BOC HONG KONG (HOLDINGS) LIMITED

Mandate of the Sustainability Committee

1. Purpose

1.1 The Sustainability Committee (the "Committee") is a standing committee of the Board of Directors (the "Board"). The Committee is to assist the Board in fulfilling its oversight responsibility for BOC Hong Kong (Holdings) Limited (the "Company"), Bank of China (Hong Kong) Limited (the "Bank") and their subsidiaries (collectively, the "Group") on sustainability related matters, in order to attain the following goals:

- the Group to operate on a sustainable basis for the benefit of current and future generations;
- sustainable growth of the Group and its key stakeholders by maintaining and strengthening the Group's economic, environmental, human and technological capacities in the long run; and
- good and sustainable corporate culture in order to promote ethical and responsible conducts.

2. Roles and Responsibilities

2.1 The role of the Committee is one of oversight. Subject to the provisions of this Mandate, the strategies and policies as approved by the Board or the Committee (as the case may be) from time to time, the management committee(s) established for such purpose is delegated with the authority and power to manage the day-to-day sustainability and corporate culture related affairs of the Group, to sub-delegate such authority and power to such members of the Management and/or sub-committee(s) to the overall coordination and implementation of sustainable business and other sustainability related work, including corporate culture.

2.2 The Committee is responsible for overseeing the Group-level strategies, policies and practices on (1) sustainability; and (2) corporate culture matters to attain the aforementioned goals.

2.3 Sustainability

2.3.1 The Committee is responsible for reviewing, approving or recommending for the approval of the Board on the Group's sustainability strategies, goals and priorities.

2.3.2 The Committee is responsible for reviewing and evaluating the adequacy and effectiveness of the Group-level frameworks insofar as they relate to sustainability matters.

2.3.3 The Committee is responsible for reviewing, approving or recommending for the approval of the Board on the appropriate boundaries applicable for the Group's sustainability strategy, including the appropriate entities, region or businesses.

2.3.4 The Committee is responsible for reviewing, approving or recommending for the approval of the Board on material sustainability related policies.

2.3.5 The Committee shall review environmental, social and governance ("ESG") issues which are material to the Group and the related measures, in order to create lasting corporate value, to enhance its brand value and to strengthen stakeholders relationship. Sustainability related work includes (but is not limited to):

- Sustainability related work
- Environmental protection and climate related work
- Philanthropic and community investment related work

2.3.6 Sustainability issues related work includes stakeholder engagement and further integration of sustainability elements into business decision-making processes for the fulfillment of economic and social responsibility.

2.3.7 Environmental protection and climate issues related work aims at reducing the negative impacts arising from the Group's business activities on environment and climate, by reducing resources consumption, improving resources use efficiency, promoting sustainable and responsible business practices for the environment.

2.3.8 Philanthropic and community investment issues related work is to pursue the commitment to contributing to the community through charitable donations

or sponsorship and to promote or participate in a diverse range of charitable and social welfare activities.

2.3.9 The Committee shall oversee the Group's sustainability performance, with regard to:

- measures, proposals or targets taken in furtherance of the sustainability goals, the related performance or progress made against the goals, as well as reporting to the Board; and
- the impact of the Group's activities on key stakeholders and the community in which the Group operates or the reputation of the Group.

2.3.10 The Committee shall review or present to the Board for approval, any other matters related or incidental to the foregoing work issues, or those the Committee deems appropriate.

2.4 Corporate Culture

2.4.1 The Committee is responsible for reviewing, approving or recommending for the approval of the Board on the relevant policies of corporate culture of the Group, in order to nurture and maintain good corporate culture, across the following areas:

- The Group's professional standards, in order to promote ethical and responsible professional behaviour.
- The Group's commercial principles and standards to be adopted in its business activities, in order to establish culture and behavioural standards that promote prudent risk-taking and fair treatment of customers.
- The Group's Staff Code of Conduct and appropriate training(s), in order to ensure that our staff can maintain good personal integrity and conduct, and comply with the Group's culture and behavioural standards.

2.4.2 The Committee shall encourage the Management to put in place effective mechanism and make use of incentive systems as well as assessment and feedback mechanisms to ensure the Group's desired corporate cultures understood and shared by all levels of staff and to foster a sound culture building.

2.4.3 The Committee shall monitor the Management of its role in fostering and maintaining sound corporate culture and confirm that appropriate steps are

taken to communicate professional standards and corporate culture throughout the Group to all staff.

2.4.4 The Committee shall,with the assistance of Group audit or other experts (if appropriate), introduce regular process to periodically (at least annually) review and confirm the effectiveness of the overall culture enhancement initiatives pursued by the Group.

2.4.5 The Committee shall encourage the Management to develop appropriate assessment tools and feedback mechanisms and shall regularly (at least annually) receive the results from the assessment and feedback mechanisms.

3 Information Disclosure

3.1 The Committee is responsible for approving/reviewing or recommending for the approval of the Board on the preparation and publication of sustainability related disclosures, which cover environmental and social related performance indicators, charitable activities and other information, in accordance with applicable regulatory requirements. The Committee shall make recommendation (if any) on specific strategy, action plans and measures or decision to the Board (or to the other committees of the Board) for considerations in order to maintain the completeness of the sustainability related report.

3.2 The Committee shall be responsible to determine the appropriate reporting principles and boundaries, and review and report on an annual basis, to ensure the Group's compliance with regulatory requirements.

3.3. Sustainability related report shall present a balanced, clear, comprehensive assessment and/or quantitative descriptions (where applicable) of the Group's performance, current position on sustainability related affairs.

3.4 The Committee shall be responsible to review sustainability related statements issued by the Board in compliance with applicable regulatory requirements, if necessary.

3.5 The Committee shall ensure that the report in relation to the environmental, social and governance or sustainability affairs of the Group is disclosed to the public on a timely basis in compliance with the Rules Governing the Listing

of Securities on The Stock Exchange of Hong Kong Limited and applicable laws and regulatory requirements.

4 Reporting Responsibilities

4.1 The Committee shall report to the Board on the matters set out in this Mandate, regularly update the Board on the Committee's activities and conduct research on other topics as determined by the Board, ensure that the Board is aware of sustainability matters which may materially impact the Group and make appropriate recommendations to the Board.

4.2 The Committee shall regularly communicate with other Board committees.

4.3 The Committee shall review any other reports of the Group that are relevant to the Committee's responsibilities.

5. Composition

5.1 Membership

5.1.1 The Committee members are composed of executive director and independent non-executive director.

5.1.2 Members of the Committee shall possess appropriate authority and necessary knowledge and experience and be prepared to determine and advise on complex sustainability related matters.

5.1.3 A quorum of the Committee shall be three members.

5.1.4 Members of the Committee shall:

- regularly attend meetings of the Committee and actively express their opinions on matters discussed during the meetings; and
- keep abreast of the roles and responsibilities of the Committee as well as their responsibilities as members of the Committee and of the conduct, business activities and development of the Group.

5.2 Other Attendees

5.2.1 Representatives of Economics & Strategic Planning Department, Human

Resources Department, Global Corporate Banking Department, Risk Management Department are normally expected to attend meetings of the Committee to render assistance. If required, other members of the Management and representatives of external consultants are also expected to attend some or all or parts of the Committee meetings. All these "other attendees" are expected to provide open, candid and comprehensive input to the Committee as requested.

5.2.2 The appointment of the secretary/secretaries to the Committee shall be subject to the approval of the Committee, and submitted to the Board for notification thereafter.

5.3 Roles

5.3.1 The Chair of the Committee shall be appointed by the Board. The duties and responsibilities of the Chair of the Committee include but are not limited to:

- providing leadership for the Committee and ensuring that the Committee works effectively and discharges its responsibilities;
- ensuring that all key and appropriate issues are discussed by the Committee in a timely manner, and that clear and explicit conclusions are achieved for every agenda item discussed in the meetings;
- being primarily responsible for drawing up and approving the agenda for each Committee meeting taking into considerations, where appropriate, any matters proposed by the other Committee members and the Management for inclusion in the agenda so as to ensure that, other than exceptional circumstances, all Committee members and the Management are given an opportunity to include matters in the agenda for a Committee meeting. The Chair may delegate such responsibility to a designated member or the Committee Secretary;
- ensuring that all Committee members are properly briefed on issues arising at Committee meetings, and that Committee members receive adequate information, which must be timely, complete and reliable;
- encouraging all Committee members to make a full and active contribution to the Committee's affairs and take the lead to ensure that the Committee acts in the best interests of the Group; and
- attending the annual general meetings and answering questions or aurthorising another Committee member who attends the annual general meeting to answer questions in the capacity of the Chair of the Committee, as applicable.

5.3.2 The duties and responsibilities of the Committee Secretary include but are not limited to:

- providing technical advice and expertise to support the work of the Committee, the Chair of the Committee and other Committee members;
- organizing, administering and coordinating the operation of the Committee;
- arranging Committee meetings as coordinated by the Board Secretary;
- reviewing the material to be presented to the Committee, ensuring the Management submits reports and documents to the Committee appropriately;
- reporting on the work of the Committee to the Board under the authorisation of the Chair of the Committee;
- requesting the Management to provide relevant data and material to assist the Committee members to understand the relevant information;
- facilitating induction for new Committee members and assisting with professional development as required;
- coordinating the work of the Committee with similar functions in the Bank of China group; and
- other duties and responsibilities entrusted by the Committee.

5.4 Independence

5.4.1 The Committee members who are independent non-executive directors shall observe the policy on independence of directors approved by the Board.

5.5 Nomination, Terms, Remuneration and Training

5.5.1 The Nomination and Remuneration Committee is responsible for nominating Committee members from amongst the members of the Board for approval by the Board. The terms of appointment of the Committee members shall be consistent with those of the relevant directorship, and shall be subject to reappointment by the Board when the terms expire.

5.5.2 The Committee shall communicate adequately with the Nomination and Remuneration Committee before the latter makes recommendations to the Board on the selection criteria, nominated candidates and terms of

appointment of the Committee members to ensure that they serve the purpose of the Committee.

5.5.3 The remuneration of the Committee members shall be approved by the Board based on the recommendations of the Nomination and Remuneration Committee if no authorisation is needed from or such authorisation has been granted by the shareholders.

5.5.4 The Committee shall communicate adequately with the Nomination and Remuneration Committee when the latter reviews and approves induction/training procedures for the Board Committee members, and ensure that the procedures are practical for the Committee. The Committee Secretary is responsible for the implementation of induction / training procedures for the Committee with the coordination of the Board Secretary.

5.5.5 Every new Committee member shall receive a comprehensive and tailored induction on appointment; and all Committee members shall participate in a program of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Committee remains informed and relevant. The Group shall fund such induction/training programmes.

5.6 Frequency of Meetings

5.6.1 The Committee shall meet at least 2 times a year. In addition, there shall be open dialogue between the Management, any specialized committee(s) and the Committee, between scheduled Committee meetings on an as-needed basis. The Committee may request for additional meeting(s) with the Management or other advisors between scheduled meetings if they consider it necessary.

6. Authority

6.1 The Committee is authorised to seek adequate administrative support from the Management and have separate and independent access to the Group's senior management.

6.2 The Committee is authorised to require any member of the Management and any employee of the Group to respond to queries raised by any member of

the Committee as promptly and fully as possible. Information provided to the Committee shall be accurate and complete and be in such form and of such quality as will enable the Committee to make an informed decision.

6.3 The Committee is authorised to invite any person it thinks fit to attend the meetings of the Committee.

6.4 The Committee shall be authorised, on its own initiative or at the request of the Board, to review policies and practices in relation to sustainability-related affairs of the Group, consider any findings and the Management's response and advise the Board of the results of such investigation or review and its recommendations.

6.5 Members of the Committee are authorised, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Group's expense.

6.6 The Committee is authorized to have access to the advice and services of the Committee Secretary and the Board Secretary with a view to ensuring that Committee procedures, and all applicable rules and regulations, are followed.

7. Consulting or Special Sub-Committee(s)

7.1 As necessary and appropriate, the Committee may form and dismiss consulting or special sub-committees after approval by the Board.

7.2 The Committee is responsible for the management of the special sub-committee(s) and delegating sufficient resources, power and authority to them for ensuring effective and efficient operation.

8. Annual Performance Appraisal

8.1 The Committee shall, with the assistance of the Nomination and Remuneration Committee, monitor and review its composition, evaluate the balance of skills, knowledge and experience on the Committee and monitor and review its processes and effectiveness on at least an annual basis. The result shall be reported to the Board.

8.2 The Committee shall also monitor and review the continuing adequacy of its Mandate from time to time, and report to the Board the main findings.

9. Effective Date and Amendments

9.1 This Mandate shall come into effect on the date when it is approved by the Board.

9.2 Any amendments to this Mandate shall be recommended by the Committee. The amendments shall come into effect on the date when it is approved by the Board or submitted to the Board for notification, as the case may be.