Small and Beautiful" projects that improve people's wellbeing and attract public support. As at 31 December 2025, the Bank cumulatively followed up on over 1,400 corporate credit projects in Belt and Road partner countries, with cumulative credit support exceeding USD439.0 billion.

The Bank continuously enhanced the global service capabilities of its transaction banking business to optimise customer experience for cross-border services. It deeply explored distinctive transaction banking scenarios with a focus on key areas, and continuously improved the quality and efficiency of its overseas transaction banking products and services based on customers' personalised demands. It successfully implemented cross-border QR code payment projects such as those between China and Malaysia, China and Cambodia, and China and Indonesia, and continuously expanded coverage of mobile banking services that support "overseas wallets used domestically" and "domestic wallets used overseas" across more countries and regions. The Bank further improved its global cash management service system, covering all major international financial hubs across the Asia-Pacific region, the Middle East, Europe and Africa. Several benchmark global cash management projects were successfully implemented. The Bank continued to expand the global reach of its cross-border e-commerce services by officially launching cross-border e-commerce collection services in multiple overseas markets during the year, further improving the service chain.

The Bank capitalised on advantages arising from its global institution network to steadily boost its international influence. It fostered comprehensive cooperation with various types of financial institutions in areas such as clearing, settlement, lending, investment, custody, financial market operations and comprehensive capital market services. As a result, it further expanded its customer base. Moreover, the Bank made full use of its global partnership network, drew on advanced overseas expertise and deepened peer communication and cooperation mechanisms to continually strengthen its participation in ESG-related fields worldwide. The Bank responded in a more agile and forward-looking manner to market fluctuations, provided market advice to overseas institutional customers and promoted the investment value of RMB to medium and long-term investors around the world, resulting in steady growth in its overseas institutional investor customer base.

*Personal Banking*

The Bank continued to leverage its advantages in global operations and steadily improved its overseas personal banking products and services, providing customers with account management, savings, payment and settlement, and electronic banking. It provided wealth management and private banking services in countries and regions such as Hong Kong (China), Macao (China) and Singapore. As at 31 December 2025, the Bank had established an overseas personal banking presence in over 30 countries and regions, serving over 8 million customers and recording consistent growth in its customer base.

The Bank provided high-quality debit card, wealth management and loan services. The Bank offered a diverse range of debit card products, with clearing channels covering major international card networks and serving 19 countries and regions overseas. It constantly improved its Cross-boundary Wealth Management Connect services. As at 31 December 2025, the Bank had 70.9 thousand subscribers under the Northbound and Southbound schemes of Cross-boundary Wealth Management Connect, maintaining a market-leading position. It continued to improve its refined management and advanced the differentiated development of its overseas personal loan business.

The Bank enhanced its cross-border credit card service capabilities. It launched a Mastercard dual-application credit card product system, enabling transactions across both domestic and international online and offline channels. It also enabled domestic transactions for Mastercard single-branded cards and created a consumption model in which customers can use a single card at home and abroad, providing cross-border customers with a convenient tool for spending in China. The Bank introduced a technical upgrade for VISA and UnionPay dual-branded credit cards, moving from a magnetic strip to a chip-based technology, to enhance the security of overseas card use. It upgraded the welcome benefits for new cross-border customers and provided comprehensive bank card services for customers travelling abroad. The Bank continued to carry out its "Global Wonderful" cross-border brand campaign, establishing a brand campaign system covering all customers, key products, popular regions and designated groups. It strengthened marketing and promotion across both internal and external channels. A dedicated service section for students studying abroad has been launched to provide a comprehensive guide for all stages of the overseas education journey and to match students with suitable product portfolios and campaigns, thereby enhancing marketing and promotion efficiency. The Bank also developed and launched a peak-season marketing plan with a focus on students studying abroad, in a bid to deepen collaboration with external ecosystems. It strengthened cooperation with international schools, study-abroad agencies, embassies and consulates to enhance the precision of customer acquisition in external scenarios. By designing a single system that covers all stages of cross-border journeys and establishing precise outreach strategies, the Bank also strengthened refined operations for cross-border customer segments.

The Bank vigorously promoted the development of Departure Tax Refund. The Bank's agency services of Departure Tax Refund covered 21 provincial-level administrative regions, maintaining a leading position among peers. It introduced innovative specialised POS terminals for Departure Tax Refund, significantly enhancing the convenience of Departure Tax Refund services. In 2025, the number of Departure Tax Refund transactions handled by the Bank for overseas visitors increased by over 150 per cent. year-on-year.

The Bank constantly improved online service channels. It accelerated the development of the BOC Mobile Banking app (International Version). It optimised the online direct account opening experience, enabling one-stop online account opening for new customers and making the account opening process more efficient and convenient. It launched a pre-filling form function on its mobile banking platform, enabling seamless integration of online business applications and offline business processing through an O2O service model, thereby reducing customer waiting time. The Bank continued to promote online RMB payroll remittance services to better meet the payroll remittance needs of personal customers who "Go Global". It provided cross-border business travel customers with a featured service enabling UnionPay QR cross-border interoperability, enhancing convenience. The Bank also accelerated the digitalisation of credit cards, loans and other products, enriched its mobile banking product shelf, and comprehensively improved the online service experience for overseas personal customers to meet their diverse needs for online services. As at 31 December 2025, the BOC Mobile Banking app (International Version) was available in 31 countries and regions around the world and provided services in 12 languages, maintaining a leading position among Chinese peers.

***Financial Markets Business***

The Bank adopted a globalised and integrated operational model, actively anticipated changes in international financial markets, and delivered robust overseas financial market services.

The Bank seized market opportunities to increase bond investment by overseas institutions. The Bank strengthened its research and analysis of international markets and portfolio strategy, enhanced look-through management of its guidance to overseas institutions regarding business operations and risk management and adopted differentiated investment authorisations and development strategies tailored to each individual institution. Capitalising on market opportunities from overseas rate cuts, the Bank further expanded the bond investment scale of its overseas institutions while optimising their portfolio structures and pursued diversified investment while dynamically managing portfolio duration. As a result, the Bank's overseas branches and subsidiaries increased their investment in RMB bonds as well as bonds issued by Belt and Road participating countries and regions, with steady growth achieved in both investment scale and returns, facilitating the international use of RMB.

The Bank has been taking full advantage of its globalised and integrated trading operations. Through its operations in Beijing, Shanghai, Hong Kong, London and New York, the Bank provided a 5×24 quotation and trading services network to meet the needs of customers in different time zones. It established a financial market product system covering exchange rates, interest rates, precious metals and commodities. The Bank also created a globally integrated collateral management framework for its financial markets business. Its overseas trading centres continued to strengthen support for the Bank's global service network so as to complement the strengths of the onshore market, and enhanced the pricing competitiveness and differentiated service capabilities to promote high-level opening up. The Bank was among the first to engage in product innovation of the mutual market access mechanisms and use RMB bonds as collateral for derivatives clearing and repo transactions. These efforts supported Hong Kong in further developing its financial market infrastructure and consolidating the status as an international financial centre while contributing to expanding scenarios for the international use of RMB. The Bank's overseas institutions further deepened their presence in local markets, strengthened regional coordination mechanisms, collaborated to consolidate their customer bases, and enhanced customer service capabilities. The Bank provided RMB market-making and quotation services and engaged in RMB futures business in Singapore, South Korea and other countries and regions. The Bank became the first Chinese-funded bank conducting overseas OTC bond business in Singapore.

The Bank continued to lead its domestic peers in comprehensive global custody services. With a global custody scale of approximately RMB5 trillion and a custody network covering over 100 countries and regions, it provided global investors with multi-currency, multi-market and multi-asset custody services. Furthermore, it provided QFI, CIBM, QDII (Qualified Domestic Institutional Investors) and other custody services for several sovereign and high-profile institutional investors. Seizing opportunities arising from the expansion of the "Southbound Bond Connect" scheme, the Bank carried out cooperation with a diverse range of market participants. As at 31 December 2025, it remained first among Chinese peers in terms of the scale of global custody assets.

***Cross-border RMB Clearing Business***

The Bank further consolidated its leading position in cross-border RMB payments. The Bank continued to support the expansion of the CIPS global network, maintaining 46 direct participants and over 700 indirect participants. As at 31 December 2025, the Bank held 16 RMB clearing bank licenses among the 33 countries/regions designated by the People's Bank of China, maintaining its top ranking among peer banks. Businesses such as cross-border RMB settlement and clearing, Panda bonds and offshore RMB bonds continued to lead the market. The Bank actively expanded market outreach by hosting the RMB Internationalisation Forum in Hong Kong (China), and organising more than ten high-level overseas roadshows on RMB internationalisation across the Asia-Pacific, Europe, the Middle East, Africa and Latin America. For 13 consecutive years, the Bank published the White Paper on RMB Internationalisation, as well as the Cross-border RMB Index and Offshore RMB Index, contributing to the enhancement of the currency's international influence.

***BOCHK***

As a Hong Kong-listed bank controlled by the Bank, BOCHK capitalised on the Group's globalised advantages, comprehensive features and service mechanism with global expertise accessible at any point of contact, it cultivated the Hong Kong market, tapped into cross-border business opportunities, and optimised its regional management model in Southeast Asia. It adhered to the concept of sustainable development, bolstered digital empowerment and made every effort to improve development quality. As at 31 December 2025, BOCHK's issued share capital was HKD52.864 billion, total assets were HKD4,489.809 billion and net assets were HKD363.475 billion. In 2025, its profit for the year amounted to HKD41.189 billion.

Playing an active role in advancing the nation's dual carbon goals, BOCHK supported the low-carbon transformation and sustainable development of corporates in the Guangdong-Hong Kong-Macao Greater Bay Area and Southeast Asia through professional green financial products and services. Its green and sustainability-related loans to corporate customers achieved steady growth during the year. To support the green development of Hong Kong's local bond market, BOCHK participated in the HKSAR Government's issuance of infrastructure bonds and green bonds denominated in multiple currencies. Leveraging its international network, it assisted onshore local governments to issue offshore RMB bonds in Hong Kong, with the funds raised directed towards green or sustainable development projects. BOCHK also actively promoted green finance business development for personal customers and enriched its sustainable investment product offering. It launched a large-scale promotional campaign, "Urban GreenUp", to encourage customers to adopt greener, low-carbon practices both in their daily lives and wealth management activities, thus pursuing sustainable development together with BOCHK. It implemented its own green and sustainable finance classification standards and operational carbon neutrality plans in an orderly manner, hosted a large-scale international sustainable development forum, and was once again awarded the highest AAA rating from MSCI (Morgan Stanley Capital International) ESG, thus steadily advancing its sustainable development.

BOCHK leveraged collaborative mechanisms across its integrated business platforms and provided professional financial service solutions to meet the diverse financing needs of corporate customers. To serve the business development needs of customers, BOCHK advanced the development of its key businesses, including payment and settlement as well as cash management services, and consolidated its competitive advantages. It promoted inclusive finance and launched various supportive measures for SMEs in alignment with the HKMA. Meanwhile, BOCHK promoted the growth and enhanced the quality of its personal banking services by enriching exclusive products and services for different customer segments. To develop its premium "Private Wealth" brand, it offered exclusive succession planning solutions to address high-end customers' needs for wealth inheritance and appreciation, and expanded its network of Private Wealth Centres. To reinforce its superior family financial management brand, it launched the FamilyMAX "Legacy of Love" plan to attract account openings from high-end family customers and collaborated with various partners to offer comprehensive services to continuously improve product penetration. Through its "Banking can be TrendyToo" brand, which targets the young customer segment, it continued to provide accessible financial knowledge, entry-level products and exclusive offers to enhance financial literacy and anti-fraud education for young audiences. The customer base of high-net-worth individuals, families and young customers grew steadily as a result. As at 31 December 2025, BOCHK recorded solid growth in customer deposits and loans, with core financial risk indicators remaining stable. In 2025, BOCHK maintained its market leadership as an arranger bank in the Hong Kong-Macao syndicated loan market, retained its leading market position in the local mortgage market in Hong Kong, led the market in initial public offering (IPO) main receiving bank business in terms of total funds raised on the Main Board of Hong Kong Exchanges and Clearing Limited, and underwrote a number of bond issues with significant market influence.

BOCHK optimised internal and external collaboration and served the "Going Global" needs of corporate customers by proactively supporting the "Task Force on Supporting Mainland Enterprises in Going Global" launched by the HKSAR Government. It vigorously promoted technology finance and established an integrated financial service system to support the full lifecycle of technology enterprises, thus empowering their high-quality development. Capitalising on policies including the New Capital Investment Entrant Scheme and various high-quality migrant admission schemes, it participated in a pilot programme to accelerate loan approvals through the cross-boundary credit referencing of personal customers, with the aim of enhancing the service experience for cross-border customers and professionals relocating to Hong Kong. It enriched its cross-border wealth management product suite to offer comprehensive financial services to its clients and facilitated market connectivity. The number of cross-border customers increased steadily during the year, and the cumulative number of accounts opened and the volume of funds remitted or transferred under Southbound and Northbound Cross-boundary Wealth Management Connect services ranked among the top tier in the Hong Kong market. It expanded the coverage of its Guangdong-Hong Kong-Macao Greater Bay Area account opening attestation service to all Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area. It served as a participating bank and settlement bank for Payment Connect to provide banks in the Chinese Mainland and Hong Kong with bilateral cross-boundary fund settlement services in RMB and HKD, thus improving the convenience of cross-boundary payments. It introduced a RMB mortgage and property-pledge loan service under the Greater Bay Area Loan scheme. BOCHK was appointed by the HKSAR Government as one of its partner banks to facilitate the "cross-border disbursement of portable cash assistance" service, in support of the development of cross-border pension finance. It actively participated in the construction of the offshore RMB market and promoted the international use of RMB. Specifically, it supported the HKMA's RMB Business Facility and arranged offshore RMB loans and trade financing services for customers in Hong Kong, as well as Mainland enterprises "Going Global" via its Southeast Asian entities in the respective Southeast Asian countries. It launched offshore RMB bond repo and cross-boundary bond repo transactions in the Hong Kong market, using onshore bonds held via Northbound Bond Connect as collateral. BOCHK assisted an offshore issuer to launch the world's first Shanghai Pilot Free Trade Zone offshore bond, including offering sub-custodian services. It also assisted the Government of Indonesia and an enterprise from Kazakhstan in issuing their inaugural offshore RMB bonds, facilitating the international use of RMB.

Optimising its regional management model in Southeast Asia and pushing forward the development of globalised operations. BOCHK remained focused on regional integrated development while adopting a differentiated management approach across its regional entities through the organic combination of market-by-market strategies. Reinforcing its contribution as a regional headquarters, BOCHK optimised its cross-border service capabilities and network, steadily enhancing the market competitiveness of its Southeast Asian entities. It expanded regional product offerings and strengthened its brand reputation. Seizing opportunities arising from industrial relocation, BOCHK made concerted efforts to advance Belt and Road and "Going Global" projects as well as serving large corporate customers in the region. To promote financial market connectivity in the region, it enhanced its transaction, settlement and market-making capabilities. It collaborated with Bank of China (Malaysia) Berhad and was approved by

Bank Negara Malaysia as an Appointed Overseas Office to handle transactions and settlement in Malaysian Ringgit, helping customers to reduce cross-border transaction costs. Giving full play to the regional advantages of its Wealth Management brand, it strengthened collaboration with local partners to extend its product and service reach to the Southeast Asian region, meeting personal customers' diverse needs for financial services. It also accelerated the construction and optimisation of its regional digital platforms, including improving the functionality of local real-time payments, cross-border payments, QR code interconnectivity and RMB salary direct remittance services, as well as transaction security.

BOCHK reinforced the digital empowerment of business transformation through data, business intelligence and ecological approaches, with the aim of providing both customers and staff with high-quality digital services and experiences. It advanced the development of open and scenario-based financial service ecosystems, integrated products and services, and seamless process experiences. It expanded the application scenarios of BoC Pay+ and BoC Bill, and optimised the service capabilities of its intelligent Global Transaction Banking (iGTB) platform. To support fintech development in Hong Kong, BOCHK participated in various key projects launched by the HKMA. It completed the first batch of transactions harnessing cargo data under Project CargoX, enhancing the digital ecosystem for trade finance in Hong Kong. It completed the production verification testing of two use cases under the Project Ensemble pilot, achieving a successful real-world implementation of the tokenised product concept. It participated in the Generative Artificial Intelligence (GenAI) Sandbox, injecting new impetus into financial service innovation. It completed Phase 2 of the e-HKD Pilot Programme and validated key programmability features of digital currency through prepayment and dedicated fund use cases. It promoted the use of e-CNY in daily spending, providing customers with more flexible payment options. Through the HKMA's Interbank Account Data Sharing (IADS) programme, it provided a streamlined application process for unsecured personal loans, credit cards and corporate loans, enhancing efficiency in credit approvals. It pushed forward the development of intelligent operations through process digitalisation, internal process automation and operation centralisation, in order to mitigate operational risks caused by manual handling and improve operational efficiency and capacity. In addition, BOCHK enhanced its talent cultivation and management mechanism and fostered an innovative corporate culture, thus enhancing its technological support capacity.

BOCHK provided full support for emergency relief and reconstruction following the fire disaster in Tai Po, Hong Kong. BOCHK took the lead in donating HKD20 million through the BOCHK Charitable Foundation and set up a dedicated account for the "Support Fund for Wang Fuk Court in Tai Po" established by the HKSAR Government. It also implemented a number of emergency measures, conveying warmth through its actions and working alongside others to safeguard hope.

BOCHK was named "The Strongest Bank in Hong Kong" by *The Asian Banker* for the sixth consecutive year, "Bank of the Year in Hong Kong" by *The Banker* for the third consecutive year, and "Best Bank — Hong Kong SAR (Domestic Category)" by *FinanceAsia* for the second consecutive year.

## COMPREHENSIVE OPERATION

As the first major commercial bank in the Chinese mainland to develop comprehensive operations, the Bank engages in such fields as investment banking, asset management, insurance, direct investment, leasing and consumer finance. With a focus on serving the real economy, the Bank pursued progress in the "five major tasks" of promoting technology finance, green finance, inclusive finance, pension finance and digital finance. Giving full play to its traditional business strengths, it advanced the high-quality development of its comprehensive operation companies.

In 2025, the Bank further improved its collaboration capabilities and consolidated its regional coordination platform for comprehensive operations. It enhanced the collaboration mechanism for its institutions in Hong Kong (China) and improved cooperation among comprehensive operation companies. With a focus on its key business strategies, the Bank enriched the formats of its comprehensive operations matchmaking activities and steadily improved the overall quality and efficiency of collaboration in comprehensive operations. It strengthened top-level design of Group-wide management and control, adopted a systematic approach to standardising its Group-wide management mechanism, and improved the corporate governance structures of its comprehensive operation companies, and continuously improved the quality and efficiency of Group-wide management.

**Investment Banking Business**

***BOC International***

The Bank is engaged in investment banking business through BOC International. As at 31 December 2025, BOC International had issued share capital of HKD3.539 billion, total assets of HKD62.711 billion and net assets of HKD24.931 billion. In 2025, BOC International realised a profit for the year of HKD1.759 billion.

As an overseas investment banking platform based in Hong Kong (China), BOC International serves the investment banking business needs of the Group's "Going Global" and "Bringing In" clients. BOC International continuously consolidated its competitiveness and market position in Hong Kong. It focused on serving key areas such as technology finance and green finance to enhance the quality and efficiency of its support for the real economy. By providing professional and diversified investment banking services, BOC International led the market in IPO underwriting in Hong Kong and helped the Bank maintain its leading position in bond underwriting among Hong Kong peers. It accelerated the transformation of its traditional brokerage business into a wealth management business and continued to enhance sales and marketing efforts as well as the account opening experience for high-net-worth clients. The number of wealth management clients increased by approximately 10 per cent. compared to the end of the previous year. By establishing an exclusive employee stock ownership plan (ESOP) platform, BOC International provided professional services to companies and their employees, managing various employee stock option schemes and achieving a steady increase in scale. BOC International continued to enhance its asset management capabilities. BOCI-Prudential Asset Management Limited, a subsidiary of BOC International, ranked fifth in the Hong Kong Mandatory Provident Fund (MPF) market. BOC International also engages in securities-related business in Chinese Mainland through a subsidiary BOCI China.

**Asset Management Business**

***BOCIM***

The Bank is engaged in fund management business in the Chinese mainland through BOCIM. As at 31 December 2025, BOCIM had registered capital of RMB100 million, total assets of RMB8.174 billion and net assets of RMB6.156 billion. In 2025, its profit for the year reached RMB892 million.

BOCIM steadily expanded its asset management business, maintained sound internal control and risk management, and constantly improved its brand and market reputation. It consistently upheld the principle of prioritising investor interests by strengthening the construction of a platform-based, integrated and multi-strategy investment research system, optimising product layout and management, and improving its sales services and post-investment engagement mechanisms. In 2025, the Company remained committed to serving the real economy, actively responded to regulatory requirements, and fully implemented the public fund industry's high-quality development action plan. During the year, BOCIM successfully launched several innovative products, including the market's first-ever central SOE-backed warehousing and logistics REIT ("**BOCIM Sinotrans Warehousing and Logistics REIT**"), and one of the market's first ETFs based on a free cash flow strategy and "BOCIM Quality Emerging Mixed Fund", which was the Company's first actively managed equity fund with a floating management fee rate. The Company actively advocated rational, value-based and long-term investment concepts.

Among its products, the BOCIM Zhaoli Fund received the "Five-Year Open-Ended Bond Fund Sustained Excellence Golden Bull Award" at the 22nd Golden Bull Fund Awards organised by China Securities Journal. As at 31 December 2025, BOCIM's AUM stood at RMB793.0 billion. Specifically, its publicly offered funds reached RMB733.4 billion and its publicly offered funds excluding money market funds reached RMB337.2 billion.

***BOC Wealth Management***

The Bank is engaged in wealth management business in the Chinese mainland through BOC Wealth Management. BOC Wealth Management's business includes the issuance of publicly offered wealth management products, the issuance of privately offered wealth management products, the provision of wealth management advisory and consulting services, and other asset management-related business. As at 31 December 2025, BOC Wealth Management had a registered capital of RMB10.000 billion, total assets of RMB21.967 billion and net assets of RMB21.269 billion. In 2025, BOC Wealth Management realised a profit for the year of RMB2.499 billion.

BOC Wealth Management implemented requirements for the high-quality development of the financial sector, continued to enhance support for investment in major strategies, key areas and weak links, established an investment research system for serving the real economy and strengthened its multi-strategy, multi-asset allocation capability. In response to the low-interest-rate market environment, it optimised its product system, enriched its themed offerings in pension finance, green finance, inclusive finance and cross-border business, and improved its "fixed income+" product mix to meet the public's diverse financial needs. It strengthened its market-oriented sales and service system, consolidated its customer base, expanded distribution channels and enhanced its customer engagement capabilities. With a focus on deepening technological empowerment, BOC Wealth Management took "Data Factor×" and "AI+" as key breakthroughs and accelerated its digital and intelligent transformation. It improved its comprehensive risk management framework and reinforced bottom-line thinking to balance development with security. In 2025, BOC Wealth Management issued a total of 986 wealth management products, with cumulative funds raised amounted to RMB4.01 trillion, and 892 products reached maturity, with the cumulative redemption payments amounted to RMB3.93 trillion. As at 31 December 2025, 1,347 wealth management products remained outstanding, with a balance of RMB1.96 trillion.

**Insurance**

***BOCG Insurance***

The Bank is engaged in general insurance business in Hong Kong (China) through BOCG Insurance. As at 31 December 2025, BOCG Insurance had an issued share capital of HKD3.749 billion, total assets of HKD11.094 billion and net assets of HKD5.471 billion. In 2025, BOCG Insurance recorded insurance revenue of HKD2.686 billion and a profit for the year of HKD379 million.

BOCG Insurance helped to consolidate and enhance Hong Kong's position as an international financial centre and remained committed to international, market-oriented, standardised and digital operations. Focusing on the "five major tasks" of promoting technology finance, green finance, inclusive finance, pension finance and digital finance, BOCG Insurance rooted in the Hong Kong market, with strategic expansion into innovative business in the Guangdong-Hong Kong-Macao Greater Bay Area. BOCG Insurance comprehensively aligned with leading international peers and market benchmarks to robustly implement its insurance strategy and business coordination mechanism and advance product development and service upgrading. It also leveraged its expertise to meet the overseas insurance needs of the Group's customers. Based on the Group's integrated platform, BOCG Insurance expanded its customer base through multiple channels. It promoted market connectivity in the Guangdong-Hong Kong-Macao Greater Bay Area, recording breakthroughs in cross-border insurance services. Focusing on the development of new quality productive forces, it promoted in-depth digital transformation to accelerate process optimisation and enhance product innovation, thereby improving the customer experience. Embracing ESG strategies, BOCG Insurance promoted green office practices and supported green finance initiatives. It maintained an appropriate balance between development and security, effectively prevented and defused financial risks through high-quality risk management, and firmly safeguarded the "bottom line" of regulatory compliance.

***BOC Insurance***

The Bank is engaged in property insurance business in the Chinese mainland through BOC Insurance. As at 31 December 2025, BOC Insurance had registered capital of RMB4.535 billion, total assets of RMB12.739 billion and net assets of RMB5.339 billion. In 2025, it realised insurance revenue of RMB6.448 billion and a profit for the year of RMB286 million.

BOC Insurance adhered to compliant operations, pursued high-quality growth and served the country's overall strategic development, helping the insurance industry fulfil its role as a "shock absorber" for the economy and a "stabiliser" for society. It continued to advance the "five major tasks" of promoting technology finance, green finance, inclusive finance, pension finance and digital finance, focused on strategic priorities such as cultivating new quality productive forces and promoting coordinated regional development, strengthened the supply of insurance products and services, and comprehensively enhanced its risk management and protection capabilities, thereby providing more robust insurance coverage in support of the real economy and people's livelihoods. During the year, it provided insurance coverage totalling RMB53.23 trillion, delivered claims services 2.0873 million times, and paid compensation exceeding RMB3.861 billion. It actively implemented the Group's development strategy, continued to deepen bank-enterprise collaboration, focused on the innovation and promotion of products with banking and insurance characteristics, and continuously enhanced the functional value of property insurance in the integrated financial services system. Adhering to a specialised and differentiated operating approach, it continued to strengthen its efforts in areas such as overseas business and credit guarantee insurance. During the year, it provided insurance coverage for 337 overseas projects, with the aggregate sum insured reaching RMB200.0 billion. Its market competitiveness in tariff guarantee insurance remained the highest in the industry. BOC Insurance maintained a prudent and stable risk appetite, dynamically improved its comprehensive risk management framework and continued to strengthen its risk identification, early warning and response capabilities. It firmly reinforced the "bottom line" of compliance management to ensure safe and sound operations and development. It continued to strengthen social responsibility disclosure and communications, actively engaged in public welfare and livelihood protection initiatives, and fulfilled its responsibilities as an insurance company through concrete actions.

BOC Insurance maintained an "A-" credit rating and "stable" outlook from Standard & Poor's for the 12th consecutive year. It was included as one of the "2025 National Governance Innovation Experience Typical Cases" by People's Tribune, received the "2024-2025 Golden Reputation Annual Innovative Insurance Product" award from China Financial Media, and was recognised as a "GoldenBee Leading Enterprise" in the "2025 GoldenBee CSR China Honour Roll".

**Investment Business**

***BOCG Investment***

The Bank is engaged in overseas direct investment and investment management business through BOCG Investment. As at 31 December 2025, BOCG Investment had issued share capital of HKD34.052 billion, total assets of HKD510.539 billion and net assets of HKD141.214 billion on a consolidated basis. In 2025, BOCG Investment recorded a profit for the year of HKD9.911 billion.

BOCG Investment's business scope includes private equity investment, fund investment and management, real estate investment and management. By strictly implementing national strategies and the Group's arrangements, BOCG Investment achieved initial results in its strategic transformation. In line with the development of Hong Kong as an international innovation and technology centre, it actively invested in the technology and innovation sectors. To help expand high-standard opening up, it explored investment opportunities in Belt and Road partner countries, with a focus on Southeast Asia. Furthermore, it strengthened its comprehensive risk management system and enhanced its risk control capabilities. BOCG Investment also engages in life insurance business in the Chinese Mainland through a subsidiary BOC-Samsung Life Ins. Co., Ltd., and in aircraft leasing business through a subsidiary BOC Aviation Limited.

***BOC Asset Investment***

The Bank is engaged in debt-for-equity swap and equity investment business in the Chinese mainland through BOC Asset Investment. As at 31 December 2025, BOC Asset Investment had registered capital of RMB14.500 billion, total assets of RMB96.024 billion and net assets of RMB29.944 billion. In 2025, it realised a profit for the year of RMB3.025 billion.

BOC Asset Investment conducted debt-for-equity swap and equity investment business in support of the high-quality development of the real economy. Adhering to the "five major tasks" of promoting technology finance, green finance, inclusive finance, pension finance and digital finance, it implemented projects in the technology finance and green finance sectors, among others, to advance the construction of a modern industrial system. Steadily advancing its equity investment business, BOC Asset Investment established 28 private equity investment funds and invested in projects in industries such as commercial aerospace, biomedicine, artificial intelligence and integrated circuits. As at 31 December 2025, the Bank's cumulative market-oriented debt-for-equity swap business reached RMB266.036 billion.

**Leasing Business**

***BOC Financial Leasing Co., Ltd. ("BOCL")***

The Bank is engaged in financial leasing, transfer and receiving of financial leasing assets and other related businesses through BOCL. As at 31 December 2025, BOCL had registered capital of RMB10.800 billion, total assets of RMB87.885 billion and net assets of RMB12.455 billion. In 2025, BOCL realised a profit for the year of RMB337 million.

BOCL focused on its primary responsibilities and core businesses, remained fully committed to serving major national strategies, key areas and weak links, and supported the high-quality development of the real economy. As at 31 December 2025, BOCL had conducted a total of RMB149.950 billion in leasing business, with the scale of its leasing assets in key industries, including smart transportation, renewable energy, advanced manufacturing and new materials, accounting for 89.13 per cent. of the total. It also served the green mobility, new energy power generation, solid waste disposal and air quality management sectors, with green financial leasing accounting for 55.22 per cent. of total leasing assets. BOCL adhered to the principle of combining industry and finance to drive innovative development and made breakthroughs in multiple areas, including commercial aerospace, semiconductor equipment and cross-border equipment leasing. It accelerated the expansion of its aviation and shipping business, delivering 27 wide/narrow-body aircraft of various kinds and executing the Group's first domestically developed C919 large passenger aircraft business, the first unmanned aerial vehicle leasing business for the low-altitude economy, and the first domestic unmanned helicopter leasing business. Its fleet comprised 60 vessels and was progressively diversified to achieve asset allocation across major vessel types, including bulk carriers, container ships, tankers and LNG carriers, supporting the national cargo transportation and shipbuilding industries.

BOCL was the sole recipient of the "Leading Leasing Enterprise Supporting RMB Internationalisation" title at the China Financial Leasing Taking Off Award in 2025. It was also honoured with the "Industry Promotion Award" in the 11th China Air Finance "WAN HOO Award", as well as the "Innovation Award" in the 9th China Maritime Finance "Qianxing Award".

### Consumer Finance

***BOC Consumer Finance Co., Ltd. ("BOC Consumer Finance")***

The Bank is engaged in consumer loan business in the Chinese mainland through BOC Consumer Finance. As at 31 December 2025, BOC Consumer Finance had registered capital of RMB1.514 billion, total assets of RMB77.268 billion and net assets of RMB9.314 billion. In 2025, it recorded a profit for the year of RMB215 million.

BOC Consumer Finance closely aligned with national strategic plans to expand domestic demand and boost consumption, and integrated its own high-quality transformation into the building of a new development pattern. It comprehensively aligned with market needs and contributed its professional strengths to stabilising growth and promoting consumption through convenient and inclusive consumer finance services. As at 31 December 2025, its outstanding loans stood at RMB77.378 billion.

## SERVICE CHANNELS

Focusing on customer experience and taking digital transformation as a key driver, the Bank accelerated the transformation and upgrading of all service channels. It developed online channels with enhanced ecosystem integration capabilities and offline channels with stronger value creation capacity, cultivating an ecosystem in which online and offline channels are integrated and financial and non-financial scenarios are seamlessly connected.

### Online Channels

Tapping the potential of technological empowerment, the Bank vigorously expanded its online channels to rapidly develop its online businesses. In 2025, its transaction volume through e-channels reached RMB389.27 trillion.

In corporate banking, the Bank built a Group-wide integrated financial services portal and continuously optimised the online service experience for corporate customers. New functions were added to the Bank's domestic corporate online banking platform, including e-invoicing, asset management plans, the "Shipping Express" service, letters of credit, letters of guarantee, collections and trade financing products, as well as a dedicated section for foreign exchange. More than 140 existing functions, such as account enquiry, fund transfers and remittances, and electronic receipt enquiry and downloads, were further optimised. The overseas corporate online banking platform optimised over 50 functions involving more than 30 overseas institutions during the year, focusing on key functions such as "SEPA Instant Credit Transfer", payroll services and cash management. As at 31 December 2025, the platform covered 56 overseas countries and regions and provided services in 14 languages, maintaining leading coverage among Chinese-funded peer banks. The corporate mobile banking app was upgraded to version 6.0. The platform now supports over 190 service functions, including a newly-added foreign exchange section with five specialised service zones, and introduced convenient features such as single-user mode, e-invoicing and intelligent form auto-fill, driving rapid growth in active users. In addition, an English version of the corporate mobile banking app was launched, including a dedicated section for foreign exchange, providing streamlined services for foreign-funded and cross-border enterprises.

In personal banking, the Bank focused on enhancing customer experience and continuously upgraded the service capabilities of its personal mobile banking app. The Bank enriched its wealth management services, launched a new version of its transfer and remittance services, and added functions such as family trust, a self-selection centre for investment and wealth management products, and unified risk assessment, helping customers preserve and grow their assets. It upgraded its distinctive cross-border services, launched its "Payment Connect" service, and supported real-time cross-border remittance from the Chinese mainland to Hong Kong (China). It introduced global account services and enabled online customers to view assets across their accounts in the Chinese mainland and Hong Kong (China). It upgraded platform customer experience, improved its mobile banking user system and introduced a new user category of real-name users without linked cards. It revamped its mobile banking channels by introducing video news and information, themed hubs and a trending search list, as well as expanding search scope, thereby upgrading the user experience and strengthening content engagement. It boosted online-offline synergy, introduced account pre-filling and electronic receipt functions, and established a new closed-loop service process of "online information pre-filling — offline verification and processing — online receipt downloading", significantly improving business handling efficiency. In 2025, the number of medical insurance code authorisations for personal mobile banking amounted to 28.67 million. It optimised services for key customer groups, added a dedicated section for pension finance, and provided one-stop financial services for retirement planning and pension services. It also enhanced the "Beautiful Countryside" version of mobile banking and added convenient services such as a matchmaking channel and online limit assessment. The Bank continuously improved the digital risk control and anti-phishing monitoring capabilities of its online channels, identifying and shutting down a total of 9,396 phishing websites and app download links in 2025. Its "Cyber Defence" smart risk control and prevention system monitored 9.217 billion online transactions. As at 31 December 2025, the number of registered customers and monthly active customers of mobile banking reached 313.05 million and 104.90 million, respectively, making mobile banking the Bank's most active trading channel.

The Bank's mobile banking app was honoured with the "People's Craftsmanship Product" award at the 2025 People's Craftsmanship Brand Promotion Event organised by people.cn, and the "National Mobile Banking Leading Star" award at the 2025 Digital Banking Excellence Selection organised by www.cebnet.com.cn.

**Offline Channels**

The Bank steadily advanced the optimisation and upgrading of its outlets and strengthened the integration of financial services with livelihood-related scenarios. It continued to refine its outlet network and ensured sufficient resource allocation to channels in key regions and counties. In 2025, the Bank optimised and adjusted 380 outlets in total (including new openings, closures, and relocations). It expanded into 21 previously unserved counties, increasing its county coverage ratio by 1.12 percentage points to 66.95 per cent. and bringing the total number of institutions operating in county and township areas to 3,018. The Bank accelerated the development of featured outlets, establishing outlets specialised in areas such as technology finance, green finance, inclusive finance and pension finance in line with local conditions, and strengthened the ability of offline channels to serve key customer groups, regions and businesses. It enhanced outlets' intelligent service capabilities. By utilising tablet-version smart counters, it enabled off-site processing for services including digital debit card issuance and the issuance of authentication tools, supporting the expansion of key products. It continued to streamline business processes for account opening, contract signing, limit adjustments and transaction statement printing, improving service efficiency and customer experience.

As at 31 December 2025, the Bank's commercial banking institutions in the Chinese mainland (including Head Office, tier-1 branches, direct branches, tier-2 branches and outlets) totalled 10,255, with 43,046 smart counters and 22,272 ATMs, and the annual ATM transaction volume totalled RMB1,538.8 billion. The number of other institutions in the Chinese mainland totalled 671, and the number of its institutions in Hong Kong (China), Macao (China), Taiwan (China) and other countries and regions totalled 533.

## BUSINESS DEVELOPMENT WITH TECHNOLOGY

The Bank closely monitored cutting-edge trends in technological advancement and explored practical scenarios and innovative pathways for leveraging financial technology to empower business development. In 2025, the number of employees engaged in technology and digital operations management stood at 19,987, accounting for 6.37 per cent. of total employees, of which 16,606 were employees of the Group's commercial banks in the Chinese mainland, accounting for 6.05 per cent. of such employees. The Bank invested RMB25.001 billion in financial technology (according to the statistical standards of regulators in the Chinese mainland) during the year, representing 3.80 per cent. of its operating income.

The Bank steadily advanced the development of 40 technological and strategic projects and optimised its application project management mechanism, resulting in a 13.4 per cent. year-on-year reduction in average project delivery time. It continued to promote the transformation of its technological architecture, with the total number of cloud platform servers reaching 51,000. The Bank continuously upgraded its basic technology platform. As at 31 December 2025, its distributed technology platform supported the migration of 443 Head Office-level applications to the cloud. 197 Head Office-level applications and 161 branch-level applications were connected to its front-end technology platform, and 261 Head Office-level applications and 35 branch-level applications to its big data technology platform. The availability of important information systems was maintained at above 99.99 per cent.

The Bank fully implemented the "AI+" initiative and formulated the "AI+" Development Plan of Bank of China. Focusing on "building platforms, aggregating data, promoting applications, managing risks and establishing mechanisms", it advanced digital and intelligent transformation across the Bank. Leveraging three major platforms for computing power, technology and data; two agile, efficient, secure and reliable mechanisms for AI-enabled governance, and six typical application paradigms (including intelligent Q&A and report generation), the Bank developed the BOCAI large model platform, deployed a series of large models such as DeepSeek and Qwen3, and built more than 400 intelligent assistants to empower key business functions including credit, marketing, operations, office work, customer service and technology. Its intelligent R&D assistant recorded nearly 10,000 users, including over 6,900 monthly active users, with a code adoption rate of over 30 per cent., helping improve financial technology efficiency. The Bank continued to push boundaries in the application of new technologies. It leveraged enterprise-level robotic process automation (RPA) to reduce the workload of primary-level institutions, deploying RPA in over 3,600 scenarios and executing an average of nearly 300,000 tasks per month. The Bank continuously enhanced its image-recognition capabilities and supported the recognition of over 270 bills and certificates, with an average daily call volume of 1.5 million requests, effectively improving operational quality and efficiency. In addition, the Bank took a forward-looking approach in cutting-edge sectors such as quantum technology. It established a full-lifecycle management system for quantum-resistant digital certificates and keys, accelerated the adaptation and support of quantum-resistant cryptography algorithms as well as the migration and verification of pilot application projects, and conducted research on the application of quantum wireless satellite communication technology in financial scenarios.

In terms of marketing, the Bank built a brand-new digital marketing hub covering six themes, including strategy, campaigns, benefits and outreach, etc. Through this hub, it introduced new marketing tools, launched further marketing activities and connected with customer communication systems such as mobile banking, SMS and smart counters through a single access point, enhancing its ability to respond in a targeted manner to customers' demands for financial services. It also established a one-stop customer relationship management platform to make customer services more refined, intelligent and automated. In terms of operations, the Bank centralised operations in 43 business scenarios, effectively improving efficiency in the processing of complex transactions. It made remote approval more intelligent by further increasing the automation rate of transaction review. In terms of payments, the Bank launched features including quick payment one-click restriction removal, one-click rollback, card-binding optimisation, and the integration of mobile banking within the UnionPay cloud network. The success rate of card binding increased by 5 per cent., helping improve the customer experience with online payment products. In terms of risk control, the Bank built new credit risk management system components and established a Group-level credit risk monitoring and early warning system covering all customers, statistical standards and processes. It improved its anti-fraud system and enhanced the flexibility and timeliness of fraud risk monitoring to fully safeguard the security of customers' funds.

The Bank deepened its open competition mechanism to stimulate further innovation across the Group. Targeting key areas such as the "five major tasks" and cross-border services, the Bank rolled out more than 180 innovation achievements. It replicated and promoted digital transformation outcomes at the branch level and provided branches with digital marketing tools and risk prevention measures, thereby reducing the burden on primary-level institutions and empowering their business development through digital technologies.

In addition, the Bank is engaged in fintech innovation, software development, platform operation and technical consulting services through BOC Financial Technology. Positioned as the comprehensive service base, scenario-based construction platform, innovation mechanism and unified output channel of the Group's technology system, BOC Financial Technology is deeply integrated into the Group's comprehensive service system to support the Group's digital financial development. BOC Financial Technology fully implemented market-by-market IT development plans for the Group's comprehensive operation companies and helped improve the Group's comprehensive technological support capacity. It devoted great efforts to building a scenario-based ecosystem, including a corporate treasury system, the "Rejuvenation Platform", and the "BOC Compass" app, thereby helping to improve its digital services for industrial customers. It deepened the application of innovative technologies and focused on building the Group's "Quantum 1650" technology innovation finance platform. Furthermore, it focused on IFRS 17 (the new accounting standard for insurance contracts) and anti-money laundering products to steadily advance external cooperation, with the aim of providing mature, stable and highly professional system support to customers. It continued to expand the Group's "finance + technology" brand influence, and was listed among the "2025 IDC China FinTech Emerging 50" and "KPMG China FinTech Companies Double 50".

## MAJOR CONTRACTS

### Material Custody, Sub-contracts and Leases

In 2025, the Bank did not take, or allow to subsist any significant custody of, sub-contract or lease assets from other companies, or allow its material business assets to be subject to such arrangements, in each case that is required to be disclosed.

### Material Guarantee Business

As approved by the PBOC and the NFRA, the Bank's guarantee business is an off-balance sheet item in the ordinary course of its business. The Bank operates its guarantee business in a prudent manner and has formulated specific management measures, operational processes and approval procedures in respect of the risks of guarantee business and carries out this business accordingly. In 2025, save as disclosed above, the Bank did not enter into or allow to subsist any material guarantee business that is required to be disclosed.

The Bank's guarantee business principally comprises letters of guarantee. For details of the outstanding amount of letters of guarantee issued by the Bank as at 31 December 2025, please refer to Note V.41 of the Consolidated Financial Statements.

During 2025, there was no violation of laws, administrative regulations or rules of the CSRC in the Bank's guarantee business.

## EMPLOYEES

As at 31 December 2025, the Bank had a total of 313,746 employees. There were 287,855 employees in the Bank's operations of the Chinese Mainland, of which 274,487 worked in the Bank's domestic commercial banking operations (including Head Office, tier-1 branches, direct branches, tier-2 branches and outlets). As at 31 December 2025, there were 25,891 employees in the Bank's operations in Hong Kong, Macau, Taiwan and other countries and regions. As at 31 December 2025, the Bank bore costs for a total of 4,080 retirees.

The following table sets forth the total number of employees by geographic distribution as at 31 December 2025:

| | **Number of employees** | **Per cent. of total** |
|---|---:|---:|
| Northern China | 68,443 | 21.81 |
| Northeastern China | 22,718 | 7.24 |
| Eastern China | 91,863 | 29.28 |
| Central and Southern China | 66,819 | 21.30 |
| Western China | 38,012 | 12.12 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 19,088 | 6.08 |
| Other countries and regions | 6,803 | 2.17 |
| Total | 313,746 | 100.00 |

## Intellectual Property

The Bank owns various intellectual property rights including trademarks, patents, domain names, and copyrights. The Bank conducts business under the "Bank of China", "BOC", "中國銀行", "中銀", "中行" and "", and other brand names and logos.

# DESCRIPTION OF THE HONG KONG BRANCH

The Bank set up its branch in Hong Kong in 1917. After BOC Hong Kong (Holdings) Limited became listed on the Hong Kong Stock Exchange in 2002, the Hong Kong branch of the Bank kept the full banking license and became an authorised institution under the laws and regulations of Hong Kong. The Bank of China Limited, Hong Kong Branch ("**Hong Kong Branch**") is positioned to be the offshore investment and financing platform for the Group, with a strategic goal to become the Group's offshore platform to provide comprehensive global financial market services.

## BUSINESS ACTIVITIES

The Hong Kong Branch is a licensed bank in Hong Kong, with its registered office at Bank of China Tower, 1 Garden Road, Central, Hong Kong, and is currently focusing on the development of its wholesale banking business. The main businesses of the Hong Kong Branch include the issuance of certificates of deposit, U.S. commercial paper, medium-term notes, money market loans and deposits; debt security investment management; CNH related trading; underwriting and sales of fixed-income products for clients, issuing and managing structured note products.

In addition, the Bank is an institution registered with the Securities and Futures Commission and may conduct the following regulated activities: (1) dealing in securities, (2) advising on securities, and (3) asset management.

## HONG KONG REGULATORY GUIDELINES

The banking industry in Hong Kong is regulated by and subject to the provisions of the Banking Ordinance and to the powers and functions ascribed by the Banking Ordinance to HKMA. The Banking Ordinance provides that only banks, which have been granted a banking license ("**license**") by HKMA, may carry on banking business (as defined in the Banking Ordinance) in Hong Kong and contains controls and restrictions on such banks ("**licensed banks**").

The provisions of the Banking Ordinance are implemented by HKMA, the principal function of which is to promote the general stability and effectiveness of the banking system, especially in the area of supervising compliance with the provisions of the Banking Ordinance. HKMA supervises licensed banks through, among others, a regular information gathering process, the main features of which are as follows:

- each licensed bank must submit a monthly return to HKMA setting out the assets and liabilities of its principal place of business in Hong Kong and all local branches and a further comprehensive quarterly return relating to its principal place of business in Hong Kong and all local branches. HKMA has the right to allow returns to be made at less frequent intervals;

- HKMA may order a licensed bank, any of its subsidiaries, its holding company or any subsidiaries of its holding company to provide such further information (either specifically or periodically) as it may reasonably require for the exercise of its functions under the Banking Ordinance or as it may consider necessary to be submitted in the interests of the depositors or potential depositors of the licensed bank concerned. Such information shall be submitted within such period and in such manner as HKMA may require. HKMA may also require a report by the licensed bank's auditors (approved by HKMA for the purpose of preparing the report) confirming whether or not such information or return is correctly compiled in all material respects;

- licensed banks may be required to provide information to HKMA regarding companies in which they have an aggregate of 20 per cent. or more direct or indirect shareholding or with which they have common directors or managers (as defined in the Banking Ordinance), the same controller (as defined in the Banking Ordinance), with common features in their names or a concert party arrangement to promote the licensed bank's business;

- licensed banks are obliged to report to HKMA immediately of their likelihood of becoming unable to meet their obligations;

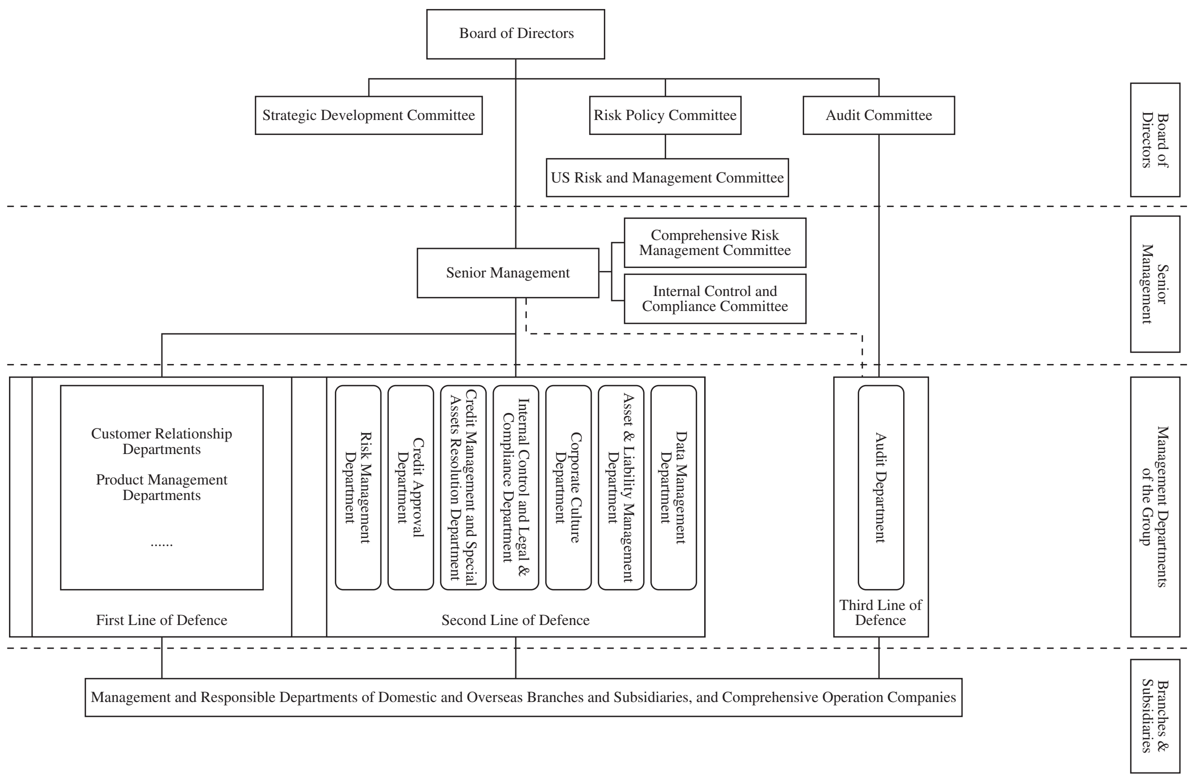
- HKMA may direct a licensed bank to appoint an auditor to report to HKMA on the state of affairs and/or profit and loss of the licensed bank or the adequacy of the systems of control of the licensed bank or other matters as HKMA may reasonably require; and

- HKMA may, at any time, with or without prior notice, examine the books, accounts and transactions of any licensed bank, and in the case of a licensed bank incorporated in Hong Kong, any local branch, overseas branch, overseas representative office or subsidiary, whether local or overseas, of such licensed bank. Such inspections are carried out by HKMA on a regular basis.

# RISK MANAGEMENT

The Bank has established a sound and effective organisational structure for risk management that comprises the Board of Directors, the Senior Management, risk management departments, business departments and internal audit departments. The Board of Directors assumes ultimate responsibility for enterprise risk management, while the Senior Management assumes responsibility for the implementation of enterprise risk management. Adhering to the principles of "forward-looking, proactive, adaptive and applicable", the Bank continued to promote the development of its enterprise risk management system. It optimised its risk appetite to align with its business strategies, and actively supported high-quality development. To strengthen risk governance, it consistently advanced closed-loop research and analysis and closed-loop emergency response, and improved its assessment framework for enterprise risk management performance. The Bank strengthened risk management penetration at all organisational levels, improved the risk prevention and control framework of its overseas institutions, and effectively implemented differentiated risk management for its comprehensive operation companies. Efforts were made to mitigate risks in key areas such as real estate and local government debt, and to firmly defend the "bottom line" of zero occurrence of systemic financial risk. The Bank accelerated the digital and intelligent transformation of risk management, strengthening its risk data foundations, improving internal rating models and optimising system functionalities, so as to enhance its capabilities in risk measurement, risk monitoring and risk management. It steadily advanced the implementation of the Capital Rules for Commercial Banks and efficiently fulfilled its regulatory reporting and external disclosure obligations, taking the new rules as an opportunity to strengthen the refined management of its risk-weighted assets and continuously deepen the management and application of credit ratings.

The risk management framework of the Bank is set forth below:



## RISK APPETITE

The Bank's risk appetite clarifies the overall risk and maximum level of each type of risk that the Bank is willing to undertake in order to achieve its strategic objectives and business plans. It is subject to the approval of the Board of Directors and implemented by the Senior Management.

The Bank is committed to maintaining a prudent risk appetite. It actively supports national strategies, serves the overall interests of the country and assumes its social responsibilities, with the aim of achieving high-quality development with high-level security and reinforcing its value creation and risk prevention and control capabilities.

The risk appetite applies to all institutions under the Bank, including its domestic branches, overseas institutions and comprehensive operation companies. It incorporates qualitative statements and quantitative indicators for each type of risk, and highlights the connections between its operational projects, capital planning, performance evaluation and other activities. The Bank strengthened the transmission of its risk appetite and expanded the application of stress-testing tools, in keeping with the overall expectations of its main stakeholders.

The implementation of the Bank's risk appetite adheres to both unified and differentiated criteria. This requires unified management of all types of risks faced by overseas institutions and comprehensive operation companies, with special attention paid to the characteristic risks faced by the latter, to better support the globalised and comprehensive operations of the Bank.

## CREDIT RISK MANAGEMENT

Credit risk refers to the risk of loss arising from the failure or unwillingness of a borrower or counterparty to fulfil its debt obligations, including default risk arising from a borrower's failure to repay its debt when it falls due and downgrading risk arising from a deterioration in a borrower's credit quality.

Closely monitoring changes in macroeconomic and financial conditions, the Bank pushed forward the optimisation of its credit structure, improved its credit risk management policies, strengthened credit asset quality management and took a more proactive and forward-looking stance on credit risk management.

The Bank continuously optimises its credit structure in line with national strategies. Taking full account of national strategies, regulatory policy, market conditions and its own business characteristics, the Bank formulated industry guidelines for credit allocation and revised its policy for industry limit and concentration management. With a focus on expanding domestic demand, advancing the "five major tasks" and promoting high-level opening up, it continued to offer services for key development areas, including government finance, infrastructure, technology finance, green finance, foreign trade and foreign investment, the new development pattern for real estate, the "Three Rural" sector (agriculture, rural areas, and farmers), coordinated regional development, people's livelihood and consumption, among others. In addition, it supported the localised development of new quality productive forces and the construction of a modern industrial system.

To strengthen its unified credit granting management and further centralise its comprehensive credit risk management, the Bank has continuously improved its long-acting credit management mechanism, optimised its control mechanism for credit concentration risk, and enhanced its "full coverage and penetration" asset quality screening and monitoring system. Furthermore, it improved the screening and monitoring of key risk areas and upgraded the effectiveness of potential risk identification, early warning, recognition and mitigation. The Bank refined supervision and guidance on asset quality control in key regions, and intensified efforts in the guidance, inspection and post-evaluation of its business lines. In addition, it constantly identified, measured and monitored large exposures in line with related large-exposure management requirements.

The Bank balances growth with stability to support high-quality development in its credit business. In corporate banking, the Bank actively supported the coordination mechanism for urban real estate financing, distinguishing between the risks of real estate projects and the risks of enterprises, to help stabilise the real estate market. It supported the development of rental housing and affordable housing, to promote the establishment of the new development pattern for real estate. The Bank also actively supported the mitigation of local government related debt risks. In personal banking, the Bank reviewed its personal credit policies and product measures and adjusted its personal credit strategies to support the development of its personal credit business in line with regulatory requirements and emerging trends in developmental needs. It continuously developed its library of credit risk monitoring indicators, improved its risk monitoring and early warning mechanism at the portfolio level, and enhanced the control and mitigation of potential risks, to ensure that credit risk remains effectively under control.

The Bank has been stepping up efforts to mitigate NPAs and prevent and resolve financial risks. The Bank promoted the refined management of NPA projects, conducting differentiated strategies and making breakthroughs in key areas so as to improve the quality and efficiency of NPA disposal. It expanded its NPA disposal channels, undertook further pilot projects for transferring non-performing loans and carried out the securitisation of non-performing bank cards and personal credit assets.

The Bank accurately and reasonably assesses credit risk to truthfully reflect the quality of financial assets. In accordance with the requirements of the Measures for Risk Classification of Financial Assets of Commercial Banks and based on the degree of risk, the Bank classifies its financial assets into five categories: pass, special mention, substandard, doubtful and loss, with the last three categories collectively referred to as NPAs. For non-retail assets, risk classification is determined according to the Bank's evaluation of the level of risk involved, based on assessments of the customers' contract performance ability, financial position, willingness to repay and repayment records, financial assets' overdue days, risk mitigation status and the probability of default, among other factors. For retail assets, risk classification is determined by the days overdue method, alongside a comprehensive consideration based on qualitative and quantitative factors such as customers' contract performance ability, transaction characteristics and guarantee status, etc.

As at 31 December 2025, the Group's NPLs totalled RMB288.036 billion, an increase of RMB19.255 billion compared with the prior year-end. The NPL ratio was 1.23 per cent., a decrease of 0.02 percentage points compared with the prior year-end. The Group's allowance for impairment losses on loans and advances was RMB577.144 billion, an increase of RMB37.967 billion compared with the prior year-end. The coverage ratio of allowance for loan impairment losses to NPLs was 200.37 per cent., a decrease of 0.23 percentage points compared with the prior year-end. The NPLs of the Bank's institutions in the Chinese mainland totalled RMB239.277 billion, an increase of RMB23.188 billion compared with the prior year-end. The NPL ratio of the Bank's institutions in the Chinese mainland was 1.18 per cent., an increase of 0.01 percentage points compared with the prior year-end. The Group's outstanding special-mention loans stood at RMB343.470 billion, an increase of RMB27.009 billion compared with the prior year-end, and accounted for 1.47 per cent. of total loans and advances, remained unchanged compared to the end of last year.

The Group identifies credit risk collectively based on industry, geography and customer type. This information is monitored regularly by the management.

The following table sets forth, at the dates indicated, the Group's loans and advances to customers categorised by geographical area:

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| Chinese Mainland | 20,283,221 | 86.65 | 18,498,005 | 85.86 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 2,004,182 | 8.56 | 2,000,471 | 9.29 |
| Other countries and regions | 1,120,111 | 4.79 | 1,045,109 | 4.85 |
| Total loans and advances to customers | 23,407,514 | 100.00 | 21,543,585 | 100.00 |

The following table sets forth, at the dates indicated, the Group's loans and advances to customers categorised by industry sectors of the borrowers:

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| **Corporate loans and advances** | | | | |
| Commerce and services | 4,379,457 | 18.71 | 3,635,583 | 16.86 |
| Manufacturing | 3,530,688 | 15.08 | 3,034,553 | 14.09 |
| Transportation, storage and postal services | 2,583,323 | 11.04 | 2,420,419 | 11.23 |
| Production and supply of electricity, heating, gas and water | 1,718,987 | 7.34 | 1,535,592 | 7.13 |
| Real estate | 1,518,197 | 6.49 | 1,542,698 | 7.16 |
| Financial services | 951,541 | 4.07 | 772,646 | 3.59 |
| Construction | 599,771 | 2.56 | 534,358 | 2.48 |
| Water, environment and public utility management | 485,961 | 2.08 | 482,614 | 2.24 |
| Mining | 374,620 | 1.60 | 371,662 | 1.73 |
| Public utilities | 263,843 | 1.13 | 255,764 | 1.19 |
| Other | 175,923 | 0.74 | 132,660 | 0.62 |
| Subtotal | 16,582,311 | 70.84 | 14,718,549 | 68.32 |
| **Personal loans** | | | | |
| Residential mortgages | 4,572,805 | 19.54 | 4,660,914 | 21.63 |
| Credit cards | 498,822 | 2.13 | 606,717 | 2.82 |
| Other | 1,753,576 | 7.49 | 1,557,405 | 7.23 |
| Subtotal | 6,825,203 | 29.16 | 6,825,036 | 31.68 |
| Total loans and advances to customers | 23,407,514 | 100.00 | 21,543,585 | 100.00 |

The table below sets forth, as at the dates indicated, the Group's loan concentration by asset quality categories.

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| Pass | 22,776,008 | 97.30 | 20,958,343 | 97.28 |
| Special-mention | 343,470 | 1.47 | 316,461 | 1.47 |
| Substandard | 52,790 | 0.23 | 68,553 | 0.32 |
| Doubtful | 103,081 | 0.44 | 94,753 | 0.44 |
| Loss | 132,165 | 0.56 | 105,475 | 0.49 |
| Total | 23,407,514 | 100.00 | 21,543,585 | 100.00 |
| Non-performing Loans[1] | 288,036 | 1.23 | 268,781 | 1.25 |

*Note:*

(1) Non-performing loans refer to loans classified as substandard, doubtful and loss.

In accordance with International Financial Reporting Standard No. 9 Financial Instruments, the Bank assesses expected credit losses with forward-looking information and makes relevant allowances. In particular, it makes allowances for assets classified as Stage 1 and assets classified as Stage 2 and Stage 3 according to the expected credit losses over 12 months and the expected credit losses over the entire lifetime of the asset, respectively. As at 31 December 2025, the Group's Stage 1 loans and advances totalled RMB22,603.928 billion, accounting for 96.58 per cent. of total loans and advances; Stage 2 loans and advances totalled RMB512.762 billion, accounting for 2.19 per cent. of total loans and advances; and Stage 3 loans and advances totalled RMB288.015 billion, accounting for 1.23 per cent. of total loans and advances.

As at 31 December 2025, the Group's credit-impaired loans and advances totalled RMB288.036 billion, an increase of RMB19.255 billion compared with the prior year-end. The credit-impaired loans to total loans ratio was 1.23 per cent., a decrease of 0.02 percentage points compared with the prior year-end. Credit-impaired loans and advances of the Bank's institutions in the Chinese mainland totalled RMB239.277 billion, an increase of RMB23.188 billion compared with the prior year-end. The credit-impaired loans to total loans ratio of the Bank's institutions in the Chinese mainland was 1.18 per cent., an increase of 0.01 percentage points compared with the prior year-end. The Bank's operations in Hong Kong (China), Macao (China), Taiwan (China) and other countries and regions reported credit-impaired loans and advances of RMB48.759 billion and a credit-impaired loans to total loans ratio of 1.56 per cent., a decrease of RMB3.933 billion and 0.17 percentage points, respectively, compared with the prior year-end.

The Bank continued to focus on controlling borrower concentration risk and was in full compliance with regulatory requirements on borrower concentration. The following table sets forth, as at the dates indicated, the impaired loans and advances of the Group categorised by geographical area:

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Chinese Mainland | 239,277 | 83.07 | 1.18 | 216,089 | 80.40 | 1.17 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 36,535 | 12.68 | 1.82 | 38,304 | 14.25 | 1.91 |
| Other countries and regions | 12,224 | 4.25 | 1.09 | 14,388 | 5.35 | 1.38 |
| Total | 288,036 | 100.00 | 1.23 | 268,781 | 100.00 | 1.25 |

The following table sets forth, as at the dates indicated, the impaired loans and advances of the Group categorised by customer type:

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Corporate loans and advances | 218,809 | 75.97 | 1.32 | 207,644 | 77.25 | 1.41 |
| Personal loans | 69,227 | 24.03 | 1.01 | 61,137 | 22.75 | 0.90 |
| Total | 288,036 | 100.00 | 1.23 | 268,781 | 100.00 | 1.25 |

## MARKET RISK MANAGEMENT

The Bank actively responds to changes in the market environment, continuously improving its the market risk limit system and steadily controlled market risk. The objective of the Group's market risk management is to effectively prevent market risk and improve market risk capital allocation in light of the overall risk appetite determined by the Board of Directors, thus controlling market risk within a reasonable level acceptable to the Bank and achieving a reasonable balance between risk and return.

The Bank optimises its market risk management system and comprehensively improves the effectiveness of its market risk management. It has proactively implemented new market risk regulatory requirements and improved its market risk management policies and systems. Using appropriate quantitative and qualitative methods, it carried out effective identification, measurement, monitoring, control and reporting of market risk. The Bank optimised its multi-layered market risk limit system to enhance management flexibility and effectively transmit its market risk appetite. In response to a complex and volatile market, it further strengthened its forward-looking and proactive risk control mechanism and responded prudently to evolving market conditions. The Bank intensified its efforts in emergency drills and stress testing, and strengthened risk control in derivatives and other key areas. Please refer to Note VI.3 to the Consolidated Financial Statements for more details of market risk.

The Bank actively implements regulatory requirements and improves market risk management efficiency of the trading book. It implemented the *Capital Rules for Commercial Banks* regarding market risk capital, measured regulatory capital for market risk in accordance with regulatory requirements, and innovatively incorporated capital allocation results into its market risk limit framework, thus integrating capital measurement into business and risk management. Taking the implementation of the *Capital Rules for Commercial Banks* as an opportunity for improvement, the Bank has continued to consolidate and upgrade its systems and solidified the foundations of its data, model and system management, with the objective of establishing a suite of market risk management information systems characterised by compliance, accuracy, efficiency and independent development, thereby effectively supporting high-quality business development.

The Bank has steadily implemented forward-looking market risk research and judgment to enhance risk management of securities investments. It has tracked domestic and international market developments, issued timely analysis and risk warnings, and continuously refined and enhanced the precision of its market risk limit system for bond investments. It has also reinforced its early warning mechanisms and strengthened the bond investment risk penetration management capabilities of its comprehensive operation companies, thereby steadily consolidating the asset quality of its securities investment business.

The Bank manages exchange rate risk by achieving currency matching between the fund source and application. It has controlled its foreign exchange exposure through currency conversion and hedging, thus maintaining its exchange rate risk at a reasonable level.

## MANAGEMENT OF INTEREST RATE RISK IN THE BANKING BOOK

Based on the principles of "matching, comprehensiveness and prudence", the Bank strengthened the management of interest rate risk in the banking book ("**IRRBB**"). The Bank's IRRBB management strategy is to control risks within an acceptable level by taking into account factors such as the Bank's risk appetite and risk profile as well as macroeconomic and market conditions, so as to achieve a reasonable balance between risk and return and thus maximise shareholder value.

The Bank closely monitored changes in the domestic and international economic situation, tracked market fluctuations, conducted risk inspections and stress testing in response, made timely adjustments to the structure of its assets and liabilities, optimised its internal and external pricing strategy and/or implemented risk hedging, and strengthened branch management, thus controlling the Bank's IRRBB at a reasonable level.

For the purpose of market risk management in the trading book, the Group monitors trading book value with multiple limits and tracks observances of each limit on a daily basis.

Value at Risk ("**VaR**") is used to estimate the largest potential loss arising from adverse market movements in a specific holding period and within a certain confidence level.

VaR is performed separately by the Bank and its major subsidiaries that are exposed to market risk, BOCHK (Holdings) and BOC International. The Bank, BOCHK (Holdings) and BOC International used a 99 per cent. level of confidence (therefore, statistical probability of 1 per cent. that actual losses could be greater than the VaR estimate) and a historical simulation model to calculate the VaR estimate. The holding period of the VaR calculations is one day. To enhance the Group's market risk management, the Group has established the market risk data mart, which enabled a group level trading book VaR calculation on a daily basis.

The Group utilises stress testing as an effective supplement to the trading book VaR analysis. Stress testing scenarios are performed based on the characteristics of trading transactions to simulate and estimate losses in adverse and exceptional market conditions. To address changes in the financial markets, the Group enhances its market risk identification capabilities with the tool of stress-testing by continuously capturing the potential impact to transaction market prices stemming from changes in market prices and volatility.

For the years ended 31 December 2025 and 2024, the VaR of the Bank's trading book by type of risk was as follows:

| | **The Bank's VaR for Trading Book** | | | | | |
|---|---|---|---|---|---|---|
| | **For the year ended 31 December 2025** | | | **For the year ended 31 December 2024** | | |
| | **Average** | **High** | **Low** | **Average** | **High** | **Low** |
| | **(RMB millions)** | | | | | |
| Interest rate risk | 108.24 | 171.57 | 74.40 | 121.54 | 170.90 | 90.17 |
| Foreign exchange risk | 60.03 | 147.75 | 7.82 | 163.42 | 359.13 | 48.96 |
| Volatility risk | 5.31 | 17.80 | 1.26 | 4.82 | 13.22 | 2.14 |
| Commodity risk | 66.23 | 154.60 | 0.77 | 1.25 | 12.30 | 0.20 |
| Total of the Bank's trading VaR | 133.33 | 243.69 | 93.54 | 194.46 | 361.34 | 100.86 |

The Group conducts a substantial portion of its business in RMB, with certain transactions denominated in USD, HKD and, to a much lesser extent, other currencies. The major subsidiary, BOCHK Group, conducts the majority of its business in HKD, RMB and USD. The Group endeavours to manage its sources and uses of foreign currencies to minimise potential mismatches.

The Bank manages its exposure to currency exchange risk through management of its net foreign currency position and monitors its foreign currency risk on trading books using VaR. Meanwhile, the Group performs currency risk sensitivity analysis to estimate the effect of potential exchange rate changes of foreign currencies against RMB on profit before income tax and equity.

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 31 December 2025 and 2024:

| | As at 31 December 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | RMB | USD | HKD | EURO | JPY | GBP | Other | Total |
| | (RMB millions) | | | | | | | |
| **Assets** | | | | | | | | |
| Cash and due from banks and other financial institutions | 303,912 | 193,066 | 22,923 | 16,985 | 14,005 | 5,602 | 21,052 | 577,545 |
| Balances with central banks | 1,759,307 | 342,958 | 28,662 | 105,638 | 46,632 | 107,051 | 76,856 | 2,467,104 |
| Placements with and loans to banks and other financial institutions | 791,548 | 590,530 | 28,147 | 15,880 | 3,883 | 1,482 | 66,957 | 1,498,427 |
| Derivative financial assets | 58,234 | 38,567 | 8,101 | 2,196 | 9,678 | 6,526 | 9,539 | 132,841 |
| Loans and advances to customers, net | 19,828,132 | 1,027,851 | 1,189,421 | 285,793 | 28,710 | 80,343 | 436,519 | 22,876,769 |
| Financial investments | | | | | | | | |
| – financial assets at fair value through profit or loss | 424,356 | 166,822 | 126,824 | 32,432 | 3,576 | 2,728 | 975 | 757,713 |
| – financial assets at fair value through other comprehensive income | 2,822,568 | 897,232 | 316,862 | 115,095 | 139,814 | 22,428 | 316,815 | 4,630,814 |
| – financial assets at amortised cost | 3,822,081 | 311,344 | 30,492 | 19,267 | 331 | 3,630 | 83,938 | 4,271,083 |
| Other | 343,768 | 179,447 | 284,010 | 3,290 | 1,830 | 1,979 | 331,456 | 1,145,780 |
| Total assets | 30,153,906 | 3,747,817 | 2,035,442 | 596,576 | 248,459 | 231,769 | 1,344,107 | 38,358,076 |
| **Liabilities** | | | | | | | | |
| Due to banks and other financial institutions | 2,425,699 | 471,982 | 78,026 | 36,127 | 19,181 | 3,303 | 152,985 | 3,187,303 |
| Due to central banks | 1,667,614 | 32,679 | 30,619 | 2,240 | – | – | 903 | 1,734,055 |
| Placements from banks and other financial institutions | 200,478 | 278,738 | 30,131 | 18,702 | 462 | 2,977 | 22,198 | 553,686 |
| Derivative financial liabilities | 57,176 | 45,599 | 5,168 | 1,635 | 4,388 | 6,961 | 10,095 | 131,022 |
| Due to customers | 20,707,947 | 2,629,337 | 1,640,221 | 350,996 | 153,587 | 60,278 | 640,065 | 26,182,431 |
| Bonds issued | 2,115,686 | 152,642 | 4,951 | 15,611 | – | 2,416 | 3,382 | 2,294,688 |
| Other | 427,513 | 163,743 | 423,402 | 3,905 | 1,453 | 10,472 | 36,279 | 1,066,767 |
| Total liabilities | 27,602,113 | 3,774,720 | 2,212,518 | 429,216 | 179,071 | 86,407 | 865,907 | 35,149,952 |
| Net on-balance sheet position | 2,551,793 | (26,903) | (177,076) | 167,360 | 69,388 | 145,362 | 478,200 | 3,208,124 |
| Net off-balance sheet position | 82,748 | 107,788 | 510,566 | (147,209) | (58,096) | (138,091) | (371,437) | (13,731) |
| Credit commitments | 2,729,170 | 668,709 | 203,425 | 217,618 | 10,201 | 48,489 | 110,215 | 3,987,827 |

| | As at 31 December 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | RMB | USD | HKD | EURO | JPY | GBP | Other | Total |
| | (RMB millions) | | | | | | | |
| **Assets** | | | | | | | | |
| Cash and due from banks and other financial institutions | 291,607 | 190,866 | 18,810 | 28,256 | 25,775 | 5,809 | 21,325 | 582,448 |
| Balances with central banks | 1,805,868 | 303,486 | 35,442 | 111,790 | 40,369 | 107,131 | 63,771 | 2,467,857 |
| Placements with and loans to banks and other financial institutions | 954,115 | 382,764 | 20,262 | 10,063 | 8,448 | 2,050 | 64,370 | 1,442,072 |
| Derivative financial assets | 100,712 | 46,821 | 4,033 | 2,112 | 11,073 | 6,660 | 11,766 | 183,177 |
| Loans and advances to customers, net | 18,025,545 | 977,115 | 1,266,835 | 263,687 | 24,379 | 75,086 | 422,635 | 21,055,282 |
| Financial investments | | | | | | | | |
| – financial assets at fair value through profit or loss | 363,342 | 109,816 | 119,456 | 7,654 | – | 11 | 18 | 600,297 |
| – financial assets at fair value through other comprehensive income | 2,898,192 | 808,132 | 317,690 | 56,594 | 86,838 | 12,741 | 208,758 | 4,388,945 |
| – financial assets at amortised cost | 2,963,957 | 326,482 | 13,490 | 12,079 | – | 759 | 54,268 | 3,371,035 |
| Other | 316,955 | 171,074 | 269,740 | 2,641 | 1,676 | 2,016 | 206,084 | 970,186 |
| **Total assets** | 27,720,293 | 3,316,556 | 2,065,758 | 494,876 | 198,558 | 212,263 | 1,052,995 | 35,061,299 |
| **Liabilities** | | | | | | | | |
| Due to banks and other financial institutions | 2,186,375 | 570,214 | 54,836 | 42,588 | 15,792 | 4,134 | 59,813 | 2,933,752 |
| Due to central banks | 1,013,969 | 56,754 | 36,184 | 707 | – | 241 | 4,161 | 1,112,016 |
| Placements from banks and other financial institutions | 211,411 | 335,696 | 16,956 | 13,812 | 5,094 | 5,853 | 18,379 | 607,201 |
| Derivative financial liabilities | 92,114 | 40,306 | 4,008 | 1,458 | 4,296 | 5,387 | 5,887 | 153,456 |
| Due to customers | 19,334,172 | 2,277,803 | 1,574,573 | 271,810 | 137,291 | 59,523 | 547,416 | 24,202,588 |
| Bonds issued | 1,842,077 | 190,552 | 5,483 | 14,200 | – | 21 | 4,216 | 2,056,549 |
| Other | 450,166 | 130,470 | 416,337 | 3,364 | 1,002 | 9,934 | 31,500 | 1,042,773 |
| **Total liabilities** | 25,130,284 | 3,601,795 | 2,108,377 | 347,939 | 163,475 | 85,093 | 671,372 | 32,108,335 |
| Net on-balance sheet position | 2,590,009 | (285,239) | (42,619) | 146,937 | 35,083 | 127,170 | 381,623 | 2,952,964 |
| Net off-balance sheet position | (46,389) | 292,072 | 345,136 | (138,441) | (23,784) | (123,488) | (282,230) | 22,876 |
| Credit commitments | 2,422,897 | 713,157 | 231,738 | 186,315 | 9,074 | 48,993 | 97,263 | 3,709,437 |

## LIQUIDITY RISK MANAGEMENT

Liquidity risk refers to the risk that commercial banks cannot timely obtain sufficient funds at reasonable costs to pay due debts, fulfil other payment obligations and meet other funding needs for normal operations. Liquidity risk may arise from the following events or factors: materially adverse changes in market liquidity, withdrawal of customers' deposits, drawing of loans by customers, overdue payment of debtors, debtor default, mismatch between assets and liabilities, difficulties in asset realisation, weakened financing ability, operating losses, and risks associated with the Bank's affiliates.

The Bank endeavoured to develop a sound liquidity risk management system with the aim of effectively identifying, measuring, assessing, monitoring, reporting and controlling or mitigating liquidity risk at the institution and Group level, including that of branches, subsidiaries and business lines, thus ensuring that liquidity demand is met in a timely manner and at a reasonable cost.

The Bank has established a sound governance structure for liquidity risk management. The Board of Directors bears ultimate responsibility for liquidity risk management, including examining and approving the Group's liquidity risk preferences and liquidity risk management strategies. The Senior Management implements the liquidity risk tolerance level and liquidity risk management strategies approved by the Board of Directors and carries out liquidity risk management. The Asset and Liability Management Department of the Head Office leads the Group's liquidity risk management. Other functional departments of the Head Office and all Group institutions collaborate to complete funding arrangements that ensure the overall liquidity security of the Group, and assume their respective functions for liquidity risk management within the overall policy framework mentioned above. Each subsidiary assumes responsibility for their own liquidity management. The Bank incorporates liquidity risk management into the scope of internal audit, and reviews and evaluates the sufficiency and effectiveness of its liquidity risk management on a regular basis.

The Bank has implemented a comprehensive liquidity risk management strategy. Adhering to the principle of appropriately balancing safety, liquidity and profitability, and following regulatory requirements, the Bank improved its liquidity risk management in a forward-looking and scientific manner. It enhanced liquidity risk management at the institution and Group level, including that of branches, subsidiaries and business lines. It formulated sound liquidity risk management policies and contingency plans, periodically re-examined liquidity risk limits, further upgraded the early warning system for liquidity risk, and strengthened the management of high-quality liquid assets in order to strike an appropriate balance between risk and return.

The tables below analyse the Group's assets and liabilities into relevant maturity groupings based on the remaining period at the financial reporting date to the contractual maturity date:

| | As at 31 December 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Overdue/ Undated | On demand | Less than 1 month | Between 1 and 3 months | Between 3 and 12 months | Between 1 and 5 years | Over 5 years | Total |
| | (RMB million) | | | | | | | |
| **Assets** | | | | | | | | |
| Cash and due from banks and other financial institutions | – | 335,367 | 153,964 | 60,414 | 23,445 | 4,355 | – | 577,545 |
| Balances with central banks | 1,593,496 | 823,812 | 23,710 | 6,919 | 15,032 | 4,135 | – | 2,467,104 |
| Placements with and loans to banks and other financial institutions | – | – | 729,892 | 187,152 | 365,938 | 208,759 | 6,686 | 1,498,427 |
| Derivative financial assets | – | 15,010 | 27,074 | 22,905 | 28,162 | 29,815 | 9,875 | 132,841 |
| Loans and advances to customers, net | 72,881 | 349,189 | 806,864 | 1,715,639 | 6,065,718 | 6,568,598 | 7,297,880 | 22,876,769 |
| Financial investments | | | | | | | | |
| – financial assets at fair value through profit or loss | 253,208 | – | 27,977 | 72,964 | 124,777 | 175,551 | 103,236 | 757,713 |
| – financial assets at fair value through other comprehensive income | 46,427 | – | 270,018 | 377,269 | 650,418 | 1,812,557 | 1,474,125 | 4,630,814 |
| – financial assets at amortised cost | 379 | – | 56,603 | 144,887 | 369,038 | 1,489,976 | 2,210,200 | 4,271,083 |
| Other | 384,633 | 550,403 | 37,789 | 9,920 | 29,415 | 102,187 | 31,433 | 1,145,780 |
| **Total assets** | 2,351,024 | 2,073,781 | 2,133,891 | 2,598,069 | 7,671,943 | 10,395,933 | 11,133,435 | 38,358,076 |
| **Liabilities** | | | | | | | | |
| Due to banks and other financial institutions | – | 1,950,349 | 142,350 | 430,542 | 618,734 | 45,328 | – | 3,187,303 |
| Due to central banks | – | 76,851 | 394,354 | 279,364 | 983,362 | 124 | – | 1,734,055 |
| Placements from banks and other financial institutions | – | – | 277,888 | 90,433 | 175,145 | 10,095 | 125 | 553,686 |
| Derivative financial liabilities | – | 12,939 | 30,502 | 26,201 | 21,861 | 30,111 | 9,408 | 131,022 |
| Due to customers | – | 10,585,510 | 2,538,448 | 2,776,135 | 5,398,241 | 4,852,688 | 31,409 | 26,182,431 |
| Bonds issued | – | – | 68,199 | 240,040 | 980,660 | 812,435 | 193,354 | 2,294,688 |
| Other | 260 | 365,819 | 81,425 | 58,297 | 126,156 | 114,341 | 320,469 | 1,066,767 |
| **Total liabilities** | 260 | 12,991,468 | 3,533,166 | 3,901,012 | 8,304,159 | 5,865,122 | 554,765 | 35,149,952 |
| **Net liquidity gap** | 2,350,764 | (10,917,687) | (1,399,275) | (1,302,943) | (632,216) | 4,530,811 | 10,578,670 | 3,208,124 |

| | As at 31 December 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Overdue/ Undated | On demand | Less than 1 month | Between 1 and 3 months | Between 3 and 12 months | Between 1 and 5 years | Over 5 years | Total |
| | (RMB million) | | | | | | | |
| **Assets** | | | | | | | | |
| Cash and due from banks and other financial institutions | – | 348,762 | 190,605 | 29,539 | 10,842 | 2,700 | – | 582,448 |
| Balances with central banks | 1,532,591 | 770,087 | 135,090 | 9,731 | 19,345 | 1,013 | – | 2,467,857 |
| Placements with and loans to banks and other financial institutions | 485 | – | 755,177 | 217,468 | 355,514 | 111,981 | 1,447 | 1,442,072 |
| Derivative financial assets | – | 14,319 | 35,633 | 31,769 | 48,769 | 41,058 | 11,629 | 183,177 |
| Loans and advances to customers, net | 62,599 | 334,137 | 743,895 | 1,424,277 | 5,020,260 | 6,369,643 | 7,100,471 | 21,055,282 |
| Financial investments | | | | | | | | |
| – financial assets at fair value through profit or loss | 224,249 | – | 8,540 | 54,030 | 109,974 | 99,738 | 103,766 | 600,297 |
| – financial assets at fair value through other comprehensive income | 37,837 | – | 264,632 | 344,016 | 618,149 | 1,729,489 | 1,394,822 | 4,388,945 |
| – financial assets at amortised cost | 728 | – | 36,511 | 55,742 | 502,386 | 1,158,998 | 1,616,670 | 3,371,035 |
| Other | 368,348 | 416,149 | 38,733 | 6,091 | 19,340 | 77,276 | 44,249 | 970,186 |
| **Total assets** | 2,226,837 | 1,883,454 | 2,208,816 | 2,172,663 | 6,704,579 | 9,591,896 | 10,273,054 | 35,061,299 |
| **Liabilities** | | | | | | | | |
| Due to banks and other financial institutions | – | 1,667,757 | 117,813 | 407,354 | 629,709 | 111,119 | – | 2,933,752 |
| Due to central banks | – | 75,631 | 110,189 | 358,344 | 567,852 | – | – | 1,112,016 |
| Placements from banks and other financial institutions | – | – | 378,617 | 68,448 | 131,479 | 28,657 | – | 607,201 |
| Derivative financial liabilities | – | 10,875 | 28,050 | 27,181 | 41,455 | 36,496 | 9,399 | 153,456 |
| Due to customers | – | 10,177,134 | 1,925,977 | 2,458,775 | 4,421,381 | 5,219,136 | 185 | 24,202,588 |
| Bonds issued | – | – | 88,342 | 247,406 | 873,543 | 566,966 | 280,292 | 2,056,549 |
| Other | 1,702 | 368,835 | 140,745 | 53,746 | 116,395 | 111,784 | 249,566 | 1,042,773 |
| **Total liabilities** | 1,702 | 12,300,232 | 2,789,733 | 3,621,254 | 6,781,814 | 6,074,158 | 539,442 | 32,108,335 |
| **Net liquidity gap** | 2,225,135 | (10,416,778) | (580,917) | (1,448,591) | (77,235) | 3,517,738 | 9,733,612 | 2,952,964 |

As at 31 December 2025, the Group's liquidity risk indicator met regulatory requirements. The Group's liquidity ratio as at 31 December 2025 and 2024 is shown in the table below (in accordance with relevant provisions of regulatory authorities in the Chinese Mainland):

| **Indicator** | | **Regulatory standard** | **As at 31 December 2025** | **As at 31 December 2024** |
|---|---|---|---|---|
| Liquidity ratio(1) | RMB | ≥25 | 49.6 | 55.4 |
| | Foreign Currency | ≥25 | 85.9 | 79.0 |

*Note:*

(1) Liquidity ratio is the indication of the Group's liquidity. Liquidity ratio = current assets/current liabilities. Liquidity ratio is calculated in accordance with the relevant provisions of the NFRA.

## REPUTATIONAL RISK MANAGEMENT

The Bank earnestly implemented regulatory requirements on reputational risk management and continued to enhance its reputational risk management mechanisms. It pressed ahead with the routine development and whole-process management of reputational risk, so as to enhance its reputational risk management capabilities. Placing great importance on prevention, the Bank intensified risk source control and governance and dealt appropriately with reputational risk events, thus effectively protecting its brand reputation. In addition, it stepped up reputational risk management training so as to enhance employees' risk prevention awareness and foster a strong culture of reputational risk management.

## INTERNAL CONTROL AND OPERATIONAL RISK MANAGEMENT

### Internal Control

The Board of Directors, senior management and their special committees earnestly performed their duties regarding internal control and supervision while emphasising risk warning and prevention, thus improving the Group's level of operational compliance.

The Bank continued to adopt the *Basic Standard for Enterprise Internal Control* and its supporting guidelines and implemented 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 reasonable delegation of work, well-defined responsibilities and clear reporting lines.

The Bank established and implemented the "Three Lines of Defence" mechanism for internal control. The first line of defence consists of business departments and all banking outlets. They are the owners of, and are accountable for risks and controls. They undertake self-directed risk control and management functions in the course of their business operations, including formulating and implementing policies, conducting business examination, reporting control deficiencies and organising rectifications. The internal control and risk management departments of the Bank's institutions at all levels form the second line of defence. They are responsible for the overall planning, implementing, examining and assessment of internal control and risk management, as well as for identifying, measuring, monitoring and controlling risks. They actively organise Bank-wide usage of the Group's operational risk monitoring and analysis platform, and are responsible for accountability and responsibility work related to employee violations. Through regular monitoring of material risks, the Bank identified and mitigated risks in a timely manner and promoted the optimisation of its business processes and systems. As the third line of defence in internal control and risk management, the audit department is responsible for performing internal audits of the adequacy and effectiveness of the Bank's internal control and risk management. Adopting a problem-oriented and risk-oriented approach, it highlighted the proactive role of audit work. Focusing on the implementation of national policies, key regulatory priorities, and the Group's development plan, the audit department concentrated its efforts on delivering the "five major tasks" of promoting technology finance, green finance, inclusive finance, pension finance and digital finance, as well as improving the quality and efficiency of its services to the real economy. It closely monitored risk prevention and control in key areas, institutions, and links, promoted the deep integration of digitisation and research-based audit practices, and improved the audit monitoring system to continuously strengthen off-site auditing capabilities. While carrying out audits in an orderly manner, the audit department attached equal importance to problem discovery and rectification supervision. It conducted independent evaluations of the quality and effectiveness of audit findings and the appropriateness and effectiveness of the operation of the Group's rectification mechanism, continuously promoting the application of audit results and improving rectification quality and efficiency. It enhanced coordination and connection with other supervisory functions and improved the routine risk prevention and control of the first and second lines of defence, thereby jointly enhancing stronger supervisory synergy.

The Bank further improved its mechanism for internal control over case prevention, consolidated the responsibilities of primary responsible parties and took multiple control measures. The Bank implemented the *Measures for Risk Prevention and Control of Criminal Cases Involving Banking and Insurance Institutions* and the *Measures for the Management of Criminal Cases Involving Financial Institutions*. It improved its case risk prevention and control management system, established supervision mechanism for case risk prevention and control, strengthened the disposal and management of cases, prevented and controlled case risks across the entire business process, and constantly improved its internal control and case prevention management. It also focused on internal control inspection and the rectification of findings, established a notification mechanism for risk warnings, conducted regular education activities, raised employees' compliance awareness and fostered an internal control compliance culture.

The Bank established a sound financial accounting policy framework. Strictly abiding by the requirements of various accounting laws and regulations, the Bank continued to consolidate its accounting foundation. As such, the level of standardisation and refinement of its financial accounting management was continuously improved. The Bank also continued to strengthen the quality management of accounting information and further improve basic accounting work, so as to establish a long-term mechanism for basic accounting work.

In 2025, the Bank successfully prevented 276 external cases involving a total of RMB570.4254 million.

**Operational Risk Management**

The Bank implemented the *Measures for the Management of Operational Risk of Banking and Insurance Institutions* and continuously improved its operational risk management system. It promoted the application of operational risk management tools such as risk and control assessment (RACA), key risk indicators (KRI), loss data collection (LDC) and operational risk event management (OREM), etc., carried out the identification, assessment and monitoring of operational risks, standardised its operational risk reporting mechanism, improved its risk management measures and further refined the management of operational risk capital measurement. The Bank enhanced its IT system support capabilities by optimising its operational risk management information system. It strengthened the Group's business continuity management system, optimised its operating mechanism, enhanced its business continuity management policies and performed business impact analysis. The Bank also refined its contingency plans and carried out business continuity drills, thus improving the Group's business continuity capacity.

**Compliance Management**

The Bank continuously improved its compliance management system and mechanisms and processes, and actively implemented the *Measures for Compliance Management of Financial Institutions* to ensure the Group's sound operation and sustainable development.

The Bank has been improving its anti-money laundering, counter-terrorist financing, counter-proliferation financing and sanctions compliance programme to further enhance risk control. It continued to streamline its due diligence mechanism, enhanced control of high-risk customers and transactions, and strengthened inspection and supervision. It optimised suspicious transaction monitoring procedures and models, and improved its monitoring and analysis capabilities. The Bank also upgraded its AML-related IT systems to increase the level of digitalisation. It continued to develop the long-acting management framework for its overseas institutions' compliance and consolidated its management foundations, thus enhancing its compliance management capabilities. The Bank also continued to deliver various forms of AML training to enhance all employees' compliance awareness and abilities.

The Bank has also been continuously improving the refined management of connected transactions and internal transactions. It implemented regulatory rules on connected transactions, improved its connected transactions management mechanism, strengthened management of connected parties, and reinforced data governance of connected transactions. It stepped up efforts in the identification, monitoring, disclosure and reporting of connected transactions, standardised the management of internal transactions and strictly controlled transaction risks. The Bank also pushed forward system optimisation and enhanced the automated management of connected transactions and internal transactions.

## COUNTRY RISK MANAGEMENT

The Bank incorporates country risk management into its comprehensive risk management system in strict accordance with regulatory requirements. It manages and controls country risk through a range of management tools, including country risk ratings, country risk limits, country risk statistics and the monitoring of country risk exposures.

In 2025, faced with an extremely complicated international political and economic situation, the Bank continued to strengthen country risk management in strict accordance with regulatory requirements and based on its business development needs. It re-examined its country risk ratings and limits, strengthened the monitoring and early warning of limit implementation, stepped up efforts in the monitoring and reporting of country risk, conducted stress testing on country risk, and enhanced its country risk management system. As at 31 December 2025, its country risk exposures were mainly concentrated in countries and regions with low and relatively low country risk, and the Group's overall country risk was controlled at a reasonable level.

## CAPITAL MANAGEMENT

The Bank's capital management objectives are to maintain its capital adequacy ratio at a reasonable level, support the implementation of the Group's strategies, resist various risks including credit risk, market risk and operational risk, etc., ensure the compliance of the Group and related institutions with capital regulatory requirements, promote the Group's transformation towards capital-light business development and improve its capital use efficiency and value creation capabilities.

The Bank implemented its 14th Five-Year Capital Management Plan, focused on the requirements of high-quality development, adhered to the principle of attaching equal importance to endogenous accumulation and external supplementation, increased alignment in its strategic planning, capital replenishment and performance assessment, and continuously improved the quality of its capital management. It enhanced its economic capital budget and assessment mechanism, strengthened capital constraints and incentives, and firmly established the principle of capital conservation and value creation to enhance its capacity for endogenous capital accumulation. It expanded the application of advanced approaches to capital measurement, improved its on and off-balance sheet asset structure, strengthened refined capital management, optimised its capital-intensive businesses and developed capital-light businesses, reduced inefficient capital usage and accelerated its transformation to a capital-efficient and conservation-oriented operating model. It optimised its internal capital adequacy assessment process and improved its capital management structure. The Bank prudently replenished its capital through external financing channels in order to consolidate its capital base. As a result, its capital adequacy level and Total Loss-Absorbing Capacity (TLAC) were robust and sufficient.

In 2025, the Bank successfully offered 27,824,620,573 A Shares to specified investors investor, with total proceeds amounting to RMB165.0 billion, and issued RMB70.0 billion of undated capital bonds, RMB160.0 billion of tier 2 capital bonds and RMB100.0 billion of TLAC non-capital bonds. A capital replenishment plan of RMB450.0 billion capital instruments and RMB200.0 billion of TLAC non-capital debt instruments supplement have been approved by the Shareholders' Meeting in July. It reinforced the management of existing capital instruments and redeemed USD2.82 billion of Offshore Preference Shares (Second Tranche), RMB90.0 billion of undated capital bonds and RMB60.0 billion of tier 2 capital bonds, effectively reducing its external replenishment costs. At 31 December 2025, the Group's capital adequacy ratio was 18.85 per cent., remaining at a robust and reasonable level. The TLAC risk-weighted ratio was 22.07 per cent., meeting the regulatory requirement.

The capital adequacy ratios as at 31 December 2025 and 2024 separately calculated in accordance with the *Capital Rules for Commercial Banks* are listed below:

| Item | As at 31 December 2025 | As at 31 December 2024 |
|---|---|---|
| Net common equity tier 1 capital | 2,622,071 | 2,344,261 |
| Net tier 1 capital | 3,002,708 | 2,763,286 |
| Net capital | 3,945,867 | 3,605,572 |
| Total risk-weighted assets | 20,932,851 | 19,217,559 |
| Common equity tier 1 capital adequacy ratio | 12.53 per cent. | 12.20 per cent. |
| Tier 1 capital adequacy ratio | 14.34 per cent. | 14.38 per cent. |
| Capital adequacy ratio | 18.85 per cent. | 18.76 per cent. |

## SUSTAINABILITY EFFORTS

The Bank attaches great importance to sustainability-related work, continuously improves its sustainability governance mechanism and management system, and actively integrates the concept of sustainability into its development strategy, major decisions, operation management, and business development.

The Bank has established and continuously improves its sustainability management framework, with the Board of Directors, Senior Management, and relevant Head Office departments serving as the decision-making, management, and execution levels respectively, to enhance the effective governance of the Bank's sustainability. During 2025, the Corporate Culture and Consumer Protection Committee under the Board of Directors was renamed the Sustainable Development and Consumer Protection Committee, further strengthening its functions in supervising and reviewing sustainability-related matters. Members of the Board of Directors actively engaged in special training sessions on ESG management and practices as well as climate and sustainability-related information disclosure for financial institutions and conducted thematic research on consumer protection and sustainability information disclosure of commercial banks, thus continuously enhancing the performance capability and decision-making efficiency and effectiveness of the Board of Directors. The Senior Management is responsible for the overall coordination and advancement of the Bank's sustainability and ESG-related initiatives. To support the performance of such responsibilities, the Bank has established a number of special committees under the Senior Management, including the Technology Finance Committee, the Green Finance Committee, the Inclusive Finance Committee, the Pension Finance Committee, the Digital Finance Committee, and the Consumer Protection Committee, among others, to undertake routine management of relevant topics on sustainability.

The Bank is firmly committed to addressing the impacts of climate change. It continuously strengthens its environmental (climate) risk management capabilities and promotes green practices in its own operations, effectively fulfilling its role as a primary force in advancing the green transition of the real economy. As at 31 December 2025, the Bank's outstanding green loans (calculated based on the PBOC's statistical standards) reached RMB4,961.455 billion, representing a year-on-year increase of 27.83 per cent. under the same statistical standards. It underwrote RMB428.8 billion of newly issued domestic green bonds. Having achieved carbon neutrality in a total of 856 target buildings, including the Head Office, BOCHK, as well as domestic branches, the Bank further developed its 2030 Green Operations Objectives. It also conducted stress testing on physical climate risk and transition risk to enhance its climate risk response capabilities. In addition, the Bank contributed to the deeper international cooperation in green finance. It actively performed its duties in green and ESG-related initiatives and mechanisms, such as the United Nations Principles for Responsible Banking (PRB), and the Green Investment Principles (GIP) for the Belt and Road Initiative, and became the first Chinese financial institution to officially join the Taskforce on Nature-related Financial Disclosures (TNFD).

The Bank has always aligned its development with national strategies, kept in mind the top priorities of the country and the concerns of the people, while continuously enhancing the quality and efficiency of its financial services. It improved the quality, and expanded the scale and coverage of inclusive finance. As at 31 December 2025, the balance of inclusive loans granted to micro and small-sized enterprises has increased by RMB490.5 billion and the number of customers has increased by 341.8 thousand as compared with 31 December 2024. It continued to carry out the "BOC Inclusive Finance Inclusive Loan for Employment Promotion" campaign, under which special loans for employment stabilisation and expansion totalling RMB565.8 billion were granted to 114.9 thousand micro and small-sized enterprises, supporting the stabilisation and expansion of 3.9 million jobs. The Bank increased investment in channel development for county-level areas and key counties receiving pairing assistance under the rural revitalisation initiative, and expanded its outlets into 21 previously unserved counties during 2025. To better serve pension assets, elderly customer groups and the pension industry, the Bank launched the "BOC Pension Finance" brand, implemented elderly-friendly service standards across all of its customer-facing outlets, and optimised its mobile banking application for elderly users. For 26 consecutive years, the Bank has provided national student loan services, with cumulative national student loans granted amounting to RMB31.1 billion. It effectively safeguarded the rights and interests of financial consumers and continued to strengthen its financial education and publicity efforts, carrying out over 268,000 financial education and publicity activities. In addition, the Bank actively participated in public welfare undertakings. During 2025, actively engaging in public welfare initiatives, the Bank focused on key areas such as rural revitalisation, education empowerment, emergency disaster relief, and community care. Throughout 2025, the Bank has implemented more than 300 public welfare donation projects, invested approximately RMB138 million in donations, and over 60,400 young volunteers contributed a total of more than 65,600 service hours.

The Bank's sustainability practices have been highly recognised by all sectors of society. In 2025, the Bank was named "China's Best Bank for ESG" by Euromoney, listed among the "Corporate Social Responsibility Cases" by People.cn, and included in the constituent stocks of the Hang Seng Corporate Sustainability Index Series.

# DESCRIPTION OF THE GROUP'S ASSETS AND LIABILITIES

The following discussions and analysis should be read in conjunction with the Bank's audited consolidated financial statement as at and for the year ended 31 December 2025 which has been incorporated by reference into this Offering Circular. The Bank's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. Unless otherwise stated, all financial data discussed in this section are consolidated financial data.

## ANALYSIS OF LOANS AND ADVANCES TO CUSTOMERS

The following table sets forth analysis of the Group's loans and advances to customers as at 31 December 2025 and 2024, respectively.

| | As at 31 December | |
|---|---|---|
| | 2025 | 2024 |
| | (RMB million) | |
| Measured at amortised cost: | | |
| – Corporate loans and advances | 15,338,784 | 13,803,377 |
| – Personal loans | 6,825,203 | 6,825,036 |
| – Discounted bills | 8,635 | 10,726 |
| Measured at fair value through other comprehensive income[(1)]: | | |
| – Corporate loans and advances | 4,614 | 2,003 |
| – Discounted bills | 1,227,469 | 898,819 |
| Subtotal | 23,404,705 | 21,539,961 |
| Measured at fair value through profit or loss[(2)]: | | |
| – Corporate loans and advances | 2,731 | 3,535 |
| – Discounted bills | 78 | 89 |
| Total | 23,407,514 | 21,543,585 |
| Accrued Interest | 45,978 | 50,483 |
| Total loans and advances | 23,453,492 | 21,594,068 |
| Less: Allowance for loans at amortised cost | (576,723) | (538,786) |
| Loans and advances to customers, net | 22,876,769 | 21,055,282 |

*Notes:*

(1) As at 31 December 2025, the allowance for impairment losses of loans and advances to customers at fair value through other comprehensive income of the Group amounted to RMB421 million (31 December 2024: RMB391 million) and was credited to other comprehensive income.

(2) During the years ended 31 December 2025 and 2024, there were no significant movements in the fair value and accumulated fair value changes of corporate loans and advances measured at fair value through profit or loss that are attributable to changes in credit risk of these loans.

## LOANS AND ADVANCES TO CUSTOMERS BY INDUSTRY

The following table sets forth, as at the dates indicated, an analysis of the Group's loans and advances to customers by industry:

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| **Corporate loans and advances** | | | | |
| Commerce and services | 4,379,457 | 18.71 | 3,635,583 | 16.86 |
| Manufacturing | 3,530,688 | 15.08 | 3,034,553 | 14.09 |
| Transportation, storage and postal services | 2,583,323 | 11.04 | 2,420,419 | 11.23 |
| Production and supply of electricity, heating, gas and water | 1,718,987 | 7.34 | 1,535,592 | 7.13 |
| Real estate | 1,518,197 | 6.49 | 1,542,698 | 7.16 |
| Financial services | 951,541 | 4.07 | 772,646 | 3.59 |
| Construction | 599,771 | 2.56 | 534,358 | 2.48 |
| Water, environment and public utility management | 485,961 | 2.08 | 482,614 | 2.24 |
| Mining | 374,620 | 1.60 | 371,662 | 1.73 |
| Public utilities | 263,843 | 1.13 | 255,764 | 1.19 |
| Other | 175,923 | 0.74 | 132,660 | 0.62 |
| Subtotal | 16,582,311 | 70.84 | 14,718,549 | 68.32 |
| **Personal loans** | | | | |
| Mortgages | 4,572,805 | 19.54 | 4,660,914 | 21.63 |
| Credit cards | 498,822 | 2.13 | 606,717 | 2.82 |
| Other | 1,753,576 | 7.49 | 1,557,405 | 7.23 |
| Subtotal | 6,825,203 | 29.16 | 6,825,036 | 31.68 |
| Total loans and advances to customers | 23,407,514 | 100.00 | 21,543,585 | 100.00 |

## LOANS AND ADVANCES TO CUSTOMERS BY GEOGRAPHICAL AREA

The following table sets forth, as at the dates indicated, an analysis of the Group's loans and advances to customers by geographical area:

### Group

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| Chinese Mainland | 20,283,221 | 86.65 | 18,498,005 | 85.86 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 2,004,182 | 8.56 | 2,000,471 | 9.29 |
| Other countries and regions | 1,120,111 | 4.79 | 1,045,109 | 4.85 |
| Total | 23,407,514 | 100 | 21,543,585 | 100.00 |

## Chinese Mainland

| | As at 31 December | | | |
|---|---|---|---|---|
| | 2025 | | 2024 | |
| | Amount | per cent. of total | Amount | per cent. of total |
| | (RMB million, except percentages) | | | |
| Northern China | 2,989,130 | 14.74 | 2,697,846 | 14.58 |
| Northeastern China | 728,078 | 3.59 | 693,359 | 3.75 |
| Eastern China | 8,276,921 | 40.81 | 7,600,261 | 41.09 |
| Central and Southern China | 5,530,018 | 27.26 | 5,084,339 | 27.49 |
| Western China | 2,759,074 | 13.60 | 2,422,200 | 13.09 |
| Total | 20,283,221 | 100.00 | 18,498,005 | 100.00 |

The following table sets forth, as at the dates indicated, an analysis of the Group's impaired loans and advances by geographical area:

## Group

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Chinese Mainland | 239,277 | 83.07 | 1.18 | 216,089 | 80.40 | 1.17 |
| Hong Kong (China), Macau (China) and Taiwan (China) | 36,535 | 12.68 | 1.82 | 38,304 | 14.25 | 1.91 |
| Other countries and regions | 12,224 | 4.25 | 1.09 | 14,388 | 5.35 | 1.38 |
| Total | 288,036 | 100.00 | 1.23 | 268,781 | 100.00 | 1.25 |

## Chinese Mainland

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Northern China | 31,672 | 13.24 | 1.06 | 31,827 | 14.73 | 1.18 |
| Northeastern China | 12,925 | 5.40 | 1.78 | 11,846 | 5.48 | 1.71 |
| Eastern China | 77,960 | 32.58 | 0.94 | 68,429 | 31.67 | 0.90 |
| Central and Southern China | 88,037 | 36.79 | 1.59 | 73,653 | 34.08 | 1.45 |
| Western China | 28,683 | 11.99 | 1.04 | 30,334 | 14.04 | 1.25 |
| Total | 239,277 | 100.00 | 1.18 | 216,089 | 100.00 | 1.17 |

## LOANS AND ADVANCES TO CUSTOMERS BY CUSTOMER TYPE

The following table sets forth, as at the dates indicated, an analysis of the impaired loans and advances of the Group categorised by customer type:

### Group

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Corporate loans and advances | 218,809 | 75.97 | 1.32 | 207,644 | 77.25 | 1.41 |
| Personal loans | 69,227 | 24.03 | 1.01 | 61,137 | 22.75 | 0.90 |
| Total | 288,036 | 100.00 | 1.23 | 268,781 | 100.00 | 1.25 |

### Chinese Mainland

| | As at 31 December | | | | | |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| | Amount | per cent. of total | Impaired loan ratio (per cent.) | Amount | per cent. of total | Impaired loan ratio (per cent.) |
| | (RMB million, except percentages) | | | | | |
| Corporate loans and advances | 173,322 | 72.44 | 1.22% | 157,394 | 72.84 | 1.26 |
| Personal loans | 65,955 | 27.56 | 1.10% | 58,695 | 27.16 | 0.97 |
| Total | 239,277 | 100.00 | 1.18% | 216,089 | 100.00 | 1.17 |

## RECONCILIATION OF ALLOWANCE FOR IMPAIRMENT LOSSES

The following table sets out reconciliation of allowance of impairment losses on loans and advances to customers measured at amortised cost for the year ended 31 December 2025:

| | Year ended 31 December 2025 | | | |
|---|---|---|---|---|
| | 12-month ECL | Lifetime ECL | | |
| | Stage 1 | Stage 2 | Stage 3 | Total |
| As at 1 January | 243,069 | 109,186 | 186,531 | 538,786 |
| Transfers to Stage 1 | 12,752 | (10,750) | (2,002) | – |
| Transfers to Stage 2 | (5,410) | 9,705 | (4,295) | – |
| Transfers to Stage 3 | (1,214) | (23,011) | 24,225 | – |
| Impairment (reversal)/losses of loans with stage transfers | (11,967) | 28,912 | 69,639 | 86,584 |

| | Year ended 31 December 2025 | | | |
|---|---|---|---|---|
| | 12-month ECL | Lifetime ECL | | |
| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
| Charge for the year[(1)] | 114,156 | 28,600 | 22,026 | 164,782 |
| Reversal for the year[(2)] | (100,443) | (24,004) | (19,763) | (144,210) |
| Write-off and transfer out | – | – | (85,275) | (85,275) |
| Recovery of loans and advances written off | – | – | 19,834 | 19,834 |
| Foreign exchange and other movements | 126 | 13 | (3,917) | (3,778) |
| As at 31 December | 251,069 | 118,651 | 207,003 | 576,723 |

*Notes:*

(1) Charge for the year comprises the impairment losses from new loans, remaining loans without stage transformation, model/risk parameters adjustment, etc.

(2) Reversal for the year comprises impairment losses attributable to loans repaid during the year, loans brought forward without stage transfers and changes to model and risk parameters.

The following table sets out reconciliation of allowance of impairment losses on loans and advances to customers measured at amortised cost for the year ended 31 December 2024:

| | Year ended 31 December 2024 | | | |
|---|---|---|---|---|
| | 12-month ECL | Lifetime ECL | | |
| | **Stage 1** | **Stage 2** | **Stage 3** | **Total** |
| As at 1 January | 224,063 | 80,983 | 179,862 | 484,908 |
| Transfers to Stage 1 | 10,761 | (8,211) | (2,550) | – |
| Transfers to Stage 2 | (3,402) | 12,780 | (9,378) | – |
| Transfers to Stage 3 | (1,977) | (14,613) | 16,590 | – |
| Impairment (reversal)/losses of loans with stage transfers | (10,101) | 30,585 | 74,808 | 95,292 |
| Charge for the year[(1)] | 127,969 | 30,441 | 18,316 | 176,726 |
| Reversal for the year[(2)] | (104,012) | (22,769) | (24,412) | (151,193) |
| Write-off and transfer out | – | – | (84,611) | (84,611) |
| Recovery of loans and advances written off | – | – | 19,344 | 19,344 |
| Foreign exchange and other movements | (232) | (10) | (1,438) | (1,680) |
| As at 31 December | 243,069 | 109,186 | 186,531 | 538,786 |

*Notes:*

(1) Charge for the year comprises the impairment losses from new loans, remaining loans without stage transformation, model/risk parameters adjustment, etc.

(2) Reversal for the year comprises impairment losses attributable to loans repaid during the year, loans brought forward without stage transfers and changes to model and risk parameters.

The following table sets out reconciliation of allowance for impairment losses on loans and advances to customers measured at fair value through other comprehensive income for the year ended 31 December 2025:

| | For the year ended 31 December 2025 | | | |
|---|---|---|---|---|
| | 12-month ECL | Lifetime ECL | | |
| | Stage 1 | Stage 2 | Stage 3 | Total |
| As at 1 January | 391 | – | – | 391 |
| Charge for the year[1] | 484 | – | – | 484 |
| Reversal for the year[2] | (455) | – | – | (455) |
| Foreign exchange and other movements | 1 | – | – | 1 |
| As at 31 December | 421 | – | – | 421 |

*Notes:*

(1) Charge for the year comprises the impairment losses from new loans, remaining loans without stage transformation, model/risk parameters adjustment, etc.

(2) Reversal for the year comprises impairment losses attributable to loans repaid during the year, loans brought forward without stage transfers and changes to model and risk parameters.

The following table sets out reconciliation of allowance for impairment losses on loans and advances to customers measured at fair value through other comprehensive income for the year ended 31 December 2024:

| | For the year ended 31 December 2024 | | | |
|---|---|---|---|---|
| | 12-month ECL | Lifetime ECL | | |
| | Stage 1 | Stage 2 | Stage 3 | Total |
| As at 1 January | 385 | 5 | – | 390 |
| Charge for the year[1] | 530 | – | – | 530 |
| Reversal for the year[2] | (489) | (5) | – | (494) |
| Foreign exchange and other movements | (35) | – | – | (35) |
| As at 31 December | 391 | – | – | 391 |

*Notes:*

(1) Charge for the year comprises the impairment losses from new loans, remaining loans without stage transformation, model/risk parameters adjustment, etc.

(2) Reversal for the year comprises impairment losses attributable to loans repaid during the year, loans brought forward without stage transfers and changes to model and risk parameters.

# DIRECTORS AND MANAGEMENT

## GENERAL

The Bank's Board of Directors currently comprises 16 members. In addition to the Chairman, there are three executive directors, six non-executive directors and six independent non-executive directors. The Bank's directors are elected at its shareholder meetings for a term of three years, which is renewable upon re-election. The Chairman of the Bank's Board of Directors is elected by simple majority of its directors.

The business address of each of the directors and senior management named below is Bank of China Limited, No. 1 Fuxingmen Nei Dajie, Xicheng District, Beijing 100818, People's Republic of China.

### Directors

The following table sets forth certain information concerning the Bank's directors.

### Board of Directors

| Name | Position |
|---|---|
| Ge Haijiao | Chairman |
| Zhang Hui | Vice Chairman, Executive Director and President |
| Liu Jin | Executive Director |
| Cai Zhao | Executive Director |
| Zhang Yong | Non-executive Director |
| Huang Binghua | Non-executive Director |
| Liu Hui | Non-executive Director |
| Shi Yongyan | Non-executive Director |
| Lou Xiaohui | Non-executive Director |
| Li Zimin | Non-executive Director |
| Jean-Louise Ekra | Independent Director |
| Giovanni Tria | Independent Director |
| Liu Xiaolei | Independent Director |
| Zhang Ran | Independent Director |
| Ko Margaret | Independent Director |
| Woo Chin Wan Raymond | Independent Director |

**Ge Haijiao** has served as the Chairman of the Board of Directors and Executive Director of the Bank, and Chairman of the Board of Directors of BOC Hong Kong (Holdings) Limited since April 2023. Mr. Ge joined the Bank in 2023. From November 2021 to March 2023, Mr. Ge served as a member of the Standing Committee of Hebei Provincial Committee of the CPC, the Executive Vice Governor of Hebei Province, Secretary of the Commission for Science, Technology, and Industry for National Defense under Hebei Provincial Committee of the CPC, and Head of the Office of Leading Group for Xiong'an New Area Planning and Construction under Hebei Provincial Committee of the CPC. From September 2019 to November 2021, he served as Vice Governor of Hebei Province. From December 2018 to September 2019, Mr. Ge served as an Executive Director of China Everbright Group Ltd. From January 2019 to September 2019, Mr. Ge served as the Executive Director and President of China Everbright Bank. From December 2016 to December 2018, he served as Deputy General Manager of China Everbright Group Ltd. Prior to that, Mr. Ge had held various positions in Agricultural Bank of China, including General Manager of the International Banking Department of Liaoning Branch, General Manager of Liaoyang Branch, Deputy General Manager of Dalian Branch, General Manager of Singapore Branch, Deputy General Manager (department general manager level) of the International Banking Department of Head Office, senior executive of Sydney Branch, and General Manager of Heilongjiang Branch. Mr. Ge graduated and obtained a double Bachelor's Degree in Laws and in Economics from the Department of International Economics of Liaoning University in 1993, majoring in International Finance, and a Master's Degree in Economics from the Department of Economics of Jilin University in 1999, majoring in World Economics. He obtained a Master's Degree in Management from Nanjing Agricultural University in 2000, and a Doctor's Degree in Management from Nanjing Agricultural University in 2008. Mr. Ge is also a delegate to the 14th National People's Congress, and was a delegate to the 13th and 14th Hebei Provincial People's Congress and to the 12th Heilongjiang Provincial People's Congress. Mr. Ge holds the qualifications of Senior Economist and International Business Engineer.

**Zhang Hui** has served as the Vice Chairman of the Board of Directors and Executive Director of the Bank since January 2025, President of the Bank since December 2024, and concurrently as Vice Chairman of the Board of Directors of BOC Hong Kong (Holdings) Limited since February 2025, and Chief Compliance Officer of the Bank since February 2026. Mr. Zhang joined the Bank in 2024. Mr. Zhang served as Executive Vice President of China Development Bank from February 2021 to November 2024. Prior to that, Mr. Zhang had worked in Bank of Communications for many years, and he served as Chief Risk Officer from July to November 2020. Mr. Zhang served as General Manager of the Risk Management Department and Director of the Internal Control and Crime Prevention Office from February 2019 to November 2020, General Manager of the Risk Management (Asset Preservation) Department from February 2017 to February 2019, and President of Guizhou Branch from November 2016 to February 2017. Before that, he held a number of other positions at Bank of Communications, including Assistant General Manager, Deputy General Manager, Deputy General Manager (presiding over daily work), and General Manager of the Asset Preservation Department, Deputy General Manager of the Risk Management (Asset Preservation) Department, Vice President of Shanghai Branch, and Vice President (performing president's duty) of Guizhou Branch. Mr. Zhang graduated and obtained a Bachelor's Degree in Economics from Shaanxi Institute of Finance and Economics (now Xi'an Jiaotong University) in 1993.

**Liu Jin** has served as an Executive Director of the Bank since June 2025, and Executive Vice President of the Bank from April 2024 to April 2025. Mr. Liu joined the Bank in 2024. He served as Executive Vice President of China Development Bank ("**CDB**") from September 2021 to January 2024. Prior to that, Mr. Liu had worked in CDB for many years. He served as General Manager of CDB Beijing Branch from September 2021 to August 2022, Director-General of Policy Research Department of CDB from November 2019 to May 2021, and as Director-General of Education & Training Bureau and Dean of CDB Institute of Development Finance from January 2018 to November 2019. Before that, he served as Deputy Director-General of Policy Research Department of CDB. Mr. Liu graduated from Peking University and obtained a Bachelor's Degree of Economics in 1997. He obtained a Master's Degree of Economics from Xiamen University in 2000. He holds the qualification of Senior Economist.

**Cai Zhao** has served as an Executive Director of the Bank since December 2025, Executive Vice President of the Bank since September 2023, and concurrently as Non-executive Director of the Board of Directors of BOC Hong Kong (Holdings) Limited since August 2025. Mr. Cai joined the Bank in 2023. Prior to that, Mr. Cai had worked in Agricultural Bank of China ("**ABC**") for many years. He served as Chief Information Officer of ABC from June 2023 to July 2023, General Manager of Technology and Product Management Bureau of the Head Office of ABC from December 2019 to July 2023, General Manager of the Research and Development Centre of the Head Office of ABC from October 2018 to March 2020, and General Manager of the Software Research and Development Centre of the Head Office of ABC from September 2015 to October 2018. Before that, he served as Deputy General Manager of the Software Research and Development Centre of the Head Office of ABC. Mr. Cai graduated from Shaanxi Institute of Finance and Economics (now Xi'an Jiaotong University) and obtained a Bachelor's Degree of Economics in 1995. He obtained a Master's Degree of Engineering from Sichuan University in 2003. He holds the qualification of Senior Engineer.

**Zhang Yong** has served as a Non-executive Director of the Bank since June 2023. From January 2019 to May 2023, Mr. Zhang served as Non-executive Director of China Development Bank. From September 2017 to February 2020, he served as Non-executive Director of China Export & Credit Insurance Corporation. From November 2002 to August 2017, he worked as Deputy General Manager of the Information Management Department and Head of Information Release Division of the Head Office of Industrial and Commercial Bank of China. Mr. Zhang graduated from Renmin University of China with a Bachelor's Degree of Science in July 1990 and obtained a Master's Degree in Economics from Renmin University of China in January 2000. He holds the qualification of Senior Economist.

**Huang Binghua** has served as a Non-executive Director of the Bank since March 2022. Mr. Huang has served as Deputy Director of the Department of Asset Management of the Ministry of Finance from August 2018 to March 2022. From September 2015 to August 2018, he served successively as Party Committee Member, Vice Party Secretary, and Deputy Director of the Budget Assessment and Review Center of the Ministry of Finance. From August 2014 to September 2015, he served as Chief of the Comprehensive Division of Department of Asset Management of the Ministry of Finance. From July 2000 to August 2014, he worked at the Department of Enterprises of the Ministry of Finance and successively held the positions of Principal Staff Member, Deputy Chief, Chief of the Third Division of Enterprises, Chief of the State-owned Capital Budget Management Division, Chief of the Enterprise Operation Division, and Chief of the Comprehensive Division. From February 1996 to July 2000, he served at the Department of Property Rights Registration and Asset Statistics of the National State-owned Assets Management Bureau and the Department of Asset Assessment of the Ministry of Finance. He graduated from the School of Government, Peking University majoring in Administrative Management and obtained a Bachelor's Degree in Law.

**Liu Hui** has served as a Non-executive Director of the Bank since August 2023. Since 1995, Mr. Liu worked successively at the Head Office of Agricultural Development Bank of China, Ping An Insurance Beijing Branch (Life Insurance), and the Finance and Private Sector Development Department of the World Bank Office, Beijing. He joined Central Huijin Investment Ltd. in 2007 and successively worked as Senior Deputy Manager, Senior Manager and Division Chief. Mr. Liu served concurrently as a supervisor of China Securities Co., Ltd., and served as a Non-executive Director of China Export & Credit Insurance Corporation. He graduated from Cambridge University with a Ph.D. Degree.

**Shi Yongyan** has served as a Non-executive Director of the Bank since September 2023. In 2011, Mr. Shi joined Central Huijin Investment Ltd. From January 2018 to January 2024, he served as Non-executive Director of China Everbright Group. From May 2018 to July 2020, he served concurrently as Non-executive Director of China Everbright Bank. From March 2016 to February 2018, he was a member of the Party Work Committee and Deputy Director of the Administrative Committee of Lanzhou New Area, Gansu Province. From March 2013 to March 2016, he served as Non-executive Director of China Export & Credit Insurance Corporation. From September 2011 to March 2013, he was Head of Research Support Division, Banking Department at Central Huijin Investment Ltd. From March 2006 to September 2011, he worked as Deputy Chief and Consultant at the General Office of the Anti-money Laundering Bureau of the People's Bank of China. From March 2003 to March 2006, he served as cadre and Deputy Chief of the Anti-Money Laundering Division of the Supervision and Inspection Department of the State Administration of Foreign Exchange. Mr. Shi graduated from Peking University with a Bachelor's Degree and a Master's Degree in Economics, and graduated from Nanyang Technological University, Singapore, with an MBA Degree and a Ph.D. Degree.

**Lou Xiaohui** has served as a Non-executive Director of the Bank since April 2024. Ms. Lou has served as a non-executive director of China Everbright Group Ltd. from March 2017 to April 2024. She is now serving at Central Huijin Investment Ltd. From 2001 to 2017, she successively worked as Deputy Director and Director of the General Office of the Ministry of Finance, Director of the Information Office (director level) and Deputy Director of the National Comprehensive Agricultural Development Evaluation Center (deputy bureau level). She graduated from the Central Institute of Finance and Banking (currently Central University of Finance and Economics), majoring in finance and holding a Master's Degree in Economics. She is a non-practicing member of the Chinese Institute of Certified Public Accountants (CICPA).

**Li Zimin** has served as a Non-executive Director of the Bank since March 2025. Mr. Li has been an executive director of CITIC Financial AMC since January 2023 and the president of CITIC Financial AMC since October 2022, and served as the deputy secretary of the party committee of CITIC Financial AMC since September 2022. He has been a director of CITIC Financial AMC International Holdings Limited since June 2024. Mr. Li started his career in CITIC Trust Co., Ltd. in July 1994 and successively served as the head of the corporate integrated financial services team, the general manager of the investment banking department I and the business director. He served as a member of the party committee, the deputy general manager, and deputy secretary of the party committee of CITIC Trust from April 2011 to November 2014. He served as a deputy secretary of the party committee, general manager, director and vice chairman of CITIC Trust from November 2014 to October 2020. He served as the secretary of the party committee, general manager and vice chairman of CITIC Trust from October 2020 to September 2022, and concurrently served as an equity director of China Guangfa Bank Co., Ltd. from June 2007 to June 2018, the chairman of Allianz China Life Insurance Co., Ltd. from October 2012 to February 2017, the chairman of CITIC Tourism Group Co., Ltd. from August 2016 to March 2021, a non-executive director of China Hongqiao Group Limited from January 2021 to December 2022. He has served as a non-executive director of CITIC Limited since December 2023. Mr. Li obtained a Bachelor's Degree in economics from Beijing Institute of Economics in July 1994, a Master's Degree in business administration from School of Economics and Management, Tsinghua University in January 2006, and a doctorate in management from School of Management, University of Chinese Academy of Sciences in July 2015.

**Jean-Louis Ekra** has served as an Independent Director of the Bank since May 2022. Mr. Ekra currently sits on the Board of several institutions including African Continental Free Trade Area (AfCFTA) Adjustment Fund Corporation LTD and the Fund for Export Development in Africa (FEDA). He is the founder of Ayipling Morrison Capital, a venture capital and financial advisory firm. He was until September 2015 President and Chairman of the Board of the African Export-Import Bank (Afreximbank) in Cairo, Egypt. He assumed this role in January 2005 after holding successively the positions of Executive Vice-President and Senior Executive Vice-President of Afreximbank. Under his leadership, Afreximbank was assigned an investment grade credit rating by three major international rating agencies (Fitch, Moody's and S&P) and won many awards and Prizes for excellence given by various reputable organisations. Before joining Afreximbank in 1996, he held senior positions in different institutions including: Vice-President in charge of International Financial Institutions at Citibank NA Abidjan; Managing Director of Société Ivoirienne de la Poste et de l'Epargne (SIPE); Country Manager for the West African Economic & Monetary Union (UEMOA) and Partner at DKS Investment, a financial advisory firm in Jersey. He was for 4 years elected Honorary President of the Global Network of Exim Banks and Development Finance Institutions (G-NEXID). In 2011, Mr. Ekra was listed among the 100 most influential people of Africa by "New African". In 2013, he received the "Lifetime Achievement Award" from "African Bankers". In 2016, he was awarded the honour of Commandeur de l'Ordre National of Côte d'Ivoire. He holds a Master of Business Administration from Stern School of Business at New York University (NYU) and a Master of Economics from University of Abidjan, Côte d'Ivoire.

**Giovanni Tria** has served as an Independent Director of the Bank since July 2022. Mr. Tria is an economist with more than 40 years of academic and professional experience in the fields of macroeconomics, price policies, economic development policies, business cycle and growth, public investment assessment and project evaluation, role of the institutions on the process of growth, economics of crime and economics of corruption, service sector and public sector economics. He received his degree in Law from University in Rome "La Sapienza" in 1971, then became associate professor and full professor of Political Economy at Faculty of Economics, the University of Rome Tor Vergata, where he served as Dean of the Faculty from 2016 to May 2018 until he was appointed Minister of Economic and Finance of Italy in the Conte I Cabinet and member of the IMF Board of Governors from June 2018 to September 2019. He was adviser of the Italian Ministry of Economic Development in the Draghi Cabinet from March 2021 to October 2022. Currently he is honorary professor at University of Rome Tor Vergata and since January 2022 he is President of the Foundation Enea Tech Biomedical. His past professional and academic positions include expert at the Department of Treasury and member of the "Evaluation Team of Public Investments" at the Ministry of Budget of Italy from 1987 to 1990, visiting scholar at the Department of Economics at Columbia University in 1986, consultant at the World Bank from 1998 to 2000, consultant at the Ministry of Foreign Affairs (Directorate General for Development Cooperation) from 1999 to 2002, Delegate for the Italian Government at the Governing Body of International Labour Organisation from 2002 to 2006 and from 2009 to 2012, Vice Chair of Committee for Information, Computer and Communication Policy (ICCP) and Member of the Innovation Strategy Expert Advisory Group at OECD from 2009 to 2011. He served as Director of Center for Economic and international Studies at University of Rome Tor Vergata from 2000 to 2009 and as President of Italian National School of Administration from 2010 to 2016.

**Liu Xiaolei** has served as an Independent Director of the Bank since March 2024. Ms. Liu currently serves as Professor of Finance and Accounting, the Deputy Director of the Faculty of Economics & Management and Chair of the Finance Department at Guanghua School of Management, Peking University, and concurrently serves as an independent director of PetroChina Company Limited and COFCO Capital Holdings Company Limited. Ms. Liu has held several positions at Peking University, including Deputy Director of the Faculty of Economics & Management since May 2022, Peking University Boya Distinguished Professor since 2018, Chair of the Finance Department at Guanghua School of Management since November 2015, and Professor of Finance and Accounting at Guanghua School of Management since December 2014. Before joining Peking University, Ms. Liu served as an Assistant Professor and later a tenured Associate Professor at Hong Kong University of Science and Technology between December 2005 and December 2014. Between June 2021 and June 2024, Ms. Liu served as an independent director of First Capital Securities Co., Ltd. Between April 2020 and February 2024, she served as an independent director of FIL Fund Management (China) Company Limited. Between March 2019 and December 2021, she served as an independent director of Chasing Securities Co., Ltd. She also served as an independent director of Tianjin Youfa Steel Pipe Group Co., Ltd. from February 2018 to January 2022 and acted as the convener of the Audit Committee of the Board of Directors. In 1995, Ms. Liu obtained a BA in Economics from Nankai University, followed by an MA in Economics from the University of International Business and Economics in 1998. In 2006, she completed her Ph.D. at the University of Rochester in the USA. Ms. Liu's research interests include corporate finance, accounting, risk management, and financial markets. In recent years, she has been consecutively included in the "Highly Cited Chinese Researchers" list published by Elsevier, and her work has received numerous national and international awards.

**Zhang Ran** has been serving as Independent Director of the Bank since April 2025. Since October 2019, Ms. Zhang has been a professor and doctoral advisor in the Accounting Department in the School of Business at Renmin University of China. From June 2006 to October 2019, she held the position of assistant professor and subsequently associate professor at Guanghua School of Management, Peking University. She has served as an independent director of Tsingtao Brewery Co., Ltd. since June 2021, an independent director of Novogene Co., Ltd. since June 2019 to June 2022, an independent director of Sino Geophysical Co., Ltd. since November 2018 to January 2025, and an independent director and chairman of the audit committee of BYD Co., Ltd. from September 2014 to September 2020. In 1999 and 2002, she obtained a Bachelor's degree in Economics and a Master's degree in Management from Beijing Jiaotong University. In 2006, she was awarded a PhD from the University of Colorado in the United States. Ms. Zhang Ran was awarded the "Highly Cited Chinese Researchers" by Elsevier in 2020, 2021, 2022 and 2023. She is also a member of the "National Leading Accounting Talents Program" and a member of the Enterprise Accounting Standards Advisory Committee of the Ministry of Finance. Ms. Zhang's research area include quantamental investing and private equity investing.

**Ms. Ko Margaret**, also known as LEUNG KO May Yee Margaret. Ms. Ko has served as an Independent Director of the Bank since August 2025. She currently serves as an independent non-executive director of China Mobile Limited, First Pacific Company Limited, and Sun Hung Kai Properties Limited. In addition, she holds positions as a member of the Executive Council of the Government of the Hong Kong Special Administrative Region, a Council member and Treasurer of the University of Hong Kong, a member of the Advisory Council of the Business School of the Hong Kong University of Science and Technology, chairperson of the Advisory Committee on Arts Development, a member of the Culture Commission, and a member of the Law Reform Commission. She was appointed as a consultant of The Glorious Sun Holdings Limited in January 2026. Ms. Ko Margaret joined HSBC in 1978. From August 2005 to March 2009, she served as General Manager and Global Co-Head of Commercial Banking at HSBC Group, director of The Hong Kong and Shanghai Banking Corporation Limited, and director of Wells Fargo HSBC Trade Bank. From March 2008 to June 2012, she was an independent non-executive director of Swire Pacific Limited. From March 2009 to June 2012, she served as vice chairman and chief executive of Hang Seng Bank Limited and as a non-executive director of HSBC. From May 2009 to September 2012, she was an independent non-executive director of Hutchison Whampoa Limited. From April 2013 to April 2019, she served as an independent non-executive director of Hong Kong Exchanges and Clearing Limited. From April 2013 to May 2020, she was an independent non-executive director of Li & Fung Limited. From December 2013 to June 2016, she served as an independent non-executive director of China Construction Bank Corporation. From February 2014 to February 2018, she was the vice chairman and chief executive of Chong Hing Bank Limited. From July 2019 to October 2025, she served as an independent non-executive director of Agricultural Bank of China. Ms. Ko Margaret served as a member of the 12th and 13th National Committee of the Chinese People's Political Consultative Conference. In 1975, she obtained a Bachelor of Economics, Accounting, and Business Administration degree from the University of Hong Kong. In 2004, she completed the Advanced Management Programme in INSEAD in France. In 2009, she was appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region, and in 2012, she was awarded the Silver Bauhinia Star by the Government of the Hong Kong Special Administrative Region.

**Mr. Woo Chin Wan Raymond**, has served as an Independent Director of the Bank since November 2025. Since February 2019, he has been serving as an independent non-executive director of Lenovo Group Limited. From November 2017 to October 2023, he was an independent non-executive director of Bank of Communications Co., Ltd. From November 2016 to November 2018, he served as an independent non-executive director of Great Wall Pan Asia Holdings Limited. Additionally, from July 2016 to January 2020, he was an independent non-executive director of Dah Chong Hong Holdings Limited. From June 1985 to June 2015, Mr. Woo held various positions, including director and general manager of Ernst & Young Hua Ming LLP, a member of the EY Greater China Leadership Team, and managing partner of Ernst & Young's Greater China Operations. He has extensive experience in auditing, corporate restructuring, and risk management. Mr. Woo is a Certified Public Accountant in Hong Kong. He obtained a Bachelor of Commerce degree from the University of Toronto, Canada, in 1979 and a Master of Business Administration degree from York University, Canada, in 1982.

There are no potential conflicts of interest between any duties to the Bank of the Directors listed above and their private interests or other duties.

**Senior Management Members**

The following table sets forth certain information concerning members of the Bank's senior management.

| Name | Position |
|---|---|
| Zhang Hui . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Vice Chairman, Executive Director, President and Chief Compliance Officer |
| Cai Zhao . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Executive Vice President |
| Wu Jian . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Executive Vice President |
| Yang Jun . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Executive Vice President |
| Liu Chenggang . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Executive Vice President, Secretary of the Board of Directors and Company Secretary |
| Huang Xueling . . . . . . . . . . . . . . . . . . . . . . . . . . . . | Executive Vice President |

**Zhang Hui —** for Mr. Zhang Hui's biography, please refer to "*Directors and Management — Zhang Hui*".

**Cai Zhao —** for Mr. Cai Zhao's biography, please refer to "*Directors and Management — Cai Zhao*".

**Wu Jian** has served as an Executive Vice President of the Bank since February 2025. Mr. Wu joined the Bank in 2025. From July 2024 to January 2025, he served as Deputy Secretary and Secretary of Discipline Inspection Commission of China Everbright Bank Committee of the Communist Party of China. From January 2021 to July 2024, he served as General Manager of the Human Resources Department of China Everbright Group Ltd. From September 2016 to January 2021, he served as General Manager of the Risk Management and Internal Control & Compliance Department/ Legal Department of China Everbright Group Ltd. Before that, he held a number of other roles, including Assistant General Manager of the Risk Management Department of China Construction Bank, General Manager of the Risk Policy Management Department of Shanghai Pudong Development Bank, dispatched director from Central Huijin Investment Ltd. and head of the Everbright Equity Management Division of Integrated Management Department/Banking Institution Management Department II of Central Huijin Investment Ltd. Mr. Wu graduated from the graduate school of the Chinese Academy of Social Sciences and obtained a Doctor's Degree of Economics in 1999. He holds the qualifications of Research Fellow and Senior Economist.

**Mr. Yang Jun** has served as an Executive Vice President of the Bank since July 2025. Mr. Yang joined the Bank in 2025. Previously, he has worked at China Construction Bank ("**CCB**") for many years. From December 2024 to June 2025, he served as General Manager of the Group Assets Management Department (Pension Finance Department) of CCB. From December 2020 to July 2024, he served as General Manager of CCB Shandong Branch. From June 2018 to September 2020, he served as General Manager of the Risk Management Department of CCB. Prior to that, he held a number of positions at CCB, including Assistant General Manager of the Risk Monitoring Department and the Risk Management Department, Deputy General Manager of the Risk Management Department and Deputy General Manager and General Manager of the Market Risk Management Department concurrently, and Deputy General Manager of CCB Hubei Branch. He obtained a Master's Degree in Engineering in 1996 and a Doctor's Degree in Management in 2003 from Tsinghua University. He holds the qualification of Senior Economist.

**Liu Chenggang** has served as an Executive Vice President of the Bank, concurrently President of Shanghai RMB Trading Unit since October 2025, and concurrently Secretary to the Board of Directors and the Company Secretary of the Bank since December 2025. Mr. Liu joined the Bank in 1994. From April 2024 to August 2025, he served as Vice President of BOC Hong Kong (Holdings) Limited. From March 2022 to August 2025, he served as Chief Financial Officer of BOC Hong Kong (Holdings) Limited. From October 2018 to January 2022, he served as General Manager of the Equity Investment and Subsidiary Management Department of the Bank. From January 2017 to October 2018, he served as General Manager of the Financial Management Department of the Bank. From November 2015 to January 2017, he served as General Manager of the Treasury of the Bank. Before that, he held a number of positions at the Bank, including Assistant General Manager and Chief Officer of the Financial Markets Department, Deputy General Manager (presiding over daily work) of the Treasury. Mr. Liu graduated and obtained a Bachelor's Degree in Economics in 1994 from Renmin University of China, and a Master's Degree in Economics in 1999 from Research Institute of the People's Bank of China. He obtained a Master's Degree in Applied Finance in 2003 from Macquarie University. He holds the qualification of Senior Accountant and is a CFA charterholder.

**Huang Xueling** has served as an Executive Vice President of the Bank since March 2026. Ms. Huang joined the Bank in 2026. From July 2025 to February 2026, she served as Head of Equity Management Department II of Central Huijin Investment Ltd. From April 2020 to July 2025, she served as Head of Capital Operation Department of Central Huijin Investment Ltd, during which she concurrently served as Chair of the Board and General Manager of Central Huijin Asset Management Ltd. Previously, she served as Deputy Head of Comprehensive Management Department of Central Huijin Investment Ltd., Executive Director of Central Huijin Asset Management Ltd., Director of China Export & Credit Insurance Corporation, and Head of Reform and Plan Division of Comprehensive Management Department and Banking Institutions Department II of Central Huijin Investment Ltd. She obtained a Master's Degree in Economics from Peking University.

**Board Committees**

The Bank's Board of Directors delegates certain responsibilities to various committees. The Bank's Board of Directors has set up the Strategic Development Committee, Corporate Culture and Consumer Protection Committee, Audit Committee, Risk Policy Committee, Personnel and Remuneration Committee and Connected Transactions Control Committee. These committees are constituted by certain Directors and report to the Board of Directors. In March 2015, the Board of Directors established the U.S. Risk and Management Committee under its Risk Policy Committee to supervise risk management of the U.S. operations of the Bank. As required by the Bank's Articles of Association, each committee must have at least three Directors.

# SUBSTANTIAL SHAREHOLDERS

## DISCLOSURE OF SHAREHOLDING UNDER H-SHARE REGULATION SUBSTANTIAL SHAREHOLDER INTERESTS

The register maintained by the Bank pursuant to section 336 of the Securities and Futures Ordinance (the "**SFO**"), recorded that, as at 31 December 2025, the shareholders indicated in the following table were substantial shareholders (as defined in the SFO) having the following interests in shares of the Bank:

| Name of shareholder | Capacity (types of interest) | Number of shares held/ Number of underlying shares | Type of shares | Percentage of total issued A-Shares capital | Percentage of total issued H-Shares capital | Percentage of total issued ordinary share capital |
|---|---|---|---|---|---|---|
| | | (unit: share)[6] | | | | |
| Central Huijin Investment Ltd. | Beneficial Owner | 188,791,906,533 | A | 79.13 per cent. | – | 58.59 per cent. |
| | Interest of controlled corporations | 9,751,189,385 | A | 4.09 per cent. | – | 3.03 per cent. |
| | Total | 198,543,095,918 | A | 83.22 per cent. | – | 61.62 per cent. |
| Ministry of Finance . . . . . . | Beneficial Owner | 27,824,620,573 | A | 11.66 per cent. | – | 8.64 per cent. |
| BlackRock, Inc.[1] . . . . . . . | Interest of controlled corporations | 5,008,847,294 | H | – | 5.99 per cent. | 1.55 per cent. |
| | | 17,369,000 (S) | H | – | 0.02 per cent. | 0.01 per cent. |
| China CITIC Financial Asset Management Co., Ltd.[2] . . | Beneficial Owner | 15,888,513,000 | H | – | 19 per cent. | 4.93 per cent. |
| CITIC Securities Company Limited[3] . . . . . . . . . . | Beneficial Owner | 16,966,048 | H | – | 0.02 per cent. | 0.01 per cent. |
| | Investment Manager | 6,414,431,000 | H | – | 7.67 per cent. | 1.99 per cent. |
| | Interest of controlled corporations | 35,003,000 | H | – | 0.04 per cent. | 0.01 per cent. |
| | Total | 6,466,400,048 | H | – | 7.73 per cent. | 2.01 per cent. |
| | | 771,000 (S) | H | – | 0.001 per cent. | 0.0002 per cent. |
| CITIC Securities Asset Management Company Limited[4] . . . . . . . . . . | Trustee | 5,890,062,000 | H | – | 7.04 per cent. | 1.83 per cent. |
| CITIC Securities Asset Management — No. 3 Single Asset Management Scheme[5] . . . . . . . . . . | Other | 5,909,466,000 | H | – | 7.07 per cent. | 1.83 per cent. |

*Notes:*

(1) BlackRock, Inc. held a long position of 5,008,847,294 H Shares and a short position of 17,369,000 H Shares of the Bank through BlackRock Finance, Inc. and other corporations controlled by it. In the long position of 5,008,847,294 H Shares, 116,627,000 H Shares were held through derivatives. In the short position of 17,369,000 H Shares, 14,997,000 H Shares were held through derivatives.

(2) China CITIC Financial Asset Management Co., Ltd. as a beneficial owner, held a long position of 15,888,513,000 H Shares of the Bank.

(3) CITIC Securities Company Limited held, through its controlled corporations including but not limited to CITIC Securities Asset Management Company Limited and CITIC Securities International Company Limited, a long position of 6,744,332,352 H Shares and a short position of 369,000 H Shares of the Bank. In the long position of 6,466,400,048 H Shares and a short position of 771,000 H Shares of the Bank. In the long position of 6,466,400,048 H Shares, 1,000 H Shares were held through derivatives. The entire short position of 771,000 H Shares was held through derivatives.

(4) CITIC Securities Asset Management Company Limited is a wholly-owned subsidiary of CITIC Securities Company Limited. CITIC Securities Asset Management Company Limited, through all the asset management plans it manages including CITIC Securities Asset Management — No.3 Single Asset Management Scheme, held a long position of 5,890,062,000 H Shares of the Bank.

(5) CITIC Securities Asset Management Company Limited is the manager of CITIC Securities Asset Management — No.3 Single Asset Management Scheme. China CITIC Financial Asset Management Co., Ltd. is the sole principal and beneficiary of CITIC Securities Asset Management — No.3 Single Asset Management Scheme.

(6) "S" denotes short position.

(7) Unless stated otherwise, all interests stated above represented long positions. Save as disclosed above, as at 31 December 2025, no other interests (including derivative interests) or short positions were recorded in the register maintained by the Bank under section 336 of the SFO.

(8) The register maintained by the Bank under section 336 of the SFO contains information which is self-reported by the relevant shareholders or other persons, and the Bank is not required by the relevant ordinance to conduct any independent investigation.

## CONNECTED TRANSACTIONS

The Bank currently engages in and expects from time to time in the future to engage in, financial and commercial transactions with its connected parties. All such transactions are conducted on an arm's length and commercial basis and in accordance with the applicable listing rules.

# TAXATION

*The following is a general description of certain tax considerations relating to the Notes and is based on laws and relevant interpretation thereof in effect as at the date of this Offering Circular all of which are subject to changes and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. It is emphasised that none of the Relevant Obligors, the Bank nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for purchase, holding or disposal of the Notes.*

## PEOPLE'S REPUBLIC OF CHINA

The following summary describes the principal PRC tax consequences of ownership of the Notes by beneficial owners who, or which, are not residents of Mainland China for PRC tax purposes. These beneficial owners are referred to as non-PRC Noteholders in this section. In considering whether to invest in the Notes, potential purchasers should consult their individual tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Pursuant to the Enterprise Income Tax Law promulgated on 16 March 2007 and amended on 29 December 2018 and the PRC Individual Income Tax Law, as amended on 31 August 2018, and their implementation regulations, an income tax is imposed on payment of interest by way of withholding in respect of debt securities, issued by PRC enterprises to non-resident Noteholders, including non-resident enterprises and non-resident individuals.

On 23 March 2016, the Ministry of Finance and the State Administration of Taxation ("**SAT**") issued the Circular of Full Implementation of Business Tax to VAT Reform (關於全面推開營業稅改徵增值稅試點的通知) (Caishui [2016] No. 36, "**Circular 36**") which confirms that business tax was replaced by VAT from 1 May 2016. Since then, the income derived from the provision of financial services which attracted business tax will be entirely replaced by, and subject to, VAT.

According to Circular 36, the entities and individuals providing the services within China shall be subject to VAT. The services are treated as being provided within China where either the service provider or the service recipient is located in China. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon. Based on the definition of "loans" under Circular 36, the issuance of Notes is likely to be treated as the holders of the Notes providing loans to the relevant Issuer.

*(I) In the event that the Issuer is the Bank's head office (the "**BOC Head Office**")*

In the event that the Issuer is BOC Head Office, BOC Head Office will be subject to withhold PRC income tax on the payment of interest of the Notes to non-resident Noteholders. The current rates of such income tax are 20 per cent. (for non-resident individuals) and 10 per cent. (for non-resident enterprises) of the gross amount of the interest, in each case, unless a lower rate is available under an applicable tax treaty. For example, the tax so charged on interests paid on the Notes to non-resident Noteholders who, or which are residents of Hong Kong (including enterprise holders and individual holders) as defined under the arrangement between the Mainland China and Hong Kong for purpose of the avoidance of double taxation will be 7 per cent. of the gross amount of the interest pursuant to such arrangement. Further, given that the BOC Head Office is located in the

PRC, in the event that the Issuer is the BOC Head Office, holders of the Notes would be regarded as providing the financial services within China and consequently, the holders of the Notes shall be subject to VAT at the rate of 6 per cent. when receiving the interest payments under the Notes. Given that BOC Head Office pays interest income to Noteholders who are located outside of the PRC, BOC Head Office, acting as the obligatory withholder in accordance with applicable law, shall withhold VAT from the payment of interest income to Noteholders who are located outside of the PRC. BOC Head Office has agreed to pay additional amounts to holders of the Notes so that holders of the Notes would receive the full amount of the scheduled payment, as further set out in the "*Terms and Conditions of the Notes*".

*(II)* *In the event that the Issuer is a Branch Issuer or the Notes are guaranteed by an Overseas Branch*

In the event that the Issuer is a Branch Issuer or the Notes are guaranteed by an Overseas Branch, the relevant Issuer and the relevant Guarantor, as applicable, are not obliged to withhold PRC income tax at the rate up to 10 per cent. (for non-resident enterprises) or 20 per cent. (for non-resident individuals) on the payments of interest made by it to non-resident Noteholders provided that the payments are made outside of the territory of PRC. However, this is subject to the interpretation by the PRC tax authorities. If the PRC tax authorities take an interpretation that the interest on the Notes payable by the relevant Issuer or Guarantor is treated as income sourced from the PRC, a withholding tax may be imposed on such interest and the relevant Issuer or Guarantor will pay additional amounts to holders of the Notes so that holders of the Notes would receive the full amount of the scheduled payment, as further set out in the Conditions. If BOC Head Office shall perform the obligation of paying interest of the Notes in the event and only when the relevant Branch Issuer or Overseas Branch as Guarantor fails to perform its obligations of paying the interest of the Notes, BOC Head Office will be obliged to withhold PRC income tax at a rate of 10 per cent. (for non-resident enterprises) or 20 per cent. (for non-resident individuals) (unless a lower rate is available under an applicable tax treaty) and PRC VAT tax at the rate of 6 per cent. of the interest component of the amount payable by BOC Head Office to the Noteholders if the PRC tax authority views such component as an interest income arising within the territory of the PRC.

Pursuant to the EIT Law, IIT Law and the VAT reform detailed above, in the case of (I) and (II), the Relevant Obligor(s) or the Bank shall withhold EIT or IIT, (should such tax apply) from the payments of interest in respect of the Notes for any non-PRC-resident Noteholder and the Relevant Obligor(s) or the Bank shall withhold VAT (should such tax apply) from the payments of interest in respect of the Notes for any Noteholders located outside of the PRC. However, in the event that such Relevant Obligor and the Bank are required to make such a deduction or withholding (whether by way of EIT, IIT or VAT otherwise), each Relevant Obligor and the Bank have agreed to pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required. For more information, see "*Terms and Conditions of the Notes — Condition 14 (Taxation)*".

*(III)* *In the event that the Issuer is a Subsidiary Issuer and the Notes are not guaranteed*

In the event that the Issuer is a Subsidiary Issuer and the Notes are not guaranteed, the relevant Issuer is not obliged to withhold PRC income tax or PRC VAT tax.

Non-resident Noteholders will not be subject to the PRC tax on any capital gains derived from a sale or exchange of Notes consummated outside the PRC between non-resident Noteholders, except however, if the relevant Issuer is treated as a PRC tax resident enterprise under the Enterprise Income Tax Law and related implementation regulations in the future, any gains realised by the non-resident Noteholders from the transfer of the Notes may be regarded as being sourced within the PRC and accordingly would be subject to the rate of 10 per cent. (for non-resident enterprises) or 20 per cent. (for non-resident individuals) of PRC withholding tax unless there is a lower tax rate applicable.

Where a holder of the Notes who is an entity or individual located outside of the PRC resells the Notes to an entity or individual located outside of the PRC and derives any gain, since neither the service provider nor the service recipient is located in the PRC, theoretically VAT prescribed under Circular 36 does not apply and the relevant Issuer does not have the obligation to withhold the VAT or the local levies. However, there is uncertainty as to the applicability of VAT if either the seller or buyer of Notes is located inside the PRC. According to an arrangement between the Mainland China and Hong Kong for avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes. There is uncertainty as to whether gains realised on the transfer of the Notes by individual holders who are not PRC citizens or residents will be treated as incomes sourced within the PRC which as a result will be subject to PRC individual income tax.

Circular 36 has been issued quite recently, the above statements on VAT may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of Circular 36.

No PRC stamp duty will be chargeable upon the issue or transfer (for so long as the register of Noteholders is maintained outside the PRC) of a Note.

## HONG KONG

### Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

### Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

(i) interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(iv) interest on the Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Where Bank of China Limited, Hong Kong Branch is the Issuer, pursuant to the Exemption from Profits Tax (Interest Income) Order, interest income accruing to a person other than a financial institution on deposits (denominated in any currency and whether or not the deposit is evidenced by a certificate of deposit) placed with, inter alia, an authorised institution in Hong Kong (within the meaning of section 2 of the Banking Ordinance (Cap. 155) of Hong Kong) is exempt from the payment of Hong Kong profits tax. This exemption does not apply, however, to deposits that are used to secure or guarantee money borrowed in certain circumstances. Provided no prospectus involving the issue of Notes is registered under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**"), the issue of Notes by the Issuer is expected to constitute a deposit to which the above exemption from payment will apply.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

In addition, the Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Ordinance 2022 of Hong Kong (the "**Amendment Ordinance**") came into effect on 1 January 2023. Under the Amendment Ordinance, certain foreign-sourced interest on the Notes accrued to an MNE entity (as defined in the Amendment Ordinance) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The Amendment Ordinance also provides for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

**Stamp Duty**

Stamp duty will not be payable on the issue of Bearer Notes provided that either:

(i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong (the "**SDO**")).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Bearer Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

(i) such Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

(ii) such Registered Notes constitute loan capital (as defined in the SDO).

With effect from 17 November 2023, if stamp duty applies to the transfer of Registered Bonds required to be registered in Hong Kong and which are not otherwise exempt it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK$5.00 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

**FATCA**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Bank is a foreign financial institution for these purposes. A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

# CLEARANCE AND SETTLEMENT

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream or the CMU (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Relevant Obligors and the Bank believe to be reliable, but none of the relevant Issuer, the Bank or any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Relevant Obligors, the Bank or any other party to the Programme Agency Agreement or any Alternative Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

## THE CLEARING SYSTEMS

### DTC

DTC is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the clearance and settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealer, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealer, Inc. Access to the DTC System is also available to others such as securities brokers and dealer, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("**Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the relevant Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has a reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Relevant Obligor(s), subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of each Relevant Obligor, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Transfer Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

**Euroclear and Clearstream**

Euroclear and Clearstream each hold securities for its customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

**CMU**

The CMU is a central depositary service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("**CMU Members**") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together as "**CMU Instruments**") which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to financial institutions regulated by the Hong Kong Monetary Authority, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU's custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the "**income proceeds**") by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual.

An investor holding an interest through an account with either Euroclear or Clearstream, in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, each have with the CMU.

**BOOK-ENTRY OWNERSHIP OF AND PAYMENTS IN RESPECT OF DTC NOTES**

The relevant Issuer may apply to DTC in order to have any Series of Notes represented by a Global Note Certificate accepted in its book-entry settlement system. Upon the issue of any such Global Note Certificate, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Global Note Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Global Note Certificate will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Note, the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in a Global Note Certificate accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Global Note Certificate accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Global Note Certificate in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The relevant Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The relevant Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the relevant Issuer. Payment of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the relevant Issuer.

## TRANSFERS OF NOTES REPRESENTED BY GLOBAL NOTES CERTIFICATE

Transfers of any interests in Notes represented by a Global Note Certificate within DTC, Euroclear and Clearstream will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Global Note Certificate to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Global Note Certificate accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Global Note Certificate accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "*Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Paying Agent and the DTC Custodian with whom the relevant Registered Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between Participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Paying Agent and the DTC Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Notes among participants and accountholders of DTC, Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Relevant Obligors, the Bank, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream or Euroclear, the CMU or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Notes Certificate or for maintaining, supervising or reviewing any records relating to such beneficial interests.

# TRANSFER RESTRICTIONS

## REGULATION S NOTES

Each purchaser of Bearer Notes or Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period as defined in Regulation S, by accepting delivery of this Offering Circular and the Notes, will be deemed to have represented, agreed and acknowledged that:

(i) it is, or at the time Notes are purchased will be, the beneficial owner of such Notes and:

  (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S); and

  (b) it is not an affiliate of any Relevant Obligor or a person acting on behalf of such an affiliate;

(ii) it understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period (as defined in Regulation S), it will not offer, sell, pledge or otherwise transfer such Notes except:

  (a) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or

  (b) to the relevant Issuer; or

  (c) in the case of Unrestricted Notes only, in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB, in each case in accordance with any applicable securities laws of any State of the United States;

(iii) it understands that each Relevant Obligor, the Trustee, the Registrar, the Arrangers, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and, if any such acknowledgments, representations or agreements deemed to have been made by virtue of its purchase of the Notes are no longer accurate, it agrees to promptly notify the Relevant Obligor(s).

On or prior to the expiration of the relevant distribution compliance period, Notes represented by an interest in an Unrestricted Global Note Certificate may be transferred to a person who wishes to hold such Notes in the form of an interest in a Restricted Global Note Certificate only upon receipt by the Registrar of a written certification from the transferor (in the form set out in Schedule 5 (*Form of Transfer Certificate*) to the Bank Issuer Trust Deed) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. After the expiration of the relevant distribution compliance period, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of such Global Note Certificate, as described above under "*Forms of the Notes*".

Notes represented by an interest in a Restricted Global Note Certificate may also be transferred to a person who wishes to hold such Notes in the form of an interest in an Unrestricted Global Note Certificate, but only upon receipt by the Registrar of a written certification from the transferor (in the form set out in Schedule 5 (*Form of Transfer Certificate*) to the Bank Issuer Trust Deed) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 (if available) under the Securities Act.

Any interest in a Note represented by an Unrestricted Global Note Certificate that is transferred to a person who takes delivery in the form of an interest in a Note represented by a Restricted Global Note Certificate will, upon transfer, cease to be an interest in a Note represented by an Unrestricted Global Note Certificate and become an interest in a Note represented by a Restricted Global Note Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to Notes represented by a Restricted Global Note Certificate.

**RULE 144A NOTES**

Each purchaser of Restricted Notes in reliance on Rule 144A, by accepting delivery of this Offering Circular, will be deemed to have represented, agreed and acknowledged as follows (terms used in the following paragraphs that are defined in Rule 144A have the respective meanings given to them in Rule 144A):

(i) the purchaser is (a) a QIB, (b) acquiring the Notes for its own account or for the account of one or more QIBs, (c) not formed for the purpose of investing in the Notes or the relevant Issuer and (d) is aware, and each beneficial owner of such Notes has been advised that the sale of the Notes to it is being made in reliance on Rule 144A;

(ii) the purchaser understands that (1) the Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act, (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (d) pursuant to an effective registration statement under the Securities Act or (e) to the relevant Issuer or any of its affiliates, in each case in accordance with any applicable securities laws of any State of the United States and (2) it will, and each subsequent holder of the Restricted Notes is required to, notify any purchaser of the Restricted Notes from it of the resale restrictions applicable to the Restricted Notes;

(iii) the purchaser understands that the Restricted Global Note Certificate and any restricted Individual Note Certificate (a "**Restricted Individual Note Certificate**") will bear a legend to the following effect, unless the relevant Issuer determines otherwise in accordance with applicable law:

THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR A PERSON PURCHASING FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) TO THE ISSUER OR ITS AFFILIATES.

(iv) if it is acquiring any Notes for the account of one or more QIBs the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and

(v) the purchaser understands that the relevant Issuer, the Trustee, the Registrar, the Arrangers, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and, if any such acknowledgments, representations or agreements deemed to have been made by virtue of its purchase of the Notes are no longer accurate, it agrees to promptly notify the relevant Issuer.

Upon the transfer, exchange or replacement of a Restricted Global Note Certificate or a Restricted Individual Note Certificate, or upon specific request for removal of the legend, the relevant Issuer will deliver only a Restricted Global Note Certificate or one or more Restricted Individual Note Certificates that bear such legend or will refuse to remove such legend, unless there is delivered to the relevant Issuer and the Registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the relevant Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Any interest in a Restricted Global Note Certificate that is transferred to a person who takes delivery in the form of an interest in an Unrestricted Global Note Certificate will, upon transfer, cease to be an interest in a Restricted Global Note Certificate and become an interest in an Unrestricted Global Note Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in an Unrestricted Global Note Certificate.

Prospective purchasers that are QIBs are hereby notified that sellers of the Restricted Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

# REGULATION AND SUPERVISION IN THE PRC

The banking industry is heavily regulated in the PRC, with NFRA and PBOC acting as the principal regulatory authorities. NFRA is primarily responsible for supervising and regulating banking institutions, and PBOC, as the central bank of the PRC, is primarily responsible for formulating and implementing monetary policies. The applicable laws and regulations governing activities in the PRC banking industry consist principally of the PRC PBOC Law, the PRC Commercial Banking Law, the Law of PRC on Supervision and Administration of Banking Sector, and rules and regulations promulgated thereunder.

## PRINCIPAL REGULATORS

Prior to April 2003, PBOC acted as both the PRC's central bank and the principal supervisor and regulator of the banking industry in the PRC. In April 2003, China Banking Regulatory Commission was established to serve as the primary banking industry regulator and it assumed the majority of bank regulatory functions from PBOC. PBOC retained its role as the central bank but now has a smaller role in the regulation of banking institutions.

In March 2018, the PRC Government announced the merger of the China Banking Regulatory Commission with the China Insurance Regulatory Commission, to form CBIRC. On 18 May 2023, NFRA was officially established, which opens a new chapter on financial regulation in China. The new regulator replaces the former CBIRC and will also take over certain financial investor protection responsibilities from other regulators.

### NFRA

#### *Functions and Powers*

NFRA is responsible for implementing the policies and decisions of the CPC Central Committee on financial work. The main responsibilities are:

1. To conduct unified supervision and regulation of the financial industry except the securities sector in accordance with laws and regulations, strengthen institutional supervision, conduct supervision, functional supervision, look-through supervision and on-going supervision, and ensure the lawful and stable operation of the financial industry.

2. To carry out systematic research on issues concerning the reform and opening up as well as effective supervision of the financial industry. To participate in the formulation of strategic plans for reform and development of the financial industry. To draft relevant laws and regulations on banking, insurance and financial holding companies, and put forward recommendations for their formulation and revision. To formulate relevant rules and regulations for banking institutions, insurance institutions, and financial holding companies, etc.

3. To conduct and coordinate work concerning the protection of financial consumers' rights and interests. To formulate development planning, establish a sound system and study major issues concerning the protection of financial consumers' rights and interests, to carry out financial consumer education, and build complaint handling mechanisms as well as diversified dispute resolution mechanisms for financial consumers.

4. To conduct authorisation of banking institutions, insurance institutions, financial holding companies and others in accordance with law, and carry out supervision and regulation of these institutions in respect of their corporate governance, risk management, internal controls, capital adequacy, solvency, business operations, information disclosure, etc.

5. To conduct on-site examination and off-site surveillance of banking institutions, insurance institutions, financial holding companies and others, in accordance with law. To carry out risk and compliance assessment of these institutions, investigate and impose administrative penalties over violations.

6. To prepare regulatory data statements of banking institutions, insurance institutions, financial holding companies and others on a consolidated basis, and release these information in accordance with relevant provisions. To fulfill the responsibilities concerning comprehensive statistics of the financial industry.

7. To carry out technology supervision of banking institutions, insurance institutions, financial holding companies, etc. To establish technology supervisory systems and formulate relevant policies. To build a regulatory big data platform, carry out risk monitoring, analysis, assessment and early warning, and make full use of technological means to strengthen supervision and prevent risks.

8. To conduct look-through supervision of the banking institutions, insurance institutions, financial holding companies, etc. To formulate rules on equity supervision, and review and approve shareholders, actual controllers as well as equity changes in accordance with law. To carry out investigation on shareholders, actual controllers, persons acting in concert and ultimate beneficiaries according to law, and take relevant measures or impose penalties on violations of laws and regulations.

9. To set up financial inspection and oversight systems outside of the fields of currency, payment, credit reporting, anti-money laundering, foreign exchange, securities and futures. To set up mechanisms connecting the administrative law enforcement with criminal justice, and investigate, collect evidence on and deal with related subjects of violations or illegal financial activities, and transfer those suspected of committing a crime to judicial organs.

10. To establish recovery and resolution mechanisms of banking institutions, insurance institutions, financial holding companies, etc. To study and put forward recommendations on the recovery and resolution of financial institutions in collaboration with relevant departments and organize their implementation.

11. To take the lead in cracking down on illegal financial activities, organize the establishment of monitoring and early warning system on illegal financial activities, coordinate, guide and urge relevant departments and local governments to carry out work to prevent and deal with illegal financial activities according to law. To study and put forward relevant suggestions on cross-sector and cross-region illegal financial activities and those involving new products and new types of business, and organize their implementation as required.

12. To establish a local financial supervision system as required which is mainly based on local offices directly under the central financial authorities. To guide and oversee the local financial supervisory work, and guide and coordinate local governments to fulfill their respective jurisdictional responsibility in resolving related financial risks.

13. To supervise the outsourcing of information technology, as well as other cooperating activities of banking institutions, insurance institutions, financial holding companies and other supervised entities with information technology service agencies and other intermediaries. To conduct investigation over violations of laws and regulations in accordance with law, and take relevant measures against financial institutions.

14. To participate in the regulatory and rule-making work of international financial organisations and international regulatory standard-setting bodies. To carry out overseas exchanges and international cooperation work.

15. To implement other tasks assigned by the CPC Central Committee and the State Council.

**PBOC**

As the central bank of the PRC, PBOC is responsible for formulating and implementing monetary policies and maintaining the stability of the financial markets. According to the PRC PBOC Law, PBOC is empowered to:

(1) formulate and implement monetary policies by establishing benchmark interest rates, setting the deposit reserve ratios for banks, extending loans to commercial banks, accepting discounted bills and conducting open market operations;

(2) issue PRC treasury bills and other government bonds to financial institutions, as the agent of the Ministry of Finance;

(3) issue the currency of Renminbi and regulate the flow of Renminbi;

(4) regulate the inter-bank lending market, inter-bank bond market and inter-bank foreign exchange market;

(5) set foreign exchange rate policies and manage the PRC's foreign exchange reserves and gold reserves;

(6) manage the state treasury;

(7) maintain the normal operation of payment and settlement systems;

(8) carry out foreign exchange administration and regulate inter-bank foreign exchange market;

(9) establish anti-money laundering guidelines and monitor fund transfers to ensure that such transfers are in compliance with anti-money laundering regulations;

(10) act as the central bank of the PRC to conduct relevant international financial activities; and

(11) collect statistics of, investigate, analyse and forecast the financial industry.

**Other Regulatory Authorities**

In addition to NFRA and PBOC, commercial banks in the PRC are also subject to the supervision and regulation by other regulatory authorities including, among others, SAFE, CSRC, CIRC and NDRC. For example, in conducting foreign exchange business, banks are subject to the regulation of SAFE; in dealing with securities-related matters such as distributing securities investment funds or acting as the custodians of investment assets of securities institutional investors, banks are subject to the regulation of CSRC; and in conducting bancassurance business, banks are subject to the regulation of CIRC; and in issuing the notes overseas by the domestic banks, the domestic banks are subject to the regulation of the NDRC.

## REGULATIONS REGARDING CAPITAL ADEQUACY

### Capital Adequacy Guidelines

On 26 October 2023, the NFRA published the New Capital Regulation which became effective on 1 January 2024. The New Capital Regulation, which are intended to reflect the Basel III regulatory capital requirements, set out minimum capital adequacy ratio ("**CAR**") requirements for commercial banks and provide detailed guidelines on the calculation of "capital" and "risk-weighted assets". Commercial banks in the PRC are required to have a CAR of not less than 8 per cent., Tier 1 CAR of not less than 6 per cent. and Common Equity Tier 1 CAR of not less than 5 per cent. The CARs are calculated in accordance with the New Capital Regulation as follows:

$$\text{Capital Adequacy Ratio} = \frac{\text{Total Capital} - \text{deductions from corresponding capital instruments}}{\text{Risk} - \text{weighted Assets}} \times 100 \text{ per cent.}$$

$$\text{Tier 1 Capital Adequacy Ratio} = \frac{\text{Tier 1 Capital} - \text{deductions from corresponding capital instruments}}{\text{Risk} - \text{weighted Assets}} \times 100 \text{ per cent.}$$

$$\begin{array}{c}\text{Common Equity Tier 1}\\ \text{Capital Adequacy Ratio}\end{array} = \frac{\begin{array}{c}\text{Common Equity Tier 1 Capital} - \text{deductions from}\\ \text{corresponding capital instruments}\end{array}}{\text{Risk} - \text{weighted Assets}} \times 100 \text{ per cent.}$$

In November 2019, CBIRC released the Guiding Opinions on the Innovation in Capital Instruments by Commercial Banks (the "**2019 Guiding Opinions**"), setting out the general principles of the innovation of capital instruments of commercial banks and criteria of qualified capital instruments.

# PRC CURRENCY CONTROLS

The following is a general description of certain currency controls in the PRC and is based on the law and relevant interpretations thereof in effect as at the date of this Offering Circular, all of which are subject to change, and does not constitute legal advice. It does not purport to be a complete analysis of all applicable currency controls in the PRC relating to the Notes. Prospective holders of Notes who are in any doubt as to PRC currency controls are advised to consult their own professional advisers.

Renminbi is not a completely freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to control imposed under PRC law.

## CURRENT ACCOUNT ITEMS

Under PRC foreign exchange control regulations, current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a Supervision List determined by the PBOC and five other relevant authorities would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border Renminbi Business Procedures (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the "**2013 PBOC Circular**") which simplified the procedures for cross-border Renminbi trade settlement under current account items. Article 6 of the 2013 PBOC Circular which is related to the upper limit of financing ratio for RMB accounts ceased to have effect on 24 February 2026 pursuant to the Notice on Matters Related to Renminbi Cross-Border Interbank Financing Business of Banking Financial Institutions issued by the PBOC (中國人民銀行關於銀行業金融機構人民幣跨境同業融資業務有關事宜的通知(銀發[2026]51號)) on the same day. On 1 November 2014, PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知) (the "**2015 PBOC Circular**"), which, among others, have lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow. The 2015 PBOC Circular also provides that enterprises in the China (Shanghai) Free Trade Pilot Zone (the "**Shanghai FTZ**") may establish an additional cash pool in the local scheme in the Shanghai FTZ, but each onshore company within the group may only elect to participate in one cash pool. In November 2016, PBOC Shanghai Headquarters further allowed banks in Shanghai to provide multinational enterprise groups with services of full-function onshore cash pooling, which will enable broader scope for utilising pooled cashed.

On 23 October 2019, the SAFE promulgated the Notice by the State Administration of Foreign Exchange of Simplifying Foreign Exchange Accounts (國家外匯管理局關於精簡外匯帳戶的通知). SAFE has decided to review and integrate certain foreign exchange accounts and further reduce the types of accounts in order to further intensify the reform of foreign exchange administration, simplify the relevant business operating procedures, and facilitate true and compliant foreign exchange transactions by banks, enterprises and other market participants. For example, "Current accounts — foreign currency cash account" and "current accounts — foreign exchange account under current accounts of overseas institutions" are included in "current accounts — foreign exchange settlement account".

On the same day, the SAFE issued the Notice by the State Administration of Foreign Exchange of Further Facilitating Cross-border Trade and Investment (國家外匯管理局關於進一步促進跨境貿易投資便利化的通知), which was amended by SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知) on 4 December 2023, based on which, for the revenue obtained by an enterprise from trade in goods, the enterprise may, on its own, decide whether to open a to-be-inspected account for export revenue ("**to-be-inspected account**"). If an enterprise has not opened a to-be-inspected account, the examined revenue from trade in goods by the bank in accordance with the existing provisions may be directly deposited into the foreign exchange account under current accounts or used for foreign exchange settlement.

On 28 August 2020, the SAFE issued the Notice of the State Administration of Foreign Exchange on Issuing the Guidelines for Foreign Exchange Business of Current Account (2020 Edition) (國家外匯管理局關於印發《經常項目外匯業務指引(2020年版)》的通知), (the "**SAFE Current Account Guidelines**") which was partially repealed by Notice of the State Administration of Foreign Exchange on Repealing and Nullifying 15 Regulatory Documents on Foreign Exchange Control and Adjusting the Provisions of 14 Regulatory Documents on Foreign Exchange Control (國家外匯管理局關於廢止和失效15件外匯管理規範性文件及調整14件外匯管理規範性文件條款的通知) on 23 March 2023 and was amended by SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知) on 4 December 2023, in order to integrate and simplify then existing laws and regulations regarding foreign exchange transactions under current account items. The SAFE Current Account Guidelines do not create substantial amendments to existing laws and regulations.

The regulations referred to above are subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these regulations and impose conditions for settlement of current account items.

**CAPITAL ACCOUNT ITEMS**

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Until recently, settlement of capital account items, for example, the capital contribution of foreign investors to foreign invested enterprises in the PRC, were generally required to be made in foreign currencies. Under progressive reforms by PBOC, the Ministry of Commerce of the PRC ("**MOFCOM**") and the State Administration of Foreign Exchange of the PRC ("**SAFE**"), foreign investors are now permitted to make capital contribution, share transfer, profit allocation and liquidation and certain other transactions in Renminbi for their foreign direct investment within the PRC. Cross-border Renminbi payment infrastructure and trading facilities are being improved. Approval, registration and filing requirements for capital account payments in Renminbi are being removed gradually. In addition, the Circular on Reforming Foreign Exchange Capital Settlement for Foreign Invested Enterprises (關於改革外商投資企業外匯資本金結匯管理方式的通知) which became effective on 1 June 2015, was partially repealed by Notice of State Administration of Foreign Exchange on Repeal or Invalidation of Five Regulatory Documents on Foreign Exchange Administration and Some Clauses of Seven Regulatory Documents on Foreign Exchange Administration (國家外匯管理局關於廢止和失效5件外匯管理規範性文件及7件外匯管理規範性文件條款的通知) on 30 December 2019 and was amended by Notice of the State Administration of Foreign Exchange on Repealing and Nullifying 15 Regulatory Documents on Foreign Exchange Control and Adjusting the Provisions of 14 Regulatory Documents on Foreign Exchange Control (國家外匯管理局關於廢止和失效15件外匯管理規範性文件及調整14件外匯管理規範性文件條款的通知) on 23 March 2023, allows foreign-invested enterprises to settle 100 per cent.

(subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE's equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE's system for account-crediting for such capital contribution) into Renminbi according to their actual operational needs. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular. In particular, a foreign invested enterprise with investment as its main business is permitted to use such Renminbi proceeds to make equity contribution to its invested enterprises directly, without further fillings with SAFE.

PRC entities are also permitted to borrow Renminbi-denominated loans from foreign lenders (which are referred to as "**foreign debt**") and lend Renminbi-denominated loans to foreign borrowers (which are referred to as "**outbound loans**"), as long as such PRC entities have the necessary quota, approval or registration. PRC entities may also denominate security or guarantee arrangements in denominated and make payments thereunder to parties in the PRC as well as other jurisdictions (which is referred to as "**cross-border security**"). Under current rules promulgated by SAFE, foreign debts borrowed, outbound loans extended, and the cross-border security provided by a PRC onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt, outbound loan and cross-border security regimes applicable to foreign currencies. However, there remains potential inconsistencies between the provisions of the SAFE rules and the provisions of the 2013 PBOC Circular. It is not clear how regulators will deal with such inconsistencies in practice.

Nevertheless, since January 2016, PBOC and SAFE have worked to set up the Macro Prudential Assessment ("**MPA**") system in order to unify the management of foreign debt denominated in Renminbi and foreign currencies. The latest MPA system is established pursuant to the 2017 PBOC Circular. Under the MPA system, both non-financial enterprises and financial institutions are allowed to borrow foreign debt within the defined "cross-border financing risk weighted balance limit". They can settle foreign debt proceeds in Renminbi on a voluntary basis, provided that the proceeds should not be used beyond their business scope or in violation of relevant laws and regulations.

According to the 2015 PBOC Circular, qualified multinational enterprise groups can extend Renminbi-denominated loans to, or borrow Renminbi-denominated loans from, eligible offshore member entities within the same group by leveraging the cash pooling arrangements. The Renminbi funds will be placed in a special deposit account and may not be used to invest in stock, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group. Enterprises within the Shanghai FTZ may establish another cash pool under the Shanghai FTZ rules to extend inter-company loans, although Renminbi funds obtained from financing activities may not be pooled under this arrangement.

The securities markets, specifically the Renminbi Qualified Foreign Institutional Investor ("**RQFII**") regime and the China Interbank Bond Market ("**CIBM**"), has been further liberalised for foreign investors. The PBOC has relaxed the quota control for RQFII, and has also expanded the list of eligible foreign investors in CIBM, removed certain quota restrictions, and has granted more flexibility for the settlement agents to provide the relevant institutions with more trading facilities (for example, in relation to derivatives for hedging foreign exchange risk).

The Interbank foreign exchange market of the PRC is also gradually opening-up. In January 2016, CFETS set forth qualifications, application materials and procedure for certain foreign participating banks (which needs to have a relatively large scale of Renminbi purchase and sale business and international influence) to access the inter-bank foreign exchange market.

Recent reforms introduced were aimed at controlling the remittance of Renminbi for payment of transactions categorised as capital account items. There is no assurance that the PRC Government will continue to gradually liberalise the control over Renminbi payments of capital account item transactions in the future. The relevant regulations are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

To further optimize the management of foreign exchange business for capital projects, enhance the convenience of cross-border investment and financing, and simplify business procedures, SAFE issued the "Guidelines for Foreign Exchange Business for Capital Projects (2024 Edition)" (國家外匯管理局關於印發《資本項目外匯業務指引(2024年版)的通知) on 3 April 2024, which took effect on 6 May 2024.

# SUBSCRIPTION AND SALE

## SUMMARY OF DEALER AGREEMENT

The Dealers have, in an amended and restated dealer agreement dated 27 April 2026 (as further amended or supplemented from time to time, the "**Dealer Agreement**"), agreed with the Relevant Obligor(s) a basis upon which they or any of them may from time to time agree to subscribe Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". Each Relevant Obligor will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. Where the relevant agrees to sell to the Dealer(s), who agree to subscribe and pay for, or to procure subscribers to subscribe and pay for, Notes at an issue price (the "**Issue Price**"), any subsequent offering of those Notes to investors may be at a price different from such Issue Price. Each of the Bank and the Relevant Obligor(s) has agreed to reimburse the Arrangers certain of their expenses incurred in connection with the establishment, and any future update, of the Programme and the Dealers certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis may be stated in the relevant Pricing Supplement.

Each of the Bank and the Relevant Obligor(s) has agreed to indemnify the Dealer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealer to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

In order to facilitate the offering of any Series of the Notes, certain persons participating in the offering of the Series may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Series. Specifically such persons may over allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the relevant Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker dealer participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilisation activities may only be carried on by the Stabilisation Manager(s) named in the applicable Pricing Supplement (or persons acting on behalf of any Stabilisation Manager(s)) and only for a limited period following the issue date of the relevant Series of Notes.

In connection with each Series of Notes issued under the Programme, the Dealer or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. Further, the Dealers or their respective affiliates may purchase Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of any Relevant Obligor or its respective subsidiaries or affiliates at the same time as the offer and sale of each Series of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Series of Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Series of Notes).

## NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE HONG KONG SFC CODE OF CONDUCT — IMPORTANT NOTICE TO CMIS (INCLUDING PRIVATE BANKS)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealers in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Relevant Obligor(s), a CMI or its group companies would be considered under the SFC Code as having an Association with the Relevant Obligor(s), the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Relevant Obligor(s) or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering may include institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Relevant Obligor(s). In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Notes. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Notes, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a “principal” basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the “proprietary orders” requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Managers named in the relevant Pricing Supplement.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Relevant Obligor(s), relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Dealers with such evidence within the timeline requested.

## SELLING RESTRICTIONS

### United States of America

#### *CATEGORY 1*

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Bearer Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act. Each of the Dealers has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Bearer Notes, deliver the Notes within the United States or to U.S. persons.

In addition, until 40 days after the commencement of any offering, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

*CATEGORY 2 / CATEGORY 3*

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, within the United States or to, or for the account or benefit of, U.S. persons, other than pursuant to Rule 144A, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from registration under the Securities Act.

The Dealer Agreement provides that the Arrangers, or any other Dealer, may directly or through its respective agents or affiliates arrange for the resale of Restricted Registered Notes in the United States only to qualified institutional buyers pursuant to Rule 144A.

**Prohibition of sales to EEA Retail Investors**

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area.

For the purposes of this provision,

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

  (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the relevant Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

**United Kingdom**

***Prohibition of sales to UK Retail Investors***

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Notes which are the subject of this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "retail investor" means a person who is either one (or both) of the following:

  (i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

  (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer:

(a) at any time where the offer is conditional on the admission of the Notes to trading on the London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(a) of Schedule 1 to the POATRs);

(b) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(c) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(d) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to buy or subscribe for the Notes and the expression POATRs means the Public Offers and Admissions to Trading Regulations 2024.

**OTHER REGULATORY RESTRICTIONS**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) *No deposit-taking*: in relation to any Notes which have a maturity of less than one year:

  (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

  (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

    (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses; or

    (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

  where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer.

(b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not or, in the case of the relevant Issuer would not, if it was not an authorised person, apply to any Relevant Obligor; and

(c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the UK.

**PRC**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including Hong Kong, Macau or Taiwan), except as permitted by applicable laws of the PRC.

**Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the C(WUMP)O or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

**Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**"). Accordingly, each Dealer represents, warrants and agrees that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, FIEA and other relevant laws and regulations of Japan.

### Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Relevant Obligor(s) each has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### General

These selling restrictions may be modified by the agreement of each of the Relevant Obligor(s) and the Dealer following a change in a relevant law, regulation or directive. Any such modification will be set out in the relevant Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

# GENERAL INFORMATION

## 1. LISTING

Application has been made to the Hong Kong Stock Exchange for the listing of the Programme under which Notes may be issued by way of debt issues to Professional Investors only during the 12-month period after the date of this Offering Circular on the Hong Kong Stock Exchange. The issue price of Notes listed on the Hong Kong Stock Exchange will be expressed as a percentage of their nominal amount. Transactions will normally be effected for settlement in the relevant specified currency and for delivery by the end of the second trading day after the date of the transaction.

## 2. LEGAL ENTITY IDENTIFIER

The Legal Entity Identifier (LEI) code of the Bank is 54930053HGCFWVHYZX42.

## 3. AUTHORISATION

The establishment and update of the Programme and the issue of the Notes thereunder were authorised by resolutions of the board of directors of the Bank passed on 24 March 2011, 27 March 2020, 30 March 2021, 29 April 2022, 28 April 2023, 29 April 2024 and 29 April 2025, respectively, and resolutions of the shareholders' meeting of the Bank passed on 27 May 2011, 30 June 2020, 20 May 2021, 30 June 2022, 30 June 2023, 28 June 2024 and 27 June 2025, respectively. The Bank and each Relevant Obligor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Note.

## 4. LEGAL AND ARBITRATION PROCEEDINGS

None of the Relevant Obligor(s), the Relevant Group nor the Group is or has been involved in any governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which any Relevant Obligor or the Bank is aware), which may have, or have had, during the 12 months prior to the date of this Offering Circular, a significant effect on the financial position or profitability of any Relevant Obligor, the Relevant Group, the Bank or the Group.

## 5. SIGNIFICANT/MATERIAL CHANGE

Since 31 December 2025, there has been no material adverse change in the financial position or prospects nor any significant change in the financial or trading position or prospects of any Relevant Obligor, the Bank, or the Group.

## 6. NDRC REGISTRATION

Where applicable for a relevant Tranche of Notes, the Notes will be issued within the relevant annual or otherwise general foreign debt issuance quota granted to the Bank pursuant to the NDRC Order 56. Alternatively, separate pre-issue registration of a particular Tranche of Notes may be completed by the Bank as set forth in the relevant Pricing Supplement. After the issuance of such relevant Tranche of Notes, the Bank intends to provide the requisite information on the issuance of such Notes to NDRC within the time period as required by NDRC in accordance with the NDRC Order 56.

## 7. PBOC REPORTING

With respect to any applicable Tranche of the Notes, reporting will be completed by the Bank in accordance with the 2017 PBOC Circular when the applicable Pricing Supplement is executed and before the relevant Issue Date.

## 8. INDEPENDENT AUDITOR

The independent auditor of the Bank is Ernst & Young, which is a Certified Public Accountant registered with the Hong Kong Accounting and Financial Reporting Council.

The audited consolidated financial statements of the Group as at and for the year ended 31 December 2025 contain financial information as at and for the years ended 31 December 2025 and 31 December 2024 and this financial information are incorporated by reference in this Offering Circular.

## 9. DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected during normal business hours on any weekday (Saturday's and public holidays excepted) at the registered office of the Bank at No. 1 Fuxingmen Nei Dajie, Xicheng District, Beijing 100818, People's Republic of China and the specified office of the Principal Paying Agent at The Bank of New York Mellon, London Branch, 160 Queen Victoria Street, London EC4V 4LA, United Kingdom for so long as the Notes are capable of being issued under the Programme:

(i) the articles of association of the Bank and each Subsidiary Issuer (if applicable);

(ii) the audited consolidated financial statements of the Bank as at and for the year ended 31 December 2025;

(iii) copies of the latest annual report and audited annual consolidated financial statements, and any consolidated interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements, of the Bank;

(iv) each Pricing Supplement (save that a Pricing Supplement relating to a Note which is neither admitted to trading on a regulated market within the EEA or the UK nor offered in the EEA or the UK in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the Principal Paying Agent as to its holding of Notes and identity);

(v) a copy of this Offering Circular together with any supplement to this Offering Circular;

(vi) the Non-Guaranteed Notes Principal Trust Deed (which contains the forms of the Notes in global and definitive form), the Guaranteed Notes Principal Trust Deed (which contains the forms of the Notes in global and definitive form), each Non-Guaranteed Notes Trust Deed, each Guaranteed Notes Trust Deed and each Alternative Trust Deed;

(vii) the Non-Guaranteed Notes Principal Agency Agreement, the Guaranteed Notes Principal Agency Agreement, each Non-Guaranteed Notes Agency Agreement, each Guaranteed Notes Agency Agreement and each Alternative Agency Agreement;

(viii) the Dealer Agreement; and

(ix) the Programme Manual.

## 10. CLEARING OF THE NOTES

The Notes may be accepted for clearance through Euroclear, Clearstream and the DTC. The Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The appropriate common code, the International Securities Identification Number and/or the Committee on the Uniform Security Identification Procedure ("**CUSIP**") in relation to the Notes of each Series will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

**BANK**

**Bank of China Limited**
No. 1 Fuxingmen Nei Dajie
Beijing, 100818
People's Republic of China

**ISSUER**

**Bank of China Limited, Hong Kong Branch**
7/F Bank of China Tower
1 Garden Road, Central
Hong Kong

**AUDITOR OF THE BANK**

**Ernst & Young**
Certified Public Accountants
27/F One Taikoo Place, 979 King's Road
Quarry Bay
Hong Kong

**TRUSTEE**

**The Bank of New York Mellon, London Branch**
160 Queen Victoria Street
London, EC4V 4LA
United Kingdom

**PRINCIPAL PAYING AGENT, PAYING AGENT IN RESPECT OF NOTES CLEARED THROUGH EUROCLEAR AND CLEARSTREAM**

**The Bank of New York Mellon, London Branch**
160 Queen Victoria Street
London, EC4V 4LA
United Kingdom

**PRINCIPAL PAYING AGENT, PAYING AGENT IN RESPECT OF DTC NOTES**

**The Bank of New York Mellon**
240 Greenwich Street
New York, NY 10286
United States

**REGISTRAR IN RESPECT OF NOTES CLEARED THROUGH EUROCLEAR AND CLEARSTREAM**

**The Bank of New York Mellon SA/NV, Luxembourg Branch**
Vertigo Building-Polaris
2-4 rue Eugène Ruppert L-2453
Luxembourg

**REGISTRAR IN RESPECT OF DTC NOTES**

**The Bank of New York Mellon**
240 Greenwich Street
New York, NY 10286
United States

**REGISTRAR IN RESPECT OF CMU NOTES**

**The Bank of New York Mellon, Hong Kong Branch**
Level 26, Three Pacific Place
1 Queen's Road East
Hong Kong

**TRANSFER AGENT IN RESPECT OF NOTES CLEARED THROUGH EUROCLEAR AND CLEARSTREAM**

**The Bank of New York Mellon SA/NV, Luxembourg Branch**
Vertigo Building-Polaris
2-4 rue Eugène Ruppert L-2453
Luxembourg

**TRANSFER AGENT IN RESPECT OF DTC NOTES**

**The Bank of New York Mellon**
240 Greenwich Street
New York, NY 10286
United States

**TRANSFER AGENT IN RESPECT OF CMU NOTES**

**The Bank of New York Mellon, Hong Kong Branch**
Level 26, Three Pacific Place
1 Queen's Road East
Hong Kong

## CMU LODGING AND PAYING AGENT

**The Bank of New York Mellon, Hong Kong Branch**
Level 26, Three Pacific Place
1 Queen's Road East
Hong Kong

## LEGAL ADVISERS

***To the Arrangers and Dealers as to English law and New York law***

**Allen Overy Shearman Sterling**
9th Floor, Three Exchange Square
Central
Hong Kong

***To the Arrangers and Dealers as to PRC law***

**Jingtian & Gongcheng**
34/F, Tower 3, China Central Place
77 Jianguo Road
Beijing, PRC

***To the Issuer as to English law and New York law***

**Linklaters**
11th Floor, Alexandra House
Chater Road
Hong Kong

***To the Issuer as to PRC law***

**JunZeJun Law Offices**
11F, Jinbao Tower
89 Jinbao Street, Dongcheng
Beijing 100005 PRC

## Appendix 2
## Pricing Supplement dated 11 May 2026

## IMPORTANT NOTICE

**THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS OUTSIDE OF THE UNITED STATES.**

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached document. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached document. In accessing the attached document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

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**The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Programme or the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer, Bank of China Limited or the quality of disclosure in this document.** Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

This document, together with the Offering Circular, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer. The Issuer accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**Notice to Hong Kong investors**: The Issuer confirms that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

**Singapore Securities and Futures Act Product Classification** – In connection with S309B of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**MiFID II product governance / Professional investors and ECPs only target market –** Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a

**distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**Pricing Supplement dated 11 May 2026**

**Bank of China Limited, Panama Branch**

(a joint stock company incorporated in the People's Republic of China with limited liability)

**Issue of U.S.$500,000,000 Floating Rate Notes due 2029 (the Notes)**

**under the U.S.$40,000,000,000 Medium Term Note Programme (the Programme)**

The document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the offering circular dated 27 April 2026 in relation to the Programme (the **Offering Circular**). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular, the Conditions as so supplemented and the additional disclosure relevant to the Notes in the Schedules and Annex hereof.

| | | | |
|---|---|---|---|
| 1. | Issuer: | | Bank of China Limited, Panama Branch<br><br>For a brief description of the Issuer, see Schedule 1 to this Pricing Supplement. |
| 2. | (i) | Series Number: | 179 |
| | (ii) | Tranche Number: | 001 |
| | (iii) | Tax Jurisdiction: | Panama<br><br>For a general description of certain additional tax considerations relating to the Notes, see Schedule 2 to this Pricing Supplement. |
| 3. | Specified Currency or Currencies: | | United States dollars (**U.S.$**) |
| 4. | Aggregate Nominal Amount: | | |
| | (i) | Series: | U.S.$500,000,000 |
| | (ii) | Tranche: | U.S.$500,000,000 |
| 5. | (i) | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| | (ii) | Net Proceeds: | Approximately U.S.$499.392 million |

| | | | |
|---|---|---|---|
| 6. | (i) | Specified Denominations: | U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof |
| | (ii) | Calculation Amount: | U.S.$1,000 |
| 7. | (i) | Issue Date: | 18 May 2026 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 8. | Status of the Notes | | Senior |
| 9. | Maturity Date: | | The Interest Payment Date falling on or nearest to 18 May 2029 |
| 10. | Interest Basis: | | Compounded SOFR + 0.35 per cent. per annum Floating Rate<br><br>(further particulars specified below in paragraph 18) |
| 11. | Redemption/Payment Basis: | | Redemption at par |
| 12. | Change of Interest or Redemption/Payment Basis: | | Not Applicable |
| 13. | Put/Call Options: | | Not Applicable |
| 14. | Listing: | | Application will be made to the Hong Kong Stock Exchange for the listing and permission to deal in the Notes.<br><br>Expected effective listing date of the Notes on the Hong Kong Stock Exchange is 19 May 2026. |
| 15. | (i) | Date of approval for issuance of Notes obtained: | Board approval: 29 April 2025<br><br>Shareholders' approval: 27 June 2025 |
| | (ii) | Date of regulatory approval(s) for issuance of Notes obtained: | NDRC pre-issuance registration: Pursuant to the Approval by the Enterprise Borrowing Foreign Debt Registration Certificate of 2025 (Fa Gai Ban Wai Zhai [2025] No. 261) (《企业借用外债审核登记证明》(发改办外债[2025] 261 号)) issued by the NDRC General Office on 11 June 2025 (the **NDRC Approval**), Bank of China Limited (the **Bank**) is not required to complete any pre-issuance registration (other than the NDRC Approval which it has obtained) in respect of the Notes with the NDRC as the Notes will be issued within the NDRC Approval. |

| | | |
|---|---|---|
| 16. | Method of distribution: | Syndicated |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | |
|---|---|---|
| 17. | **Fixed Rate Note Provisions** | Not Applicable |
| 18. | **Floating Rate Note Provisions** | Applicable<br><br>For more information relating to the Floating Rate Note Provisions, see Annex to this Pricing Supplement. |
| (i) | Interest Period(s): | Each period beginning from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date, or from (and including) any Specified Interest Payment Date to (but excluding) the next Specified Interest Payment Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below |
| (ii) | Specified Period: | Not Applicable |
| (iii) | Specified Interest Payment Dates: | 18 February, 18 May, 18 August and 18 November in each year, commencing on the First Interest Payment Date and ending on the Maturity Date, in each case subject to adjustment in accordance with the Business Day Convention set out in (v) below |
| (iv) | First Interest Payment Date: | The Specified Interest Payment Date falling on or nearest to 18 August 2026 |
| (v) | Business Day Convention: | Modified Following Business Day Convention |
| (vi) | Additional Business Centre(s): | Not Applicable. For the avoidance of doubt, New York City shall be the Principal Financial Centre. |
| (vii) | Manner in which the Rate(s) of Interest is/are to be determined: | Screen Rate Determination |
| (viii) | Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): | The Principal Paying Agent shall be the Calculation Agent |
| (ix) | Screen Rate Determination: | |
| – | Reference Rate: | Compounded SOFR, as defined in the Annex below, and subject to the fallback provisions therein. |
| – | Interest Determination Date(s): | The fifth U.S. Government Securities Business Day (as defined in the Annex below) prior to the end of each Interest Period |

| | | | |
|---|---|---|---|
| | – | Relevant Screen Page: | SOFR Administrator's Website (as defined in the Annex below) at https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index, or any successor source. |
| | – | Relevant Time: | Not Applicable |
| | – | Relevant Financial Centre: | Not Applicable |
| | (x) | ISDA Determination: | Not Applicable |
| | (xi) | Margin(s): | + 0.35 per cent. per annum |
| | (xii) | Minimum Rate of Interest: | Not Applicable |
| | (xiii) | Maximum Rate of Interest: | Not Applicable |
| | (xiv) | Day Count Fraction: | Actual/360 |
| | (xv) | Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | As described in the Annex below |
| 19. | **Zero Coupon Note Provisions** | | Not Applicable |
| 20. | **Dual Currency Note Provisions** | | Not Applicable |

**PROVISIONS RELATING TO REDEMPTION**

| | | |
|---|---|---|
| 21. | **Call Option** | Not Applicable |
| 22. | **Put Option** | Not Applicable |
| 23. | **Change of Control Put** | Not Applicable |
| 24. | **Final Redemption Amount of each Note** | U.S.$1,000 per Calculation Amount |
| 25. | **Early Redemption Amount** | U.S.$1,000 per Calculation Amount |
| | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, change of control or an event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 26. | **Form of Notes:** | **Registered Notes:**<br><br>Global Note Certificate exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate |
| 27. | Additional Financial Centre(s) or other special provisions relating to payment dates: | For the avoidance of doubt, New York City shall be the Principal Financial Centre, and Panama shall be the Additional Financial Centre. |
| 28. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | Not Applicable |
| 29. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 30. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 31. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 32. | Consolidation provisions: | The provisions in Condition 21 (*Further Issues*) apply |
| 33. | Any applicable currency disruption/fallback provisions: | Not Applicable |
| 34. | Other terms or special conditions: | See Schedule 3 to this Pricing Supplement |
| 35. | NDRC Post-Issue Filing: | Applicable |

**DISTRIBUTION**

| | | |
|---|---|---|
| 36. | (i) If syndicated, names of Managers: | Bank of China Limited, London Branch, Bank of China (Hong Kong) Limited, BOCI Asia Limited, ABCI Capital Limited, Bank of Communications Co., Ltd. Hong Kong Branch, CCB International Capital Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, China International Capital Corporation Hong Kong Securities Limited, China Minsheng Banking Corp., Ltd. Hong Kong Branch, China Securities (International) Corporate Finance Company Limited, CLSA Limited, CMB |

| | | |
|---|---|---|
| | | International Capital Limited, CMB Wing Lung Bank Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, Crédit Agricole Corporate and Investment Bank, DBS Bank Ltd., Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, Hua Xia Bank Co., Limited Hong Kong Branch, Huatai Financial Holdings (Hong Kong) Limited, Industrial and Commercial Bank of China (Macau) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Mizuho Securities Asia Limited, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Société Générale and Standard Chartered Bank (the **Managers**) |
| | (ii) Stabilisation Manager(s) (if any): | Any of the Managers appointed and acting in its capacity as stabilisation manager |
| 37. | If non-syndicated, name and address of Dealer: | Not Applicable |
| 38. | U.S. Selling Restrictions: | Reg. S Category 2; TEFRA not applicable |
| 39. | Prohibition of Sales to EEA Retail Investors: | Not Applicable |
| 40. | Prohibition of Sales to UK Retail Investors: | Not Applicable |
| 41. | Additional selling restrictions: | Not Applicable |

**OPERATIONAL INFORMATION**

| | | |
|---|---|---|
| 42. | ISIN Code: | XS3363426191 |
| 43. | Common Code: | 336342619 |
| 44. | Legal Entity Identifier: | 54930053HGCFWVHYZX42 |
| 45. | CUSIP: | Not Applicable |
| 46. | CMU Instrument Number: | Not Applicable |
| 47. | Any clearing system(s) other than Euroclear/Clearstream, Luxembourg, DTC and the CMU and the relevant identification number(s): | Not Applicable |
| 48. | Delivery: | Delivery against payment |
| 49. | Trustee: | The Bank of New York Mellon, London Branch |
| 50. | Additional Paying Agent(s) (if any): | Not Applicable |

| | | |
|---|---|---|
| 51. | Alternative Trustee (if any): | Not Applicable |
| 52. | Rebates: | Not Applicable |
| 53. | Contact email addresses of the overall coordinators where underlying investor information in relation to omnibus orders should be sent: | dcm.emea@uk.bankofchina.com; bocmtn@bochk.com; debt.syndicate@bocigroup.com; abcic.dcm@abci.com.hk; dcm@bankcomm.com.hk; dcm@ccbintl.com; TMG_Syndicate@cncbinternational.com; ccba_dcm@asia.ccb.com; IB_ZGYH_MTN@cicc.com.cn; hkdcm@cmbc.com.cn; Dcm_hk@csci.hk; DebtSyndicate@csci.hk; ib.dcm.fig@clsa.com; dcms@cmbi.com.hk; bondissuance@cmbwinglungbank.com; dcm@cmbccap.com; dcm@cncbinvestment.com; HKG-Syndicate@ca-cib.com; GCDCM.execution@ca-cib.com; DCMOmnibus@dbs.com; dcm.ig@gtjas.com.hk; dcm@htisec.com; dcm@hxb.com.cn; dcm@htsc.com; dcm@mc.icbc.com.cn; cmd_dcm@cibhk.com; Project_BOCMTN@hk.mizuho-sc.com; spdbhk.dcm@spdb.com.cn; ASIAPAC-GLBA-DCS-SYN-LCM@sgcib.com; SYNHK@sc.com |
| 54. | Marketing and Investor Targeting Strategy: | As indicated in the Offering Circular |

**GENERAL**

| | | |
|---|---|---|
| 55. | Translation of the aggregate principal amount of Notes issued: | Not Applicable |
| 56. | Ratings: | The Notes to be issued are expected to be rated:<br><br>Moody's: A1; and<br><br>Fitch: A. |

**YIELD**

| | | |
|---|---|---|
| 57. | Indication of yield: | Not Applicable |

**USE OF PROCEEDS**

The net proceeds of the Notes will be used by the Issuer for general corporate purposes.

**STABILISATION**

In connection with this issue, any of the Managers appointed and acting in its capacity as stabilisation manager (the **Stabilisation Manager**) (or persons acting on behalf of any Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there is no obligation on such Stabilisation Manager to do this. Such stabilisation, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilisation shall be in compliance with all applicable laws, regulations and rules.

**INDEPENDENT AUDITOR**

The independent auditor of the Bank is Ernst & Young, which is a Certified Public Accountant registered with the Hong Kong Accounting and Financial Reporting Council.

**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Hong Kong Stock Exchange of the Notes described herein pursuant to the U.S.$40,000,000,000 Medium Term Note Programme of the Bank.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

The Issuer acknowledges that it will be bound by the provisions of the Trust Deed.

Signed on behalf of Bank of China Limited, Panama Branch

By: ____________________
*Duly authorised*

**SCHEDULE 1**
**DESCRIPTION OF BANK OF CHINA LIMITED, PANAMA BRANCH**

The Bank established a representative office in the Republic of Panama ("**Panama**") on 1 January 1989, after it was granted the Representative Office License issued by the National Banking Commission of Panama on 22 December 1987. The license allows such representative office to conduct commercial transactions outside of Panama, but not in the local market. The Bank applied for a General License in order to have operations in Panama and was granted such license by the National Banking Commission of Panama on 20 January 1994. On 18 July 1994, after meeting all the requirements of the local regulators, the Bank opened its first physical branch in Panama ("**Panama Branch**").

The registered office of Panama Branch is at P.H. Oceania Business Plaza, 2000 Tower, 36th Floor, Panama.

Panama Branch is one of the first batch of Chinese Financial Institutions with a full-function license operating in Central America. Its main businesses include:

- corporate finance;
- personal finance;
- financial institutions related businesses;
- financial markets;
- trade settlement and financing; and
- others.

After more than thirty years of business development and market cultivation, Panama Branch has grown from scratch to an entity with important corporate and retails customers with large varieties of businesses, strong profitability and enhanced risk prevention capabilities.

The strategic advantage of Panama Branch lies in the country-wide adaptation of the United States dollar as the official currency of Panama, fostering a stable and investor-friendly financial environment.

According to the banking industry sub-indicator rankings for the fourth quarter of 2025 announced by the Superintendency of Banks of Panama, Panama Branch's total assets, deposits, loans and net profit indicators ranked 9th, 9th, 8th and 5th respectively among the 56 banks in operating in Panama. Since its establishment, the branch has taken root in Panama, radiating Central America, and actively expanding its offshore business, covering 26 countries and regions.

At the beginning of 2023, Panama Branch was appointed by the head office of the Bank as the Regional Central Branch of Latin America, collaborating with the Bank's Latin American institutions to leverage their respective advantages and jointly explore the business opportunities in this region.

**SCHEDULE 2**
**TAXATION**

*The section "Taxation" in the Offering Circular shall be supplemented with the following:*

"The following is a summary of the principal Panamanian income and certain other tax consequences in Panama resulting from the offering of the Notes. This summary is based on the Panamanian Tax Code of 1956 (the "**Panama Tax Code**"), as amended, and other applicable tax laws, decrees and regulations promulgated thereunder, non-binding interpretative rulings issued by tax authorities, and judicial decisions, all as in effect on the date hereof. This summary is subject to changes in these laws, decrees, regulations, rulings, and judicial decisions occurring after the date hereof, possibly with retroactive effect.

This summary is intended as a descriptive summary only and is not a complete analysis or listing of all potential Panamanian income, stamp and other tax consequences to the holder of the Notes. In particular, this summary does not address the tax treatment of investors that may be subject to special tax regimes or tax treaties. This summary is not intended as tax advice to any particular investor, nor does it purport to furnish information in the level of details as, or with attention to, an investor's specific circumstances that would be provided by an investor's own tax advisor. Prospective purchasers of Notes are urged to consult their own tax advisors as to the precise Panamanian and other tax consequences of acquiring, owning, and disposing of the Notes.

For purposes of this summary, the term "**Local Holder**" means a beneficial owner of a Note that (i) in the case of a legal entity, is organised or registered as a branch in Panama and whose management and direction are materially exercised in Panama, (ii) in the case of an individual, spends more than 183 days in any fiscal year (or the year before) in Panama or has his or her permanent home (i.e., center of economic or family interests) in Panama or (iii) otherwise is deemed to have a permanent establishment in Panama as to a specific business enterprise. A "**Foreign Holder**" means a beneficial owner of a Note that is not a Local Holder.

Panama's income tax is essentially territorial. Only income deemed to arise from Panamanian sources is subject to income taxation in Panama. Income derived by Panamanian or foreign corporations or individuals which is not deemed to be Panama-source income is not subject to income tax in Panama. The term "Panama-source" income is defined in the Panama Tax Code and includes any commercial or business activities carried out within the country, as well as the product of capital invested in Panama for performance of commercial or business activities carried within the country (i.e., interest), among others.

***Taxation of Interest***

Payments of interest on the Notes to any holder thereof will not be subject to income tax or withholding requirements in Panama, provided that the funds obtained by reason of the issuance and sale of the Notes are not placed, invested or economically utilised in the Republic of Panama, that is, that such funds are not invested in activities that generate Panama-source income.

If the funds obtained by reason of the issuance and sale of the Notes are placed, invested or economically utilised in the Republic of Panama, interest paid on the Notes to a Foreign Holder is subject to income tax and withholding requirements in Panama. In this case, the income tax to be withheld is the amount that results from multiplying 50% of the interest payment by the applicable ordinary income tax rate. Ordinary income tax rates are 25% for corporations and range from 15% to 25% for individuals.

***Taxation of Dispositions***

A holder of a Note will not be subject to income tax in Panama on any gain realised on the sale, exchange or retirement of a Note, provided that the funds obtained by reason of the issuance and sale of the Notes are not placed, invested or economically utilised in the Republic of Panama, that is, that such funds are not invested in activities that generate Panama source income.

If the funds obtained by reason of the issuance and sale of the Notes are placed, invested or economically utilised in the Republic of Panama and the sale or other disposition of the Notes is made by a Local Holder, capital gains realised in connection to the sale or other disposition of the Notes will be subject to 10% income tax in Panama. The buyer of the Note is obligated to withhold 5% of the purchase price and tender such amount to the tax authorities within the following 10 business days, as an advance on the seller's capital gains tax payment. Nevertheless, at the seller's option, the amount withheld will satisfy the tax obligation even if it is less than 10% of the capital gain. If the amount withheld exceeds 10% of the capital gain, the seller has the option to file a tax return and claim a tax credit or a refund of such excess.

If the funds obtained by reason of the issuance sale of the Notes are placed, invested or economically utilised in the Republic of Panama, the capital gains income tax provisions of the Panamanian Tax Code of 1956, as amended (including by Law No. 18 of June 19, 2006, which amended the provisions governing capital gains taxes (the "**2006 Tax Law Amendment**")) and its regulations do not provide an exemption from income tax in Panama with respect to capital gains on sales of Notes outside Panama by Foreign Holders in which the transfer and delivery of the Notes, and the payment thereof, occur outside of Panama (a "**Foreign Transaction**"). Notwithstanding the foregoing, according to certain opinions issued by the Dirección General de Ingresos (the "**Tax Opinions**"), any capital gains realised by a Foreign Holder of Notes on the sale or other disposition of Notes that constitute a Foreign Transaction, will not be deemed Panamanian source income and the inference from the foregoing would, therefore, be that the income realized from said sale would not be subject to income tax in Panama.

However, the Tax Opinions are not legally binding interpretations of the 2006 Tax Law Amendment. If the Dirección General de Ingresos (the "**Panama Tax Authority**") decides to adopt an interpretation of the 2006 Tax Law Amendment that differs from the interpretation expressed in the Tax Opinions, the capital gains on sales of Notes outside Panama by Foreign Holders in a transaction that would constitute a Foreign Transaction will most likely be deemed Panamanian source income and, therefore, such capital gains would be subject to income tax in Panama in the terms set forth in the second paragraph of this section on 'Taxation on Dispositions'.

***Stamp Taxes***

The issuance and sale of the Notes will not be subject to stamp, registration or similar taxes.

***Foreign Investors***

A person domiciled outside of Panama is not required to file a tax return in Panama, solely by reason of his or her investment in the Notes, provided that gains realised on the sale and disposition of the Notes are exempt from income tax as indicated above."

**SCHEDULE 3**

This Schedule 3 sets out the special conditions referred to in item 34 (*Other terms or special conditions*) of the Pricing Supplement, such that the following modifications shall apply in respect of the Notes only:

1. The following should be inserted in Condition 2(a) (*Definitions)* of the Terms and Conditions of the Notes:

   "**NDRC Order 56**" means Administrative Measures for the Examination and Registration of Medium- and Long-term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第 56 號)) which took effect on 10 February 2023 (as supplemented, amended or replaced from time to time) and any implementation rules or policies as issued by the NDRC from time to time which shall, for the avoidance of doubt, include but not limited to the Notice on Supporting High-Quality Enterprises in Borrowing medium and Long-Term Foreign Debt to Promote High-Quality, Development of the Real Economy (Fa Gai Wai Zi Gui (2024) 1037 号)(《國家發展改革委關於支持優質企業借用中長期外債促進實體經濟高質量發展的通知》(發改外資規(2024)1037 号) which took effect on 29 July 2024;"

2. Condition 5(b) (*Notification to NDRC*) of the Terms and Conditions of the Notes shall be deleted in its entirety and replaced as follows:

   "(b) **Notification to NDRC**: Where the NDRC Order 56 applies to the Tranche of Notes to be issued in accordance with these Conditions and the Trust Deed, the Bank undertakes to provide or cause to be provided, the requisite information and documents to the NDRC within the prescribed timeframe after the relevant Issue Date in accordance with the NDRC Order 56 and any implementation rules as may be issued by the NDRC prior to the completion of such notification."

## ANNEX

### A. Provisions relating to the determination of the Rate of Interest

Condition 7(c) (*Screen Rate Determination*) of the Conditions shall be deleted and replaced with the below solely for the purposes of this Series of Notes only.

(c) **Screen Rate Determination**: If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will, subject as provided below, be Compounded SOFR plus the Margin as calculated by the Calculation Agent on the relevant Interest Determination Date. The Rate of Interest applicable to the Notes for each Interest Period shall apply with effect from the Reset Date for that Interest Period.

For the purposes of this Condition 7(c) (*Screen Rate Determination*):

"**Compounded SOFR**" means, with respect to an Interest Period, the compounded average of daily Secured Overnight Financing Rate ("**SOFR**") for each day during the relevant Observation Period and will be determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005% being rounded upwards (e.g., 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655)):

$$\left(\frac{\textbf{SOFR Index}_{End}}{\textbf{SOFR Index}_{Start}} - \mathbf{1}\right) \times \left(\frac{\mathbf{360}}{\mathbf{d}_c}\right)$$

where:

"$\mathbf{d_c}$" is the number of calendar days in the relevant Observation Period.

"**SOFR Index$_{\text{End}}$**" means, in respect of an Interest Period, the SOFR Index value on the day which is five U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period (or in the final Interest Period, the Maturity Date).

"**SOFR Index$_{\text{Start}}$**" means, in respect of an Interest Period, the SOFR Index value on the day which is five U.S. Government Securities Business Days preceding the first date of such Interest Period.

"**Observation Period**" means, in respect of an Interest Period, the period from (and including) the date which is five U.S. Government Securities Business Days preceding the first date of such Interest Period to, but excluding, the date which is five U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or in the final Interest Period, the Maturity Date).

"**Reset Date**" means the first day of each Interest Period.

"**SOFR Administrator**" means the Federal Reserve Bank of New York or any successor administrator of the SOFR Index value and Secured Overnight Financing Rate.

"**SOFR Administrator's Website**" means the website of the SOFR Administrator, or any successor source.

"**SOFR Index**", with respect to any U.S. Government Securities Business Day, means:

(a) the SOFR Index value as published by the SOFR Administrator as such index appears on the Relevant Screen Page (currently at https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index) on or about 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day (the "**SOFR Index Determination Time**"); provided that in the event that the value originally published by the SOFR Administrator on or about 3:00 p.m. (New York City time) on any U.S. Government Securities Business Day is subsequently corrected and such corrected value is published by the SOFR Administrator on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index value as of the SOFR Index Determination Time in relation to such U.S. Government Securities Business Day; and

(b) if a SOFR Index value does not so appear as specified in (a) above, then:

(i) if a Benchmark Event and has not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailable" provisions; or

(ii) if a Benchmark Event has occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to Condition 7(e) (*Benchmark Replacement*).

"**U.S. Government Securities Business Day**" means any day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the Notes become due and payable in accordance with Condition 11(b) (*Redemption for tax reasons*) or Condition 15 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which the Notes became due and payable and the Rate of Interest on the Notes shall, for so long as the Notes remain outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

**B. "SOFR Index Unavailable" Provisions**

If a SOFR $\text{Index}_{\text{Start}}$ value or SOFR $\text{Index}_{\text{End}}$ value is not published on the relevant Interest Determination Date and a Benchmark Event has not occurred with respect to SOFR Index or SOFR, then the definitions of "SOFR", "Compounded SOFR", "$d_c$" and "Observation Period" in the provisions above shall be deemed to be deleted and replaced in its entirety with the following:

"**Compounded SOFR**" means, for the applicable Interest Period for which the SOFR Index is not available, the rate of return on a daily compounded interest investment during the relevant Observation Period (with the daily SOFR reference rate as the reference rate for the calculation of interest) and calculated by the Calculation Agent in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005% being rounded upwards (e.g., 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655)):

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{\text{SOFR}_i \times n_i}{360}\right)-1\right)\times\left(\frac{360}{d_c}\right)$$

where:

"**$d_c$**" means the number of calendar days in the relevant Observation Period.

"**$d_o$**" means the number of U.S. Government Securities Business Days in the relevant Observation Period.

"**i**" means a series of whole numbers from one to $d_o$, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Observation Period (each a "**U.S. Government Securities Business Day(i)**").

"**$n_i$**" for any U.S. Government Securities Business Day(i) in the relevant Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day(i) up to (but excluding) the following U.S. Government Securities Business Day(i).

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service.

"**Observation Period**" means, in respect of each Interest Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such Interest Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days preceding the Interest Payment Date for such Interest Period.

"**Observation Shift Days**" means five U.S. Government Securities Business Days.

"**Reuters Page USDSOFR=**" means the Reuters page designated"USDSOFR=" or any successor page or service.

"**SOFR**" means, with respect to any U.S. Government Securities Business Day, the rate determined by the Calculation Agent, in accordance with the following provision:

a. the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at the SOFR Determination Time on the SOFR Administrator's Website; or

b. if the rate specified in a. above does not appear, the SOFR published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website.

"**$SOFR_i$**" for any U.S. Government Securities Business Day(i) in the relevant Observation Period, is equal to SOFR in respect of that U.S. Government Securities Business Day(i).

"**SOFR Determination Time**" means on or about 3:00 p.m. (New York City time) on the SOFR Administrator's Website on the immediately following U.S. Government Securities Business Day.