

Assurance Report on Pre-Issuance of Bank of Communications Co., Ltd. Hong Kong Branch's 2023 ESG Deposit

To the Management of Bank of Communications Co., Ltd. Hong Kong Branch

Scope

We have been engaged by Bank of Communications Co., Ltd. Hong Kong Branch ("BOCOM HK Branch" or the "Bank") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the use of proceeds, process for evaluation and selection, management of proceeds and reporting of the Bank's 2023 ESG Deposit (the "Subject Matter") as of 9 May 2023 in the accompanying *Description on Bank of Communications Co., Ltd. Hong Kong Branch's 2023 ESG Deposit* ("the Description").

Criteria Applied by the Bank

In preparing the use of proceeds, process for evaluation and selection, management of proceeds and reporting of BOCOM HK Branch's 2023 ESG Deposit, the Bank applied the core components of the *Sustainability-Linked Loan Principles 2023* and *Green Loan Principles 2023* published by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association with regarding to the underlying sustainability-linked loans and green loans respectively (the "Criteria").

The Bank's Responsibilities

The Bank's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board, and the terms of reference for this engagement as agreed with BOCOM HK Branch on 26 October 2021. The standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the use of proceeds, process for evaluation and selection, management of proceeds and reporting of BOCOM HK Branch's 2023 ESG Deposit issuance and related information, and applying analytical and other appropriate procedures.

Our procedures for BOCOM HK Branch's 2023 ESG Deposit included:

- Conducted interviews with management to understand the business and reporting process;
- Conducted interviews with management to understand the process for collecting, collating and reporting the Subject Matter in the Description;
- Checked the eligibility of nominated sustainability-linked loans and green loans for inclusion in BOCOM HK Branch's 2023 ESG Deposit with the Criteria;
- Undertook analytical review procedures to support the reasonableness of the data;
- Identified and testing assumptions supporting calculations;
- Tested, on a sample basis, underlying source information to check the accuracy of the data.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to BOCOM HK Branch's 2023 ESG Deposit issuance as of 9 May 2023, in order for it to be in accordance with the Criteria.



Restricted Use

This report is intended solely for the information and use of BOCOM HK Branch for the issuance of BOCOM HK Branch's 2023 ESG Deposit and is not intended to be and should not be used by anyone other than those specified parties. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance of any such third party may place on the BOCOM HK Branch's 2023 ESG Deposit; is entirely at its own risk.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style, positioned above a horizontal line.

Certified Public Accountants

9 May 2023
Hong Kong