

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 is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement does not constitute or form a part of any offer of securities for sale in the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933 (the “Securities Act”) or with any securities regulatory authority of any state of the United States or any other jurisdiction and may not be offered, sold or delivered in the United States (as such term is defined in Regulation S under the Securities Act) except pursuant to an exemption from the registration requirements of the Securities Act. No public offering of the securities will be made in the United States.

This announcement and the listing document referred to herein 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 and do not constitute an offer to sell nor a solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing document) forms the basis for any contract or commitment whatsoever. For the avoidance of doubt, the publication of this announcement and the listing document referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the issuer for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) 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 Hong Kong.

Notice to Hong Kong investors: The Issuer (as defined below) confirms that the Notes (as defined below) are intended for purchase by Professional Investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) only and the Programme (as defined below) has been and the Notes (to the extent they are to be listed on The Stock Exchange of Hong Kong Limited) will be, 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



交通銀行股份有限公司

Bank of Communications Co., Ltd.

(the “Bank”)

(A joint stock company incorporated in the People’s Republic of China with limited liability)

(Stock Code: 03328)

交通銀行股份有限公司香港分行

Bank of Communications Co., Ltd. Hong Kong Branch

(the “Issuer”)

U.S.\$12,000,000,000 Medium Term Note Programme (the “Programme”)

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (the “**Listing Rules**”).

Please refer to the offering circular dated 21 September 2026 (the “**Offering Circular**”) appended herein in relation to the Programme. As disclosed in the Offering Circular, the notes to be issued under the Programme (the

“Notes”) will be intended for purchase by professional investors (as defined in Chapter 37 of the Listing Rules) only and the Programme has been and the Notes (to the extent they are to be listed on Hong Kong Stock Exchange) will be, listed on the Hong Kong Stock Exchange on that basis.

The Offering Circular does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities.

The Offering Circular must not be regarded as an inducement to subscribe for or purchase any Notes of Bank of Communications Co., Ltd. Hong Kong Branch, and no such inducement is intended.

Hong Kong, 22 September 2026

As at the date of this announcement, the directors of the Bank are Mr. Ren Deqi, Mr. Zhang Baojiang, Mr. Yin Jiuyong, Mr. Zhou Wanfu, Mr. Chang Baosheng, Mr. Liao, Yi Chien David*, Mr. Chan Siu Chung*, Mr. Mu Guoxin*, Mr. Ai Dong*, Mr. Zhang Xiangdong#, Ms. Li Xiaohui#, Mr. Ma Jun#, Mr. Wong Tin Chak#, Mr. Xiao Wei# and Ms. Liu Ruixia#.*

** Non-executive directors*

Independent non-executive directors

TABLE OF CONTENTS

OFFERING CIRCULAR DATED 21 SEPTEMBER 2026

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES OR IN CONTRAVENTION OF SUCH OTHER RESTRICTIONS AS MAY BE SPECIFIED IN THE APPLICABLE PRICING SUPPLEMENT.

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 the Bank 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 THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, 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.

THE OFFERING CIRCULAR MAY NOT BE DOWNLOADED, FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY US ADDRESS. ANY DOWNLOADING, 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. 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 Offering Circular or make an investment decision with respect to the securities, investors must be purchasing the securities outside the United States in an offshore transaction in reliance on Regulation S under the Securities Act. By accepting the e-mail and accessing the Offering Circular, you shall be deemed to have represented to Bank of Communications Co., Ltd. Hong Kong Branch (the “**Arranger**” and a “**Dealer**”) and any additional Dealer appointed under the Programme from time to time by an Issuer (together with the Arranger, the “**Dealers**”) and Bank of Communications Co., Ltd. Hong Kong Branch or any other branch of Bank of Communications Co., Ltd. located outside the PRC that (i) accedes to the Programme (as defined in the Offering Circular) in accordance with the relevant terms of the Dealer Agreement (as defined in the Offering Circular) and (ii) is specified as an issuer in the applicable Pricing Supplement (each an “**Issuer**”) (1) that you and any customers you represent are and that the electronic mail address that you gave the relevant Issuer and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of the Offering Circular and any amendments or supplements thereto by electronic transmission.

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 (as defined in the Offering Circular) pursuant to this Programme, each such offering, a “**CMI Offering**”, including certain Dealers, may be “capital

market intermediaries” (“**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” (“**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 Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the relevant Issuer, a CMI or its group companies would be considered under the SFC Code as having an association (“**Association**”) with such Issuer, the CMI or the relevant group company. Prospective investors associated with the relevant Issuer 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 Issuer 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 Issuer, 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.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this 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 or disclose the contents of this Offering Circular to any other person. You should not reply by e-mail to this notice, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

This Offering Circular does 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 Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the relevant Issuer in such jurisdiction.

This 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 Issuer, the Arranger, the Dealers or the Agents (as defined in the Offering Circular), nor any person who controls any of them, nor any director, officer, employee, nor agent of any of them, 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 Dealers.

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 Communications Co., Ltd. Hong Kong Branch

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

U.S.\$12,000,000,000

Medium Term Note Programme

Under the U.S.\$12,000,000,000 Medium Term Note Programme described in this Offering Circular (the “**Programme**”), Bank of Communications Co., Ltd. Hong Kong Branch or any other branch of Bank of Communications Co., Ltd. (the “**Bank**”) located outside the PRC that (i) accedes to the Programme in accordance with the relevant terms of the Dealer Agreement (as defined below) and (ii) is specified as an issuer in the applicable Pricing Supplement (each an “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Notes (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$12,000,000,000 (or the equivalent in other currencies), subject to increases of the programme size made in accordance with the terms of amended and restated dealer agreement dated 7 June 2023 (the “**Dealer Agreement**”).

The Notes may be issued on a continuing basis to one or more of the Dealers appointed under the Programme from time to time by the relevant 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.

Investing in the Notes involves certain risks. See “Risk Factors” beginning on page 18.

Application has been made to The Stock Exchange of Hong Kong Limited (“**HKSE**”) 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 HKSE during the 12-month period after the date of this Offering Circular. This document is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuers and the Bank 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 HKSE, will be listed on HKSE on that basis. Accordingly, the Issuers and the Bank confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

HKSE 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 HKSE is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Bank, the Group or any Issuer or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and HKSE 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.

Each Series (as defined in “*Summary of the Programme*”) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a “**temporary Global Note**”) or a permanent global note in bearer form (each a “**permanent Global Note**” together with the temporary Global Note, (the “**Global Notes**”). Notes in registered form will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series or in dematerialised form where no Certificates will be issued but a deed poll will be executed in respect of the relevant Series. The Notes of each Series in certificated registered form will initially be represented by a permanent global certificate (each a “**Global Certificate**”) without interest coupons. The Global Notes and the Global Certificates may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, with a common depository on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”) or with a sub-custodian for the Central Moneymarkets Unit Service, operated by the Hong Kong Monetary Authority (the “**CMU**”) and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream or the CMU, or delivered outside a clearing system, as agreed between the relevant Issuer and the relevant Dealer.

This Offering Circular is for distribution to Professional Investors only. 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 the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States or, in the case of Notes being offered or sold in reliance on Category 2 of Regulation S of the Securities Act, to, or for the account or the benefit of U.S. persons unless an exemption from the registration requirement of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Registered Notes are subject to certain restrictions on transfer, see “*Subscription and Sale*”.

Any Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein (the “**Conditions**”), in which event a supplemental Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme is rated “A” by S&P Global Ratings (“**S&P**”), “A2” by Moody’s Investors Service, Inc. (“**Moody’s**”) and “A” by Fitch Ratings Ltd. (“**Fitch**”). These ratings are only correct as at the date of this Offering Circular. Tranches of Notes (as defined in “*Summary of the Programme*”) to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. 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.

Arranger and Dealer for the Programme

Bank of Communications Co., Ltd. Hong Kong Branch

Offering Circular dated 21 September 2026

IMPORTANT NOTICE

IMPORTANT - EEA RETAIL INVESTORS – If the applicable 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 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**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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 (as amended, 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 applicable 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 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.

MiFID II product governance/target market — The applicable 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 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 applicable 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 Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Singapore SFA 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 Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(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 includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) for the purpose of giving information with regard to the Issuers, the Bank and the Group. The Issuers and the Bank accept full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading. This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference”). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Issuer, the Arranger or the Dealers (as defined in “Summary of the Programme”) or the Agents (as defined in “Terms and Conditions of the Notes”). Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes should be considered as a recommendation by the relevant Issuer, the Arranger, the Dealers or the Agents that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. This Offering Circular does not take into account the objectives, financial situation or needs of any potential investor. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of any Issuer, the Arranger, the Dealers or the Agents to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the relevant Issuer or the Bank and its subsidiaries (together, the “Group”) since 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 in the financial position of the relevant Issuer or the Group since the date hereof or 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 as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Arranger and the Dealers to inform themselves about and to observe any such restriction.

The Notes are being offered and sold outside the United States in reliance on Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of Notes and 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 UP ON 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 does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. None of the Issuers, the Arranger, the Dealers or the Agents makes any representation to any investor in the Notes regarding the legality of its investment under any applicable law. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions.

None of the Issuers, the Arranger, the Dealers or the Agents represents that this Offering Circular 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, unless specifically indicated to the contrary in the applicable Pricing Supplement, no action has been taken by the relevant Issuer, the Arranger, the Dealers or the Agents which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor 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. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the EEA, the UK, Hong Kong, Singapore, the PRC, Taiwan and Japan. See “*Subscription and Sale*”.

To the fullest extent permitted by law, none of the Arranger, the Dealers or the Agents accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by an Arranger or a Dealer or any Agent or on its behalf in connection with the relevant Issuer, the Bank, the Group or the issue and offering of the Notes. Each Arranger, each Dealer 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. Neither this Offering Circular nor any financial statements of the relevant Issuer or the Group are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the relevant Issuer, the Arranger, the Dealers or the Agents that any recipient of this Offering Circular or any financial statements of the relevant Issuer or the Group should purchase the Notes. Each potential investor 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 Arranger or the Dealers or the Agents undertakes to review the financial condition or affairs of any of the Issuers or the 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 Arranger, the Dealers or the Agents.

From time to time, in the ordinary course of business, certain of the Dealers and their affiliates have provided advisory and investment banking services, and entered into other commercial transactions with the Issuers, the Group and their respective affiliates, including commercial banking services, for which customary compensation has been received. It is expected that the Dealers and their affiliates will continue to provide such services to, and enter into such transactions, with the Issuers, the Group and their respective affiliates in the future.

The Dealers or certain of their respective affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes and not with a view to distribution.

In making an investment decision, each potential investor must rely on its own examination of the relevant Issuer and the terms of the Notes being offered, including the merits and risks involved. The relevant Issuer does not and the Arranger, the Dealers and the Agents do not make any representation regarding the legality of investment under any applicable laws.

Potential investors should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

In connection with any Tranche of Notes, one or more of the Dealers (or persons acting on their behalf) may act as the stabilisation manager(s) (the “Stabilisation Manager(s)”). The identity of the Stabilisation Manager(s) (if any) will be disclosed in the applicable Pricing Supplement. In connection with the issue of any Tranche of Notes, one or more of the Dealers named as Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager) in the applicable Pricing Supplement may, to the extent permitted by applicable laws and directives, over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s) in accordance with all applicable laws and regulations.

In the Offering Circular, unless otherwise specified, references to “Hong Kong” are to the Hong Kong Special Administrative Region of the People’s Republic of China, all references to the “PRC” or “China” are to the People’s Republic of China, excluding Taiwan, Hong Kong and Macau, references to “U.S.\$”, “USD” or “U.S. dollars” are to the lawful currency of the United States of America, references to “Renminbi”, “RMB” or “CNY” are to the lawful currency of the PRC, and references to “Hong Kong dollar”, “HKD” or “HK\$” are to the lawful currency of Hong Kong.

In this Offering Circular, unless otherwise specified, references to:

- the “Bank” and the “Group” refer to Bank of Communications Co., Ltd. and, in the case of the “Group” except as the context otherwise requires, the subsidiaries of Bank of Communications Co., Ltd.;
- the “branch outlets” include the head office, branches and outlets and other establishments of the Bank;
- a “business day” is a day that is not Saturday, Sunday or a public holiday in Hong Kong; and the terms “associate”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

For ease of reference, in this Offering Circular, unless otherwise indicated, the terms “loans and advances to customers”, “loans” and “loans to customers” are used synonymously.

In this Offering Circular, unless otherwise indicated, the discussions on loans are based on the Bank's gross loans and advances to customers, before taking into account the related allowance for impairment losses, rather than its net loans to customers. The Bank's loans and advances to customers are reported net of the allowance for impairment losses on its consolidated balance sheet.

The growth rates with respect to the business and financial data of the Bank presented in this Offering Circular are calculated based on amounts in millions of Renminbi.

Presentation of financial information

Certain financial information in this Offering Circular has been derived from the audited consolidated financial statements of the Group as at and for the year ended 31 December 2024 (the **"2024 Historical Financial Statements"**), which were published on 24 April 2025, on the website of the HKSE and the audited consolidated financial statements of the Group as at and for the year ended 31 December 2025 (the **"2025 Historical Financial Statements"**) together with the 2024 Historical Financial Statements, the **"Historical Financial Statements"**), which were published on 27 April 2026, on the website of the HKSE. The financial information should also be read in conjunction with any other information incorporated into this Offering Circular (see *"Documents Incorporated by Reference"*). The Historical Financial Statements were prepared and presented in accordance with the IFRS Accounting Standards and have been audited by KPMG in accordance with International Standards on Auditing (**"ISA"**).

Certain financial information in this Offering Circular has been derived from the unaudited condensed consolidated financial statements of the Group as at and for the six months ended 30 June 2025 (the **"2025 Interim Financial Information"**), which were published on 22 September 2025, on the website of HKSE and the interim result announcement of the Group as at and for the six months ended 30 June 2026 (the **"2026 Interim Results Announcement"**) together with the 2025 Interim Financial Information, the **"Interim Financial Information"**), which were published on 28 August 2026, on the website of HKSE. The Interim Financial Information were prepared and presented in accordance with the International Accounting Standards (**"IAS"**) 34 "Interim Financial Reporting" and have been reviewed by KPMG. The Interim Financial Information has not been audited by KPMG. Consequently, the Interim Financial Information should not be relied upon by the investor to provide the same quality of information associated with information that has been subject to an audit, as appropriate. Investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations. The 2026 Interim Financial Information should not be taken as an indication of the expected financial condition and results of operations of the Group as at and for the full financial year ending 31 December 2026.

Unless otherwise stated, all financial data contained herein which is stated as relating to the Bank are referring to the consolidated data of the Group.

In this Offering Circular, because certain amounts have been rounded, 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.

Solely for the sake of convenience, this Offering Circular contains translations of certain Renminbi amounts into US dollar amounts. Unless indicated otherwise, the translation of Renminbi amounts into US dollar amounts has been made at the rate of RMB6.7851 to U.S.\$1.00, the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 June 2026. These translations should not be construed as representations that the Renminbi amounts could actually be converted into any US dollar amounts at the rates indicated or at all.

Documents Incorporated by Reference

The relevant Issuer hereby incorporates by reference (i) each Pricing Supplement, (ii) the Historical Financial Statements and the Interim Financial Information published on the HKSE, (iii) the most recently published audited consolidated annual financial statements and the most recently published unaudited but reviewed interim condensed consolidated financial statements of the Bank published from time to time after the date of this Offering Circular in each case together with any audit or review reports prepared in connection therewith, (iv) the most recently published unaudited consolidated quarterly interim reports, published subsequent to the most recently published consolidated financial statements of the Bank, and (v) all amendments and supplements from time to time to this Offering Circular, each of 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 the contents of this Offering Circular.

The Bank publishes its consolidated quarterly interim reports in respect of the three months ended 31 March and the nine months ended 30 September of each financial year. A copy of the quarterly interim reports can be found on the website of the HKSE. The quarterly interim reports have not been and will not be audited by the Bank's auditors and were and will be prepared under IAS 34 "Interim Financial Reporting". The quarterly interim reports should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. Potential investors should exercise caution when using such data to evaluate the Bank's financial condition and results of operations. The quarterly interim reports should not be taken as an indication of the expected financial condition or results of operations of the Bank for the relevant full financial year.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

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 relevant Issuer and of the Fiscal Agent (as defined below).

Supplemental Offering Circular

The relevant Issuer has given or will give an undertaking to the Arranger and Dealer that if it has notified the Arranger and Dealer in writing that it intends to issue Notes under the Programme for the time being, and if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in the Offering Circular which is capable of affecting an assessment by investors of the assets and liabilities, financial position, profits and losses, and prospects of the relevant Issuer, the Group and/or of the rights attaching to the Notes, it shall (i) prepare and publish an amendment or supplement to the Offering Circular, (ii) advise the Arranger and Dealer promptly of any proposal to amend or replace the Offering Circular, (iii) advise the Arranger and Dealer promptly of any proposal to supplement the Offering Circular and (iv) provide the Arranger and Dealer with a copy of any such proposed amendment, supplement or replacement immediately prior to its publication.

Forward-looking statements

Certain statements under "*Risk Factors*" and elsewhere in this Offering Circular constitute "forward-looking statements". The words including "believe", "expect", "plan", "anticipate", "schedule", "estimate", "may", "will", "would", "could", "aim", "intend", "project", "potential", "future", "seek", "should" and similar words or the negative thereof, 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

Group and the plans and objectives of the Group's management 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 Group to differ materially from those expressed or implied by such forward-looking statements. Reliance should not be placed on these forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. The relevant Issuer expressly disclaims any obligation or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the relevant Issuer's or the Group's expectations 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 relevant Issuer's expectations. All subsequent written and forward-looking statements attributable to the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by such cautionary statements.

TABLE OF CONTENTS

	Page
DEFINITIONS AND CONVENTIONS	1
SUMMARY OF THE PROGRAMME	4
SUMMARY FINANCIAL INFORMATION	10
RISK FACTORS	18
TERMS AND CONDITIONS OF THE NOTES	51
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES OR THE GLOBAL CERTIFICATE.....	76
FORM OF PRICING SUPPLEMENT.....	81
CAPITALISATION AND INDEBTEDNESS.....	94
USE OF PROCEEDS.....	95
DESCRIPTION OF THE HONG KONG BRANCH.....	96
DESCRIPTION OF THE BANK.....	98
RISK MANAGEMENT AND INTERNAL CONTROL	121
DESCRIPTION OF THE BANK'S ASSETS AND LIABILITIES	127
SUBSTANTIAL SHAREHOLDERS.....	136
MANAGEMENT OF THE BANK	137
BANKING REGULATION AND SUPERVISION IN THE PRC	147
TAXATION	154
PRC CURRENCY CONTROLS.....	158
CLEARANCE AND SETTLEMENT.....	163
SUBSCRIPTION AND SALE	165
GENERAL INFORMATION	174

DEFINITIONS AND CONVENTIONS

In this Offering Circular, unless the context otherwise requires, the following terms shall have the meanings set out below.

Accountholder	each person who is for the time being shown in the records of the CMU operator as the holder of a particular principal amount of the Notes.
Additional Tier 1 Capital	has the meaning given to Additional Tier 1 Capital (其他一級資本) (or any equivalent or successor term) in the Capital Management Rules.
AUM	assets under management.
Bank and the Group	Bank of Communications Co., Ltd. and its subsidiaries.
Bank of Communications (Hong Kong)	Bank of Communications (Hong Kong) Limited.
Basel Committee	the Basel Committee on Banking Supervision.
Basel II	the revised Basel Capital Framework promulgated in June 2004.
Basel III	the newest Basel Capital Accord promulgated in December 2010 and 13 January 2011.
Board	the board of directors.
BOCOM Financial Asset Investment	BOCOM Financial Asset Investment Co., Ltd.
BoCom Insurance	China BOCOM Insurance Co., Ltd.
BoCom International Holdings	BOCOM International Holdings Company Limited.
BoCom International Trust	BOCOM International Trust Co., Ltd.
BoCom Leasing	BOCOM Financial Leasing Co., Ltd.
BoCommLife	BOCOM MSIG Life Insurance Co., Ltd.
BoCom Schroder Fund	Bank of Communications Schroder Fund Management Co., Ltd.
BOCOM Wealth	BOCOM Wealth Management Co., Ltd.
Capital Adequacy Measures	the Administrative Measures on the Capital Adequacy Ratio of Commercial Banks (商業銀行資本充足率管理辦法), which was promulgated by the CBRC on 23 February 2004, became effective on 1 March 2004 and was repealed on 1 January 2013.
Capital Management Rules	the Measures on Capital Management of Commercial Banks (商業銀行資本管理辦法) issued by the NFRA on 16 October 2023, which became effective on 1 January 2024 (as amended from time to time).
CBIRC	The former China Banking and Insurance Regulatory Commission. (原中國銀行保險監督管理委員會), now the NFRA.

CBRC	The former China Banking Regulatory Commission (原中國銀行業監督管理委員會).
CFCA	China Financial Certification Authority (中金金融認證中心)
China or PRC	the People's Republic of China, but for the purpose of this Offering Circular only and except where the context requires, references in this Offering Circular to "China" and the "PRC" do not include Hong Kong, Macau and Taiwan.
CIRC	The former China Insurance Regulatory Commission (原中國保險監督管理委員會).
Clearstream	Clearstream Banking S.A.
CMU	Central Moneymarkets Unit Service.
CNH HIBOR	Offshore Renminbi Hong Kong Interbank Offered Rate, a daily reference rate published by the Hong Kong Association of Banks.
Common Equity Tier-1 Capital	has the meaning given to Common Equity Tier-1 Capital (核心一級資本) (or any equivalent or successor term) in the Capital Management Rules.
CSRC	China Securities Regulatory Commission (中國證券監督管理委員會).
EURIBOR	Euro Interbank Offered Rate, a daily reference rate published by Thomson Reuters.
Euroclear	Euroclear Bank SA/NV.
FDI	Foreign Direct Investment.
Fitch	Fitch Ratings Ltd.
FSMA	the Financial Services and Markets Act 2000 of the United Kingdom.
GDP	gross domestic product.
HIBOR	Hong Kong Interbank Offered Rate, a daily reference rate published by the Hong Kong Association of Banks.
Hong Kong or HK	the Hong Kong Special Administrative Region of the People's Republic of China.
HKMA	Hong Kong Monetary Authority.
HKSE	The Stock Exchange of Hong Kong Limited.
HSBC	The Hongkong and Shanghai Banking Corporation Limited.
KPMG	KPMG (Certified Public Accountants and Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance).

Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).
Macau	the Macau Special Administrative Region of the PRC.
MOF	Ministry of Finance of the PRC (中華人民共和國財政部).
MOFCOM	Ministry of Commerce of the PRC (中華人民共和國商務部).
Moody's	Moody's Investors Service, Inc.
NFRA	National Financial Regulatory Administration (國家金融監督管理總局).
NDRC	National Development and Reform Commission (中華人民共和國國家發展和改革委員會).
Notes	Notes issued under the U.S.\$12,000,000,000 Medium Term Note Programme.
Offering Circular	this offering circular.
PBOC	People's Bank of China (中國人民銀行).
Regulation S	Regulation S under the U.S. Securities Act.
S&P	S&P Global Ratings.
SAFE	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局).
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time).
State Council	the PRC State Council (中華人民共和國國務院).
United States or U.S.	the United States of America, its territories, its possessions and all areas subject to its jurisdiction.
U.S. Securities Act or Securities Act	the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.
WTO	World Trade Organisation.

SUMMARY OF THE PROGRAMME

The following summary is qualified in its entirety by the remainder of this Offering Circular. Words and expressions defined in “Terms and Conditions of the Notes” below shall have the same meaning in this summary.

The Issuer

Bank of Communications Co., Ltd. Hong Kong Branch and, in relation to any issue of Notes under the Programme, Bank of Communications Co., Ltd. Hong Kong Branch or any other branch of the Bank located outside the PRC that (i) accedes to the Programme in accordance with the relevant terms of the Dealer Agreement and (ii) is specified as an issuer in the applicable Pricing Supplement.

Description

U.S.\$12,000,000,000 Medium Term Note Programme.

Size

Up to U.S.\$12,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. Bank of Communications Co., Ltd. Hong Kong Branch may increase the amount of the Programme in accordance with the terms of the Dealer Agreement. The Dealer Agreement provides for the U.S.\$ equivalent of any Note denominated in another currency to be determined on or around the date agreement is reached to issue those Notes or, if the agreement date is not a date that commercial banks and foreign exchange markets are open for general business in London, on the preceding day on which commercial banks and foreign exchange markets are open for general business in London.

Risk Factors

There are certain factors that may affect the relevant Issuer’s ability to fulfil its obligations under Notes issued under the Programme. These are set out under “*Risk Factors*” below. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under “*Risk Factors*” and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.

Arranger

Bank of Communications Co., Ltd. Hong Kong Branch.

Dealers

Bank of Communications Co., Ltd. Hong Kong Branch.

Bank of Communications Co., Ltd. Hong Kong Branch may from time to time terminate the appointment of any dealer under the Programme and may from time to time appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “**Permanent Dealers**” are to the persons listed above as a Dealer and to such additional persons that are appointed as dealers in respect of the whole Programme (and

	whose appointment has not been terminated) and to “ Dealers ” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent and Paying Agent	Bank of Communications Co., Ltd. Hong Kong Branch.
Transfer Agent	Bank of Communications Co., Ltd. Hong Kong Branch.
Calculation Agent	Bank of Communications Co., Ltd. Hong Kong Branch.
Registrar	Bank of Communications Co., Ltd. Hong Kong Branch.
CMU Lodging and Paying Agent	Bank of Communications Co., Ltd. Hong Kong Branch.
Method of Issue	The Notes may be issued on a syndicated or non-syndicated basis. The Notes may be issued in series (each a “ Series ”) having one or more issue dates (each tranche within such Series a “ Tranche ”) and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement (a “ 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 may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes	Notes may be issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”). Registered Notes will not be exchangeable for Bearer Notes and vice versa. Each Tranche of Bearer Notes will initially be in the form of either a temporary Global Note or a permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary or sub-custodian for Euroclear, Clearstream and/or as the case may be, the CMU and/or any other relevant clearing system. Each temporary Global Note will be exchangeable for a permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, 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 permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes

	will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons. Registered Notes will either be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series or in dematerialised form. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates". Where Notes are issued in dematerialised form, a deed poll will be executed by the Issuer in respect of such Series. Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by a Global Certificate.
Clearing Systems	Clearstream, Euroclear, the CMU and, in relation to any Tranche, such other clearing system as may be agreed between the relevant Issuer, the Fiscal Agent and the relevant Dealers.
Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream or deposited with a sub-custodian for the HKMA as operator of the CMU or deposited with a depositary or sub-custodian for 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 relevant Issuer, the Fiscal Agent and the relevant Dealers. 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 nominees or a common nominee for, such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the relevant Issuer and the relevant Dealers.
Maturities	Subject to compliance with all relevant laws, regulations and directives, any maturity, including for the avoidance of doubt, undated perpetual Notes with no fixed maturity.
Benchmark Discontinuation	See Condition 5(b)(iii)(C) (<i>Benchmark Replacement</i>).
Specified Denomination	Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement, save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum

	denomination of £100,000 (or its equivalent in other currencies).
Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes	Floating Rate Notes will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), as amended and updated as at the Issue Date of the first Tranche of the Notes) or the 2021 ISDA Definitions (the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Notes), plus or minus (as specified in the relevant Pricing Supplement) the Margin, if any; (ii) by reference to EURIBOR or HIBOR or CNH HIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement. The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each series of Floating Rate Notes.
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Redemption and Redemption Amounts	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Redemption by Instalments	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Other Notes	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly paid Notes and any other type of Note that the relevant Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement.
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Status of the Notes	The Notes issued by the relevant Issuer will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> without any preference among themselves and <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the relevant Issuer other than any such obligations as are preferred by law, all as further described in Condition 4.
Events of Default	See “ <i>Terms and Conditions of the Notes — Events of Default</i> ”.
Cross Default	See the relevant sub-condition under “ <i>Terms and Conditions of the Notes — Events of Default</i> ”.
Ratings	The Programme is rated “A” by S&P, “A2” by Moody’s and “A” by Fitch. Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity

Withholding Tax

only for tax reasons. See “*Terms and Conditions of the Notes — Redemption, Purchase and Options*”.

All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the relevant jurisdiction of Hong Kong, the PRC, or any other jurisdiction to which the Issuer becomes subject to tax in respect of payments made by it of principal and interest on the Notes, subject to customary exceptions, all as described in “*Terms and Conditions of the Notes — Taxation*”.

Governing Law

English law.

Listing

Application has been made to the HKSE for the listing of the Programme under which Notes may be issued during the 12-month period after the date of this Offering Circular on the HKSE by way of debt issues to Professional Investors only.

Separate application will be made for the listing of, and permission to deal in, the relevant Notes on the HKSE.

Unlisted Notes may also be issued.

The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and, if so, on which stock exchange(s).

Notes listed on the HKSE will be required to have a denomination of HK\$500,000 (or its equivalent in other currencies).

Selling Restrictions

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore, the PRC, Taiwan and Japan, see “*Subscription and Sale*” below.

Legal Entity Identifier of the Bank

549300AX1UM10U30HK09.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary consolidated financial information of the Group as at and for the periods indicated.

The summary consolidated financial information as at and for the years ended 31 December 2023, 2024 and 2025 set forth below is derived from the Historical Financial Statements, which are prepared and presented in accordance with IFRS Accounting Standards. The summary consolidated financial information as at and for the six months ended 30 June 2025 and 2026 set forth below is derived from the Interim Financial Information which are prepared and presented in accordance with IAS 34. These should also be read in conjunction with any other information incorporated into this Offering Circular (see “*Documents Incorporated by Reference*”).

The Historical Financial Statements have been audited by KPMG in accordance with ISA. The Interim Financial Information has not been audited by KPMG. Investors must exercise caution when using such data to evaluate the Group’s financial condition and results of operations. Such summary consolidated financial information should be read in conjunction with such published audited consolidated financial statements and the unaudited condensed consolidated interim financial statements and the notes thereto.

The 2026 Interim Financial Information should not be taken as an indication of the expected financial condition and results of operations of the Group as at and for the full financial year ending 31 December 2026.

Consolidated Statements of Financial Position as at 31 December 2023, 2024 and 2025

The consolidated statements of financial position of the Group as at 31 December 2023, 2024 and 2025 as set forth below are extracted from the Historical Financial Statements prepared in accordance with IFRS Accounting Standards and have been audited by KPMG in accordance with ISA.

	As at 31 December		
	2023	2024	2025
	(RMB in million)		
	(audited)		
Assets			
Cash and balances with central banks.....	898,022	717,354	701,847
Due from and placements with banks and other financial institutions ..	859,642	974,042	881,284
Derivative financial assets.....	67,387	100,375	43,736
Loans and advances to customers.....	7,772,060	8,351,131	8,898,768
Financial investments at fair value through profit or loss	642,282	656,152	600,609
Financial investments at amortised cost.....	2,573,911	2,581,793	2,701,622
Financial investments at fair value through other comprehensive income.....	887,949	1,082,144	1,225,683
Investment in associates and joint ventures	8,990	11,601	16,897
Property and equipment.....	217,751	238,949	246,926
Deferred tax assets.....	40,379	42,752	42,198
Other assets	92,099	144,424	188,818
Total assets	14,060,472	14,900,717	15,548,388
Liabilities			
Due to and placements from banks and other financial institutions	2,424,537	2,431,451	2,477,757
Financial liabilities at fair value through profit or loss	56,557	50,254	47,714
Derivative financial liabilities.....	50,975	85,473	36,998
Deposits from customers	8,551,215	8,800,335	9,307,815
Certificates of deposits issued	1,027,461	1,384,372	1,403,271
Income tax payable.....	4,538	8,056	5,142
Debt securities issued	592,175	691,248	692,085
Deferred tax liabilities.....	2,407	4,324	3,657
Other liabilities.....	251,157	289,607	293,667
Total liabilities.....	12,961,022	13,745,120	14,268,106
Equity			
Share capital	74,263	74,263	88,364
Other equity Instruments	174,790	174,796	126,450
Including: Preference shares.....	44,952	44,952	44,952
Perpetual bonds.....	129,838	129,844	81,498
Capital surplus.....	111,428	111,420	215,762
Other reserves.....	400,805	435,562	453,084
Retained earnings	326,744	348,265	385,572
Equity attributable to shareholders of the parent company	1,088,030	1,144,306	1,269,232
Equity attributable to non-controlling interests of ordinary shares	7,912	7,706	8,350

	As at 31 December		
	2023	2024	2025
	(RMB in million)		
	(audited)		
Equity attributable to non-controlling interests of other equity instruments	3,508	3,585	2,700
Non-controlling interests	11,420	11,291	11,050
Total equity	1,099,450	1,155,597	1,280,282
Total equity and liabilities	14,060,472	14,900,717	15,548,388

Consolidated Statement of Profit and Loss and Other Comprehensive Income for the Years ended 31 December 2023, 2024 and 2025

The consolidated statements of profit or loss and other comprehensive income of the Group for the years ended 31 December 2023, 2024 and 2025 as set forth below are extracted from the Historical Financial Statements prepared in accordance with IFRS Accounting Standards and have been audited by KPMG in accordance with ISA.

	Year ended 31 December		
	2023	2024	2025
	(RMB in million unless otherwise stated)		
	(audited)		
Interest income	459,861	451,712	419,447
Interest expense	(295,738)	(281,880)	(246,372)
Net interest income	164,123	169,832	173,075
Fee and commission income	47,148	40,918	42,713
Fee and commission expense	(4,144)	(4,004)	(4,530)
Net fee and commission income	43,004	36,914	38,183
Net gains/(losses) arising from trading activities	23,224	21,919	19,693
Net gains/(losses) arising from financial investments	727	1,949	4,563
Including: Net gains on derecognition of financial assets measured at amortised cost	40	452	1,812
Net gains/(losses) on investments in associates and joint ventures	356	514	495
Other operating income	26,580	29,141	29,591
Net operating income	258,014	260,269	265,600
Credit impairment losses	(56,908)	(52,567)	(54,547)
Other assets impairment losses	(1,062)	(1,640)	(1,895)
Other operating expense	(100,346)	(102,587)	(105,395)
Profit before tax	99,698	103,475	103,763
Income tax	(6,446)	(9,246)	(7,249)
Net profit for the period	93,252	94,229	96,514
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			

	Year ended 31 December		
	2023	2024	2025
	(RMB in million unless otherwise stated)		
	(audited)		
Changes in fair value of debt instruments measured at fair value through other comprehensive income			
Amount recognised in equity	7,534	17,996	(4,317)
Amount reclassified to profit or loss	(664)	(1,456)	(2,154)
Expected credit losses of debt instruments measured at fair value through other comprehensive income			
Amount recognised in equity	1,089	(181)	(749)
Amount reclassified to profit or loss	-	-	-
Effective portion of gains or losses on hedging instruments in a cash flow hedges			
Amount recognised in equity	(660)	946	(1,060)
Amount reclassified to profit or loss	50	(1,060)	965
Translation difference on foreign operations	2,152	976	(1,950)
Others	(2,367)	(7,647)	2,514
Subtotal	7,134	9,574	(6,751)
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gains/(losses) on pension benefits	33	(16)	2
Changes in fair value of equity investments designated at fair value through other comprehensive income	988	2,281	1,085
Changes in fair value attributable to change in the credit risk of financial liability designated at fair value through profit or loss	458	(268)	217
Others	(313)	(168)	(136)
Subtotal	1,166	1,829	1,168
Other comprehensive income, net of tax	8,300	11,403	(5,583)
Total Comprehensive income for the year	<u>101,552</u>	<u>105,632</u>	<u>90,931</u>
Net profit attributable to:			
Shareholders of the parent company	92,728	93,586	95,622
Non-controlling interests	<u>524</u>	<u>643</u>	<u>892</u>
Total comprehensive income attributable to:			
Shareholders of the parent company	100,862	105,123	89,988
Non-controlling interests	<u>690</u>	<u>509</u>	<u>943</u>
Basic and diluted earnings per share for profit attributable to the shareholders of the parent company (in RMB yuan)	<u>1.15</u>	<u>1.16</u>	<u>1.08</u>
Consolidated Statement of Financial Position as at 31 December 2025 and 30 June 2026			
<i>The consolidated statements of financial position of the Group as at 31 December 2025 and 30 June 2026 as set forth below is extracted from the 2025 Historical Financial Statements prepared in accordance with IFRS Accounting Standards and have been audited by KPMG in accordance with ISA and the 2026 Interim Financial</i>			

Information prepared and presented in accordance with IAS 34 and reviewed by KPMG in accordance with International Standards on Review Engagements 2410.

	As at 31 December	As at 30 June
	2025	2026
	(RMB in million)	(RMB in million)
	(audited)	(reviewed)
Assets		
Cash and balances with central banks.....	701,847	756,642
Due from and placements with banks and other financial institutions	881,284	944,861
Derivative financial assets.....	43,736	54,870
Financial investments at fair value through profit or loss	600,609	706,638
Financial investments at amortised cost.....	2,701,622	2,781,574
Financial investments at fair value through other comprehensive income	1,225,683	1,235,257
Loans and advances to customers.....	8,898,768	9,257,705
Investment in associates and joint ventures	16,897	19,663
Property and equipment.....	246,926	250,110
Deferred tax assets.....	42,198	43,386
Other assets	188,818	209,469
Total assets.....	15,548,388	16,260,175
Liabilities		
Due to and placements from banks and other financial institutions	2,477,757	2,540,122
Financial liabilities at fair value through profit or loss	47,714	47,930
Derivative financial liabilities.....	36,998	42,079
Deposits from customers	9,307,815	9,915,436
Certificates of deposits issued	1,403,271	1,355,533
Income tax payable.....	5,142	6,084
Deferred tax liabilities.....	3,657	4,047
Debt securities issued	692,085	713,459
Other liabilities.....	293,667	331,553
Total liabilities.....	14,268,106	14,956,243
Equity		
Share capital	88,364	88,364
Other equity Instruments	126,450	124,952
Including: Preference shares.....	44,952	44,952
Perpetual bonds.....	81,498	80,000
Capital surplus.....	215,762	215,717
Other reserves.....	453,084	466,710
Retained earnings	385,572	397,049
Equity attributable to shareholders of the parent company	1,269,232	1,292,792
Equity attributable to non-controlling interests of ordinary shares	8,350	8,440
Equity attributable to non-controlling interests of other equity instruments	2,700	2,700
Non-controlling interests	11,050	11,140

	As at 31 December	As at 30 June
	2025	2026
	(RMB in million)	(RMB in million)
Total equity	1,280,282	1,303,932
Total equity and liabilities	15,548,388	16,260,175

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Six Months Ended 30 June 2025 and 2026

The condensed consolidated statements of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2025 and 2026 as set forth below is extracted from the Interim Financial Information prepared and presented in accordance with IAS 34 and reviewed by KPMG in accordance with International Standards on Review Engagements 2410.

	Six months ended 30 June	
	2025	2026
	(RMB in million unless otherwise stated)	
	(reviewed)	
Interest income	213,961	205,322
Interest expense	(128,714)	(112,730)
Net interest income.....	85,247	92,592
Fee and commission income.....	22,429	22,934
Fee and commission expense.....	(1,971)	(2,461)
Net fee and commission income.....	20,458	20,473
Net gains arising from trading activities	10,669	11,019
Net gains arising from financial investments.....	2,275	3,316
Including: Net gains/(losses) on derecognition of financial assets measured at amortised cost	560	1,518
Net gains/(losses) on investments in associates and joint ventures	242	386
Other operating income	14,607	14,754
Net operating income	133,498	142,540
Credit impairment losses	(32,814)	(34,541)
Other assets impairment losses	(531)	(851)
Other operating expense	(53,243)	(53,511)
Profit before tax.....	46,910	53,637
Income tax.....	(455)	(5,031)
Net profit for the period.....	46,455	48,606

Other comprehensive income, net of tax

Items that may be reclassified subsequently to profit or loss:

Changes in fair value of debt instruments measured at fair value through other comprehensive income

	Six months ended 30 June	
	2025	2026
	(RMB in million unless otherwise stated)	
	(reviewed)	
Amount recognised in equity.....	581	1,581
Amount reclassified to profit or loss.....	(1,317)	(1,624)
Expected credit losses of debt instruments measured at fair value through other comprehensive income		
Amount recognised in equity.....	621	(45)
Amount reclassified to profit or loss.....	—	—
Effective portion of gains or losses on hedging instruments in a cash flow hedge		
Amount recognised in equity.....	(1,083)	846
Amount reclassified to profit or loss.....	1,275	(684)
Others.....	(1,082)	(674)
Translation difference on foreign operations.....	(97)	(5,209)
Subtotal	(1,102)	(5,809)
Items that will not be reclassified subsequently to profit or loss:		
Changes in fair value of equity investments designated at fair value through other comprehensive income	1,180	(556)
Actuarial gains/(losses) on pension benefits	(5)	(11)
Changes in fair value attributable to change in the credit risk of financial liability designated at fair value through profit or loss	331	(204)
Others	(223)	31
Subtotal	1,283	(740)
Other comprehensive income, net of tax	181	(6,549)
Total comprehensive income for the period.....	46,636	42,057
Net profit attributable to:		
Shareholders of the parent company.....	46,016	47,874
Non-controlling interests	439	732
	46,455	48,606
Total comprehensive income attributable to:		
Shareholders of the parent company.....	46,072	41,668
Non-controlling interests	564	389
	46,636	42,057
Basic and diluted earnings per share for profit attributable to the shareholders of the Bank (in RMB yuan).....	0.59	0.52

Financial Indicators

	As at/ for the years ended 31 December			As at/for the six months ended 30 June
	2023	2024	2025	2026
		(%)		
Return on average assets ⁽¹⁾	0.69	0.65	0.63	0.61
Cost-to-income ratio ⁽²⁾	30.04	29.90	29.30	27.47
Non-performing loan ratio ⁽³⁾	1.33	1.31	1.28	1.30
Provision coverage ratio ⁽⁴⁾	195.21	201.94	208.38	203.80
Tier 1 capital adequacy ratio ⁽⁵⁾	12.22	12.11	12.70	12.46
Core Tier 1 / Common Equity Tier 1 capital adequacy ratio ⁽⁵⁾	10.23	10.24	11.43	11.25
Capital adequacy ratio ⁽⁵⁾	15.27	16.02	15.96	16.00

Notes:

- (1) Calculated by dividing annualised net profit for the period by the average of total assets at the beginning and the end of the reporting period.
- (2) Calculated pursuant to China Accounting Standards, as business and management fees divided by operating income, which is consistent with the financial report prepared under China Accounting Standards.
- (3) Calculated as non-performing loan balance divided by loans and advances to customers.
- (4) Calculated by dividing the outstanding balance of its allowance for impairment losses for loans and advances to customers by the outstanding balance of impaired loans.
- (5) Calculated pursuant to the *Administrative Measures for the Capital Management of Commercial Banks* and relevant regulations by the National Banking and Insurance Regulatory Administration, including all of the Group's domestic and overseas branches and subsidiaries of those financial institutions (excluding insurance companies).

RISK FACTORS

This Offering Circular contains forward-looking statements relating to events that involve risks and uncertainties. Investors should carefully consider the risk factors set forth below, as well as the other information contained elsewhere in this Offering Circular. The risks described below are not the only ones that may affect the Bank or the Notes. Additional risks and uncertainties of which the Bank is not aware or that the Bank currently believes are immaterial may also adversely affect the Bank's financial condition or results of operations. If any of the possible events described below occur, the Bank's financial condition or results of operations could be materially and adversely affected. In such case, the Bank may not be able to satisfy its obligations under the Notes, and investors could lose all or part of their investment.

Risks Relating to the Bank's Business

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

The Group has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, any Sino U.S. trade friction, the level and volatility of debt and equity prices, interest rates, currency and commodities prices, investor sentiment, inflation, and the availability and cost of capital and credit.

The International Monetary Fund's forecast for global economic growth is 3.0 per cent. in 2026 and 3.4 per cent. in 2027. However, there are a number of uncertainties ahead. The recent trade disputes between the United States and a number of countries including the PRC and the increase in tariffs that the United States have imposed and may further impose on Chinese imports (as well as on imports from other countries) have contributed to increased market volatility, weakened business and consumer confidence and diminished expectations for economic growth around the world. The presence of geo-political tensions and conflicts in various regions of the world including in Russia, Ukraine and in the Middle East including the Israeli-Palestinian conflict could have a further significant negative impact on international markets. The impact of these conflicts on the Bank's business and operations is uncertain and therefore cannot be predicted. These developments could result in further falls in stock exchange indices and/or greater volatility of markets in general due to the increased uncertainty. To the extent uncertainty regarding the economic outlook negatively impacts consumer confidence and consumer credit factors globally, the Group's business, financial condition and results of operations could be significantly and adversely affected.

Investors should be aware that there are recent historical financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including the Group. In addition, the Group remains subject to the risks posed by the indirect economic effect of the global credit crisis, some of which cannot be anticipated and the vast majority of which are not under its control. The Group also remains subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to the Group. If there is another global or regional financial crisis or a downturn in the economic condition of the Group's primary markets, this would likely have a material adverse effect on the Group's business, financial condition and results of operations.

If the Bank is unable to effectively maintain the quality of its loan portfolio or to manage its off-balance sheet exposures, its financial condition and results of operations will be materially and adversely affected.

Results of the Bank's operations may be negatively impacted by its non-performing loans. Under IFRS Accounting Standards, the accounting standards that are applicable to the Bank, loans are impaired if there is objective evidence that the Bank will not be able to collect all amounts due according to the original contractual

terms of loans. In this regard, the Bank seeks to continue to improve its credit risk management policies, procedures and systems, and has been able to effectively control the level of its non-performing loans in recent years, despite the ongoing weak macroeconomic environment. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Bank's total non-performing loan balance were RMB105,688 million, RMB111,677 million, RMB116,983 million and RMB123,510 million respectively, and its non-performing loan ratios were 1.33 per cent., 1.31 per cent., 1.28 per cent. and 1.30 per cent., respectively. However, there can be no assurance that the Bank's credit risk management policies, procedures and systems are free from any deficiency. The occurrence of any deficiencies in the Bank's credit risk management policies, procedures and systems may result in an increase in the level of its non-performing loans and adversely affect the quality of its loan portfolio. As a result, there can be no assurance that the Bank will be able to continue to effectively control the level of non-performing loans in its loan portfolio. In particular, the amount of the Bank's reported non-performing loans and the ratio of its non-performing loans to its loans and advances to customers may increase in the future as a result of deterioration in the quality of its loan portfolio. Such deterioration may occur for a variety of reasons, including factors which are beyond the Bank's control, such as a recent slowdown in economic growth and other adverse macroeconomic trends in China, the significant decline in market liquidity of China's interbank market or a deterioration in the financial condition or results of operations of the Bank's borrowers, which could impair the ability of the Bank's borrowers to service their debt. These include the Bank's corporate and individual loan borrowers, as well as the domestic and overseas commercial banks and non-bank financial institutions with whom the Bank engages in interbank lending activities. If such a deterioration occurs, it could materially and adversely affect the Bank's financial condition and results of operations.

In addition, the Bank has issued credit related commitments, guarantees and letters of credit. The primary purpose of these instruments is to ensure that funds are available to customers as required. These instruments represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties. As a result, these instruments carry similar credit risk as loans and in the event of default by the relevant customers, the Bank's financial condition and results of operations will be materially and adversely affected.

The Bank has a concentration of loans to certain industries and borrowers, and any significant or extended downturn in any of these industries or deterioration in the financial condition of the Bank's major borrowers may adversely affect its financial condition and results of operations.

As at 30 June 2026, 11.22 per cent., 14.24 per cent., 11.64 per cent., 5.32 per cent., 4.92 per cent. and 4.80 per cent. of the Bank's loans and advances to customers were concentrated in the transportation, storage and postal services sector, the manufacturing sector, the leasing and commercial services sector, the real estate sector, the water conservancy, environmental and other public facilities sector and the production and supply of electric power, heat, gas and water sector, respectively. Although the Bank follows credit risk management policies with respect to extensions of credit to different industry sectors, including credit extension guidelines for different industry sectors, closely monitors its credit risks in different industries and has recently enhanced its guidelines in extending credit, any significant or extended downturn in any of these sectors may reduce the borrowing activities in these sectors, increase the level of the Bank's non-performing loans, impaired loans and related provision for impaired loans, reduce the Bank's net profit and adversely affect its financial condition and results of operations.

In accordance with PRC national policies aimed at restricting the over-development of certain industries with excess capacity, including wind power equipment, steel, cement, coal, chemical and flat glass, among other industries, the Bank adopts a strict policy towards making loans to these industries. In order to reduce its loan exposure and strictly control risks associated with loans to these high-risk industries, the Bank carefully manages the size of its loans to these industries. If the PRC government introduces policies which further restrict

these industries and/or these industries otherwise experience deterioration in their operations, such changes may adversely affect the quality of the Bank's loans to these industries.

Governmental financing platforms primarily comprise state-owned or state-run investment or financing institutions whose financing activities are primarily applied to infrastructure construction or governmental investment projects of a quasi-social welfare nature and whose financing activities are fully or partially indemnified or guaranteed by local financial authorities. In recent years, the Bank made continuous improvement in the monitoring and management of its loans, by ways of raising standards and introducing stricter requirements for guarantees. Similar measures in disbursement control and with respect to new projects were implemented on loans made to local government financing platforms. The default of any portion of such loans for any reason, including macroeconomic volatility or policy changes, may adversely affect the quality of the Bank's loans to these entities.

As at 30 June 2026, 14.78 per cent. of the Bank's loans and advances to customers were mortgage loans and 5.32 per cent. of its loans were lent to the real estate sector, which together accounted for 20.10 per cent. of the Bank's gross amount of loans and advances before impairment allowance. In recent years, the PRC real estate market has been subject to volatility and property prices have experienced significant fluctuations. The PRC government has in recent years, from time to time, imposed macroeconomic control measures that are aimed at preventing the real estate market and certain other industries from over-heating, such as setting minimum down payment requirements and minimum mortgage rates on residential housing purchases, imposing value-added taxes on the transfer of certain residential properties and levying mandatory personal income tax for second home sales and imposing the "three red lines" (which refers to prescribed asset to liability ratio, net debt to equity ratio and cash to short-term borrowings ratio requirements) on certain real estate developers to control their growing debt levels and restore the real estate's sector growth to more sustainable levels. Such measures may adversely affect the growth and quality of the Bank's loans related to real estate and such other industries. As the result of these cooling down measures, the PRC real estate sector has slowed down materially, which has resulted in a financial crisis in the sector and led to defaults on bonds issued by certain real estate companies. This has in turn had negative impact on property prices and transaction volumes and resulted in an oversupply of residential and commercial properties. As a result, the PRC government has recently promulgated certain stimulus measures to support the PRC real estate market and certain real estate property developers, but there is no guarantee that any such measures could achieve their intended effect. A continued decline in the PRC's real estate market may materially and adversely affect the quality of the Bank's existing loans and the Bank's ability to generate new loans and recover on its loans in the event of default as the value of the real estate secured loans may decrease, which in turn could have a material adverse effect on the Bank's business, financial condition and results of operations. In accordance with the PRC government's macroeconomic policy and the guidance and compliance requirements of the CBIRC (now the NFRA), the Bank aims to maintain a cautious approach to real estate development loans, and has further adopted industry-specific risk management procedures with respect to the real estate sector. The Bank has also adopted a rigorous mortgage evaluation system to ensure the quality of its mortgage customers. In addition, the Bank regularly subjects its assets to multi-factor stress tests, including movements in housing prices, which the Bank's loans have been able to withstand without significant deterioration.

According to Measures for the Administration of the Large Exposures of Commercial Banks (商業銀行大額風險暴露管理辦法) issued by the CBIRC (now the NFRA), the total outstanding credit exposure to a single group customer may not exceed 15 per cent. of the net capital base of a bank and the total outstanding loans to the same borrower shall not exceed 10 per cent. of the net capital base of a bank. The Bank is currently in compliance with these regulatory requirements.

If any of the sectors in which the Bank's loans are highly concentrated significantly deteriorates, the Bank's asset quality, financial condition and results of operations may be materially and adversely affected. Moreover,

any inaccurate assessment of the credit risks regarding the borrowers in any of these sectors may adversely affect the Bank's asset quality, financial condition and results of operations.

The Bank is subject to risks associated with real estate related loans.

The Bank's loans and advances to the real estate sector primarily comprise loans issued to real estate companies and individual housing loans. The Bank's loans issued to real estate companies include, among others, loans for real estate development, land reservation loans and asset-backed loans.

With respect to its real estate loans, the Bank follows strictly its credit risk management procedures, including ongoing credit monitoring of borrowers' financial information, and strict enforcement of repayment schedules. In addition, the Bank has established a regional risk alert system and loan policy adjustment mechanism applicable to the real estate sector. The Bank 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. However, the real estate market may be affected by factors beyond the Bank's control, including cyclical economic volatility and downturns. In addition, the PRC government has in recent years, from time to time, imposed macroeconomic control measures that are aimed at preventing the real estate market from over-heating and also transforming the real estate market into a steady, healthy and sound market for necessity but not speculation. Such factors may adversely affect the growth and quality of the Bank's loans to the real estate industry and its financial condition and results of operations. As the result of these cooling down measures, the PRC real estate sector has slowed down materially, which has resulted in a financial crisis in the sector and led to defaults on bonds issued by certain real estate companies. This has in turn had negative impact on property prices and transaction volumes and resulted in an oversupply of residential and commercial properties. As a result, the PRC government has recently promulgated certain stimulus measures to support the PRC real estate market and certain real estate property developers, but there is no guarantee that any such measures could achieve their intended effect. A continued decline in the PRC's real estate market may materially and adversely affect the quality of the Bank's existing loans and the Bank's ability to generate new loans and recover on its loans in the event of default as the value of the real estate secured loans may decrease, which in turn could have a material adverse effect on the Bank's business, financial condition and results of operations.

Deterioration in the debt repayment abilities of local government financing vehicles to which the Bank extends loans may adversely affect its asset quality, financial condition and results of operations.

The Bank's loans to local government financing platforms are mainly made to the investment and financing platforms of various development zones, state-owned asset management companies, land reserve companies and urban construction investment companies, covering a number of industries including the production and supply of electric power, heat, gas and water, water conservancy, environmental and other public facilities, transportation, storage and postal services, leasing and commercial services, real estate and manufacturing.

Recently, with the aim of reinforcing the risk management of loans to local government financing platforms, the PRC State Council, the CBIRC (now the NFRA) and the PBOC, along with several other PRC regulatory authorities promulgated a series of notices, guidelines and other regulatory documents to direct PRC banks and other financial institutions to optimise and strengthen their risk management measures regarding their loans to local government financing platforms. The Bank has consistently focused on the risks associated with loans to the local government financing platforms through a series of measures such as imposing stringent regional controls on disbursing loans to local government financing platforms, establishing a list of approved cities and lending limits and establishing credit and credit product related policies. Through such measures, the risks associated with loans to local government financing platforms, the aggregate volume of loans and their investment direction are subject to control with the goal of ensuring that the Bank's loans are primarily disbursed to key construction and development areas of the state and projects of high quality. While the Bank

has taken various measures to reduce the risks of default, unfavourable developments in macroeconomic conditions, adverse changes to state policies, adverse changes to the financial condition of local governments or other factors may adversely affect the debt repayments of these financing platforms, which may in turn materially and adversely affect the Bank's asset quality, financial condition and results of operations.

The Bank's outstanding loans are heavily concentrated in certain regions, and any significant downturn in any of these regions may adversely affect the Bank's financial condition and results of operations.

As at 30 June 2026, 30.01 per cent., 13.45 per cent. and 15.14 per cent. of the Bank's loans and advances were concentrated in the Yangtze River Delta, the Pearl River Delta and the Bohai Rim Economic Zone, respectively. In addition, a substantial portion of the Bank's corporate customers and the majority of its branches, sub-branches and self-service centres are located in the Yangtze River Delta, the Bohai Rim Economic Zone and the Pearl River Delta. The Bank currently expects that the future growth of its corporate and personal finance businesses, especially its corporate and individual loan businesses, will continue to be concentrated in these areas. Any significant economic downturn in any of these regions may adversely affect the Bank's financial condition and results of operations. Moreover, any inaccurate assessment of the credit risks regarding the borrowers in any of these regions may adversely affect the Bank's asset quality, financial condition and results of operations.

A substantial portion of the Bank's loans are secured by collateral or pledge (the "security") or guarantees. Any significant decline in the value of the collateral or deterioration of the financial condition of the guarantors or any failure by the Bank to enforce its rights as a creditor may adversely affect its financial condition and results of operations.

A substantial portion of the Bank's loans is secured by collateral or pledge or guarantees. The loans secured by collateral and pledge are collectively referred to as the loans secured by security. The Bank's loan security primarily includes real estate and other assets that are located in the PRC, the value of which may significantly fluctuate or decline due to factors beyond the Bank's control, including macroeconomic factors affecting the PRC economy. An economic slowdown in the PRC may lead to a downturn in the PRC real estate markets, which may in turn result in declines in the value of the security securing many of the Bank's loans to levels below the outstanding principal balance of such loans. Any decline in the value of the security securing the Bank's loans may result in a reduction in the amount the Bank can recover from security realisation and an increase in its impairment losses.

The Bank conducts internal re-evaluations of security regularly, and it hires independent appraisers to re-evaluate certain security from time to time. However, the Bank may not have current information on the value of such security, which may adversely affect the accurate assessment of its loans secured by such security. Losses might also result from the Bank's failure to conduct property preservation in a timely or proper manner while the borrowers' financial and credit conditions deteriorate. In addition, in certain circumstances, the Bank's rights to the security securing its loans may have lower priority than certain other rights.

In China, the procedures for liquidating or otherwise realising the value of security in the form of tangible assets may be protracted and it may be difficult to enforce claims in respect of such security. As a result, it may be difficult and time-consuming for the Bank to take control of and liquidate the security securing the impaired loans.

With respect to guarantees of the Bank's loans provided by third parties, the Bank is subject to the risk that the financial condition of the guarantors of these loans may deteriorate significantly, or that a court or other judicial or government authorities may declare such guarantees to be invalid. The Bank is therefore exposed to the risk that it may not be able to recover all or any part of the amount of these guarantees in respect of its loans.

As a result, any significant decline in the value of the security or deterioration of the financial condition of the guarantors or any failure by the Bank to enforce its rights as a secured creditor may adversely affect the Bank's financial condition and results of operations.

The Bank may not be able to manage the various risks it will face as the Bank expands the range of its products and services, which also include non-commercial banking financial products and services.

Part of the Bank's strategy is to expand the range of products and services that the Bank offers to its customers in the PRC and overseas, including non-commercial banking financial products and services. For example, the Bank has recently introduced and sought to strengthen new products and services in the areas of wealth management (such as its "Win to Fortune" accounts), mobile banking (such as its e-Mobile BOCOM product), insurance, finance leasing, asset management, trust services, offshore financial services, custodian and investment banking services. The Bank operates its non-commercial banking financial products and services through separate subsidiaries. In 2000, the Bank established BoCom Insurance (formerly China Communications Insurance Co., Ltd. prior to the change in its name in 2007) to provide different types of general insurance products and services to its customers. BoCom Schroder Fund, which was established in 2005 as a joint venture with Schroder Investment Management Limited and the China International Marine Containers (Group) Co., Ltd., offers wealth management products and services. In 2007, the Bank established BoCom International Holdings through the restructuring and integration of its wholly owned subsidiary BOCOM International Securities Limited (registered and established in June 1998) to provide investment banking, securities trading and asset management services. In January 2010, the Bank acquired a controlling interest in China Life CMG Life Assurance Co., Ltd. from China Life Insurance Company Limited. The company, which the Bank renamed BoComm Life Insurance Company Limited following the acquisition, offers life insurance products and services. With the acquisition, the Bank became the first of the domestic banks in the PRC to acquire a controlling interest in a domestic insurance company and receive an insurance licence. In 2019, the Bank established BOCOM Wealth to continuously enrich and optimise the wealth management product service system. In August 2020, the Bank incorporated BOCOM Financial Technology Company Limited (交銀金融科技有限公司) to explore innovations of FinTech talent management technology introduction, and research and development mechanism of application system and promote the digital and intelligent transformation of the Bank. In 2022, the Bank steadily pursued digital transformation by achieving breakthroughs in retail transformation, supply chain finance and the financial ecosystem. The Bank has also entered into a cooperation arrangement with HSBC with respect to credit card and other financial products and services. As the Bank expands the range of its products and services, it will be exposed to new and potentially increasingly complex risks, including, but not limited to, the following:

- the Bank may not have sufficient experience or expertise in certain new products and services and may not compete effectively in these areas;
- the Bank's new products and services may not be accepted by its customers or meet its expectations for profitability;
- the Bank may need to hire additional qualified personnel who may not be available on commercially viable terms;
- the Bank may not have sufficient financial, operational, management and other human resources to support the expanded range of its products and services;
- the Bank may have disagreements with the joint venture partners and other entities with which the Bank offers certain of its new financial products and services, and they may be unable or unwilling to continue their arrangements with the Bank due to financial difficulties or other reasons;

- the Bank may be faced with risks in integrating the acquired businesses with which the Bank offers certain of these new products and services;
- the Bank may fail to obtain regulatory approval for its new products or services;
- a slowdown in China's economic development could adversely affect the ability of personal borrowers and credit card holders to make payments, thereby increasing the probability of defaults and reducing the demand for personal loans and credit cards; and
- the Bank may not be successful in enhancing its risk management and internal control capabilities and information technology systems to support a broader range of products and services.

Any or all of these types of risks could have an adverse effect on the Bank's financial condition and results of operations.

The Bank may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose it to additional liability and harm its business or reputation.

The Bank is required to comply with applicable anti-money-laundering, anti-terrorism laws and other regulations in the PRC, Hong Kong and other jurisdictions where the Bank has operations. These laws and regulations require the Bank, among other things, to adopt and enforce "know your customer" policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions. While the Bank 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 Bank may be used by other parties to engage in money laundering or other illegal or improper activities. To the extent the Bank may fail to fully comply with applicable laws and regulations, the relevant government agencies to whom the Bank reports have the power and authority to impose fines and other penalties on the Bank, which could harm its business and reputation, which in turn may negatively affect the Bank's ability to service the Notes and to satisfy its other obligations under the Notes.

Any failure or ineffectiveness in implementing its centralised management may adversely affect the Bank's business operations, financial condition and reputation.

The Bank's efforts to centralise its management and initiatives it has undertaken and continues to undertake to improve management of its branches may not be sufficient to prevent all irregular transactions or incidents. Furthermore, in the event that any irregular transactions or incidents occur, the Bank may not be able to timely detect and take appropriate measures to resolve them. If incidents or other irregular transactions do occur, relevant PRC regulatory authorities may take disciplinary actions or impose fines or other types of penalties against the Bank, and the Bank's business and reputation as a result may be materially and adversely affected.

The Bank is subject to a number of risks inherent in the Bank's business, including credit risk, market risk, liquidity risk and operational risk, and there can be no assurance that the Bank's risk management and internal control policies and procedures can protect the Bank against all such risks.

In its operations as a commercial bank, the Bank is subject to a number of risks inherent in the Bank's business, including credit risk, market risk, liquidity risk and operational risk. One of the principal risks inherent in the Bank's business is credit risk. The Bank may not be able to effectively implement its credit risk management system or continue to improve it so that it can function effectively. The Bank's credit rating system process involves detailed analysis of the borrower's credit risk, taking into account both quantitative and qualitative factors. The qualitative factors are, by their nature, subject to the individual judgment of the Bank's employees. In exercising their judgment, if the Bank's employees are not able to assign an accurate credit rating to a borrower, the Bank may be exposed to risks associated with the inaccurate assessment. In addition, the Bank

may not be able to timely detect potential risks associated with particular industries or types of customers, such as affiliated entities or groups of customers, or, due to limited resources or tools available to the Bank, its employees may not be able to effectively implement them. With respect to market risk, the Bank's methods to manage market risks, including observing historical market behaviour, may not be able to timely or precisely predict future market risk exposures, which could be significantly greater than those indicated by historical measures. Liquidity risk is inherent in banking operations and can be heightened by a number of factors, including changes in credit ratings or market-wide phenomena such as financial market instability. While it is the Bank's policy to manage its liquidity prudently, exceptional market events may materially and adversely affect its financial condition and results of operations. The Bank may also be exposed to the risk of unexpected increases in the cost of funding its asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner and/or at a reasonable price. With respect to operational risk, the Bank's internal control system is the essential means to maintain the integrity of its business, financial condition and results of operations. Although the Bank has significantly enhanced its risk management and internal control policies and procedures in recent years in an effort to improve its risk management capabilities and enhance its internal control, including its internal audit function, there can be no assurance that the Bank's staff will be able to consistently follow these policies and guidelines at all times.

There can be no assurance that the Bank's risk management and internal control policies and procedures will adequately control, or protect the Bank against, all credit, market, liquidity and other risks. Further, the Bank's risk management capabilities are limited by the information, tools or technologies available to it. Information, including information provided by third parties, may not be accurate, complete, up-to-date or properly evaluated in all cases. There can be no assurance that the Bank will be able to continue to upgrade its risk management tools and information technology systems, or operate such tools and systems and monitor and analyse the effectiveness of such tools and systems. To the extent that the Bank cannot effectively enhance its risk management and internal controls or its risk management and internal control system are not effectively implemented or consistently applied, the Bank's business operations, financial results and reputation may be materially and adversely affected.

The Bank's business, reputation and prospects may be adversely affected if the Bank is not able to timely detect and prevent fraud or other misconduct committed by its employees, customers or other third parties.

The Bank is subject to fraud and other misconduct committed by its employees, customers or other third parties, which could adversely affect the Bank's business, reputation or prospects. Such misconduct could take a variety of forms including, among other things:

- hiding unauthorised or illegal activities that may result in unknown and unmanaged risks or losses;
- engaging in unauthorised transactions to the Bank's detriment, breaching applicable laws or its internal control procedures or violating financial accounting rules;
- improper extensions of credit;
- misapplying or failing to apply the loan classification standards thereby resulting in misclassifications within the Bank's loan portfolio;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products to the Bank's customers;
- improperly using or disclosing confidential information;
- falsifying or concealing information, including illegal or unlawful activities or credit information, during the credit application or loan classification process;

- binding the Bank to transactions that exceed authorised limits; and
- accepting bribes, soliciting illegal commission payments and embezzling the Bank's money.

The Bank has in the past experienced incidents of fraud and other misconduct committed by employees, customers and other third parties. Although these incidents have not materially adversely affected the Bank's financial condition or results of operations, the Bank has enhanced its risk management and internal controls to avoid future occurrences of similar incidents. Specifically, the Bank has strengthened its auditing efforts over key business processes and key personnel as well as strengthened its efforts in identifying illegal dealings between its employees and customers. While the Bank seeks to continue improving its risk management and internal control systems, including internal audit, management information systems, reporting procedures and staff awareness, to help prevent and detect such fraud or misconduct, the Bank cannot predict whether or when such fraud or misconduct will happen and in what form, and there can be no assurance that the Bank will be able to timely detect or prevent such fraud or misconduct. As a result, the Bank's business, reputation and prospects may be adversely affected if the Bank is not able to timely detect and prevent fraud or other misconduct committed by its employees, customers or other third parties.

The Bank's banking business may be adversely affected by inflationary pressure.

China has continued to experience high inflationary pressure in recent years due to, among other things, improvement of liquidity in the global financial system, rises in asset prices and cost. The Bank believes that under the PRC government's macroeconomic control, inflation is currently being kept under control. Meanwhile, the spread between bank deposit and bank loans is effectively controlled and protected by the government, and as long as such control persists, the Bank anticipates that its business will be somewhat insulated from inflation impacts. Nonetheless, if the inflationary pressure intensifies and if the Bank's interest margin narrows as a result of governmental action, the Bank's business and operation results may be materially and adversely affected.

The growth rate of the Bank's loan portfolio may slow down, and the Bank may not be successful in implementing its strategies to grow its business.

The Bank's total loans and advances to customers have grown significantly in recent years, increasing from RMB7,957,085 million as at 31 December 2023 to RMB8,555,122 million as at 31 December 2024, representing an increase of 7.52 per cent., and increased further to RMB9,123,571 million as at 31 December 2025, representing an increase of 6.65 per cent. The Bank's total loans and advances to customers as at 30 June 2026 has further increased to RMB9,489,673 million, representing an increase of 4.01 per cent. The growth of the Bank's loan portfolio may be affected by various factors, such as China's macroeconomic policies and capital constraints. In the future, the growth rate of the Bank's loan portfolio may slow down, or the Bank's loan portfolio may not grow or may even decline. In addition, due to the constraints from the amount of its regulatory capital, the Bank may adopt strategies to reduce its reliance on its loan portfolio or expand its activities in other lower risk businesses that have relatively lower capital requirements. Any of the foregoing factors could impact the growth of the Bank's loan portfolio and thereby adversely affect the Bank's business and future prospects.

In addition, the Bank has implemented a variety of strategies to grow its business, including continuing to expand its domestic and overseas branch network and introducing new products and services, such as mobile banking services, additional fee-based services, such as wealth management services, additional credit card products and services and insurance products and services. The Bank may not be successful in implementing its strategies to grow its business, and the Bank's efforts to provide new products and services may strain its resources and divert management attention from its core lending business.

The Bank may need additional capital in the future, and it may not be able to obtain such capital on acceptable terms, or at all, which may result in a lower capital adequacy ratio.

The Basel Committee on Banking Supervision formally promulgated Basel III in December 2010. On 26 October 2023, the NFRA promulgated the Capital Management Rules, which became effective on 1 January 2024. According to the Capital Management Rules, the Bank is required to maintain a minimum Common Equity Tier-1 Capital adequacy ratio of 5 per cent., a minimum tier 1 capital adequacy ratio of 6 per cent. and a minimum capital adequacy ratio of 8 per cent. The capital conservation buffer requirement for the Bank is 2.5 per cent., which should be satisfied through Common Equity Tier-1 Capital. In addition, pursuant to the Provisions on Additional Regulation of Systemically Important Banks (for Trial Implementation) and the list of systemically important banks jointly announced by the PBOC and the CBIRC (now the NFRA), the Bank is designated as a domestic systemically important bank and is required to maintain additional capital. The relevant regulatory authorities are also able to impose countercyclical capital buffer requirements on an individual bank from time to time. As at 30 June 2026, the Group's Common Equity Tier-1 Capital adequacy ratio, tier 1 capital adequacy ratio and capital adequacy ratio were 11.25 per cent., 12.46 per cent. and 16.00 per cent., respectively, which satisfy the regulation requirements. Although the Bank was in compliance with the regulatory requirements as at 30 June 2026, future developments could affect the Bank's ability to continue to satisfy applicable capital adequacy requirements, including:

- changes in PRC accounting rules or in the guidelines regarding the calculation of the capital adequacy ratios of commercial banks;
- increases in the minimum capital adequacy requirements by the banking regulators;
- increases in the Bank's risk-weighted assets as a result of the rapid expansion of its business;
- decreases in the value of the Bank's investment assets;
- losses resulting from deterioration in the Bank's asset quality; and
- decreases in the Bank's net profits and thus decreases in its retained earnings.

In order for the Bank to grow, remain competitive, enter into new businesses, expand its base of operations or meet regulatory capital adequacy requirements, the Bank may require new funding in the future. Moreover, the Bank may need to raise additional capital in the event of any increase in the minimum regulatory capital adequacy requirements by the NFRA or large losses in its loan portfolio that result in a reduction of its shareholders' equity. The Bank's ability to obtain additional capital in the future is subject to a variety of factors, including:

- its future financial condition, results of operations and cash flows;
- any necessary government regulatory approvals;
- its credit rating;
- general market conditions, especially conditions for capital-raising activities by commercial banks and other financial institutions; and
- economic, political and other conditions both within and outside the PRC.

If the Bank is unable to obtain sufficient additional capital in a timely and cost-effective manner, its business, financial condition and results of operations may be adversely affected.

If the Bank fails to meet the capital adequacy requirements, the NFRA may require it to take corrective actions, including, for example, restricting the growth of its loans and other assets or restricting its declaration or

distribution of dividends. These measures could adversely affect the Bank's reputation, financial condition and results of operations.

The Bank's liabilities mainly comprise short-term funding, principally in the form of deposits, and the Bank's liquidity may be materially and adversely affected if a substantial portion of its short-term deposits fails to roll over upon maturity or if the Bank's banking business is not able to attract sufficient deposits to fund its loan activities.

The Bank regularly monitors the maturity gap between assets and liabilities and assesses liquidity risk of different periods. Most of the funding requirements of the Bank's banking business are met through short-term funding, principally in the form of deposits, including customer deposits and interbank deposits. In the past, the Bank's customer deposits have been a stable source of funding for its banking business since the short-term deposits are normally not withdrawn until the maturities of them. There can be no assurance, however, that this practice will continue. If a substantial portion of the Bank's depositors take out their demand deposits or do not roll over deposited funds upon maturity, the Bank's liquidity could be materially and adversely affected, and the Bank may be required to seek more expensive sources of short-term or long-term funding to finance its operations. There can be no assurance that the Bank will be able to obtain finance on normal commercial terms when necessary. Besides, the Bank's ability to obtain additional funding is subject to other factors which may not be under the Bank's control such as the deterioration in overall market conditions, severe disruptions in financial markets or the poor prospects of Bank's industries with significant credit exposure. These factors could adversely affect the liquidity, business, financial conditions and operation performance of the Bank and have further adverse effect on the market value of the Notes and the Bank's ability of performing obligations under the Notes.

The Bank's loan classification may be different in certain respects from those applicable to banks in certain other countries or regions.

The Bank classifies its loans as "normal", "special-mention", "substandard", "doubtful" and "loss" by using the five-category classification system according to PRC regulations. The Bank's five-category classification system may be different in certain respects from those of banks incorporated in other countries or regions. As a result, it may reflect a different degree of risk than would be reported if the Bank were incorporated in those countries or regions.

The Bank may be exposed to risks relating to labour and employment.

The Bank faces intense competition in recruiting and retaining employees as other banks are competing for the same pool of talent. Given that PRC labour laws and regulations allow employees to freely choose their jobs, the Bank's employees may choose to resign at any time to pursue other opportunities and may seek to take with them customer relationships that they have developed while working for the Bank. Consequently, the Bank has entered into confidentiality agreements with all of its employees and non-compete agreements with its senior management and other staff members owing a special duty of confidentiality which specify the scope, territory and duration of non-competition. There can be no assurance that such confidentiality agreements and non-compete agreements will enable the Bank to retain its employees effectively or at all.

The Bank may not be able to hire, train or retain a sufficient number of qualified staff.

Most aspects of the Bank's business are dependent on the quality of its staff. The Bank devotes considerable resources to recruiting, training and compensating these personnel. However, the Bank faces increased competition in recruiting and retaining these individuals as other banks are competing for the same pool of potential employees. In addition, the Bank's employees may choose to resign at any time to pursue other opportunities and may seek to divert customer relationships that they have developed while working for the Bank. The majority of the Bank's employees are not subject to non-compete agreements.

The Bank's corporate finance operations depend to a significant extent on qualified relationship managers to distribute the Bank's products, and the Bank plans to increase the number and efficiency of these relationship managers. In addition, the Bank intends to increase the number of financial advisers employed by its personal finance operations and enhance their training. However, these plans may not be implemented successfully, if at all.

The Bank's largest shareholders may individually or collectively take actions that are not in, and may conflict with, the best interests of the Bank or the Noteholders.

As at 30 June 2026, the Bank's top three shareholders, the MOF, HSBC and the National Council for Social Security Fund, collectively own, directly and indirectly, 64.76 per cent. of the Bank's outstanding shares. Accordingly, the Bank's largest shareholders may have the ability to individually or collectively exercise significant influence over the Bank's business, including matters relating to:

- the issuance of new securities;
- the election of the Bank's directors and supervisors;
- the Bank's management, especially the composition of its senior management, due to their significant influence over the Bank's Board;
- the Bank's business strategies and policies;
- the timing and amount of the distribution of dividends;
- any plans relating to mergers, acquisitions, joint ventures, investments or divestitures; and
- amendments to the Bank's articles of association (the "**Articles of Association**").

The Bank's largest shareholders may individually or collectively take actions that investors may not agree with or that are not in the best interests of the Bank or the Noteholders.

The Bank's operations management is dependent on the proper functioning and improvement of its information technology systems. Inability to maintain an effective technology system may have a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank's business is highly dependent on the ability of its information technology systems to timely and accurately collect and process a large amount of financial and other information across numerous and diverse markets and products at its various branches and subsidiaries, at a time when transaction processes and volumes have become increasingly complex and large. The proper functioning of the Bank's financial control, risk management, accounting or other data collection and processing systems, together with the communication networks connecting the Bank's various branches and its main data processing centre, is critical to the Bank's businesses and to its ability to compete effectively. Although the Bank has backup systems that could be used in the event of catastrophe or failure of the primary systems, a partial or complete failure of any of these primary systems or communication networks could adversely affect the decision-making process, the risk management and internal controls of the Bank as well as its timely response to changing market conditions. If the Bank cannot maintain an effective data collection and management system, the Bank's business operations, financial condition and results of operations could be materially and adversely affected.

In addition, the Bank must continually make significant investments, upgrades and improvements in its information technology infrastructure in order to remain competitive. The quality and timing of information available to and received by the Bank's management through its existing information systems may not be sufficient to manage risks or to plan for and respond to changes in market conditions and other developments

in the Bank's operations. The Bank may experience difficulties in upgrading, developing and expanding its information technology systems quickly enough to accommodate its growing customer base.

The Bank generates and processes a large amount of data, and any improper use or disclosure of such data could subject the Bank to significant reputational, financial, legal, and operational consequences, and deter current and potential customers from using its services.

The Bank generates and processes a large quantity of personal and transaction data. It faces risks inherent in handling large volumes of data and in protecting the security of such data. In particular, the Bank faces a number of challenges relating to data from transactions and other activities on its platforms, including:

- protecting the data in and hosted on its system, including against attacks on its system by outside parties or fraudulent behaviour by its employees;
- addressing concerns related to privacy and sharing, safety, security, and other factors; and
- complying with applicable laws, rules, and regulations relating to the collection, use, retention, disclosure, or security of personal information, including any requests from regulatory and government authorities relating to such data.

Any systems failure or security breach or lapse that result in the release of user data could harm the Bank's reputation and brand and, consequently, its business, in addition to exposing it to potential legal liability. Any failure, or perceived failure, to comply with the Bank's privacy policies or with any regulatory requirements or privacy protection-related laws, rules, and regulations could result in proceedings or actions against it by governmental entities or others. These proceedings or actions may subject the Bank to significant penalties and negative publicity, require the Bank to change its business practices, increase its costs, and severely disrupt its business.

The Bank is subject to domestic and international laws relating to the collection, use, retention, security, and transfer of personally identifiable information, with respect to its customers and employees. In many cases, these laws do not only apply to third-party transactions, but may also restrict transfers of personally identifiable information among the Bank and its affiliates. Several jurisdictions have passed laws in this area, and other jurisdictions are considering imposing additional restrictions. These laws continue to develop and may vary from jurisdiction to jurisdiction. Complying with emerging and changing international requirements may cause the Bank to incur substantial costs or require it to change its business practices, and failure to comply with any data protection laws could subject the Bank to significant penalties and negative publicity and severely disrupt its operations.

The Bank may be affected by the Financial Institutions (Resolution) Ordinance.

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 (as defined in FIRO) (including the holding company of a within scope financial institution) in Hong Kong which may be designated by the relevant resolution authorities, which may include the Bank to the extent it conducts licensed activities in Hong Kong. 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 (including the holding company of a within scope financial institution) in Hong Kong. In particular, the relevant resolution authority is provided with powers to affect contractual and property rights as well as payments (including in respect of any 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. Holders of the Notes 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, its operations and/or its financial position.

Certain PRC regulations limit the Bank's ability to diversify its investments, and as a result, a decrease in the value of a particular type of investment may have a material adverse effect on the Bank's financial condition and results of operations.

As a result of current PRC regulatory restrictions, substantially all of the Bank's Renminbi-denominated investment assets are concentrated in a limited number of investments permitted for PRC commercial banks, such as debt securities issued by central governments and central banks, public sector entities, banks and other financial institutions. The Bank is only permitted to a limited degree to invest in debt and equity securities of eligible corporate entities. These restrictions on the Bank's ability to diversify its investment portfolio limit the Bank's ability to seek an optimal return. In addition, the Bank is exposed to a certain level of risk as a result of the concentration of its Renminbi-denominated investment securities. For example, any deterioration of the financial condition of commercial banks in China would increase the risks associated with holding their debt securities. Consequently, a decrease in the value of any of these types of investments could have a material adverse effect on the Bank's financial condition and results of operations.

The Bank may be subject to administrative sanctions, fines and other penalties for violations, particularly for using its funds in a manner that is inconsistent with, or impermissible under, the applicable limitations set forth in the PRC Commercial Banking Law.

The PRC Commercial Banking Law, which became effective in July 1995 and last amended in 2015, prohibits any investment by a PRC financial institution in a non-financial institution. The Bank's holdings or investments were completed prior to the enactment of the 1995 PRC Commercial Banking Law. The Bank has been unable to completely dispose of these investments primarily because: (1) certain of these institutions are undergoing bankruptcy or liquidation; (2) the Bank's investments in certain institutions is small, making it difficult to find a buyer for these investments; and (3) the Bank is unable to find buyers for some of the investments due to their poor market liquidity and low rates of return. The Bank has been active in its efforts to terminate these investments, including making provisions for impairment; writing off or disposing of these investments in accordance with relevant rules and policy changes; actively seeking purchasers for its shareholdings in these institutions; and otherwise disposing of these investments in accordance with reasonable market terms. While the Bank has not been subject to any material administrative sanctions, fines or other penalties for such investments, there can be no assurance that the relevant regulatory authorities would not take additional actions against the Bank in the future. Any future administrative sanctions, fines or other penalties, including those discussed above, may have a material adverse effect on the Bank's business, financial condition and results of operations.

The Bank is subject to various PRC and overseas regulatory requirements, and the Bank's failure to fully comply with such requirements, if any, could materially and adversely affect its business, financial condition, results of operations and reputation.

The Bank is subject to various PRC and overseas regulatory requirements, and the PRC and overseas regulatory authorities conduct periodic inspections, examinations and inquiries in respect of its compliance with such requirements. On occasion the Bank fails to comply with certain requirements and guidelines set by the relevant regulatory authorities. If sanctions, fines and other penalties are imposed on the Bank for failing to comply with applicable requirements, guidelines or regulations, the Bank's business, financial condition, results of operations and its reputation may be materially and adversely affected.

Notwithstanding that such business activities may not themselves be subject to sanctions, the Group may face secondary sanctions if it is determined to be providing material support to countries or entities that are the subject of sanctions. If the Group engages in any prohibited transactions by any means, or if it is otherwise determined that any of its transactions violated sanctions regulations administered by the U.S. State Department, any other agency of the U.S. government, the United Kingdom, the European Union or any other relevant governmental entity, the Group could be subject to penalties, and the Group's reputation and ability to conduct future business in the United States or with U.S. entities, or in other relevant jurisdictions, could be affected, which may materially and adversely affect the Group's business, financial condition and results of operations and the Issuer's ability to make payments, and satisfy the Group's other obligations, under the Notes may also be adversely affected.

The Bank is subject to counterparty risks in its derivative transactions.

The Bank acts primarily as an intermediary in domestic and international foreign exchange and derivative markets, and the Bank currently has foreign currency forward and swap arrangements with a number of domestic and international banks, financial institutions and other entities. The Bank also has interest rate swap arrangements. The Bank does not typically enter into foreign currency or interest rate derivative arrangements for its own account but is subject to credit risk from its various counterparties. As at 30 June 2026, the Bank's derivative financial assets and derivative financial liabilities amounted to RMB54,870 million and RMB42,079 million, respectively. Although the Bank believes that the overall credit quality of its counterparties is adequate, there can be no assurances that parties which the Bank has significant exposures to will not face difficulty in paying amounts on derivative contracts when due.

The Bank has expanded its business in jurisdictions other than China, which has increased the complexity of the risks that the Bank faces.

In recent years, the Bank has continued to expand its international operations. As at 30 June 2026, the Bank had overseas subsidiaries branches and representative offices in Hong Kong, New York, Tokyo, Singapore, Seoul, Frankfurt, Macau, Ho Chi Minh City, San Francisco, Sydney, Taipei, London, Luxembourg, Brisbane, Paris, Rome, Brazil, Melbourne, Toronto, Prague, DIFC and Johannesburg (including the representative office). As at 30 June 2026, the Bank had established 24 overseas branches (subsidiary banks) with 66 overseas operating outlets. As at 30 June 2026, the Bank had established an overseas service network with the head offices of 1,121 banks in 136 countries and regions globally, and opened 148 cross-border RMB accounts for 89 overseas RMB participating banks in 29 countries and regions. A total of 115 foreign currency clearing accounts in 29 currencies were opened in 68 banks in 32 countries and regions.

The Bank's international expansion into multiple jurisdictions exposes it to a variety of regulatory and business challenges and risks and has increased the complexity of the Bank's risks in a number of areas, including currency risk, interest rate risk, credit risk, regulatory and compliance risk, reputational risk and operational risk. The loan portfolio of the Bank's international branches includes foreign currency-denominated loans to PRC companies engaged in international trade. This exposes the Bank to additional risks including default risk resulting from the failure in the performance of the import or export agreements by any party, trade protectionist measures or other factors, and the Bank's inexperience in various aspects of the economic and legal framework in overseas markets. Adverse market conditions in these international jurisdictions may result in mark-to-market and realised losses on the investment assets held by the Bank's overseas branches and subsidiaries and increase their cost of funding. Furthermore, despite the Bank's best efforts to comply with all applicable regulations in all the jurisdictions in which the Bank operates, there may be incidents of its failure to comply with the regulations in certain jurisdictions. Regulators have the power to bring administrative or judicial proceedings against the Bank or its employees, representatives, agents and third-party service providers, which could result, among other things, in suspension or revocation of one or more of the Bank's licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary actions. In addition, the recent global financial

crisis is expected to lead to significant regulatory changes in various jurisdictions, including those in which the Bank has operations. These changes may include changes with respect to capital and liquidity ratios, cross-border capital flows and consumer protection.

The extent and impact of such changes is difficult to anticipate and estimate and such changes could have an adverse impact on the Bank's growth, capital adequacy and profitability. If the Bank is unable to manage the risks resulting from its international expansion, its business, reputation, results of operations and financial condition may be adversely affected.

The Bank may not possess the relevant land use right certificates or building ownership certificates in respect of some of the properties held by it, and the Bank may be required to seek alternative premises for some of its offices due to its landlords' lack of relevant land use right certificates or building ownership certificates.

The Bank may not hold the land use right certificates or building ownership certificates of some land or buildings it occupies. The Bank will apply for relevant land use right certificates and building ownership certificates that it does not yet hold. Upon obtaining the relevant certificates for these properties, the Bank will have the legal right to occupy, let, transfer and mortgage such property. The Bank may not be able to obtain all of the title deeds for the defective properties and the Bank is uncertain how the Bank's rights as owner/occupier of these defective properties would be adversely affected as a result of the absence of the title deeds as described above.

The Bank leases multiple properties as its operating offices for its branches in China. There can be no assurance that the lessors of all these properties possess the relevant land use right certificates or building ownership certificates and third parties may therefore challenge the validity of the Bank's lease. If any of the Bank's leases were terminated as a result of being challenged by third parties, the Bank may be forced to seek alternative premises for these offices. If the Bank fails to find alternatives of these offices with acceptable terms, the Bank's business, financial conditions and operation performance may be adversely affected.

The Bank has increased its allowance for impairment losses to cover future actual losses and estimated losses to its loan portfolio in accordance with the implementation of IFRS 9.

The Bank determines a level of allowance for impairment losses and recognises any related provisions made in a year using the concept of impairment under IFRS 9. The Bank'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 Bank's allowance for impairment losses, as determined under the provisioning policies, may differ from those that would be reported if it was incorporated in those countries or regions.

As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Bank's allowance for impairment losses for loans and advances to customers were RMB 206,309 million, RMB225,525 million, RMB243,771 million and RMB 251,716 million, respectively. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Bank's provision coverage ratio, calculated by dividing the outstanding balance of its allowance for impairment losses for loans and advances to customers by the outstanding balance of impaired loans, was 195.21 per cent., 201.94 per cent., 208.38 per cent. and 203.80 per cent., respectively. The Bank's business, financial position and results of operations may be affected by its policies regarding provisioning. If the Bank's approach to provisioning policies proves not to be adequate, the Bank's business, financial position and results of operations may be negatively affected, which in turn may negatively affect the Bank's ability to service the Notes and to satisfy its other obligations under the Notes.

Historical financial information of the Group may not be indicative of its current or future results of operations.

Investors should note that the Group's financial information is not intended to represent or predict the results of operations of any future periods. The Group's future results of operations may change materially if its future growth does not follow the historical trends for various reasons, including factors beyond the Group's control, such as changes in economic environment, changes in laws and regulations applicable to the Group's business, and the competitive landscape of the industries in which the Group operates its business. Furthermore, the future results of operations of the Group may also fluctuate or change materially as a result of the business model of the Group and the accounting treatments applied thereto. Since the historical financial information of the Group may not be indicative of its current or future results of operations, there is no assurance that the Group will not record an operating loss in the future, which may have a negative effect on the Group's payment capabilities.

Risks Relating to the PRC Banking Industry

The highly competitive nature of the PRC banking industry could adversely affect the Bank's profitability.

The PRC banking industry is intensely competitive. The Bank competes primarily with the other four largest PRC commercial banks (including Industrial & Commercial Bank of China, Agricultural Bank of China, China Construction Bank and Bank of China), as well as to a lesser extent with other national commercial banks and foreign financial institutions. Certain of the other largest PRC commercial banks may have greater financial and other resources than the Bank does and may be able to provide more access to customers due to their geographical coverage. In addition, the expansion of joint stock commercial banks in the PRC has intensified competition. In particular, some of these commercial banks may have less impaired loans due to their shorter operating history or better credit management. Furthermore, many other PRC commercial banks compete with the Bank for substantially the same loan, deposit and fee customers.

Following the removal of regulatory restrictions on foreign-invested commercial banks' geographical presence, customer base and operating licence in China in December 2006 as part of WTO accession commitments, the Bank has experienced increased competition from such banks. Furthermore, the Mainland and Hong Kong Closer Economic Partnership Arrangement, which permits smaller Hong Kong banks to operate in China, has also increased competition in China's banking industry.

The increased competitive pressures resulting from these and other factors may materially and adversely affect the Bank's business and prospects, as well as have a material adverse effect on the Bank's financial condition and results of operations by, among other things:

- reducing the Bank's market share in its principal products and services;
- affecting the growth of the Bank's loan or deposit portfolios and other products and services;
- decreasing the Bank's interest income or increasing its interest expense, thereby decreasing its net interest margin;
- reducing the Bank's fee and commission income;
- increasing the Bank's non-interest expenses, such as marketing expenses;
- deteriorating the Bank's asset quality; and
- increasing competition for senior management and qualified professional personnel.

The Bank's businesses are highly regulated and the Bank may be materially and adversely affected by future regulatory changes.

The Bank's business and operations are directly affected by changes in China's policies, laws and regulations relating to the banking industry, such as those affecting the extent to which the Bank can engage in specific businesses, as well as changes in other governmental policies. The principal regulators of the PRC banking industry include the NFRA, the PBOC and the National Audit Office.

In exercising their authority, these regulators are given wide discretion. The bank regulatory regime in China has been undergoing significant changes, some of which are applicable to the Bank and may result in additional costs or restrictions on the Bank's activities. There can be no assurance that the policies, laws and regulations governing the banking industry will not change in the future or that any such changes will not materially and adversely affect the Bank's business, financial condition and results of operations nor can there be any assurance that the Bank will be able to adapt to all such changes on a timely basis. In addition, there may be uncertainties regarding the interpretation and application of new policies, laws and regulations. Failure to comply with the applicable policies, laws and regulations may result in fines and restrictions on the Bank's activities, which could also have a significant adverse impact on the Bank's business.

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

The Bank expects the banking market in the PRC to expand as a result of anticipated growth in the PRC's economy, increases in household income, further social welfare reform, demographic changes and the opening of the PRC's banking market to foreign participants. The prospective impact on the PRC banking industry of certain trends and events, such as the pace of economic growth in the PRC, the PRC's implementation of its commitment to WTO accession and the ongoing reform of the social welfare system is currently not clear. Consequently, there can be no assurance that the growth and development of the PRC banking market will be sustainable.

Fluctuations in interest rates as well as the Bank's limited ability to adjust the interest rates the Bank charge on its assets or pay on its liabilities may adversely affect the Bank's lending operations and its financial condition.

As with most commercial banks, results of the Bank's operations depend to a great extent on its net interest income. Fluctuations in interest rates could affect the Bank's financial condition and results of operations and profitability in different ways. For example, a decrease in interest rates may reduce the Bank's interest income as well as yields from interest-earning investments. An increase in interest rates may decrease the value of the Bank's investment debt securities portfolio and raise its funding costs. In addition, an increase in interest rates may reduce overall demand for loans, and, accordingly, reduce the Bank's origination of new loans, as well as increase the risk of customer default. Interest rate fluctuations will also affect the market value of and return on derivative financial instruments. Volatility in interest rates may also result in a gap between the Bank's interest rate sensitive assets and interest rate sensitive liabilities. As a result, the Bank may be required to incur additional costs to adjust its interest rate sensitive assets and liabilities, and its net interest income may decrease.

In addition, increasing competition in the banking industry and further liberalisation of the interest rate regime may result in more volatility in market interest rates. If the interest rates the Bank pays for its deposits increase to a greater extent than the interest rates the Bank receives for its loans, the Bank's net interest margin will narrow, leading to a reduction in the Bank's net interest income. Increases in interest rates might also affect borrowers' financial condition and hence their ability to repay loans.

As a result, fluctuations in interest rates may adversely affect the Bank's deposit taking and lending operations and its financial condition.

Results of the Bank's operations may be materially and adversely affected if the PBOC further liberalises the regulation of interest rates.

In recent years, the PBOC has adopted reform measures to liberalise China's interest rate regime. For example, in 2002, the PBOC substantially liberalised interest rates for foreign currency-denominated loans and deposits. In October 2004, the PBOC eliminated restrictions in respect of the maximum interest rate for Renminbi-denominated loans and the minimum interest rate for Renminbi-denominated deposits. In June 2012, the PBOC adjusted the upper limit for the floating range of interest rates on deposits and the lower limit for such floating range of interest rates on loans.

On 19 July 2013, the PBOC published the "Notice on Furthering Market-based Interest Rate Reform" pursuant to which, other than the restriction that commercial banks in China cannot set interest rates for Renminbi-denominated residential mortgage loans below 70 per cent. of the relevant PBOC benchmark rate applicable (since 27 October 2008), restrictions on the loan interest rates were fully liberalised. According to existing PBOC regulations, Renminbi-denominated deposits in commercial banks in China remain subject to restrictions and the interest rate for Renminbi-denominated deposits cannot be set above 150 per cent. of the relevant PBOC benchmark rate. On 25 October 2013, the 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, the PBOC has adjusted the benchmark interest rates several times. The PBOC released the Announcement No. 15 [2019] – Announcement of the People's Bank of China on the Decision to Reform and Improve the Formation Mechanism of Loan Prime Rate (LPR) on 16 August 2019, for the purposes of deepening the market-oriented reform of interest rate, improving the transmission efficiency of interest rate, and promoting the reduction of the financing cost of the real economy.

Considering the status and trends of China's reform on interest rates, the PBOC may further promote the market-orientation reform in respect of the interest rates actively and steadily and liberalise the restrictions on the interest rates. If the existing regulations were substantially liberalised or eliminated, competition in China's banking industry would likely intensify as China's commercial banks seek to offer more attractive rates to customers. Further adjustments by the PBOC to the benchmark interest rates or liberalisation by the PBOC would 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 Bank's business, financial conditions and results of operations, and further affecting the Bank's ability to perform its obligations under the Notes.

The effectiveness of the Bank's credit risk management system is affected by the quality and scope of information available in the PRC.

National credit information databases developed by the PBOC have been operational for a few years. However, due to limitations on the availability of information and the developing information infrastructure in China, national credit information databases are generally under-developed and are not able to provide complete credit information on many of the Bank's credit applicants. Therefore, the Bank's assessment of the credit risk associated with a particular customer may not be based on complete, accurate or reliable information. As a result, the Bank's ability to effectively manage its credit risk may be materially and adversely affected.

The Bank cannot guarantee the accuracy of facts and statistics contained in this Offering Circular with respect to the PRC, its economy or its banking industry or its leasing industry.

Some of the facts and statistics in this Offering Circular relating to the PRC, its economy and its banking industry are derived from various official and other publicly available sources generally believed to be reliable. However, the Bank cannot guarantee the quality and reliability of such sources. In addition, these facts and statistics have not been independently verified by the Bank and therefore the Bank makes no representation as to the accuracy of such facts 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. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable from period to period or to statistics produced for other economies and should not be unduly relied upon.

Risks Relating to the PRC

Substantially all of the Bank's assets are located in the PRC, and substantially all of the Bank's revenues are derived from its operations in the PRC. Accordingly, the Bank's financial condition, results of operations and prospects will be affected to a significant extent by economic, political and legal developments in the PRC.

PRC economic, political and social conditions and government policies could affect the Bank's financial condition and results of operations.

A substantial majority of the Bank's businesses, assets and operations are located in China. Accordingly, the Bank's financial condition, results of operations and business prospects are, to a significant degree, subject to the economic, political and legal developments in China. China's economic development model differs from that of most developed countries in many respects, including, among other things, government involvement, level of development, growth rate, control of foreign exchange and allocation of resources.

China's economy has historically been subject to macro-control by the government. A substantial portion of productive assets in China is still state-owned by the PRC government. The government also exercises significant control over China's economic growth by allocating resources, setting monetary or fiscal policy and providing preferential treatment to particular industries or companies. These measures are aimed to benefit the overall economy of the PRC, but some of them may have a negative effect on certain industries, including the commercial banking industry. For example, the Bank's operating results may be adversely affected by government control over capital investments or changes in, interpretation of, and application of applicable tax regulations.

The global crisis in financial services and credit markets in 2008 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 GDP in recent years. According to the National Statistics Bureau of the PRC, for the years ended 31 December 2023, 2024, and 2025, the PRC's GDP growth rate was 5.2 per cent. and 5.0 per cent., and 5.0 per cent. respectively. This was caused by a combination of factors most of which are beyond the Bank's control, such as the global economic conditions, governmental policies and changes in market dynamics globally and regionally, the trade war between the United States and China and global pandemic. 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. There are uncertainties relating to the overall prospects for the global and the PRC economies this year and beyond, which may have a material adverse impact on the Bank's business, prospects, financial conditions and results of operations. In addition, in April 2025, Fitch downgraded the long-term foreign-currency issuer default rating of the PRC to "A (Stable)" from "A+ (Negative)", reflecting Fitch's expectations of a continued weakening of China's public finances and a rapidly rising public debt trajectory during the country's economic transition. Further, despite the affirmation of China's A1 long-term foreign-currency issuer default rating by Moody's in recent years, its rating outlook has changed from time to time. In December 2023, Moody's changed its outlook on China's long-term foreign-currency issuer default rating to "negative" from "stable", reflecting Moody's expectation that economy-wide debt in the PRC would continue to rise as potential growth slows. In April 2026, Moody's changed its outlook to "Stable" from "Negative", reflecting a stabilisation of its outlook that China's economic and fiscal strength will be resilient to ongoing domestic as well as trade and geopolitical challenges. In line with China's sovereign rating outcome, each of Fitch and Moody's has changed their

respective rating outcomes on a number of PRC issuers from time to time, including but not limited to government-owned corporate entities and subsidiaries. There can be no assurance that similarly adverse ratings developments may not occur in the future. If any further adverse ratings developments occur, the Bank's corporate ratings could be adversely affected.

Furthermore, the sustained tension between China and the United States over trade policies could undermine the stability of the global economy. China and the United States have recently been involved in disputes over trade barriers that have created trade tensions 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. The two governments have entered into an initial phase one agreement to resolve the disputes on 15 January 2020. However, there are uncertainties as to when and whether the phase two negotiations will begin and whether the two governments will fulfil their respective obligations under the phase one agreement and ultimately whether the trade disputes will be resolved and trade barriers lifted.

All these would add to the uncertainties relating to the overall prospects for the global and the PRC economies this year and beyond, which may have a material adverse impact to the Group's business, prospects, financial conditions and results of operations.

Interpretation and implementation of PRC laws and regulations may involve uncertainties.

The Bank is incorporated and exists under the laws of PRC. The PRC legal system is based on written statutes. Since the late 1970s, China has promulgated laws and regulations dealing with such economic matters as the issuance and trading of securities, foreign investment, corporate organisation and governance, commerce, taxation and trade. 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 PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Bank in its operations.

It may be difficult to effect service of process or to enforce any judgments obtained from non-PRC courts against the Bank and its management residing in the PRC.

The Terms and Conditions of the Notes and the transaction documents are governed by English law and the Bank has submitted to the exclusive jurisdiction of the Hong Kong courts. However, the Bank is a company incorporated under the laws of the PRC, and substantially all of the Bank's business, assets and operations are located in the PRC. In addition, a majority of the Bank's directors, supervisors and executive officers reside in the PRC, and substantially all of the assets of such directors, supervisors and executive officers are located in the PRC. Therefore, it may be difficult for investors to effect service of process from outside of the PRC upon the Bank or those persons residing in the PRC.

Moreover, it is understood that the enforcement of foreign judgments in the PRC is still subject to uncertainties. In addition, the mechanisms for enforcement of rights under the corporate governance framework to which the Group is subject are also relatively undeveloped and untested. The PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by the courts in most other jurisdictions. Therefore, it may not be possible for investors to effect service of process upon the Bank or its management in the PRC.

On 14 July 2006, the Supreme People's Court of the PRC and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region Pursuant to Choice of Court

Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the “**Arrangement**”). On 18 January 2019, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and Hong Kong (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the “**New Arrangement**”), which establishes a bilateral legal mechanism with greater clarity and certainty for recognition and enforcement of judgments in a wider range of civil and commercial matters between the courts of Hong Kong and the PRC. The Supreme People’s Court promulgated a judicial interpretation to implement the New Arrangement on 26 January 2024 (the “**Judicial Interpretation**”), and thus the New Arrangement came into operation on 29 January 2024 and terminated the Arrangement on the same date, which applies to judgments made on or after 29 January 2024.

Unlike other notes issued in the international capital markets where holders of such notes would typically not be required to submit to an exclusive jurisdiction, the Noteholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts. Thus, the Noteholders’ ability to initiate a claim outside Hong Kong will be limited.

Under the New Arrangement, if the Hong Kong court has given a legally effective judgment in a civil and commercial matter, any party concerned may apply to the relevant People’s Court of the Mainland for recognition and enforcement of the judgment, subject to the provisions, limits, procedures and other terms and requirements of the New Arrangement and the Judicial Interpretation. The recognition and enforcement of a Hong Kong court judgment could be refused if the relevant People’s Court of the Mainland consider that the enforcement of such judgment is contrary to the basic principles of law of the Mainland or the social and public interests of the Mainland. While it is expected that the PRC courts will recognise and enforce a judgment given by a Hong Kong court and governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area.

Any force majeure events, including future occurrence of natural disasters or outbreaks of contagious diseases in Asia and globally may have a material adverse effect on the Bank’s business operations, financial condition and results of operations.

Any force majeure events, including future occurrence of natural disasters or outbreaks of contagious diseases in Asia and globally, such as the COVID-19 outbreak, all variants of the avian influenza, severe acute respiratory syndrome (“**SARS**”), Middle East Respiratory Syndrome (“**MERS**”), Ebola virus, and swine flu caused by H1N1 virus (“**H1N1 Flu**”), may have a material adverse effect on the Bank’s business operations, financial condition and results of operations. Possible force majeure events may give rise to additional costs to be borne by the Bank and have adverse effects on the quality of the Bank’s 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 Bank’s business operations, financial condition and results of operations.

Any occurrence of a similar epidemic with a severe domestic or global impact, such as avian influenza, SARS, MERS, Ebola virus, and H1N1 Flu, could restrict the level of economic activities generally and/or slow down or disrupt the Bank’s business activities including, but not limited to, a decline in demand for residential mortgage advances, a reduction in the number of customers visiting the Bank’s branches and an adverse impact on asset quality due to a weakened economy and higher unemployment rate which could in turn adversely affect the Bank’s business or financial condition or results of operations.

Moreover, China has experienced natural disasters like earthquakes, floods and drought in the past few years. Any future occurrence of severe natural disasters in China may adversely affect its economy and in turn the Bank’s business. The Bank will continue to pay close attention to the progression of the epidemic and actively assess and respond to its impacts on the Bank’s financial position and operating results. There can be no

assurance that the Bank's business operation, financial condition and result of operations would not be adversely affected if an outbreak of a similar pandemic such as COVID-19, avian influenza, SARS, MERS, Ebola virus, H1N1 Flu or another highly contagious disease, or the measures taken by the PRC government or other countries in response to such future outbreak of epidemics. There can be no assurance that the Bank's business operation, financial condition and result of operations would not be adversely affected if another outbreak of a natural disaster occurs.

Risk Relating to the Notes issued under the Programme

Potential investors should not place undue reliance on the financial information incorporated by reference that is not audited.

This Offering Circular incorporates the most recently published unaudited but reviewed interim condensed consolidated financial statements of the Bank published from time to time after the date of this Offering Circular in each case together with any review reports prepared in connection therewith, as well as the most recently published unaudited consolidated quarterly interim reports, published subsequent to the most recently published condensed consolidated financial statements of the Bank. The Bank publishes its consolidated quarterly interim reports in respect of the three months ended 31 March and 30 September of each financial year. A copy of the quarterly interim reports can be found on the website of the HKSE.

The quarterly interim reports have not been and will not be audited by the Bank's auditors and were and will be prepared under IAS 34. The quarterly interim reports should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. Potential investors should exercise caution when using such data to evaluate the Bank's financial condition and results of operations. The quarterly interim reports should not be taken as an indication of the expected financial condition or results of operations of the Bank for the relevant full financial year.

The 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:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant 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;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- 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.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under

changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors.

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 Fiscal Agent 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 or the Agency Agreement (as defined in the "Terms and Conditions of the Notes") which is not prejudicial to the interests of the Noteholders; or (b) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement 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 11(b).

A change in English law which governs the Notes may adversely affect Noteholders.

The Terms and Conditions of the Notes are governed by English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Additional procedures may be required to be taken to hear English law governed matters in the Hong Kong courts. There is also no assurance that the PRC courts will recognise and enforce judgments of the Hong Kong courts in respect of English law matters.

The Terms and Conditions of the Notes and the Programme documents are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters, Hong Kong courts may require certain additional procedures to be taken. Under the New Arrangement, judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts. However, recognition and enforcement of a Hong Kong court judgment could be refused if the PRC courts consider that the enforcement of such judgment is contrary to the social and public interest of the PRC or meets other circumstances specified by the New Arrangement. While it is expected that the PRC courts will recognise and enforce a judgment given by Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practice in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the Noteholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the holder's ability to initiate a claim outside of Hong Kong will be limited.

The Notes may be represented by Global Notes and holders of a beneficial interest in a Global Note must rely on the procedures of the relevant Clearing System(s).

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary for Euroclear and Clearstream, or lodged with the CMU (each of Euroclear, Clearstream, and the CMU, a “**Clearing System**”). Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the Clearing Systems. While the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear and Clearstream, or, as the case may be, to the relevant paying agent, in the case of the CMU, for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note and the relevant Clearing System(s) so permit, the Notes will be tradable in nominal amounts (i) equal to, or integral multiples of, the minimum denomination, and (ii) the minimum denomination plus integral multiples of an amount lower than the minimum denomination. Definitive Notes will only be issued if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announce(s) an intention to permanently cease business. The Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote) in respect of such Notes.

Risks Relating to the Structure of 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 relevant Issuer may redeem outstanding notes for tax reasons.

Unless in the case of any particular Tranche of Notes the relevant Pricing Supplement specifies otherwise, in the event that the relevant Issuer would be obliged to increase the amounts payable in respect of any Notes due to any 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 Hong Kong, PRC, or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

Notes subject to optional redemption by the relevant Issuer may have a lower market value than Notes that cannot be redeemed.

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 generally will 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 exercise its right to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At such times, an investor generally would 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.

Index linked Notes and dual currency Notes.

Notes may be issued with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”). In addition, Notes may be issued 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:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time or in a different currency than expected;
- they may lose all or a substantial portion of their principal;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any index linked Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any index linked Notes and the suitability of such Notes in light of its particular circumstances.

Failure by an investor to pay a subsequent instalment of partly-paid Notes may result in an investor losing all of its investment.

Notes may be issued 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.

The market price of variable rate Notes with a multiplier or other leverage factor may be volatile.

Notes with variable interest rates can be volatile securities. 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 are typically more volatile than conventional floating rate debt.

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. 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.

Notes carrying an interest rate which may be converted from fixed to floating interest rates and vice versa, may have lower market values than other Notes.

Fixed or 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. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since such 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 or floating rate Notes may be less favourable than the 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 then prevailing rates on its Notes.

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 or used as "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. 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 or 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 European Union (Withdrawal) Act 2018 (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 UK Financial Conduct Authority ("**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, or referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Conditions provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Conditions) occurs in respect of an inter-bank offered rate (such as EURIBOR) or other relevant reference rate (which could include, without limitation, a mid-swap rate), and/or any page on which such benchmark may be published (or any other successor service) becomes unavailable. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Reference Rate (both as defined in the Conditions), with the application of an Adjustment Spread (as defined in the Conditions). Adjustment Spread is (i) the spread or a formula or methodology for calculating a spread which is formally recommended in relation to the replacement of the Reference Rate (as defined in the Conditions) with the Successor Rate by any Relevant Nominating Body (as defined in the Conditions); (ii) if no such recommendation has been made or in the case of an Alternative Reference Rate, the spread, formula or methodology which the Independent Adviser (as defined in the Conditions) (in consultation with the relevant Issuer) or the relevant Issuer (acting in a reasonable manner) (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 the Independent Adviser (in consultation with the relevant Issuer) or the relevant Issuer (acting in a reasonable manner) (as applicable) determines that no such customary market usage is recognised or acknowledged, the spread, formula or methodology which the Independent Adviser (in consultation with the relevant Issuer) or the relevant Issuer in its discretion (as applicable), determines (acting in a reasonable manner) to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders. There is no guarantee that any Adjustment Spread will be determined or applied. If no Adjustment Spread is determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Rate of Interest.

The use of any such Successor Rate or Alternative Reference Rate or, if applied, Adjustment Spread to determine the Rate of Interest may result in Notes linked to or referencing the initial inter-bank offered rate or other relevant reference rate performing differently (including paying a lower Rate of Interest) than they would do if the initial inter-bank offered rate or other relevant reference rate (as applicable) were to continue to apply in its current form. There is also a risk that the relevant fallback provisions may not operate as expected or intended at the relevant time.

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 the Successor Rate or Alternative Reference Rate (as applicable) no later than five Business Days (as defined in the Terms and Conditions of the Notes) prior to the relevant Interest Determination Date (the “**IA Determination Cut-off Date**”), but in the event that the Issuer (acting in a reasonable manner) is unable to appoint an Independent Adviser, or such Independent Adviser fails to determine the Successor Rate or Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in a reasonable manner) will have discretion to, amongst other things, determine the relevant Successor

Rate or Alternative Reference Rate (as applicable). 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.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of Rate of Interest for a particular Interest Accrual Period may result in the Rate of Interest for the last preceding Interest Accrual Period being used. 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.

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 of the 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 referencing a benchmark.

The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

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.

Investors may lose part or all of their investment in any Index-Linked Notes issued.

If, in the case of a particular Tranche of Notes, the relevant Pricing Supplement specifies that the Notes are Index Linked Notes or variable redemption amount Notes, there is a risk that the investor may lose the value of its entire investment or part of it.

Perpetual Notes may be issued for which investors have no right to require redemption.

Any perpetual Notes issued under the Programme are perpetual and have no fixed final maturity date. Holders of perpetual Notes have no right to require the Issuer to redeem perpetual Notes at any time, and an investor who acquires perpetual Notes may only dispose of such perpetual Notes by sale.

Holders of perpetual Notes who wish to sell their perpetual Notes may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of perpetual Notes should be aware that they may be required to bear the financial risks of an investment in perpetual Notes for an indefinite period of time.

Credit ratings may not reflect all risks.

The Programme is rated “A” by S&P, “A2” by Moody’s and “A” by Fitch. The rating is only correct as at the date of this Offering Circular. Each Tranche of Notes may be rated or unrated and one or more independent credit rating agencies may assign credit ratings to an issue of Notes as specified in the applicable Pricing Supplement. The ratings may not reflect the potential impact of all risks related to structure, market and 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. The rating can be lowered or withdrawn at any time. In April 2025, Fitch downgraded the long-term foreign-currency issuer default rating of the PRC to “A (Stable)” from “A+ (Negative)”, reflecting Fitch’s expectations of a continued weakening of China’s public finances and a rapidly rising public debt trajectory during the country’s economic transition. Further, despite the affirmation of China’s A1 long-term foreign-currency issuer default rating by Moody’s in recent years, its rating outlook has changed from time to time. In December 2023, Moody’s changed its outlook on China’s long-term foreign-currency issuer default rating to “negative” from “stable”, reflecting Moody’s expectation that economy-wide debt in the PRC would continue to rise as potential growth slows. In April 2026, Moody’s changed its outlook to “Stable” from “Negative”, reflecting a stabilisation of its outlook that China’s economic and fiscal strength

will be resilient to ongoing domestic as well as trade and geopolitical challenges. In line with China's sovereign rating outcome, each of Fitch and Moody's has changed their respective rating outcomes on a number of PRC issuers from time to time, including but not limited to government-owned corporate entities and subsidiaries. There can be no assurance that similarly adverse ratings developments may not occur in the future. If any further adverse ratings developments occur, the Bank's corporate ratings could be adversely affected.

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 Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). There can be no assurance as to the liquidity of the Notes or that an active trading market will develop. The liquidity of the Notes could be affected by various factors, and in particular, if a limited number of investors subscribes for a significant portion of the Notes. Such investors may include the Issuer and entities affiliated with the Issuer. 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 Issuer. 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. Although an application will be made for the Notes issued under the Programme to be admitted to listing on the HKSE, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Notes that may be issued under the Programme. Accordingly, there can be no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Notes.

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

The relevant Issuer 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 (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) 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 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.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Risks Relating to Renminbi-denominated Notes

Notes denominated in RMB (“**RMB Notes**”) may be issued under the Programme. RMB Notes contain particular risks for potential investors.

Renminbi is not completely freely convertible; there are significant restrictions on remittance of Renminbi into or out of the PRC.

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, despite significant reduction in control by it in recent years over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. However, remittance of Renminbi by foreign investors into the PRC for settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from or completing specific registrations or filing with the relevant authorities on a case-by-case basis and 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 being adjusted from time to time to match the policies of the PRC government.

Although the Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund in 2016, and the PBOC and the MOF have implemented policies for further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies, there is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any 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. Despite Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that any regulatory restrictions inhibit the ability of the relevant Issuer to repatriate funds outside the PRC to meet its obligations under Notes denominated in Renminbi, the relevant Issuer will need to source Renminbi offshore to finance such obligations under the relevant Notes denominated in Renminbi, and its ability to do so will be subject to overall availability of Renminbi outside of the PRC.

In addition, holders of beneficial interest of the RMB Notes may be required to provide certifications and other information (including Renminbi account information) in order to allow such holder to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the RMB Notes and the relevant Issuer's ability to source Renminbi outside the PRC to service RMB 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 the PBOC has entered into agreements on the clearing of Renminbi business (the “**Settlement Arrangements**”) with financial institutions in a number of financial centres and cities (the “**Renminbi Clearing Banks**”), including but not limited to Hong Kong, London, Frankfurt and Singapore, has established the Cross-Border Inter-Bank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is further in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC remains limited.

There are restrictions imposed by the 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 the PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC to square 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 the offshore market 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 which will 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 RMB Notes.

To the extent the relevant Issuer is required to source Renminbi outside the PRC to service the RMB Notes, there is no assurance that the relevant Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Remittance of proceeds into or outside of the PRC in Renminbi may be difficult.

In the event that the relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there can be no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

In the event that the relevant Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer or subsequently is not able to repatriate funds outside the PRC in Renminbi, the relevant Issuer will need to source Renminbi outside the PRC to finance its obligations under the RMB Notes, and their ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investment in RMB Notes is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and 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 other factors. In August 2015, the PBOC changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit for the PBOC's reference rates to consider the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be implemented, may increase volatility in the value of the Renminbi against foreign currencies. In May 2017, the PBOC further decided to introduce counter-cyclical factors to offset the market pro-cyclicality, so that the midpoint quotes could adequately reflect China's

actual economic performance. However, the volatility in the value of the Renminbi against other currencies still exists. The relevant Issuer will make all payments of interest and principal with respect to the RMB 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 an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the RMB Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of Renminbi against such currency could cause a decrease in the effective yield of the RMB Notes below their stated coupon rates and could result in a loss when the return on the RMB Notes is translated into such currency. Accordingly, the value of the investment made by a holder of the RMB Notes in that foreign currency will decline.

Payments with respect to the RMB Notes may be made only in the manner designated in the RMB Notes.

All payments to investors in respect of the RMB Notes will be made solely (i) for so long as the RMB Notes are represented by a temporary Global Note or a permanent Global Note (as defined in the Conditions) held with the common depositary, for Euroclear and Clearstream or with a sub-custodian for 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 Notes are in definitive form, by transfer to a Renminbi bank account maintained by or on behalf of the holder with a bank in Hong Kong in accordance with the prevailing rules and regulations. The relevant Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

There may be PRC tax consequences with respect to investment in the RMB Notes

In considering whether to invest in the RMB Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situation as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the holder's investment in the RMB Notes may be materially and adversely affected if the holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those RMB Notes. In addition, there may be tax consequences for the investor, as a result of any foreign currency gains resulting from any investment in the RMB Notes.

Investment in the RMB Notes is subject to interest rate risks

The value of Renminbi payments under RMB Notes may be susceptible to interest rate fluctuations occurring within and outside the PRC, including PRC Renminbi repo rates and/or the Shanghai inter-bank offered rate. 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.

The RMB Notes may carry a fixed interest rate. Consequently, the trading price of such Notes will vary with the fluctuations in the Renminbi interest rates. If holders of RMB Notes propose to sell their Notes before their maturity, they may receive an offer lower than the amount they have invested.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are part of a Series (as defined below) of Notes issued by Bank of Communications Co., Ltd. Hong Kong Branch (the “**Issuer**”) and are issued pursuant to an amended and restated agency agreement dated 7 June 2023 (as may be further amended, restated or supplemented as at the Issue Date, the “**Agency Agreement**”) between the Issuer, Bank of Communications Co., Ltd. Hong Kong Branch as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended, restated or supplemented as at the Issue Date, the “**Deed of Covenant**”) dated 7 June 2023 executed by the Issuer in relation to the Notes. The fiscal agent, the CMU lodging and paying agent, the other paying agents, the registrars, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**CMU Lodging and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent and the CMU Lodging and Paying Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. For the purposes of these terms and conditions (the “**Conditions**”), all references to the Fiscal Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. The Noteholders (as defined below), the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note (together with an Index Linked Interest Note, an “**Index Linked Note**”), an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest

due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2 (b) or (c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfer Free of Charge:** Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of 15 days ending on (and including) any due date for any payment of principal or interest.

3 Covenant related to NDRC

The Issuer undertakes to report or cause to be reported the relevant information in connection with each Tranche of Notes, to the National Development and Reform Commission of the PRC (“NDRC”), within the prescribed period and in accordance with the Administrative Measures for the Review and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企业中长期外债审核登记管理办法(中华人民共和国国家发展和改革委员会令 (第 56 号))) as issued by the NDRC and effective from 10 February 2023 and as amended, supplemented or replaced from time to time.

4 Status

The Notes and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) **Interest on Floating Rate Notes and Index Linked Interest Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as specified in the relevant Pricing Supplement) the Margin, if any. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual 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 or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) or 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 as of 2.30 p.m. (Hong Kong time) (in the case of CNH HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, 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.

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

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (x)(2) 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, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or, if the Reference Rate is HIBOR or CNH HIBOR, 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 if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 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 Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) 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, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would

have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, 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 Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Benchmark Replacement

In addition, notwithstanding the provisions above in Condition 5(b), if the Issuer determines that a Benchmark Event 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 to determine (acting in a reasonable manner), 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 or, alternatively, if there is no Successor Rate, an Alternative Reference Rate for the purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;
- (ii) if the Issuer (acting in a reasonable manner) 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 a reasonable manner) 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, an 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 5(b)(iii)(C); provided, however,

that if sub-paragraph (ii) applies and the Issuer (acting in a reasonable manner) 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, 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 5(b)(iii)(C);

- (iv) if the Independent Adviser or the Issuer (acting in a reasonable manner) 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 and in a commercially reasonable manner) (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 applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in a reasonable manner) (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 a reasonable manner) (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 Fiscal Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(b)(iii)(C). 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 Fiscal 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 Fiscal Agent, 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,

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.

In these Conditions:

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

- (1) 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;
- (2) 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 a reasonable manner) (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
- (3) (if the Independent Adviser (in consultation with the Issuer) or the Issuer (acting in a reasonable manner) (as applicable) determines that no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (acting in a reasonable manner) to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances and solely for the purposes of this sub-paragraph (iii) only, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders and Couponholders.

“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 a reasonable manner) is most comparable to the relevant Reference Rate.

“Benchmark Event” means, in respect of a Reference Rate:

- (1) such Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;
- (2) 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);
- (3) 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;

- (4) a public statement by the supervisor of the administrator of such Reference Rate that means 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 or adverse consequences;
- (5) a public statement by the supervisor of the administrator of such Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or the methodology to calculate such Reference Rate has materially changed; or
- (6) 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 in the case of sub-paragraphs (2), (3) and (4) of this definition, the Benchmark Event shall occur on the date of the cessation of publication of such Reference Rate, the discontinuation of such Reference Rate, or the prohibition of use of such Reference Rate, as the case may be, and 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 benchmark or screen rate (as applicable):

- (1) the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or
- (2) 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 reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the 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.

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.
- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

- (e) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.
- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.
 - (ii) If any Maximum Rate of Interest, Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (h) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest

Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Notes denominated in a currency other than euro and Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of Notes denominated in euro, a day on which the TARGET System is operating (a **“TARGET Business Day”**); and/or
- (iii) in the case of Notes denominated in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (iv) in the case of Notes denominated in a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual — ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that 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)
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365

- (iii) if “Actual/365 (Sterling)” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” 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 D₁ is greater than 29, in which case D₂ will be 30.

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

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

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” 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 D₂ will be 30.

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

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

where

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” 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 D₁ will be 30; and

“D₂” 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 D₂ will be 30.

- (viii) if “Actual/Actual-ICMA” is specified hereon,
- (ix) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (a) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“**Interest Accrual Period**” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each

successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless specified hereon.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means (i) if “2006 ISDA Definitions” is specified in the relevant Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if “2021 ISDA Definitions” is specified in the relevant Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by ISDA as at the Issue Date of the first Tranche of the Notes.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market and, in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Chinese Yuan in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

“**Specified Currency**” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“**TARGET System**” means the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system (known as T2).

- (k) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) **Redemption by Instalments and Final Redemption:**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) **Early Redemption:**

- (i) *Zero Coupon Notes:*
- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d) or Condition 6(e) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note) or, at any time, (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note), 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 (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of any of the Relevant Jurisdictions (as defined in Condition 8), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors 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 an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount

specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 30 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.
- (g) **Purchases:** The Issuer and its Subsidiaries (as defined in Condition 10) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented

for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be:

- (i) in the case of Notes denominated in a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
- (ii) in the case of Notes denominated in Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a Bank in Hong Kong.

In this Condition 7(a), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

Payments of principal and interest in respect of Bearer Notes held in the CMU will be made to the CMU for their distribution 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.

(b) **Registered Notes:**

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Notes denominated in Renminbi) and fifteenth (in the case of Notes denominated in a currency other than Renminbi) day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:
 - (x) in the case of Notes denominated in a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
 - (y) in the case of Notes denominated in Renminbi, by transfer to the registered account of the Noteholder.

In Condition 7(b)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

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 at the relevant time and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrars, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or any Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where the Conditions so require and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons and Receipts and unexchanged Talons:**
 - (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), those Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in Hong Kong, in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
 - (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
 - (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or

within any of the Relevant Jurisdictions, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders 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 with respect to any Note, Receipt or Coupon:

- (a) held by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt 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, Receipt or Coupon; or,
- (b) where (in the case of a payment of principal or interest on redemption) the relevant Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had surrendered the relevant Certificate on the last day of such period of 30 days; or
- (c) held by or on behalf of a holder who would not be liable for or subject to such withholding or deduction by making a declaration of identity, non residence or other similar claim for exemption to the relevant tax authority if, after having been requested to make such declaration or claim, such holder fails to do so within any applicable period prescribed by such relevant tax authority.

As used in these Conditions:

- (a) **“Relevant Date”** in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation; and
- (b) **“Relevant Jurisdiction”** means Hong Kong, the PRC (as defined in Condition 10) or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.

References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 8.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (**“Events of Default”**) occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the

Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Non-Payment:** the Issuer fails to pay the principal of or any premium (if any) or interest on any of the Notes when due and such failure continues for a period of 30 days; or
- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations in the Notes, the Deed of Covenant or the Agency Agreement which default continues for a period of 45 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or
- (c) **Cross-Default:** (A) any other present or future Public External Indebtedness of the Issuer or any of its Subsidiaries becomes due and payable prior to its stated maturity by reason of any default, event of default or the like (howsoever described) in respect of the terms thereof, or (B) any such Public External Indebtedness is not paid when due or, as the case may be, within any applicable grace period, provided that the aggregate amount of the relevant Public External Indebtedness in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds U.S.\$25,000,000 or its equivalent; or
- (d) **Insolvency:** the Issuer or any of its 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 the Issuer or any of its Material Subsidiaries; or
- (e) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Material Subsidiaries, or the Issuer 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 (i) on terms approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Material Subsidiaries; or
- (f) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes, the Deed of Covenant or the Agency Agreement.

In these Conditions:

“Material Subsidiary” means a Subsidiary of the Issuer whose total assets or total revenue as of the date at which its latest audited financial statements were prepared or, as the case may be, for the financial period to which such audited financial statements relate, account for five per cent. or more of the consolidated assets or consolidated revenue of the Issuer as of such date or for such period. If a Material Subsidiary transfers all of its assets and business to another Subsidiary of the Issuer the transferee shall become a Material Subsidiary and the transferor shall cease to be a Material Subsidiary on completion of such transfer;

“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;

“Public External Indebtedness” means any indebtedness of the Issuer or any of its Subsidiaries, or any guarantee or indemnity by such entity of indebtedness, for money borrowed which, (i) is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being listed, quoted or traded on any stock exchange or in any securities market (including,

without limitation, any over-the-counter market) outside the People's Republic of China (for the purposes hereof not including the Hong Kong and Macau Special Administration Regions or Taiwan) ("PRC") (without regard, however, to whether or not such instruments are sold through public offerings or private placements); and (ii) has an original maturity of more than 365 days, which, for the avoidance of doubt, shall exclude any asset-backed securities offered or issued by the Issuer or any of its Subsidiaries to investors where payments made under such securities are serviced primarily by the cash flows of certain assets of the Issuer; and

"Subsidiary" means in relation to any Person (the "first Person"), any other Person whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the first Person.

11 Meeting of Noteholders and Modifications

- (a) **Meetings of Noteholders:** The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, or (vi) to vary the currency or currencies of payment or denomination of the Notes, in which case the necessary quorum shall be two or more persons holding or representing not less than three-quarters or at any adjourned meeting not less than one quarter of the nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. 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.

These Conditions 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.

- (b) **Modification of Agency Agreement:** The parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such

modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes or the same in all respects save for the principal amount, the Issue Date and the first payment of interest thereon and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Hong Kong. So long as the Notes are listed on The Stock Exchange of Hong Kong Limited and the rules of that Exchange so require, notices to holders of the Notes shall also be published in a daily newspaper with general circulation in Hong Kong (which is expected to be the South China Morning Post in Hong Kong). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

15 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons and any non— contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons and any non-contractual obligations arising out of or in connection with them (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the exclusive jurisdiction of the courts of Hong Kong and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- (c) **Waiver of immunity:** To the extent that the Issuer 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 the Issuer, or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES OR THE GLOBAL CERTIFICATE

Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream (the “**Common Depositary**”) or a sub-custodian for the HKMA as operator of the CMU.

Upon the initial deposit of a Global Note with the Common Depositary or with a sub-custodian for the HKMA as operator of the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream or (ii) the HKMA and delivery of the relevant Global Certificate to the Common Depositary or the sub-custodian for the HKMA as operator of the CMU (as the case may be), Euroclear or Clearstream or the CMU (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global 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 Certificate are credited as being held in the CMU in accordance with the CMU Rules shall be the only person(s) entitled (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 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 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 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 Certificate.

Exchange

Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Summary of the*”

Programme — Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and

- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

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.

Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes*” below, in part for Definitive Notes or, in the case of (i) below, Registered Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Global Certificates

If the relevant Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream or the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2 may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the prior consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer.

Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Installment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

“**Exchange Date**” means (i) in relation to an exchange of a temporary Global Note to a permanent Global Note, the day falling after the expiry of 40 days after its issue date; or (ii) in relation to an exchange of a permanent Global Note to a Definitive Note, a day falling not less than 60 days or in the case of exchange following failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the cities in which the relevant clearing systems are located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made

will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU) will be made to, or to the order of, the person whose name is entered on the relevant Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global 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 or Global 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 or Global 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.

Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder’s holding, whether or not represented by a Global Certificate.)

Cancellation

Cancellation of any Note represented by a permanent Global Note or Global Certificate that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note or Global Certificate.

Purchase

Notes represented by a permanent Global Note or Global Certificate may only be purchased by the Issuer or any of its respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Installment Amounts (if any) thereon.

The Option of the Issuer

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note or Global Certificate shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain, in the case of Bearer Notes, the certificate numbers of Notes drawn or, in the case of Registered Notes, the holder of the Notes in respect of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes

will be governed by the standard procedures of Euroclear, Clearstream, the CMU or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held by or on behalf of a clearing system, may be exercised by (i) the holder giving notice to the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) within the time limits in respect of which the option is exercised and presenting the Global Note or Global Certificate for endorsement or exercise (if required) or (ii) a holder of a book-entry interest in the Notes represented by the Global Note or Global Certificate delivering to the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) the relevant exercise notice, duly completed by or on behalf of such holder (on appropriate proof of its identity and interest), in each case within the time limits specified in the Conditions and otherwise in accordance with the rules and procedures of the relevant clearing system. In the case of (ii) above, deposit of the Global Note or Global Certificate with the Fiscal Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) together with such exercise notice shall not be required.

Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream 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 or Global 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 Euroclear, Clearstream or such other clearing system; 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 or Global 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.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes or Global Certificates. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note or Global Certificate representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

[PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes (as defined below) 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**”); (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 (as amended, the “**Prospectus Regulation**”).]¹ 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.]

[UK PRIIPs REGULATION — PROHIBITION OF SALES TO UK 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 United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018 (“**EUWA**”)/EUWA]; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as 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] [(iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”).]² Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.]

[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**”)]/[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

¹ Paragraph (iii) is not required where the Notes have a denomination of at least €100,000 or equivalent.

² Paragraph (iii) is not required where the Notes have a denomination of at least €100,000 or equivalent.

assessment in respect of the Notes [(as defined below)] 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 (“EUWA”) (“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.]

[In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “SFA”) and the Securities and Futures Act (Capital Market 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] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).]¹

Pricing Supplement dated [●]

Bank of Communications Co., Ltd. [Hong Kong/[●]] Branch

Legal entity identifier (LEI): 549300AX1UM10U30HK09

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] (the “Notes”)
under the U.S.\$12,000,000,000 Medium Term Note Programme

This 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 set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [date]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Offering Circular[, the supplementary Offering Circular dated [date]] and this Pricing Supplement.

[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 [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [date]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of the Offering Circular[, the supplementary Offering Circular dated [date]] and this Pricing Supplement.]

¹ For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[This Pricing Supplement 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.

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.

The Hong Kong Stock Exchange has not reviewed the contents of this Pricing Supplement, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Pricing Supplement to Professional Investors only have been reproduced in this Pricing Supplement. Listing of the Programme and 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, or quality of disclosure in this Pricing Supplement. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Pricing Supplement, 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 Pricing Supplement.

The Managers and their respective officers, employees, affiliates, advisors and agents have not independently verified the information contained herein (financial, legal or otherwise) and, to the fullest extent permitted by law, none of the Managers or their respective officers, employees, affiliates, advisors or agents accepts any responsibility for the contents of this Pricing Supplement or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer, the Bank, the Group, the Programme or the issue and offering of the Notes under the Programme. The Managers and their respective officers, employees, affiliates, advisors or agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which might otherwise have in respect of this Pricing Supplement or any such statement.

This Pricing Supplement, 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 Pricing Supplement 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.]¹

[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 directions for completing the Pricing Supplement.]

- | | | |
|---|---|---|
| 1 | Issuer: | Bank of Communications Co., Ltd. [Hong Kong/[•]] Branch |
| 2 | [(i)] Series Number: | [•] |
| | [(ii)] Tranche Number:] | [•] |
| | [(iii)] Date on which the Notes will be consolidated and form a single Series:] | The Notes will be consolidated and form a single Series with [<i>identify earlier Tranches</i>] on [the Issue Date/the date that is 40 days after the |

¹ Applicable for Notes to be listed on the Hong Kong Stock Exchange only.

		Issue Date/exchange of the temporary Global Note for interests in the permanent Global Note, as referred to in paragraph 27 below, which is expected to occur on or about [date]][Not Applicable] ⁽¹⁾
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	Use of Proceeds	[•] (If applicable, include relevant disclosure if proceeds are used to repay indebtedness of relevant Dealer(s))
7	(i) Specified Denominations:	[•] ⁽²⁾
	(ii) Calculation Amount ⁽⁵⁾ :	[•]
8	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[Specify/Issue date/Not Applicable]
9	Maturity Date:	[specify date (for Fixed Rate Notes) or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year] ⁽³⁾
10	Interest Basis:	[[•] per cent. Fixed Rate] [[specify reference rate] +/- [•] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (specify)] (further particulars specified below)
11	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [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]
13	Put/Call Options:	[Put] [Call] [(further particulars specified below)]

- 14 (i) Status of the Notes: Senior Notes
- (ii) Regulatory approval for issuance of Notes obtained⁽⁶⁾: ☐/None required⁽⁶⁾
- 15 Listing: ☐/Other (*specify*)/None]
- 16 Method of distribution: [Syndicated/Non-syndicated]
- 17 Private Bank Rebate/Commission: [Not Applicable / [Applicable]
- A rebate of ☐ basis points is being offered by the Issuer 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 this offering based on the principal amount of the Notes distributed by such private banks to investors.]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 18 Fixed Rate Note Provisions [Applicable/Not Applicable]
(*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Rate ☐ of Interest: ☐ per cent. per annum [payable annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): ☐ in each year⁽⁴⁾ [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☐: ☐ per Calculation Amount⁽⁵⁾
- (iv) Broken Amount: ☐ per Calculation Amount, payable on the Interest Payment Date falling [in/on] ☐
[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount☐ and the Interest Payment Date(s) to which they relate]
- (v) Day Count Fraction (Condition 5(j)): [30/360/Actual/Actual (ICMA/ISDA)/Other]
(*Day count fraction should be Actual/Actual-ICMA for all fixed rate issues other than those denominated in US dollars or Hong Kong dollars, unless the client requests otherwise*)
- (vi) Determination Date(s) (Condition 5(j)): ☐ in each year. *[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]*⁽⁷⁾

	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/ <i>give details</i>]
19	Floating Rate Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
	(i) Interest Period(s):	[•]
	(ii) Specified Interest Payment Dates:	[•]
	(iii) Interest Period Date(s):	[Not Applicable/specify dates] (<i>Not applicable unless different from Interest Payment Date</i>)
	(iv) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (<i>give details</i>)]
	(v) Business Centre(s) (Condition 5(j)):	[•]
	(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other (<i>give details</i>)]
	(vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
	(viii) Screen Rate Determination (Condition 5(b)(iii)(B)):	
	— Reference Rate:	[•]
	— Interest Determination Date:	[[•] [TARGET] Business Days in [<i>specify city</i>] for [<i>specify currency</i>] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]
	— Relevant Screen Page:	[•]
	(ix) ISDA Determination (Condition 5(b)(iii)(A)):	
	— Floating Rate Option:	[•]
	— Designated Maturity:	[•]
	— Reset Date:	[•]
	— ISDA Definitions: (if different from those set out in the Conditions)	[2006/2021]
	(x) Margin(s):	[+/-] [•] per cent. per annum
	(xi) Minimum Rate of Interest:	[•] per cent. per annum
	(xii) Maximum Rate of Interest:	[•] per cent. per annum
	(xiii) Day Count Fraction (Condition 5(j)):	[•]
	(xiv) 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:	
20	Zero Coupon Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
	(i) Amortisation Yield (Condition 6(b)):	[•] per cent. per annum
	(ii) Day Count Fraction (Condition 5(j)):	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
21	Index Linked Interest Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
	(i) Index/Formula:	[Give or annex details]
	(ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]):	[•]
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[•]
	(iv) Interest Period(s):	[•]
	(v) Specified Interest Payment Dates:	[•]
	(vi) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (<i>give details</i>)]
	(vii) Business Centre(s) (Condition 5(j)):	[•]
	(viii) Minimum Rate of Interest:	[•] per cent. per annum
	(ix) Maximum Rate of Interest:	[•] per cent. per annum
	(x) Day Count Fraction (Condition 5(j)):	[•]
22	Dual Currency Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
	(ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Agent]):	[•]
	(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: [•]
- (v) Day Count Fraction (Condition 5(j)): [•]

PROVISIONS RELATING TO REDEMPTION

- 23 Call Option [Applicable/Not Applicable] (If *not applicable*, delete the remaining sub-paragraphs 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: [•]
- 24 Put Option [Applicable/Not Applicable] (If *not applicable*, delete the remaining sub-paragraphs 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: [•]
- 25 Final Redemption Amount of each Note [•] per Calculation Amount
- 26 Early Redemption Amount
 - (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 6(c)) or Event of Default (Condition 10) 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

- 27 Form of Notes: [Bearer Notes/Registered Notes/
Dematerialised Registered Notes]
[Delete as appropriate]

[temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the permanent

		Global Note] [temporary Global Note exchangeable for Definitive Notes on [●] days' notice] [permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate] ⁽⁸⁾
28	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	[Not Applicable/Give details. <i>Note that this item relates to the date and place of payment, and not interest period end dates, to which item 17(ii), 18(iv) and 20(vii) relate</i>]
29	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. If yes, <i>give details</i>]
30	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/ <i>give details</i>]
31	Details relating to Instalment Notes:	[Not Applicable/ <i>give details</i>]
	(i) Instalment Amount(s):	[●]
	(ii) Instalment Date(s):	[●]
	(iii) Minimum Instalment Amount:	[●]
	(iv) Maximum Instalment Amount:	[●]
32	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions annexed to this Pricing Supplement apply]
33	Consolidation provisions:	[Not Applicable/The provisions annexed to this Pricing Supplement apply]
34	Other terms or special conditions:	[Not Applicable/ <i>give details</i>] ⁽⁹⁾ [The definition of the "Relevant Jurisdiction" as set out in Condition 8 shall be deemed to be deleted in its entirety and replaced with the following: "“Relevant Jurisdiction” means [jurisdiction where the relevant branch is located], the PRC (as defined in Condition 10) or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.”] ⁽¹⁰⁾

[Condition 1 (*Form, Denomination and Title*) and Condition 2 (*No Exchange of Notes and Transfers of Registered Notes*) – no definitive Certificates shall be issued, and all references to “Noteholders” shall mean the accountholders at [the relevant clearing system] as from time to time certified by [the relevant clearing system] (the “[**the relevant clearing system** Accountholders”)].

Condition 7 (*Payments and Talons*) – all payments shall be made to [the relevant clearing system] Accountholders.

Condition 11 (*Meeting of Noteholders and Modifications*) – the persons entitled to attend and vote at a meeting shall be [the relevant clearing system] Accountholders.

Condition 14 (*Notices*) – notices shall be given to [the relevant clearing system] for communications purposes in accordance with rules and procedures of [the relevant clearing system] for the time being.

All Conditions requiring presentation or surrender of Certificate are not applicable.

A deed poll dated the Issue Date has been executed by the Issuer and delivered to the Fiscal Agent.] ⁽¹¹⁾

DISTRIBUTION

35	If syndicated, names of Managers:	[Not Applicable/ <i>give names</i>]
	Stabilisation Manager (if any):	[Not Applicable/ <i>give name</i>]
36	If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i>]
37	U.S. Selling Restrictions	[Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable]
38	Additional selling restrictions:	[Not Applicable/ <i>give details</i>]
39	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable] (<i>If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.</i>)
40	Prohibition of Sales to UK 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, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no Key Information Document (as provided for under the UK PRIIPs Regulation) will be prepared, “Applicable” should be specified.)

OPERATIONAL INFORMATION

- | | | |
|----|---|---|
| 41 | ISIN Code: | [•] |
| 42 | Common Code: | [•] |
| 43 | CMU Instrument Number: | [•] |
| 44 | Any clearing system(s) other than Euroclear, Clearstream and the CMU and the relevant identification number(s): | [Not Applicable/give name(s) and number(s)] |
| 45 | Delivery: | Delivery [against/free of] payment |
| 46 | Additional Paying Agents (if any): | [•] |

GENERAL

- | | | |
|----|--|-----------------------------|
| 47 | The aggregate principal amount of Notes issued has been translated into US dollars at the rate of [•], producing a sum of (for Notes not denominated in US dollars): | [Not Applicable/US\$[•]] |
| 48 | In the case of Registered Notes, specify the location of the office of the Registrar if other than Hong Kong: | [Not Applicable/Luxembourg] |
| 49 | In the case of Bearer Notes, specify the location of the office of the Fiscal Agent if other than London: | [Not Applicable/Hong Kong] |

HONG KONG SFC CODE OF CONDUCT

- | | | |
|----|---|---|
| 50 | Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: | <i>[Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – Overall Coordinators to provide]</i> / [Not Applicable] |
| 51 | [Marketing and Investor Targeting Strategy: | <i>[Provide details if different from the programme Offering Circular]]</i> |

[LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the US\$12,000,000,000 Medium Term Note Programme of Bank of Communications Co., Ltd. Hong Kong Branch.]

[USE OF PROCEEDS

Give details if different from the “Use of Proceeds” section in the Offering Circular.]

[STABILISATION

In connection with the issue of the Notes, [any of the Managers named as Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager(s))] in this Pricing Supplement may, to the extent permitted by applicable laws and directives, over-allot and effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and regulations.]

[MATERIAL ADVERSE CHANGE STATEMENT

[Except as disclosed in this document, there/There](12) has been no significant change in the financial or trading position of the Issuer or of the Group since *[insert date of last audited accounts or interim accounts (if later)]* and no material adverse change in the financial position or prospects of the Issuer or of the Group since *[insert date of last published annual accounts].]*

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: _____
Duly authorised

Notes:

- (1) For a tap of a Reg S Cat 2 issue and where notes are in registered form or go straight into permanent global form (TEFRA C) (such that there is not a TEFRA D temporary global note), consider whether a temporary ISIN may still be necessary to comply with the distribution compliance period. If so, the following wording may be considered “The Notes will be consolidated and form a single Series with the [identify earlier Tranches] (the “Original Notes”) on the date that is 40 days after the Issue Date (the “Exchange Date”). Until the Exchange Date the Notes will have a temporary ISIN and temporary Common Code (“Temporary ISIN” and “Temporary Common Code”, respectively). After the Exchange Date the Notes will have the same ISIN and Common Code (“Permanent ISIN” and “Permanent Common Code” respectively) as the Original Notes”.
- (2) 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 must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

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 set out in the Guidance Note published by ICMA in November 2006 (or its replacement from time to time) 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”.

- (3) Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here.
- (4) Note that for certain Renminbi or Hong Kong dollar denominated Fixed Rate Notes the Interest Payment Dates are subject to modification and the following words should be added: “provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.”
- (5) 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, CNY0.05 in the case of Renminbi denominated Fixed Rate Notes or to the nearest HK\$0.01, HK\$0.005 in the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards.”
- (6) State either the date of the Pre-Issuance NDRC Registration or that the annual quota from NDRC has been obtained.
- (7) Only to be completed for an issue where the Day Count Fraction is Actual/Actual-ICMA.
- (8) If the temporary Global Note is exchangeable for definitives at the option of the holder, the Notes shall be tradeable only in amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in paragraph 6 and multiples thereof.
- (9) If full terms and conditions are to be used, please add the following here:

“The full text of the Conditions which apply to the Notes [and which will be endorsed on the Notes in definitive form] are set out in [the Annex hereto], which Conditions replace in their entirety those appearing in the Offering Circular for the purposes of these Notes and such Conditions will prevail over any other provision to the contrary.”

The first set of bracketed words is to be deleted where there is a permanent global Note instead of Notes in definitive form. The full Conditions should be attached to and form part of the Pricing Supplement.
- (10) Required only for an Issuer other than Bank of Communications Co., Ltd. Hong Kong Branch.
- (11) Required only for dematerialised Registered Notes.
- (12) If any change is disclosed in the Pricing Supplement, it may require approval by the Stock Exchange(s). Consideration should be given as to whether or not such disclosure should be made by means of a supplemental Offering Circular rather than in a Pricing Supplement.

CAPITALISATION AND INDEBTEDNESS

Capitalisation and Indebtedness of the Bank

The following table sets forth the actual consolidated debt and capitalisation of the Bank as at 30 June 2026. Investors should read this table in conjunction with the Bank's unaudited but reviewed consolidated condensed financial statements as at and for the six months ended 30 June 2026 and the notes thereto included in this Offering Circular.

Except for the translation amount shown in U.S.\$, the Bank's unaudited but reviewed consolidated condensed financial statements as at 30 June 2026 set forth below are derived from the published unaudited consolidated financial statements as at and for the six months ended 30 June 2026.

	As at 30 June 2026	
	(RMB in million)	(U.S.\$ in million) ⁽³⁾
	(unaudited)	(unaudited)
Indebtedness		
Debt securities issued	713,459	105,151
Other borrowings ⁽¹⁾	12,455,558	1,835,722
Total debt	<u>13,169,017</u>	<u>1,940,873</u>
Equity		
Share capital	88,364	13,023
Other equity instruments.....	124,952	18,416
Capital surplus	215,717	31,793
Other reserves.....	466,710	68,785
Retained earnings	397,049	58,518
Non-controlling interests	11,140	1,642
Total equity.....	<u>1,303,932</u>	<u>192,176</u>
Total capitalisation ⁽²⁾	<u>14,472,949</u>	<u>2,133,049</u>

Notes:

- (1) Other borrowings include amounts due to and placements from banks and other financial institutions and deposits from customers.
- (2) Total capitalisation equals the sum of total debt and total equity.
- (3) For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB6.7851 to U.S.\$1.00, the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 30 June 2026.

Unless otherwise disclosed in this Offering Circular, there has not been any material change in the capitalisation of the Bank since 30 June 2026.

USE OF PROCEEDS

The net proceeds of any Notes issued under the Programme shall be used for the relevant Issuer's working capital and 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.

DESCRIPTION OF THE HONG KONG BRANCH

Business Activities

Established in 1934, the Hong Kong branch of the Bank is the largest overseas branch of the Bank. As at 30 June 2026, it had 44 outlets in Hong Kong.

The Hong Kong branch of the Bank has placed an increasing emphasis on serving personal banking customers. For corporate finance operations, it targets, among others, listed companies and large PRC state-owned enterprises. Apart from generating interest income, it continues to focus on generating fee income. It provides a variety of fee-based products and services.

On 14 July 2017, the Bank announced to invest in the establishment of Bank of Communications (Hong Kong) for a total amount of HK\$7.9 billion, which amounted to 100 per cent. of the share capital of Bank of Communications (Hong Kong). The establishment of Bank of Communications (Hong Kong) was approved by the China Banking Regulatory Commission on 20 January 2014. Bank of Communications (Hong Kong) also obtained a full banking licence under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (the “**Ordinance**”) from the Hong Kong Monetary Authority on 29 September 2015 to operate banking business and specialised in retail banking business and private banking business. On 29 January 2018, the Bank further announced the existing activities, assets and liabilities which constituted the retail and private banking businesses of the Hong Kong branch of the Bank on that day was transferred to the Bank of Communications (Hong Kong) in accordance with section 4(1) of the Bank of Communications (Hong Kong) Limited (Merger) Ordinance (Chapter 1182 of the Laws of Hong Kong).

Bank of Communications (Hong Kong) was a wholly-owned subsidiary of the Bank through establishing a complete corporate governance structure in accordance with the Ordinance and other relevant regulatory requirements. The establishment of Bank of Communications (Hong Kong) aimed to expand and intensify the Bank’s retail and private banking business by building on its strong foundation in Hong Kong. The establishment demonstrated the Bank’s long-term commitment to Hong Kong customers, employees and business partners and signifies a clearer and more focused separation in the serving of different customer groups. The Hong Kong branch of the Bank continues to exist and hold a full banking licence under the Ordinance to operate its banking business as a licensed bank in Hong Kong. As at 30 June 2026, the Hong Kong branch of the Bank had 1,005 employees and Bank of Communications (Hong Kong) had 862 employees.

Hong Kong Banking Industry Regulatory Regime

The banking industry in Hong Kong is regulated under the provisions of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (the “**Banking Ordinance**”) and subject to the powers and functions ascribed by the Banking Ordinance to the HKMA. The Banking Ordinance provides that only banks which have been granted a banking licence (“**licence**”) by the 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 the 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. The HKMA supervises licensed banks through, *inter alia*, a regular information gathering process, the main features of which are as follows:

- each licensed bank must submit a monthly return to the 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, unless the HKMA permits returns to be made at less frequent intervals;

- the 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 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 the HKMA may require. The HKMA may also require a report by a licensed bank's auditors (approved by the 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 the 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 the HKMA immediately of their likelihood of becoming unable to meet their obligations;
- the HKMA may direct a licensed bank to appoint an auditor to report to the 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 the HKMA may reasonably require; and
- the 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 the HKMA on a regular basis.

In addition, the Hong Kong branch of the Bank is also subject to the FIRO. Please refer to the risk factor “*Risk Factors – Risks Relating to the Bank’s Business – The Bank may be affected by the Financial Institutions (Resolution) Ordinance*” for further information.

DESCRIPTION OF THE BANK

OVERVIEW

Founded in 1908, the Bank is one of the note-issuing banks with the longest history in modern China. In 1986, the State Council of the PRC decided to reorganise the Bank. The Bank reopened after reorganisation on 1 April 1987. It is the first nationwide state-owned joint-stock commercial bank in China, with the head office located in Shanghai. The Bank made its first public offering of its H shares and listing on the HKSE in June 2005, and its first public offering of its A shares and listing on the Shanghai Stock Exchange in May 2007. The Group was ranked in Fortune 500 for sixteen consecutive years, and ranked No. 48 in 2026. The Group ranked No.7 among the Global Top 1000 World Banks 2026 rated by *The Banker*.

Substantially all of the Bank's operations are located in the PRC and the Bank is headquartered in Shanghai. As at 30 June 2026, the Group had 256 domestic branch and institutions, including 31 provincial branches, 7 directly managed branches and 218 branches under provincial-level management, most of which are concentrated in the Yangtze River Delta, Pearl River Delta and Bohai Rim Economic Zone, as well as large cities in other areas. Through this network and other distribution channels, the Group provides a broad range of financial products and services to its corporate and personal finance customers. As at 30 June 2026, in addition to its PRC operations, the Bank had branches or subsidiaries which are located in Hong Kong, New York, Tokyo, Singapore, Seoul, Frankfurt, Macau, Ho Chi Minh City, San Francisco, Sydney, Taipei, London, Luxembourg, Brisbane, Paris, Rome, Brazil, Melbourne, Toronto, Prague, DIFC and Johannesburg.

The Group is engaged predominantly in banking and related financial activities. It comprises corporate banking, personal banking, treasury and other business. Corporate banking mainly comprises corporate loans, bills, trade financing, corporate deposits and remittance. Personal banking mainly comprises personal loans, personal deposits, credit cards and remittance. Treasury mainly comprises money market placements and takings, financial investment, and securities sold under repurchase agreements. The "Others Business" segment mainly comprises items which cannot be categorised in the above business segments.

For the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2026, the Group's profit before tax were RMB99,698 million, RMB103,475 million, RMB103,763 million and RMB53,637 million, respectively. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Group had total assets of RMB14,060,472 million, RMB14,900,717 million, RMB15,548,388 million and RMB16,260,175 million, respectively, gross amount of loans and advances to customers before allowance for impairment of RMB7,957,085 million, RMB8,555,122 million, RMB9,123,571 million and RMB9,489,673 million, respectively, total amounts deposits from customers of RMB8,551,215 million, RMB8,800,335 million, RMB9,307,815 million and RMB9,915,436 million, respectively, and total equity attributable to equity holders of the parent company of RMB1,088,030 million, RMB1,144,306 million, RMB1,269,232 million and RMB1,292,792 million, respectively. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Group's non-performing loan ratios were 1.33 per cent., 1.31 per cent., 1.28 per cent. and 1.30 per cent., respectively. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Group's provision coverage ratios were 195.21 per cent., 201.94 per cent., 208.38 per cent. and 203.80 per cent., respectively.

THE BANK'S AWARDS

The Bank believes the brand of "Bank of Communications" is one of the most recognised financial service brand names in China. The Bank ranked No. 7 among the Top 1000 World Banks 2026 by *The Banker*. The Bank was honoured in Fortune 500 for sixteen consecutive years and was ranked No. 48 in 2026.

In 2025, the Bank was awarded the “First Prize of FinTech Development Award” by the PBOC, 2025 “China’s Best Ageing Financial Services” by The Asian Banker, “2025 Pension Management Institution” by The Economic Observer, “Certification at Excellence Level (Level 5) for Digital Technology Application Capability under the Business Value-based Financial Digital Maturity Model (FDMM) for the Financial Industry” by China Academy of Information and Communications Technology, “National Mobile Banking Trailblazer, Corporate Mobile Banking Trailblazer” by CFCA, “2025 Brand Award for Bank Wealth Management” by Shanghai Securities News, “Best Treasury and Cash Management Services Bank, China’s Best Cash Management Services Bank” by The Asset, “Excellent Wealth Management Bank for Implementing the “Five Priorities” of Finance” by China Fund Journal, “Best ERP Integration/H2H Solution/Project” by The Asian Banker, “People’s Craftsmanship Brand (BOCOM Hui Dai)” by People’s Daily Online, “2025 ‘Golden Pinnacle’ Excellent Case (Technology Finance)” by CNR Network Finance Centre, “China’s Best Inclusive Finance Project (Benefit Business Loan)” by The Asian Banker, “Financial Golden Tripod Award (Technology Finance)” by National Business Daily, “First Prize for Team in Data Modeling Track (Bank Group) of Financial Industry Digital Transformation Skills Competition (Retail Credit)” by National Committee of Chinese Financial Workers’ Union, “2025 Best Supply Chain Finance Bank” by Trade Finance, “China Treasury Construction Benchmark Bank” by Trade Finance, “Golden Bull Private Banking Award” by China Securities Journal, “China Star Award for Best Private Banking” by Global Finance Magazine, “Best Treasury Service Practice Bank Award, Best Industry Solution Award, Best Scene Solution Award” by Treasury China and “Best Practices in Annual Results Briefing of Listed Companies” by China Association for Public Companies.

In 2024, the Bank was awarded the “First Prize of FinTech Development Award” by the PBOC, “Mobile Banking Annual Excellence Award” and “Enterprise Online Banking Annual Excellence Award” by CFCA, “Innovative Practical Cases of Building a Financial Power (Technology Finance, Pension Finance)” by *People’s Daily Online*, “The Best Custodian, China; the Best Custodian, Pension, China; and the Best Custodian, ETF, China” by *The Asset*, “Outstanding Cases of Pension Finance of Financial Institutions in 2024” by *Xinhua News*, “Best Private Bank for Sustainable Investment” by *Global Finance Magazine*, “Annual Digital Finance Cases of “Annual Ceremony for Building a Financial Power 2024” (Credit+Medical)” by *CCTV Finance*, “Boutique Private Bank Award 2024” by *Securities Times*, “Level 5 Certification of Data Management Capability Maturity Model (DCMM)” by China Information Technology Industry Federation, “ESG Best Practice Examples for Listed Companies 2024” by China Listed Companies Association and “Advanced Organisation of Green Bank Evaluation” by China Banking Association.

In 2023, the Bank was awarded the “First Prize of Shanghai Financial Innovation” by Shanghai Municipal People’s Government, “First Prize of FinTech Development Award” by the PBOC, “Best Personal Mobile Banking Award” and “Best Corporate Mobile Banking and Corporate Internet Banking Awards” by China Financial Certification Authority, “Data Governance Best Practice Award” by International Data Management Association, “Best Custodian, Pension, China” by *The Asset*, and “ESG Best Practice Examples for Listed Companies 2023” by China Listed Companies Association.

THE BANK’S COMPETITIVE ADVANTAGES

A fast-growing state-owned bank in China with sustainable improvement in value creation

Known as a “centuries-old bank”, the Bank established its time-honoured financial brand with a long-standing history and accumulative competitive advantages. As at 30 June 2026, the total assets of the Group amounted to RMB16,260,175 million. As at 30 June 2026, the deposits from customers of the Group reached RMB9,915,436 million and the loans and advances to customers of the Group amounted to RMB9,489,673 million. The Bank enjoys high recognition and reputation nationwide. The Bank was ranked in Fortune 500 for sixteen consecutive years, and ranked No. 48 in 2026. The Bank ranked No. 7 among the Top 1000 World Banks 2026 by *The Banker*.

The Bank has always been a pioneer of reformation in banking sector since reorganisation. The Bank is the first national joint-stock commercial bank in China, the first integrated commercial bank to carry out banking, insurance and securities businesses and the first domestic large scale commercial bank to successfully bring in foreign capital and to list overseas. In 2015, the Bank took the initiative to be responsible for the financial pilot reform in China after its reformation plan, BoCom's Plan to Strengthen Reformation, approved by the State Council. In taking "creating shared value and providing the best service" as its core value, the Bank will continue to implement reformation as appropriate and place emphasis on the continuous strategic landscape for stronger wealth management characteristics, with an aim to become a bank with top wealth management businesses and global competitive capabilities in the world.

The Bank is one of the first banks to initiate the concept of wealth management services in the industry. The brand and characteristics of wealth management became more and more prominent with the continuous development of the Bank's wealth management service system. The Bank has also obtained various licences relating to trust, leasing, fund, insurance, securities and financial investment, to develop its wealth management business. In 2019, the Bank set up and continuously expanded its asset management subsidiary and fund management subsidiary. The Bank has built up a product and service system categorised by wealth preservation and incrementation, financial planning and risk hedging in order to provide online and offline financial services in relation to on-and-off balance sheet and debt and equity investment. Targeting retail customers, the Bank also integrated certain retail services into the system with respect to wealth management, family trust, insurance broker and asset management. As at 30 June 2026, the individual financial AUM managed by domestic branches was RMB6,320,000 million, representing an increase of 5.79 per cent. over the end of the previous year; and number of monthly active users ("MAU") of personal mobile banking increased by 3.82 per cent. over the end of the previous year to 51.0005 million. During For the six months ended 30 June 2026, the Group reported fee and commission income from wealth management business of RMB4,044 million through the consignment of wealth management products, funds and wealth management business.

The Group maintains constant and steady growth in terms of its business scale. The Group's corporate banking businesses routinely increased. As at 30 June 2026, the Group's corporate loan balance increased by RMB411.196 billion or 6.80 per cent. as compared with the end of the previous year, in which related loans to the manufacturing industry, green credit and the agriculture-related loans increased 12.89 per cent., 9.67 per cent., and 5.91 per cent., respectively, all exceeding the average growth rate of the Group's loans. For the six months ended 30 June 2026, the business volume of industrial value chain financing increased by 13.13 per cent. on a year-on-year basis. As at 30 June 2026, the balance of loans of inclusive loans for small and micro enterprises amounted to RMB957,823 million, representing an increase of 5.46 per cent. over the end of the previous year. As at 30 June 2026, the number of customers with loan balances was 518.0 thousand, representing an increase of 4.52 per cent. over the end of the previous year. For the six months ended 30 June 2026, the industrial chain finance business volume reached RMB361,073 million, increased by 13.13 per cent. on a year-on-year basis.

The Group's personal banking business also showed an upward trend. As at 30 June 2026, the Group's balance of personal deposits increased by 6.08 per cent. over the end of the previous year to RMB4,306,291 million, and its balance of personal loans decreased by 2.82 per cent. over the end of the previous year to RMB2,755,025 million. As at 31 December 2025, the credit cards of domestic banking institutions remaining in force reached approximately 57.9935 million. For the year ended 31 December 2025, the cumulative issuance of New Resident-themed debit cards reached 3.2422 million. As at 31 December 2025, the personal consumption loan balance of domestic banking institutions increased by 19.82 per cent. over the end of the previous year.

Committed to building the international and comprehensive financial service platform

The Bank is committed to becoming a first-class international bank with advantages in international businesses and delivering global financial services. The Bank is one of the most internationalised domestic banks in China

and its international layouts are at the forefront with respect to its domestic counterparts. Its overseas banking institutions have initially sprouted up within the Asia-Pacific area. The layout of offshore service network has been progressing steadily. As at 30 June 2026, the Bank established 24 overseas branches (subsidiaries) and representative offices with 66 overseas operating outlets, providing customers with comprehensive financial services including deposits, loans and advances, international settlement, trade financing and foreign currency exchange. The Bank continues to strengthen trade convenience and the construction of CNY cross-border payment scenarios, while enhancing financial services in the field of foreign investment and foreign trade. As at 30 June 2026, the cross-border Renminbi settlement volume of domestic banking institutions increased by 17.63 per cent. on a year-on-year basis. As at 30 June 2026, the Bank had established overseas banking service network with head offices of 1,121 banks in 136 countries and regions, and opened 148 RMB accounts for 89 overseas Renminbi participating banks in 29 countries and regions, and opened 115 foreign currency clearing accounts in 29 currencies with 68 banks in 32 countries and regions. In addition, for the six months ended 30 June 2026, the net profit of the Group's overseas banking institutions was RMB5.706 billion, accounting for 11.92 per cent. of the Group's total net profit. As at 30 June 2026, the total assets of the Group's overseas banking institutions was RMB1,277.724 billion, accounting for 7.86 per cent. of the Group's total assets.

To facilitate the globalisation of domestic enterprises, the Bank and HSBC has also jointly created the "1+1" global financial service brand. The Group innovated and optimised the cross-border settlement business of the Silk Road e-commerce/cross-border e-commerce platform and supported the foreign trade micro merchants of e-commerce platforms such as Amazon to realise export collection based on electronic transaction information. To enhance its global influence, the Bank is also devoted to promoting the integration of its businesses. To be facilitated by its various wholly-owned and controlling subsidiaries, the Group provides comprehensive financial services and products to its customers, comprising fund, trust, financial leasing, onshore insurance, investment banking, offshore insurance, debt-to-equity swap and wealth management.

BoCom Schroder Fund, whose primary businesses are fund raising, fund sales and asset management, was awarded "Golden Bull Award for Fund Advisor Service" and "Seven-Year Open-ended Hybrid Sustained Outperformance Golden Bull Fund won by its BOCOM Trend Priority" by China Securities Journal in 2025. As at 30 June 2026, it had public offering funds of RMB553.9 billion, representing an increase of RMB51.6 billion as compared with the beginning of the year, of which non-monetary fund was RMB253.4 billion, representing an increase of RMB28.4 billion as compared with the beginning of the year, and major product categories, including active equity, "fixed income+" products, bond funds, monetary funds and FOFs, all recorded growth. Its net profit for the six months ended 30 June 2026 was RMB419 million, representing a year-on-year increase of 2.43%.

Staying committed to fulfil the original mission as a trust company to serve the real economy, BoCom International Trust focuses on, among others, trust loans, equity investment trusts, credit asset securitisation, corporate asset securitisation, qualified domestic institutional investor (QDII), family trusts, charitable trusts. It was awarded "Sincere Trust • Best Wealth Management Service Trust Product Award" by Shanghai Securities News and "Golden Bull Award for Three-Year Hybrid Product, Golden Bull Award for Three-Year Fixed Income Product" by China Securities Journal in 2025. As at 30 June 2026, its total assets, net assets and the AUM were RMB19.3 billion, RMB17.762 billion and RMB1,068.853 billion, respectively. BoCom International Trust's net profit for the six months ended 30 June 2026 was RMB113 million, and an additional provision of RMB362 million was made, further strengthening the risk cushioning capacity.

BoCom Leasing continues to promote financing leasing and operating leasing in sectors such as aviation, shipping and energy power, transportation infrastructure, equipment manufacturing and livelihood services. It was awarded "Third prize of the 2023-2024 Shanghai Financial Innovation Achievement Award (Innovative Practice Plan for RMB Internationalization in Financial Leasing Business)" by CPC Shanghai Municipal Committee, Shanghai Municipal People's Government, and "2025 (8th) China Financial Leasing 'Tengfei

Award – Best Financial Leasing Company of the Year” by China Financial Leasing “Tengfei Award” Evaluation Committee in 2025. As at 30 June 2026, its total assets, net assets and balance of leasing assets amounted to RMB456,470 million, RMB55,275 million and RMB402,312 million, respectively. As at 30 June 2026, BoCom Leasing’s net profit reached RMB2,868 million, representing a year-on-year increase of 23.54 per cent. In addition, as at 30 June 2026, it owned and managed 433 ships and RMB157,487 million of shipping leasing assets. BoCom Leasing was the largest leasing company in the domestic merchant fleet. As at 30 June 2026, it has a fleet of 328 planes and had aviation leasing assets of RMB99,089 million, and established a project company for the first time at the large aircraft aviation industrial park in Lingang New Area, and delivered one C919 aircraft to Air China.

In relation to onshore insurance, BoCommLife remains committed to provide life insurance, health insurance, accident insurance and reinsurance business. In 2025, it was awarded “Life Insurance Company of the Year, Customer Trusted Product Brand of the Year” by Insurance Culture, and “Quality Service Insurance Company of the Year” by Hexun. For the six months ended 30 June 2026, BoCommLife achieved insurance service income of RMB1,392 million, maintaining stable year-on-year. Meanwhile, achieving operating revenue was RMB6,618 million, which increased by 56.73 per cent. on a year-on-year basis, and realising a net profit of RMB1,449 million for the six months ended 30 June 2026, an increase of 127.86 per cent. on a year-on-year basis.

With respect to offshore insurance, BoCom Insurance expands its banking-related insurance business domestically and overseas and officially obtains the full-coverage aviation insurance license issued by the Hong Kong Insurance Authority (namely, No. 5 Aviation Insurance License and No.11 Aviation Liability Insurance Licence). In 2025, it was awarded “2025 “Good MPF Employer”, “e-Contribution Award” and “MPF Support Award” by Mandatory Provident Fund Schemes Authority of Hong Kong and “2025 Privacy-Friendly Silver Award” by Office of the Privacy Commissioner for Personal Data, Hong Kong. As at 30 June 2026, BoCom Insurance had total assets and net assets of HKD1,148 million and HKD590 million, respectively. Its net profit for the six months ended 30 June 2026 amounted to HKD6.81 million, representing a year-on-year decrease of 25.57 per cent.

As one of the first pilot banks to implement debt-to equity swap as determined by the State Council, BOCOM Financial Asset Investment is mainly engaged in debt-to-equity swap and supporting services. In 2025, it was awarded “2025 Property Rights Transaction Gold Award” by Shanghai United Assets and Equity Exchange and “2024 Best Investment Institution (BOCOM Capital Management Co., Ltd.)” by Private Equity Association of Shanghai. As at 30 June 2026, BOCOM Financial Asset Investment’s total assets and net assets were RMB80,741 million and RMB29,545 million, respectively. Its net profit for the six months ended 30 June 2026 was RMB1,466 million, representing an increase of 175.64 per cent. on a year-on-year basis.

For the six months ended 30 June 2026, net profit attributable to shareholders of the parent company from the subsidiaries¹ amounted to RMB6,694 million, the proportion of which to the Group’s net profit was 13.98 per cent. As at 30 June 2026, the total assets of the Group’s subsidiaries were RMB777,073 million, the proportion of which to the total assets of the Group was 4.78 per cent.

Prominent wealth management services

The Group grasped market opportunities and cooperated with sophisticated fund managers to manage its funds and investments, aiming to create conventional, popular and featured wealth management products and build up the name of BOCOM Wealth. In addition, the Group actively practiced the people-centred development idea,

¹ Excluding Bank of Communications (Luxembourg) S.A., Bank of Communications (Brazil) Co., Ltd. and Bank of Communications (Hong Kong).

deeply integrated wealth finance and inclusive finance, improved the availability and coverage of wealth management services, made products with security, profitability and liquidity benefit customers, and better met the multi-level wealth management needs of the people.

As at 31 December 2025, the Bank served 6.88 million customers holding wealth management products and the balance of wealth management AUM was 2.16 trillion, an increase of 10 per cent. compared to the end of the previous year. For the year ended 31 December 2025, the Bank was honoured with multiple awards, including the “2025 Bank Wealth Management Brand Award”. As at 31 December 2025, the Group served for 105,100 private banking customers, representing an increase of 11.62 per cent. from the end of the previous year. Assets of private banking customers under the Group’s management totalled 1,430.128 billion, representing an increase of 10.39 per cent. from the end of the previous year. In addition, the Group has established comprehensive service brands for its customers in relation to wealth preservation. The Group provided retail and individual customers, corporations and financial institutions with comprehensive financial services, building up a complete series structure comprising “Win to Fortune”, a corporate and interbank wealth management brand of the Bank providing comprehensive one-stop wealth management solutions for corporate, government institutions and interbank financial customers through intelligent financial service and digital transformation and “OTO Fortune”, a main brand of retail business of the Bank with core value of “creating and sharing abundant wealth with noble virtue” devoted to realising value maintenance and appreciation of wealth for customers. As at 31 December 2025, the number of qualified customers of OTO Fortune increased by 9.31 per cent. over the end of the previous year to 2.8999 million. As at 31 December 2025, the scale of AUM increased by 8.91 per cent. over the end of the previous year to RMB5,978,400 million.

Comprehensive and robust risk management

The Board of Directors of the Bank assumed the ultimate responsibility, served the highest function of decision making and monitored the Bank’s risk management through its Risk Management and Related Party Transaction Control Committee. The Bank’s Senior Management established a Risk Management Committee, namely the Comprehensive Risk Management and Internal Control Committee, and two business review committees, namely the Credit and Investment Review Committee and the High-risk Asset Review Committee. The business review committees were guided by and reported to the Comprehensive Risk Management and Internal Control Committee. Each provincial and directly managed branch, overseas branch, subsidiary and directly operating institution correspondingly established the Risk Management Committee accordingly referring to the aforementioned framework, which served as the main platform to study the prevention and control of systematic and regional risks and decision-making risks on major issues, ensured that the comprehensive risk management system had been implemented throughout the Group.

For the six months ended 30 June 2026, the Group continued to promote the digital transformation of risk management; being a market-oriented, customer-oriented and grassroots oriented Bank, the Bank focused on the current “new requirements for internal management, new situations for external supervision, and new breakthroughs in technology application”; and remained committed to building a full-process and full-coverage digital risk management system, building a solid bank-wide risk database, building enterprise-level risk management applications, strengthening the sharing and reuse of risk control capabilities, and enhancing risk management intelligence. For the six months ended 30 June 2026, the Bank strengthened the supply of measurement models in strategic areas, continuously improved the construction of risk monitoring systems, optimised the risk analysis tools of inclusive retail assets and constantly improved the risk measurement and monitoring capabilities of the entire Group to support high-quality business development. The Bank continuously improved the work related to new capital regulations in accordance with regulatory requirements. In particular, model risk management was strengthened to ensure a smooth transition under the new capital regulations. The Bank also continuously strengthened the credit risk identification and management in key sectors, further optimised systems and models of risk monitoring, assessment and measurement, and the direct

operation and management mechanism for the asset preservation was significantly effective. By maintaining strict asset quality classification standards, the foundation of asset quality was continuously strengthened, and the asset quality was steadily improved. As at 30 June 2026, the balance of non-performing loans was RMB123,510 million and the non-performing loan ratio was 1.30 per cent., representing an increase of RMB6,527 million and an increase of 0.02 percentage point, respectively, over the end of the previous year.

Experienced and professional management team and talent pool

The Group's senior management has an average of more than 20 years' experience in banking practice and is well experienced in management. Among the Group's senior management, Mr. Ren Deqi, the Chairman of the Board of Directors and Executive Director, has over 30 years' experience in banking sector, holding important positions. In 2026, the Bank optimised the talent development policy mechanism, and strengthened the construction of professional teams to provide a strong foundation for high quality development and the digital transformation of the Bank. The Bank made every effort to promote the implementation of the Ten Thousand People Technology Engagement plan. As at 31 December 2025, the Group had 9,782 fintech personnel, representing an increase of 8.20 per cent. over the end of the previous year. The Bank expanded support for professionals in key business areas and regions, and continued to focus on recruiting resources in key areas such as the "five priorities" of finance, fintech, retail risk control, audit and compliance, as well as in regions with large numbers of professionals such as the Yangtze River Delta, the Guangdong-Hong Kong-Macao Region and the Beijing-Tianjin-Hebei Region. The Bank promoted the "National Hundred, Thousand, and Ten Thousand Talents" key talent development initiative in a deep and solid manner. The Bank adopted multiple measures to carry out targeted training through special project exercises, on-the-job practice, mentoring and coaching, and professional training, and constantly improved the mechanism for independent talent cultivation. The Bank regularly carried out talent service team projects and continued to select talents to provide assistance to branches in remote and difficult areas, national strategic regions, and areas with operational and development difficulties.

The Group also adheres to pursue operational improvements and actively reforms its corporate governance structure in a professional manner. Currently, the Bank has established its modern corporate governance mechanism comprising the Shareholders' General Meeting, the Board of Directors and Senior Management with clearly defined roles, authorities and responsibilities. Based on their mutual coordination and individual operation, the Group protects the legitimate rights and interests of shareholders and other stakeholders and functions fairly and efficiently.

Strategic cooperation with HSBC

In 2022, the Bank and HSBC were strongly committed to promote the cooperation in various fields under the framework of the strategic cooperation mechanism, as well as consolidating the mutually beneficial and win-win cooperation situation. The Bank and HSBC held the top-level meetings at the Chairman/Group Chairman through online channels; established and conducted the dialogue mechanism for the President/Group CEO; communicated the significant matters of business development in a timely manner, and determined the direction and route of cooperation. The Bank and HSBC steadily promoted cooperation in various fields under the unified framework of "1+1 Global Financial Service" based on the market-oriented principles. The Bank and HSBC have joined hands to provide syndicated loans to "going out" Chinese enterprises, continued to promote cross-border Renminbi settlement, interbank bond trading and other business corporation, as well as promote fund distribution corporation in a steadily increasing scale. The Bank and HSBC continued to maintain their advantages in overseas corporation.

Under the framework of "Resources and Experience Sharing (RES)", both parties focused on the transformation and development, business innovation and other issues, and also continued carrying out the mutual training and business experience exchange. In 2022, the Bank and HSBC successfully resumed Hong Kong exchange

projects, and promoted in-depth exchanges around trade finance, sci-tech finance and green finance by organising three key training sessions.

2024 marks the 20th anniversary of the Bank and HSBC cooperation. The Bank intends to work with HSBC through close communication and collaboration to further expand cooperation in key areas and key fields around the common strategic priorities of both parties to produce more fruitful results.

THE GROUP'S PRINCIPAL BUSINESS ACTIVITIES

The Bank provides the customers with corporate banking, personal banking and interbank and financial market businesses. Corporate banking businesses include offering deposits and loans, supply chain finance, cash management, international settlement and trade finance, investment banking, asset custody, wealth management and all kinds of intermediary businesses to corporate customers and government agencies. Personal banking businesses include services such as deposits and loans, wealth management, bank cards, private banking and all kinds of intermediary businesses for individual customers. Interbank and financial market businesses include cooperation with customers in the markets of interest rates, exchange rates, commodities, providing comprehensive services such as investment and financing, transactions, agency, settlement and liquidation. In addition, the Group is involved in businesses in financial leasing, fund, trust, insurance, overseas securities, debt-to-equity conversion and asset management through wholly-owned or controlling subsidiaries.

Corporate Banking Business

As at 30 June 2026, the Group's corporate deposit balance increased to RMB5,464,231 million. As at 30 June 2026, the Group's corporate loan balance was RMB6,455,006 million, representing an increase of RMB411,196 million or 6.80 per cent. over the end of the previous year, among which short term loans increased by RMB289,427 million, and medium and long-term loans increased by RMB121,769 million, the proportion of medium and long-terms in loans and advances to customers increased to 45.29 per cent.

Technology finance services

The Bank elevated the development of technology finance to a strategic priority. By integrating it into the Group's 15th Five-Year Plan for coordinated advancement, the Bank is committed to building a multi-tiered technology finance service system, using technology finance as a strategic lever to further enhance our advantages in comprehensive services and actively serving the national strategy of building China into a science and technology powerhouse.

The Bank transformed its business development mindset by shifting from a traditional credit mindset which focuses on financial statements, collateral and historical data to an investment banking mindset that emphasises management team, industry tracks and future prospects, placing enterprise value creation at the core. The Bank reshaped its evaluation system by independently developing a "1+N" evaluation model for technology-based enterprises. This model accurately assesses enterprises' "technological capabilities" across multiple dimensions and integrates this assessment into the entire business process, including marketing access, credit approval and risk prevention. The Bank strengthened its industry research by focusing on key sectors in technology finance, establishing dedicated research teams involving cross-departmental collaboration and participation of its head office, branches and sub-branches, thereby directing more finance resources to priority areas. The Bank optimised its organisational structure by establishing dedicated technology finance promotion institutions including specialised departments, special task forces and flexible teams across more than 30 domestic branches. Taking the lead in Shanghai, Zhejiang, and Anhui, the Bank has been cultivating a team of Sector Managers. The Bank was also committed to developing its ecosystem by co-building a deeply integrated ecosystem of industry, academia, research, and application, and actively connecting with universities, research institutes and incubators, which helped to accelerate the commercialisation of scientific and technological achievements. Furthermore, the Bank strengthened its collaboration with China's three major stock exchanges

and organised a series of events, such as “Visit to Stock Exchanges,” for enterprises across various regions, empowering them to successfully enter the capital markets.

Inclusive services for small and micro enterprises

The Bank diligently advanced the development of inclusive finance, and with full support to the Coordination Mechanism for Supporting Small and Micro Enterprise Financing, the Bank continuously enhanced the financial services for small and micro enterprises. The Bank continued to enrich the brand essence of BOCOM Zhanyetong and BOCOM Yinongtong, and enhanced the on-line service capability of the “Zhanye e-Loan” and “Yinong e-Loan” product series. The Bank thoroughly implemented the “BoCom Business Connect • National Scan-to-Access Campaign” initiatives, promoted active credit granting and the “Credit+” service model. Furthermore, the Bank strengthened the coordinated development of inclusive finance and technology finance to increase the coverage of credit granting among key inclusive sci-tech clients. The Bank accelerated data-driven empowerment to further enhance digital risk management capabilities, continuously strengthened post-loan management and compliant operations, and strictly adhered to risk and compliance standards. As at 30 June 2026, the balance of inclusive loans to small and micro enterprises was RMB957.823 billion, representing an increase of RMB49.595 billion or 5.46% from the beginning of the year. The number of customers with outstanding loans stood at 518.0 thousand, representing an increase of 22.4 thousand or 4.52% from the beginning of the year. Investment banking services The Bank integrated into its offerings diversified investment and financing products such as domestic and overseas bonds, equities and M&A financing, and actively served key national strategies including technological innovation, green low-carbon, high-level opening up, and regional development. For the six months ended 30 June 2026, the Bank’s scale of underwriting of debt financing instruments issued by non-financial enterprises amounted to RMB62.834 billion. The Bank supported the cultivation of new quality productive forces and the development of key sectors through M&A finance. For the six months ended 30 June 2026, the volume of new M&A loans originated by the Bank’s domestic branches increased by 60% year-on-year.

Customer development

Serving national development strategies and regional economic layouts and guided by a customer-centric service philosophy, the Bank made every effort to implement the customer base enhancement project of “strengthening medium-sized customers, stabilising large customers, and expanding small customers.” The Bank has built BOCOM’s “Baihe Qianlian” industry-finance ecosystem to elevate its digital chain-cluster management capabilities for clients in key industries and emerging sectors, enabling the Bank to swiftly perceive client needs and precisely match them with its financial services. The Bank continued to implement tiered and segmented management of corporate clients and provided refined, professional, and integrated services. By accompanying its clients throughout their entire life cycle, the Bank drove mutual success in bank-enterprise cooperation. As at 30 June 2026, the number of corporate clients of its domestic branches increased by 3.23% compared to the end of the previous year.

The Bank established a collaborative coordination mechanism for group clients, optimised its service models, policy support, and business processes and strengthened the Group’s collaborative operating capabilities on a cross-border and cross-regional basis. As at 30 June 2026, the Group had 143,400 group clients, representing an increase of 9,015 from the end of the previous year. Furthermore, the Bank fully leveraged the benefits of the organisational reform in its government and institutional business sector, and continued to deepen its bank-government cooperation. The Bank actively participated in digital government initiatives and urban digitalisation transformation processes, helping to deliver streamlined government services and build a smart government product ecosystem.

Scenario development

The Bank enhanced the digitalisation level of its industrial chain finance. By intensifying product system innovation, the Bank made full use of domestic trade credit insurance to facilitate policy financing, actively promoted the “Insurance + Credit + Financing” model, and continuously iterated on its “second-level” financing product line, leveraging technology to boost service efficiency and optimise the customer experience. For the six months ended 30 June 2026, the volume of industrial chain finance business reached RMB361.073 billion, representing a year-on-year increase of 13.13%. The Bank served 44,800 upstream and downstream enterprises in the industrial chain, representing a year-on-year growth of 17.3%. Through its comprehensive “Power Grid Connect” service solution, the Bank deepened its cooperation with the three major national grid groups and their upstream and downstream customers. For the year ended 30 June 2026, the Bank acquired 2,774 new “Power Grid Connect” clients and issued RMB45.681 billion in financing.

The Bank built a new ecosystem for corporate treasury management. The Bank upgraded and launched the “Win-to Treasury Management System (Cloud Cross 3.0),” establishing six core capabilities: global account management, omni-channel payments, fund allocation, budget and risk control, ecosystem integration, and decision analytics, which empowered enterprises to elevate their treasury management from “passive response” to “proactive foresight.” As at 30 June 2026, the Bank had cumulatively served 4,187 group clients, representing a 64.13% increase compared to the end of the previous year. Furthermore, leveraging the “BOCOM e-Supervision Platform,” the Bank delivered penetrative fund supervision capabilities to scenarios such as government affairs and public welfare, cumulatively serving 11,511 projects.

Ageing Finance

The Bank is committed to building “an elderly-friendly bank” and continuously advancing a comprehensive service system that covers five key areas: ageing industry finance, pension fund finance, ageing wealth management finance, ageing consumption finance, elderly-friendly enhancement of financial services, and the protection of rights.

Financial support for the ageing industry continued to be promoted. The Bank optimised its distinctive “Elderly Care e-Loan” product and actively promoted the implementation of service consumption and elderly care re-lending policies to support the development of elderly care service providers and entities in the silver economy. As at 30 June 2026, the Bank’s loan balance for the ageing industry increased by 9.26% compared to the end of the previous year. The scale of pension financial services grew rapidly. The Bank vigorously promoted social security cards, annuities, and personal pension services, maintaining its pension fund custody scale at the forefront of the industry. Financial supply of ageing wealth management was enriched, with its subsidiaries maintaining a competitive edge in specialised areas such as the scale of ageing target fund under management and the yield rates of ageing wealth management products. The Bank promoted financial support for ageing consumption. The Bank offered benefits such as payment discounts and exclusive travel services for senior-aged customers in selected regions to stimulate consumption among elderly consumers. Financial services became more elderly-friendly. The Bank prioritised the development of specialised pension finance branches to upgrade age-friendly facilities and services. Furthermore, the Bank intensified the building of the ageing finance ecosystem. The Bank has implemented prepaid fund supervision services for elderly care facilities across multiple regions nationwide, safeguarding the “wallets” of the elderly people. As at 30 June 2026, 26 domestic branches had obtained the qualification to serve as custodian banks for prepaid fund supervision of local elderly care facilities, cumulatively serving over 800 such facilities. Centring on core lifestyle needs of the elderly people including healthcare, nutrition, housing, transportation, recreation, wellness, and education, the Bank made efforts to build an integrated “elderly care + financial services” ecosystem.

Personal Banking Business

As at 30 June 2026, the balance of personal deposits of the Group amounted to RMB4,306,291 million representing an increase of 6.08 per cent. over the end of the previous year. As at 30 June 2026, the balance of personal loans was RMB2,755,025 million, representing a decrease of 2.82 per cent. over the end of the previous year.

Wealth Management

As one of the first commercial banks in China to establish a presence in wealth management, the Bank continuously strengthened its professional capabilities, optimised product offerings, deepened multi-party collaboration, and expanded service coverage. Leveraging its core business advantage in urban financial service networks, the Bank explored a differentiated development model of “urban customer group + premium products + distinctive scenarios” by focusing on distinctive strengths, pursuing differentiated development, and making strategic deployment in key areas, with aims to forge its edge in resident wealth management and make convenient and customer-centric financial services accessible to the general public.

The Bank deeply cultivated its wealth management brand, leveraging two decades of professional expertise in “OTO Fortune” to help a vast number of customers navigate market cycles and serve as a trusted “wealth steward”. As at 30 June 2026, the AUM of OTO Fortune customers increased by 7.08% from the end of the previous year. The Bank advanced the “100 Cities and 10,000 Households” project, collaborating with leading asset management institutions to extend our financial services to second-, third-, and fourth-tier cities as well as county-level areas, expanding its service radius to meet the multi-tiered and diversified wealth management needs of the public. For the six months ended 30 June 2026, the project covered over 200 operating units. The Bank also launched the “OTO Wealth Management Tour Across Ten Thousand Miles” to innovate investor education, enhance residents’ understanding of wealth management, and deliver professional services right to their doorsteps. For the six months ended 30 June 2026, the Bank held 121 events across 63 cities.

The Bank strengthened full-chain financial services, leveraged its comprehensive financial licences and cross-border network advantages, and deepened bank-subsidiary, cross-border, and channel synergies to tailor one-stop wealth management solutions for customers. The Bank further enhanced the coordinating role of its Head Office Wealth Management Department, diversified product offerings, and built an “OTO Choice” product shelf driven by research and investment insights. The Bank is committed to optimising a client-centric full-lifecycle service model in wealth management, shaping a new landscape of professionalism, integration, and end-to-end excellence.

In response to trends such as population ageing and the AI technology wave, the Bank further enriched the connotation of wealth management. The Bank enhanced its pension wealth management service system to better address the diverse pension needs of its customers. As at 30 June 2026, the Bank offered 253 individual pension products on sale, covering deposits, wealth management products, funds, and insurance. The Bank also provided 405 age-friendly products under the “Elderly Care Select” series, including 180 insurance products that accept applicants aged 70 or above. Leveraging technology to enhance service experience, the Bank deepened the application of AI in its personal wealth management systems, enabling dynamic performance monitoring.

Private banking

The Bank remains committed to a customer-centric approach, advancing the digital-intelligent and integrated business layout for its private banking clientele. The Bank deepened the application of artificial intelligence in wealth management, developed an AI agent for customer engagement and established a closed-loop digital-intelligent operating system to assist relationship managers in identifying client marketing leads, promoting key products, and inviting clients to events. Profoundly recognising the political and people-centred nature of financial work, the Bank launched a series of activities themed on promoting Chinese civilisation, such as

“Cultural Continuity through the Past and Present”, “Visiting Prestigious Universities” and “Scholarly BOCOM”, continuously enriching the formats and substance of these events.

The Bank made ongoing efforts in improving the access mechanism for partner institutions, maintaining a stable supply of low-volatility and prudent products as its foundation. The Bank diversified its product strategies and increased the supply of equity-linked products. Leveraging its professional asset allocation capabilities, the Bank provided its customers with full-lifecycle advisory services. The Bank addressed customers’ needs in wealth preservation and succession, comprehensive retirement planning, business operation and governance, and philanthropic planning. Furthermore, the Bank focused on the contemporary theme of “wealth for good” and explored innovative pathways in philanthropic finance.

Personal lending

The Bank practised inclusive finance by focusing on the dual-core value proposition of “Benefiting Life and Benefiting Business”, and leveraging its overall personal loan brand “BOCOM Hui Dai”. The Bank actively implemented policies to stabilise the property market, fully supported residents’ financing needs for both first-home and improved-home purchases, and deepened collaboration with high-quality channel partners. The Bank promoted digital and intelligent applications across the entire mortgage process to effectively enhance the customer application experience. As at 30 June 2026, the outstanding balance of mortgages loans stood at RMB1.40 trillion. For the six months ended 30 June 2026, new disbursements of housing loans by the Bank’s domestic branches amounted to RMB68.7 billion. Focusing on residents’ consumption of services and new types of consumption, the Bank stepped up innovation in consumer finance products, expanded application scenarios, and optimised services, and launched the convenient “Jiaoxin Pay” function, delivering “enjoyable consumption with subsidised interest on loans.” The Bank actively aligned with emerging consumption scenarios such as battery leasing, and established headquarter-level partnerships with 27 major automotive brands. For the six months ended 30 June 2026, new disbursements of personal consumption loans by the Bank’s domestic branches totalled RMB230 billion. The Bank promoted the “Cultural Tourism Benefit Loan” financial service brand, upgraded the “Government Subsidies Loan”, an online unsecured business loan product for dealers participating in the national subsidy programme, strengthened the product competitiveness of personal business loans, refined customer acquisition strategies around ecosystem and supply-chain scenarios, and improved the supply of financing to enhance the precision of financial services for individual industrial and commercial households and owners of micro and small enterprises. For the six months ended 30 June 2026, new disbursements of personal business loans by the Bank’s domestic branches reached RMB205.7 billion.

The Bank reinforced its risk prevention and control capabilities in retail credit and accelerated the digital and intelligent transformation. In light of both internal and external risk conditions, the Bank continuously enhanced the forward-looking and effectiveness of risk management, iteratively upgraded its risk control model system, strengthened joint prevention and control against fraud, and further refined its collection system. The Bank strengthened asset quality management and control from three aspects: improving the quality of new business, enhancing management of existing business, and resolving material risks. For the six months ended 30 June 2026, the Bank developed 14 new models, with the models’ discriminative capability improving significantly. The Bank also enhanced its public anti-fraud framework, upgraded defences against fraud in illegal and grey-industry activities such as professional debt-taking, and cumulatively avoided losses exceeding RMB1.8 billion. The Bank was deeply engaged in the “AI+” initiative and promoted new applications such as AI agent for retail credit services. As at 30 June 2026, nearly 40 application scenarios had been deployed in the retail credit business, ushering in a new landscape for human-machine collaborative applications.

Credit Card

The Bank resolutely implemented the strategies and deployments of the CPC Central Committee on expanding domestic demand and promoting consumption, and continued to release the dividends from localised operation

transformation. In the first half of the year, the Bank seized the opportunity from government-subsidised interest rates policy by continuously expanding the supply of instalment services. For the six months ended 30 June 2026, subsidised instalment transaction volume for credit cards reached RMB46.3 billion, with subsidy amounts totalling RMB101 million, maintaining a leading market position. The Bank enhanced its “Red Friday” brand, and continued to focus on the new service consumption sectors, by prioritising the layout of potential consumption scenarios such as cultural tourism, health and wellness, sports events, and self-fulfilment. For the six months ended 30 June 2026, the transaction volume of credit cards amounted to RMB973.4 billion, and transaction count amounted to 2.47 billion. The Bank enriched the credit card product portfolio, upgraded the diversified rights and interests supply, and launched characteristic products such as “Cultural Tourism Card”, “Benefit Enjoyment” and “Pet Card” tailored to key scenarios and customer bases to better meet its customers’ finance needs.

Retail customers

The Bank solidly advanced the project to strengthen the customer base, focusing on key source customer segments such as payroll customers and social security customers, and intensifying efforts in batch customer acquisition. The Bank strengthened its digital-intelligent operational capabilities, used AI models to gain insights into customer needs, employed digital and intelligent tools to engage customers in real time, created an online and offline full-tier customer management model, enhanced the customer growth system, enriched the matrix of customer product rights and benefits, and improved the tiered and categorised service system for customers. As at 30 June 2026, the number of retail customers of the Bank’s domestic branches reached 208 million, representing an increase of 1.52 per cent. compared to the end of the previous year. The number of OTO Fortune’s customers increased by 5.44 per cent. compared to the end of the previous year.

Scenarios and payments

The Bank continuously strengthened coordination and cooperation with relevant government departments in the culture and tourism, commerce, and other sectors, to serve the development of local cultural tourism and related industries. The Bank organised nine “Cultural Tourism Grand Show – Walk Into” campaigns, and partnered with government departments to cultivate both online and offline consumption scenarios, thereby boosting cultural tourism spending. Notably, the Bank innovatively launched the “Walk Into the Vibrant Life” Shandong event, further enhancing its brand image. Leveraging the cultural tourism zones of its mobile banking and Go Pay APP, the Bank jointly conducted distinctive online marketing campaigns with leading local cultural tourism merchants. As at 30 June 2026, the Bank launched the “Cultural Tourism Grand Show” project in over 20 provinces, with bank card consumption in the cultural tourism sector exceeding RMB100 billion.

The Bank advanced the integrated operation of credit and debit card consumption in a coordinated manner. By partnering with leading e-commerce platforms to launch a series of bank card payment binding and marketing campaigns, the Bank effectively boosted customer consumption activity. The Bank continuously optimised customers’ payment and settlement service experience and enhanced payment convenience for foreign nationals residing in China. For the six months ended 30 June 2026, the coverage rate of foreign card acceptance at merchants in key regions and key industries remained at 100 per cent. The Bank cooperated with non-bank payment institutions to strengthen joint risk prevention and control and improve transaction success rates. Focusing on the needs of new urban residents, the Bank extended financial services to their daily lives as they settle in the city, providing exclusive financial products and services. As at 30 June 2026, the cumulative issuance of New Citizen-themed debit cards reached 3.6589 million.

Inter-bank and Financial Market Business

The Bank actively served the development of a modernised financial market system with Chinese characteristics, intensively participated in the development of financial markets including bond market, money market and foreign exchange market, strengthened its market making and quotation capabilities, deepened

cooperation in financial factor markets, optimised professional custody services, and transformed financial market products into quality financial services that meet the needs of economic and social development and various customers, constantly enhancing its capabilities to serve the real economy.

Inter-bank business

The Bank intensified services across the financial factor market to support Shanghai's development as an international financial centre. The Bank assisted the inter-bank market in enhancing settlement efficiency by extensively expanding services such as central counterparty agency clearing and foreign exchange settlement banking, participated in projects innovation involving blockchain-based settlement in the inter-bank foreign exchange market, and acted as agents for market institutions in settling the market's first transaction. In collaboration with the Shanghai Clearing House and the Hubei Carbon Emission Exchange, the Bank launched the first batch of carbon emissions allowance online pledge financing business in Hubei, empowering the green and low-carbon transformation of the real economy through financial innovation. The Bank is deeply engaged in developing its digital supporting services for the gold market, with Shanghai Gold Exchange's custodian bank services ranking among the top in the market for the number of financial institution members served. The Bank continuously enhanced the intelligence level of securities and futures market settlement services, providing robust safeguards for market security and stability. For the six months ended 30 June 2026, the Bank ranked among the top in the market in terms of each of the fiduciary clearing volume at Shanghai Clearing House and the fiduciary settlement volume at Shanghai Gold Exchange and securities, futures and other financial markets.

The Bank expanded its collaborative scenarios with industry peers to promote the healthy and stable development of the capital markets. The Bank has established third-party custody partnerships with 107 securities firms, margin financing and securities lending custody collaborations with 91 securities firms, and bank-futures transfer services with 147 futures companies. These arrangements provide settlement and related services for corporate and individual clients participating in capital market investments and trading.

Financial market business

The Bank diligently fulfilled its duties as a mainstay in serving the real economy and a ballast in maintaining financial stability. The Bank continuously enhanced the professional research and judgement of macroeconomic dynamics and financial market trajectories, adhered to the macro-prudential principle, dynamically adjusted the pace and strategies of the bond investment, and addressed various financing demands in major strategic initiatives, key sectors and vulnerable areas. Through optimising the types of portfolio and the term structure, and coordinating and maintaining a balance among safety, liquidity and return, the Bank provided robust support for the implementation of proactive fiscal policy and the financing requirements of the real economy, thereby contributing to high-quality economic and social development.

Leveraging its integrated service capabilities, the Bank proactively engaged in market-making, quotations and trading activities, thereby reinforcing the foundation for domestic benchmark pricing and enhancing the influence of the "Shanghai Price". For the six months ended 30 June 2026, the RMB money market trading volume of the Bank's domestic branches totalled RMB70.16 trillion, with the foreign currency money market trading volume of USD0.57 trillion, the RMB cash bond trading volume of RMB6.27 trillion, the inter-bank foreign exchange trading volume of USD2.05 trillion, the proprietary gold trading volume of RMB1.69 trillion, continuing to defend its position as an active market trader.

Asset custody business

By actively embracing the "+Custody" and "Custody+" services philosophy and integrating the Group's resources, the Bank satisfied the diversified, integrated and global comprehensive financial needs of its clients on an all-around basis. The Bank focused on pension fund custody, with an increase of over 600 annuity custody

clients, thereby driving the expansion and enhanced efficiency of its pension finance services. The Bank strengthened cross-departmental synergies across the Group, accelerated its development in high-quality custody products including public funds, insurance products, and bank wealth management products. The Bank also served as custodian for the first batch of innovative products, including over-the-counter STAR & ChiNext AI index funds, catering to the evolving wealth management needs of residents. In compliance with the latest regulatory requirements governing custody operations, the Bank refined its custody business policy framework and diligently performed its duties as a custodian, with no major risk incidents occurring.

As at 30 June 2026, the total assets under custody reached RMB11.27 trillion, including RMB3.45 trillion in pension funds, RMB2.38 trillion in securities investment funds, and RMB1.75 trillion in bank wealth management products.

FEATURE OF COMPREHENSIVE SERVICES

The Group has developed a structure where the commercial banking business serves as the core, closely integrated and connected with other financial sectors including financial leasing, fund management, wealth management, trust, insurance, overseas securities, and debt-to-equity swaps. This arrangement provides comprehensive financial services to customers. For the six months ended 30 June 2026, net profits of subsidiaries¹ that are attributable to shareholders of the Bank amounted to RMB6,694 million, the proportion of which to the Group's net profit was 13.98 per cent. As at 30 June 2026, total assets of the subsidiaries was RMB777,073 million, the proportion of which to the total assets of the Group was 4.78 per cent.

Major Subsidiaries

BoCom Leasing

As the Bank's wholly-owned subsidiary, BoCom Leasing was set up in December 2007 with a registered capital of RMB20.0 billion, and is the Chief Administration Unit of the China Banking Association's (CBA) Financial Leasing Committee as well as the Chief Administration Unit of the Shanghai Banking Association's Financial Leasing Committee. For the six months ended 30 June 2026, BoCom Leasing adhered to the development strategy of "specialisation, internationalisation, differentiation and specialisation", deepened its efforts in shipping, aviation, equipment leasing and other business sectors, and received a total of 12 prestigious awards. For the six months ended 30 June 2026, total assets were RMB456,470 million, and the balance of leasing assets was RMB402,312 million. The balance of net assets was RMB55,275 million. BoCom Leasing owned and managed 433 ships. The balance of shipping leasing assets amounted to RMB157,487 million, ranking first among its peers in terms of leasing assets. BoCom Leasing also had a fleet of 328 planes and a balance of aviation leasing assets amounting to RMB99,089 million, and established a project company for the first time at the large aircraft aviation industrial park in Lingang New Area, and delivered one C919 aircraft to Air China. For the six months ended 30 June 2026, BoCom Leasing generated operating income of RMB16,337 million; and net profit was RMB2,868 million, representing an increase of 23.54 per cent. on a year-on-year basis.

For the six months ended 30 June 2026, BoCom Leasing continued to deepen its transformation and innovation efforts, with new infrastructure and new energy leasing operations accounting for nearly 70 per cent. of equipment leasing deployments. It actively supported high-level technological self-reliance and self-strengthening, with the technology leasing business balance reaching RMB53,340 million. BoCom Leasing completed its first satellite finance leasing business, which provided robust support for the high-quality development of the commercial aerospace industry and refined its full-spectrum layout covering maritime, land,

¹ Excluding Bank of Communications (Luxembourg) S.A., Bank of Communications (Brazil) Co., Ltd. and Bank of Communications (Hong Kong).

aviation and space sectors. BoCom Leasing also successfully launched compute server operating leasing business. For the six months ended 30 June 2026, BoCom Leasing coordinated with 26 domestic branches of the Bank to achieve a financing scale of RMB26,401 million. It continuously reinforced the cooperation with multiple domestic branches of the Bank and successfully originated over RMB5 billion of new residential distributed solar photovoltaic operating lease business. BoCom Leasing also, in synergy with the Shanghai Branch of the Bank, facilitated the development of battery operating leasing business. As at 30 June 2026, direct leasing business accounted for 63.00 per cent. and operating leasing assets accounted for 54.05 per cent., both maintaining industry-leading positions.

BoCom International Trust

BoCom International Trust was set up in October 2007 with a registered capital of RMB5.765 billion, of which the Bank and Hubei Provincial Communications Investment Group Co., Ltd. contributed 85 per cent. and 12 per cent. shares respectively as at 30 June 2026. The main business scope includes asset management trusts, credit asset securitisation, corporate asset securitisation, qualified domestic institutional investor (the “QDII”), family trusts, insurance fund trusts, family service trusts, risk disposal service trusts, prepaid fund service trusts, public welfare and charity trusts, etc. BoCom International Trust, grounded in its capacity as a trustee, leveraged the functional advantages of the trust mechanism, deepened synergy with the Bank, and proactively served the real economy and the pursuit of a better life for the people. As at 30 June 2026, the total assets and net assets were RMB19.3 billion and RMB17.762 billion respectively; and the trust assets under management of BoCom International Trust were RMB1,068,853 million, representing an increase of 65.88 per cent. on a year-on-year basis. For the six months ended 30 June 2026, its operating income remained stable, achieving net profit of RMB113 million, and an additional provision of RMB362 million was made, further strengthening the risk cushioning capacity.

For the six months ended 30 June 2026, BoCom International Trust fully leveraged its functional strengths in trust services to actively integrate into the Group’s strategy, and implemented the “five priorities” of finance in line with local situations to support the high-quality development of the real economy. BoCom International Trust focused on key areas of technological innovation, expanded its presence in technology and innovation-focused bonds and private equity investments. Centering on green industries such as new energy power generation, energy conservation and environmental protection, and energy storage, BoCom International Trust enhanced its product innovation and provided diversified financing support, achieving a green finance balance of RMB11,047 million. Leveraging special needs trusts as a vehicle, BoCom International Trust launched elderly care service trusts, such as “Anfu Xiangban” series of products, which continuously diversified its pension financial product offerings, to meet clients’ retirement planning demands. BoCom International Trust also innovatively launched “fixed income+” products, including “Jiaoxin Xiangrong” and “Jiaoxin Zhiyuan” series of products, facilitating the rollout of portfolio allocation products, and continuously enhancing the market competitiveness of its asset management trust products.

BoCom Schroder Fund

BoCom Schroder Fund was set up in August 2005 with a registered capital of RMB0.2 billion as at 30 June 2026. It was jointly contributed by the Bank, Schroder Investment Management Limited and China International Marine Containers (Group) Co., Ltd., with the shares accounting for 65 per cent., 30 per cent. and 5 per cent. respectively. The primary businesses include fund raising, fund sales and asset management. As at 30 June 2026, the public offering funds of BoCom Schroder Fund was RMB553.9 billion, representing an increase of RMB51.6 billion as compared to 31 December 2025, of which non-monetary fund was RMB253.4 billion, representing an increase of RMB28.4 billion as compared with the beginning of the year, and major product categories, including active equity, “fixed income+” products, bond funds, monetary funds and Fund of Funds, all recorded growth. For the six months ended 30 June 2026, BoCom Schroder Fund yielded a net profit of RMB419 million, representing an increase of 2.43 per cent. on a year-on-year basis.

For the six months ended 30 June 2026, BoCom Schroder Fund diligently fulfilled the requirements for the high-quality development of public offering funds, adhered to the business philosophy centered on the best interests of investors, continuously deepened the platform-based development of investment and research capabilities, steadily enhanced the synergy between investment and research functions as well as the quality and efficiency of investment decision-making. It proactively advanced the reform of performance benchmarks, striving to improve medium-to-long term investment performance and investor returns. Guided by the development direction for equity public offering funds, BoCom Schroder Fund further expanded its product offerings with equity assets, launched multiple new Fund of Funds and quantitative products, and created a product offering with equity assets featuring diversified risk-return profiles and investment strategies. Leveraging its expertise and strengths in asset management, BoCom Schroder Fund actively integrated it into the wealth management strategy of the Group. For the six months ended 30 June 2026, a total of five newly launched products were selected as the monthly key products of the Bank, of which, the BOCOM Woxiang Wenjian Fund of Fund was jointly launched with domestic branches, recording an aggregate issuance amount exceeding RMB2 billion.

BOCOM Wealth

As a wholly-owned subsidiary of the Bank, BOCOM Wealth was set up in June 2019 with a registered capital of RMB8.0 billion as at 30 June 2026. It primarily issues wealth management products of fixed income, equity, commodities, financial derivatives and hybrid categories to customers. For the six months ended 30 June 2026, BOCOM Wealth adhered to the customer-centric principles and established an open and diversified omni channel system with the Bank as the main body. It continuously developed a product line with low volatility, stability and strong predictability, aiming to create stable and sustainable value returns for investors. As at 30 June 2026, the balance of wealth management products managed by BOCOM Wealth was RMB1,746.2 billion. As at 30 June 2026, its total assets and net assets were RMB16,059 million and RMB15,402 million respectively. Its net profit for the six months ended 30 June 2026 was RMB919 million, indicating an increase of 18.94 per cent. on a year-on-year basis.

For the six months ended 30 June 2026, BOCOM Wealth faithfully fulfilled its mission of serving the real economy through product issuances, asset investments and other activities. It deeply integrated with the Group's strategy, stepped up synergetic efforts across products, distribution channels, assets and other aspects, continuously enhanced value creation, and contributed RMB1,156 million in synergetic income to the Group. BOCOM Wealth persistently advanced product innovation and investment-research upgrade to enhance its core competitiveness, while supporting the Group in creating its distinctive wealth management business. For the six months ended 30 June 2026, BOCOM Wealth was honored with the "Five-Star Wealth Management Product of Closed-End Fixed Income Award" and the "Five-Star Wealth Management Product of Open-End Fixed Income Award" granted by the Investment Association of China, and successively won over 14 awards, including the Golden Reputation Award, the Golden Toad Award and the Jiepu Award, recognizing its institutional strength, investment performance, product innovation and digital technology achievements.

BoCommLife

BoCommLife was set up in January 2010 with a registered capital of RMB5.1 billion, of which the Bank and the MS&AD Insurance Group contributed 62.50 per cent. and 37.50 per cent. shares respectively as at 30 June 2026. The business scope includes life insurance, health insurance, accident insurance and reinsurance businesses of the aforementioned insurances in Shanghai as well as regions where its branches were established. As at 30 June 2026, its total assets and net assets were RMB178,297 million and RMB10,283 million respectively. For the six months ended 30 June 2026, BoCommLife focused on its main business and responsibilities for insurance, continuously strengthened professional management, and maintained an overall stable and improving trend in its operating and management. It achieved a cumulative income of RMB1,392 million from insurance services, maintaining stable year-on-year. Meanwhile, operating revenue was

RMB6,618 million, representing an increase of 56.73 per cent. year-on-year; and net profit was RMB1,449 million, representing an increase of 127.86 per cent. year-on-year, which was primarily attributable to the favorable performance of the capital markets, and a year-on-year increase in investment income from equity assets.

For the six months ended 30 June 2026, BoCommLife continued to leverage its insurance expertise to deeply integrate into the strategic framework of the Bank, serving the integrated financial business construction of the Group, while supporting the development of Group's inclusive finance and pension finance initiatives. In key areas of inclusive insurance, the number of insured persons covered during the year reached 148,500, representing an increase of 78 per cent. on a year-on-year basis. BoCommLife was selected as the member of the co-insurance consortium for "Shanghai Huibao", an urban customised commercial medical insurance, for the fourth consecutive year. It proactively expanded its third-pillar pension insurance offerings by developing a BOCOM Pension Annuity Insurance, which accepts policyholders up to the age of 92. The number of new individual pension account customers increased by 10,537, representing an increase of 21 per cent on a year-on-year basis.

BOCOM Financial Asset Investment

As a wholly-owned subsidiary of the Bank, it was set up in December 2017 with a registered capital of RMB15.0 billion as at 30 June 2026. As one of the first pilot banks to implement debt-to-equity swap as determined by the State Council, it is mainly engaged in debt-to-equity swap and supporting services, and carried out pilot equity investment business under the AIC in accordance with applicable national policies. As at 30 June 2026, its total assets and net assets were RMB80,741 million and RMB29,545 million respectively, and its net profit amounted to RMB1,466 million, representing an increase of 175.64 per cent. on a year-on-year basis.

For the six months ended 30 June 2026, BOCOM Financial Asset Investment proactively leveraged its equity investment capabilities to strengthen the foundation of technology-driven financial services, accelerating the development of the Bank's distinctive technology-focused financial services. The focus was on key areas such as technology finance and green finance to support the healthy development of the real economy. BOCOM Financial Asset Investment continuously improved its domestic branch coordination mechanism, further strengthened the synergy mechanism between the Bank and its subsidiaries in collaborative marketing, and actively explored a business model prioritizing "regions + industries, with industry tracks taking precedence." Based on national technological industry development priorities and the Group's strategic deployment, BOCOM Financial Asset Investment further focused on key industry tracks and comprehensively enhanced investment research capabilities. For the six months ended 30 June 2026, BOCOM Financial Asset Investment continued to intensify its support for technology finance, with the number and amount of new pure equity investment projects both increasing by more than 200 per cent. year-on-year. It also actively enhanced its visibility in its "Shanghai Home Base" by stepping up investment efforts, with the investment amount of Shanghai-based pure equity investment projects accounting for over 60 per cent. for the six months ended 30 June 2026.

BoCom International Holdings

BoCom International Holdings was set up in June 1998 (formerly known as Communications Securities Co., Ltd. It changed its name to BOCOM International Holdings Company Limited in May 2007). It was listed on the main board of the HKSE on 19 May 2017. The main businesses include securities brokerage and margin financing, corporate financing and underwriting, asset management and consulting, investment and loan. As at 30 June 2026, the Bank's shareholding in BoCom International Holdings was 73.14 per cent. For the six months ended 30 June 2026, BoCom International Holdings further focused its main business and responsibilities, adhered its functional positioning of serving the real economy, continuously strengthened risk control, and enhanced the quality and efficiency of business management by focusing on "increasing revenue, reducing costs,

and strengthening capabilities”. As at 30 June 2026, its total assets and net assets were HKD14,868 million and HKD982 million respectively. For the six months ended 30 June 2026, BoCom International Holdings’ loss decreased year-on-year constantly, with a net loss of HKD77 million.

BoCom Insurance

As a wholly-owned subsidiary of the Bank, it was set up in November 2000 with a registered capital of HKD0.4 billion as at 30 June 2026. The main business includes the operation of 17 types of general insurances approved by the Insurance Authority of Hong Kong. As at 30 June 2026, its total assets and net assets were HKD1,148 million and HKD590 million respectively. For the six months ended 30 June 2026, BoCom Insurance realised a net profit of HKD6.81 million.

BoCom Insurance works closely with the Group to promote high-quality development of the principal insurance business. It actively serves the risk protection needs of Hong Kong residents in areas such as housing, travel, healthcare, and education, and continues to provide risk coverage for rtain industry leaders, universities, middle and primary school, Hong Kong public hospitals, numerous Hong Kong environmental groups and community care organisations, as well as eco-friendly hotels. It actively participates in various activities organised by the Hong Kong Chinese Insurance Association and the Hong Kong Federation of Insurers, deeply discussed topics such as innovative technology, southbound travel for Guangdong vehicles, cross border insurance, and climate risks, and actively contributes to the development of Hong Kong as an international risk management hub.

FEATURE OF CROSS-BORDER SERVICES

The Group has formed an offshore business network covering major international financial centres across five continents, with 24 overseas branches (sub-branches) and representative offices worldwide and 66 overseas operating outlets as at 30 June 2026. For the six months ended 30 June 2026, net profit of overseas banking institutions of the Group was RMB5,706 million, accounting for 11.92 per cent. of the Group’s net profit. As at 30 June 2026, the total assets of overseas banking institutions were RMB1,277,724 million, accounting for 7.86 per cent. of the Group’s total assets.

Hong Kong Branch

Established in 1934, Bank of Communications Co., Ltd. Hong Kong Branch (the “**Hong Kong Branch**”) is the Bank’s largest overseas branch. In addition to foreign exchange deposits, foreign exchange loans and international settlement services, the Hong Kong Branch also provides non-banking services through its subsidiaries.

The Hong Kong Branch has placed an increasing emphasis on serving personal finance customers. For corporate finance operations, the Hong Kong Branch targets, among others, listed companies and large PRC state-owned enterprises. In addition, the Hong Kong Branch also actively participates in the syndicated loan market. In addition to generating interest income, the Hong Kong Branch continues to focus on generating fee income. The Hong Kong Branch provides a variety of fee-based products and services.

On 29 January 2018, the Bank established Bank of Communications (Hong Kong) in order to expand and intensify the Bank’s retail and private banking business. The activities, assets and liabilities which constitute the retail and private banking businesses of the Hong Kong Branch were transferred to the Bank of Communications (Hong Kong).

Other overseas branches

Other overseas branches and subsidiaries as at 30 June 2026 were:

- The Bank’s New York branch commenced operation in November 1991.

- The Bank's Tokyo branch commenced operation in December 1995.
- The Bank's Singapore branch commenced operation in September 1996.
- The Bank's Seoul branch commenced operation in August 2005.
- The Bank's Frankfurt branch commenced operation in October 2007.
- The Bank's Macau branch commenced operation in November 2007.
- The Bank's Ho Chi Minh City branch commenced operation in February 2011.
- The Bank's London branch commenced operation in November 2011.
- The Bank's Sydney branch commenced operation in November 2011.
- The Bank's San Francisco branch commenced operation in November 2011.
- The Bank's Taipei branch commenced operation in July 2012.
- The Bank's representative office in Toronto was opened in November 2014.
- The Bank's tier-2 branch in Brisbane commenced operation in April 2015.
- The Bank's subsidiary in Luxembourg commenced operation in May 2015.
- The Bank's subsidiary's branch in Paris commenced operation in November 2016.
- The Bank's subsidiary's branch in Rome commenced operation in November 2016.
- Banco BBM S.A. became a non-wholly owned subsidiary of the Bank in November 2016.
- The Bank's tier-2 branch in Melbourne commenced operation in December 2018.
- The Bank's Prague branch commenced operation in May 2019.
- The Bank's Johannesburg branch commenced operation in November 2020.
- The Bank's Dubai International Financial Centre ("DIFC") Branch commenced operation in November 2024.

Overseas service network

The Group actively responded to changes in internal and external situations, consolidated its advantages in global development, and coordinated development and security. The overseas banking institutions leveraged their geographical advantages, improved their functional positioning, and built financial bridges connecting domestic and international markets to promote high-quality Belt and Road construction and serve high-level opening-up of the nation.

As at 30 June 2026, the Group had 24 overseas branches (subsidiary banks) and representative offices in Hong Kong, New York, London, Singapore, Tokyo, Frankfurt, Luxembourg and Sydney, etc., with 66 overseas operating outlets (excluding representative offices) providing customers with comprehensive financial services including deposits, loans, international settlements, trade finance and foreign exchange, etc. As at 30 June 2026, the Bank had established an overseas service network with the head offices of 1,121 banks in 136 countries and regions globally, and opened 148 cross-border RMB accounts for 89 overseas RMB participating banks in 29 countries and regions. A total of 115 foreign currency clearing accounts in 29 currencies were opened in 68 banks in 32 countries and regions.

Actively contributing to stable foreign trade

Targeting a broad range of foreign trade import and export enterprises, and from the perspective of the foreign trade customer's business journey, the Group continuously optimised the functions of the "BOCOM Trade Link" platform, which provides tools such as cross-border fund receipt and payment, foreign trade quick financing, exchange rate hedging management and value-added information services, and strengthened the online capabilities of cross-border trade products. The Group enhanced the digital convenience of letter of credit by developing customised import letter of credit modules, enabling batch authorisation for import documentary collections through online banking, and launched services such as online presentation for export negotiation, e-notification and direct integration with courier companies. For the six months ended 30 June 2026, the customer base of cross-border finance increased by 12.61 per cent. year-on-year, and the international settlement volume grew by 16.53 per cent. year-on-year.

Serving enterprises going global

The Group supported high-quality Belt and Road cooperation by continuously strengthening marketing efforts and supporting resource allocation for key "going global" and Belt and Road projects, offering customised financing services for customer groups in areas with advantageous resources and industrial chain synergy. As at 30 June 2026, the balance of loans under the Belt and Road Initiative increased by 8.63 per cent. as compared to 31 December 2025, and the balance of foreign-related letters of guarantee to countries and regions along the Belt and Road grew by 13.54 per cent. as compared to 31 December 2025. The Group enhanced its service capabilities in minor currency exchange and hedging along the Belt and Road routes, supporting corporate customers in minor currency spot transactions via internet banking and mobile banking. The Group facilitated direct connectivity between its "Shipping Concierge" system and leading shipping companies, freight forwarders and major China-Europe Railway Express operators, enabling one-click payment of domestic and cross-border, local and foreign currency and sea/land/air freight charges, with transaction volume increasing by 79.57 per cent. year-on-year.

The Group enhanced the quality and efficiency of its offshore and free trade financial services, deepened the integrated development of offshore and onshore business and the integrated operation of non-resident accounts, and strengthened its capacity to serve enterprises going global. The Group successfully launched Free Trade (the "FT") accounts in Guangdong and Shenzhen, achieving full coverage of the FT account system across all national pilot zones. In the Hainan Free Trade Port, the Group actively engaged in pilot programs such as cross-border trade financing asset transfers and cross-border fund centralised operation centers, and played a pivotal role in supporting the Hainan Provincial Government in successfully issuing RMB-denominated bonds in Hong Kong for four consecutive years.

Supporting the internationalisation of RMB

The Group proactively carried out the "scale expansion and structure optimisation" campaign for cross-border RMB client outreach, strengthening the integrated use of products and domestic-international coordination to promote the steady growth of cross-border RMB business. For the six months ended 30 June 2026, the cross-border RMB settlement volume of domestic banking institutions increased by 17.63 per cent. year-on-year, among which the cross-border RMB settlement volume for goods trade grew by 32.35 per cent. year-on-year. The Group actively leveraged the RMB's role as a financing currency. As at 30 June 2026, the balance of RMB loans extended by domestic institutions to overseas borrowers increased by 16.85 per cent. as compared to 31 December 2025.

MARKETING

The Bank develops specific marketing strategies for both corporate and personal banking clients. The Bank's head office organises bank-wide marketing and provides supporting resources for local marketing efforts

formulated and coordinated by the Bank's branches. The Bank's sub-branches are responsible for the implementation of local marketing plans.

The Bank has created marketing strategies based on region, customer size and product type. The Bank focuses its advertising spending on television advertising, outdoor billboards, and to a lesser extent, internet, print and radio advertising. Regionally, in addition to continuing to focus on the Yangtze River Delta, Pearl River Delta, and Bohai Rim Economic Zone regions, the Bank pays specific attention to other economic zones and projects, such as Shanghai's "Two Centres" plan to develop into an international financial and shipping centre. The Bank also develops marketing strategies based on customer segmentation. The Bank intends to continue to strengthen branding efforts for the specific products it offers. For example, the Bank will continue to promote its personal banking business service brand of "OTO Fortune" (沃德財富), and corporate business service brand of "Win to Fortune" (蘊通財富), as well as promote more customised and comprehensive wealth management solutions and product combinations under those brands and gradually position its brand as the "wealth management bank".

INFORMATION TECHNOLOGY

The Bank's information technology systems are integral to the Bank's business operations, including its customer services, transaction processing, risk management and financial management. The Bank believes that the establishment of advanced information technology systems complement its overall business strategies and will greatly improve its operational efficiency and the quality of its customer services as well enhance its risk and financial management capabilities. The Bank has invested and will continue to make profound investments in promoting its information technology systems.

The Bank expects to increasingly leverage information technology to drive its business in the future. In addition to the upgrades and improvements the Bank has made in recent years to its information technology systems, the Bank will continue to upgrade and integrate its information technology systems to facilitate operational efficiency, risk management and business development.

EMPLOYEES

As at 31 December 2025, the Group had a total of 97,932 employees, of whom 91,669 employees were based in domestic banking institutions and 2,614 were local employees in overseas branches (sub-branches). As at 31 December 2025, there were 3,649 employees in total working for the Bank's subsidiaries, excluding staff dispatched from the Head Office and branches.

INTELLECTUAL PROPERTY

The Bank conducts business under the brand names and logos of "交通銀行", "太平洋卡", "Bank of Communications" "蘊通財富 WINTOFORTUNE", "沃德 OTO", "交銀沃德", "BOCOM FORTUNE", "交銀理財" and "得利寶". The Bank has registered, or is in the process of applying for registration or renewal of, these brand names and logos and other related logos in the PRC and Hong Kong. The Bank is also the registered owner of the domain name "www.bankcomm.com".

LEGAL AND REGULATORY PROCEEDINGS

The Group has been involved as defendants in certain lawsuits arising from its normal business operations. Management of the Group believes, based on legal advice, the final result of these lawsuits will not have a material impact on the financial position or operations of the Group. For the six months ended 30 June 2026,

the Group was not involved in any material litigation and arbitration. As at 30 June 2026, the Group was involved in certain outstanding litigations/arbitrations as defendant or third party with an amount of approximately RMB787 million. The Bank believes that there is sufficient provision for current and pending litigations and arbitrations against the Bank or its branches. Even if any judgment or award of the said current and pending litigations or arbitrations against the Bank or its branches is adverse to the Bank, the Bank does not anticipate that any such cases (individually or jointly) would have a material adverse impact on the Bank's financial condition or results of operations.

PROPERTIES

The address of the headquarter of the Bank is No.188 Yin Cheng Zhong Road, Pudong New District, Shanghai, China. As at 31 December 2025, the Group had 255 domestic branches, including 38 branches at provinces, autonomous regions or municipalities level or directly-managed level and 217 branches managed by branches at provinces, autonomous regions or municipalities level, most of which are concentrated in the Yangtze River Delta, Pearl River Delta and Bohai Rim Economic Zone, as well as large cities in other areas. As at 30 June 2026, in addition to its PRC operations, the Bank had branches or subsidiaries which are located in Hong Kong, New York, San Francisco, Tokyo, Singapore, Seoul, Frankfurt, Macau, Ho Chi Minh City, Sydney, Brisbane, Melbourne, Taipei, London, Luxembourg, Paris, Rome, Brazil, Toronto, Prague, Johannesburg and DIFC.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of the Group established the overall risk appetite of “Stability, Balance, Compliance and Innovation” for the Group and further set specific indicators of risk limits against various risks including credit risks, market risks, operational risks, liquidity risks, interest rate risk in the banking book, information technology risks and country risks to exercise strict control over various risk types and deepen the effective transmission of risk appetite. For the six months ended 30 June 2026, the Group consistently adhered to bottom-line thinking, integrated development and safety, continued to consolidate asset quality, improved risk prevention and control in key areas and external challenges, continuously improved its “three-dimensional integration” comprehensive risk management system comprising risk categories, institutions, and products, strengthened consolidated management of its subsidiaries and overseas institutions, and risk management of cooperative institutions, deepened digital and intelligent risk management empowerment and engaged in effective management to promote the high-quality development of the entire bank, in order to secure the bottom line of preventing systemic risks.

Risk Management Framework

The Board of Directors of the Group assumes ultimate responsibility and the highest decision-making authority in respect of risk management, and it monitors the Bank’s risk conditions through the subordinate Risk Management and Related-Party Transaction Control Committee. At the senior management level, the Group has established the Comprehensive Risk Management and Internal Control Committee, and two business review committees, namely, the Credit Review Committee and the Risk Asset Review Committee. The business review committees are guided by and report regularly to the Comprehensive Risk Management and Internal Control Committee. Based on the aforementioned framework, every tier-1 domestic branch, overseas branch and subsidiary company has established its own Comprehensive Risk Management and Internal Control Committee, which serves as the main body for studying how to prevent and control the Group’s systemic and regional risks and support risk management decision-making on major issues. In this way, a comprehensive risk management system is rolled out within the entire Group.

Digital and Intelligent Empowerment in Risk Management

The Group continued to promote the digitalisation and intelligence process of risk management. Being market-oriented, customer-oriented and grassroots-oriented, the Group focused on the current “new requirements for internal management, new situations for external supervision, and new breakthroughs in technology application”, and remained committed to building a full-process and full-coverage digital and intelligent risk management system, building a solid group-wide risk database, improving enterprise-level risk management applications, strengthening the sharing and reuse of risk control capabilities, and actively exploring the application scenarios of AI technology in risk management to continuously improve the effectiveness of risk management. For the six months ended 30 June 2026, the Group strengthened the supply of models in strategic areas and the foundation for risk measurement, continuously improved the construction of risk monitoring systems, optimised the risk analysis tools of inclusive retail assets and constantly improved the risk measurement and monitoring capabilities of the entire Group to support high-quality business development.

Credit Risk Management

For the six months ended 30 June 2026, the Group continued to strengthen centralised credit risk management. The Group continuously optimised the framework of its credit granting policy, proactively implemented major national strategies and regulatory requirements. The Group closely tracked market changes, and expanded the coverage of special strategic guidance on the basis of the outline of the credit granting and risk policy, the guidelines on industry investment, and the regional credit policies. The Group continued to improve the degree of online and intelligence in the credit approval process. The Group implemented the “early identification,

warning, exposure and resolution” risk requirements in advance, continuously promoted risk monitoring in key areas, and lifted digital intelligent risk control to a new level.

The Group continued intensification of the collection of non-performing assets. For the six months ended 30 June 2026, the Group focused on key areas to bring into play the professional disposal capabilities to steadily and orderly dispose of the risk exposures in significant items, and strive to improve the quality and efficiency of non-performing assets collection and disposal.

The Group adheres to the regulatory requirements and maintains stringent asset risk classification standards, maintaining steady asset quality. As at 30 June 2026, the Group’s non-performing loan balance amounted to RMB123,510 million and the non-performing loan ratio was 1.30 per cent. All the 90-day+ overdue loans of the Group have been included in non-performing loans, representing 86.75 per cent. of non-performing loans.

Distribution of loans by 5-categories classification standards

	As at 30 June 2026		As at 31 December 2025		As at 31 December 2024		As at 31 December 2023	
	Balance	Proportion (%)	Balance	Proportion (%)	Balance	Proportion (%)	Balance	Proportion (%)
	<i>(in millions of RMB unless otherwise stated)</i>							
Categories								
Pass	9,198,625	96.93	8,855,745	97.07	8,309,109	97.12	7,731,141	97.16
Special mention	167,538	1.77	150,843	1.65	134,336	1.57	120,256	1.51
Total performing loans	9,366,163	98.70	9,006,588	98.72	8,443,445	98.69	7,851,397	98.67
Sub-standard loan	28,190	0.30	27,812	0.30	31,100	0.37	28,523	0.36
Doubtful	27,247	0.29	25,075	0.27	24,066	0.28	32,383	0.41
loss	68,073	0.71	64,096	0.71	56,511	0.66	44,782	0.56
Total non-performing loans....	123,510	1.30	116,983	1.28	111,677	1.31	105,688	1.33
Total	9,489,673	100.00	9,123,571	100.00	8,555,122	100.00	7,957,085	100.00

As at 31 December 2023, 2024 and 2025 and 30 June 2026, the breakdown of the Bank's migration rate stipulated by the CBIRC (now the NFRA) is as follows:⁽¹⁾

	30 June 2026	31 December 2025	31 December 2024	31 December 2023
		(%)		
Loan migration rates				
Migration rate of pass loans.....	0.79	1.09	1.02	1.13
Migration rate of special mention loans....	17.44	19.37	17.04	24.93
Migration rate of sub-standard loans	58.00	81.58	65.85	60.90
Migration rate of doubtful loans	59.77	63.76	66.81	65.57

Note:

Calculated pursuant to regulatory standards. The data of previous periods has been retroactively adjusted.

Market Risk Management

Market risk refers to the risk of losses of on- and off-balance sheet business activities of the Bank arising from unfavorable changes in market prices, including interest rates, exchange rates, commodity prices and share prices. Interest rate risk and exchange rate risk were the major market risks encountered by the Group.

The objective of the Group's market risk management is to proactively identify, measure, monitor, control and report market risks in accordance with the risk appetite determined by the Board of Directors; control market risks within tolerable limits through the use of methods and tools such as limit management, risk hedging and risk transfer to achieve a reasonable balance between risk and return.

For the six months ended 30 June 2026, the Group actively implemented relevant requirements under the *Rules on Market Risk Management of Commercial Banks and the Rules on Capital Management of Commercial Banks*, continuously improved the market risk management system, and refined management mechanisms and procedures. It formulated annual market risk limits of the Group and cascaded such limits at successive levels to ensure effective transmission of the Group's risk appetite, and conducted ongoing limit monitoring and reporting. The Group performed market risk capital measurement and applied the capital measurement results to limit monitoring, performance appraisal, risk monitoring and analysis, etc. Leveraging the digital-transformation project for financial-market businesses, it iterated the market risk management system, strengthened trading and banking book classification management across the entire Group, and steadily enhanced the capability of digital-based market risk monitoring. It enhanced product-oriented market risk management, carried out market risk assessments for new products and new businesses, and reinforced risk management for derivatives businesses. The Group improved the stress-testing framework, optimised stress-test scenario design, paid close attention to financial-market volatility triggered by external shocks, strengthened forward-looking judgement of market conditions as well as risk monitoring, early-warning, assessment and screening, strictly observed all market risk limits, and continuously upgraded its market risk management capabilities.

Management System for Interest Rate Risk in the Banking Book

Interest rate risk in the banking book refers to the risk of losses in the economic value of the banking book and overall earnings arising from adverse changes in such areas as interest rate level, term structure, etc., primarily including gap risk, basis risk and option risk. The Group attached great importance to the management of

interest rate risk in the banking book, consistently adhered to a prudent and robust interest rate risk appetite, established and improved the management system for interest rate risk in the banking book, and continuously strengthened forward-looking prevention and active management. By enhancing the identification, measurement, monitoring, control and mitigation of interest rate risk in the banking book, the Bank controlled such risks within a reasonable and tolerable range, balancing business development and risk safety.

Liquidity Risk Management

Liquidity risk is the risk that occurs when a commercial bank cannot obtain sufficient funds in time and at a reasonable cost to repay debts when they are due, fulfil other payment obligations, or meet other funding needs in the normal course of business. The main factors affecting the liquidity risk include early withdrawal by deposit customers, deferred repayment by loan customers, mismatch of asset and liability structure, difficulty in asset realisation, decline in financing capability, etc.

The governance structure of the Group's liquidity risk management includes a decision-making body consisting of the Board of Directors and its Special Committees, a supervisory institution consisting of the Audit Committee of the Board, and an executive institution consisting of senior management, the Finance Management Department, the Global Markets Department, the Risk Management Department, the Operations and Channels Management Department, the subsidiaries, branches, and the competent authorities in charge of the head office of the various businesses.

The Group determines its liquidity risk appetite and formulates its liquidity risk management strategies and policies each year based on factors such as its business strategy, business characteristics, financial strength, financing ability, overall risk appetite and market influence.

For the six months ended 30 June 2026, the Group continued to improve its liquidity risk management system, and flexibly adjusted its liquidity management strategy and business development structure and tempo when appropriate; expanded diversified financing channels, and promoted the coordinated development of its asset and liability businesses, performed cash flow measurement and analysis, closely monitored liquidity risk indicators, steadily enhanced the systemic level of liquidity risk monitoring to ensure liquidity safety and smooth operation of the indicators. The Group carried out liquidity risk emergency drills, to improve the response speed to emergencies and the ability to resolve liquidity risk.

The Group regularly launched stress tests for liquidity risk, in which various factors which may affect liquidity situation were given full consideration and stress scenarios were appropriately set up. The results of stress tests showed that the Bank's liquidity risk was within a controllable range under various stress scenarios.

Operational Risk Management

For operational risk management, the Group adheres to the concept of "internal control first, compliance as the foundation". The Group continuously optimised operational risk management system in line with regulatory requirements and the nature, scale, and product complexity of its business. Through the standardised application of management tools such as operational risk event management, self-assessment, and key risk indicators, the Group strengthened the identification, assessment, monitoring, measurement, control, mitigation, and reporting of operational risks to prevent operational risks. For the six months ended 30 June 2026, the Group further revised and improved the systems related to operational risk management, optimised the functions of operational risk management system, continuously improved the outsourcing management mechanism, and strengthened business continuity management.

Legal Compliance and Anti-Money Laundering

The Group established a compliance management system that is appropriate to its scale of operation, business scope and risk level, continuously strengthened its capabilities to identify, monitor, prevent, control and resolve compliance risks, enhanced the quality and efficiency of compliance management, and effectively ensured

lawful and compliant operation and high-quality development. For the six months ended 30 June 2026, the Group continuously improved the internal control and compliance management system, refined and clarified the working mechanism of the (Chief) Compliance Officer, strengthened internal control and compliance supervision and inspection and rectification of problems, optimised the internal control and compliance evaluation and accountability mechanism, strengthened the support of internal control and compliance culture and talent team, deepened 67 the digital and intelligent transformation of internal control and compliance, and bolstered its capacity for self-inspection, self-correction and self-remediation. The Group also implemented the *Anti-Money Laundering Law of the People's Republic of China* and the new supporting regulatory requirements, conducted a new round of institution-wide money laundering risk self-assessment, continuously improved the money laundering risk management mechanism, and further enhanced the effectiveness of money laundering risk management.

Reputation Risk Management

The Group strictly complied with regulatory requirements and adhered to the management strategy of prevention first, effective disposal, timely repair and comprehensive coverage. It continued to strengthen regular-system development and end-to-end management of reputational risk, and deepened digital transformation and empowerment. The Group continuously enhanced the integrated management of press publicity and online public opinion, improved the coordination mechanism for public opinion guidance and sentiment response, prevented and mitigated reputational risks arising from material incidents, elevated the standard of reputational risk management, and proactively safeguarded the Group's brand and image. For the six months ended 30 June 2026, the reputational risk management system operated effectively, and the reputational risk was properly managed and controlled

Cross-sector, Cross-border and Country Risk Management

The Group has established a cross-sector and cross-border risk management system with “unified management, clear division of labor, complete tools, IT support, risk quantification and substantial consolidation” to constantly strengthen consolidated management, and the risk management of its subsidiaries and overseas branches takes into account the unified requirements of the Group and the special requirements of their respective supervisory authorities, so as to prevent the risks that may arise from cross-sector and cross-border operations. In respect of cross-sector risk management, the Group guided its subsidiaries in formulating investment and financing policy guidelines, and promoted the integration of subsidiaries' risk appetite, various risk-management frameworks and internal-control systems into the Group's unified risk-management system pursuant to the principle of “unified management of matters under the same category”. It also refined full life-cycle management for affiliated institutions at all levels. In respect of cross-border risk management, amid uncertainties stemming from changes in the external environment, the Group kept optimising risk-monitoring tools, and enhanced response strategies, contingency plan formulation and drills. Focusing on the functional positioning of overseas branches, it continuously updated and iterated the “one-policy-for-one-branch”, and prioritised compliant and sound operation as well as comprehensive and effective risk prevention and control for overseas branches. The Group strengthened country risk management, carried out country risk assessment, ratings and stress tests, paid continuous attention to and responded to country risk events in a timely manner, guided operating units to optimise their asset-liability structure in the country-specific dimension, and carried out country risk management throughout the entire process of relevant business development.

Management of Large Exposure

The Group conscientiously implemented the requirements of the *Rules on Large Exposure of Commercial Banks* issued by the former CBIRC (now the NFRA), promoted the construction of the management system, continuously monitored the situation of large exposures, strictly implemented the management of various limits and enhanced the Group's ability to prevent systemic and regional risks. As at 30 June 2026, all indicators of the Group's large exposure were in compliance with the regulatory requirements.

Climate and Environmental Risk Management

The Group actively supports the goal of “Carbon Peak and Carbon Neutrality”, promotes the further integration of climate and environmental risks into the comprehensive risk management system, and continuously improves the governance structure, strengthens the institutional constraints, enhances the risk assessment and optimises the means of management and control according to the risk appetite determined by the Board of Directors, so as to effectively respond to new challenges brought about by climate change and the low-carbon transformation of the socio-economy. For the six months ended 30 June 2026, the Bank continuously improved carbon data management capabilities, completed a new round of high-quality carbon measurement for investment and financing activities, and kept expanding the coverage and granularity of carbon measurement. The Bank conducted climate-transition risk stress-testing covering all domestic loans.

Model Risk Management

The objective of the Group’s model risk management is to maintain the effective operation of the model system in accordance with the risk appetite set by the Board of Directors, and keep the overall model risk at a low risk level. For the six months ended 30 June 2026, the Bank established a comprehensive model risk management system, strengthened the unified management of models, enhanced the verification and review of key models, fully disclosed the limitations of models, and promoted the rational application of models. Under the unified model management, the Bank steadily promoted the development and iteration of various models, which were widely used in the whole process of corporate, inclusive, retail and other businesses, as well as in bank-wide capital measurement, impairment provision, stress testing, anti-money laundering and anti-telecom fraud, centralised operations, fair value valuation of financial products and other fields, supporting digital decision-making and precise measurement.

DESCRIPTION OF THE BANK'S ASSETS AND LIABILITIES

ASSETS

The Bank's total assets as at 30 June 2026 were RMB16,260,175 million, which represents an increase of 4.58 per cent. from RMB15,548,388 million as at 31 December 2025. The four principal components of the Bank's assets consist of loans and advances to customers (after provision), financial investments¹, cash and balances with central banks and due from and placements with banks and other financial institutions. As at 30 June 2026, the balances (after provision) of the Bank's loans and advances to customers, financial investments, cash and balances with central banks, due from and placements with banks and other financial institutions and others constituted 56.93 per cent., 29.05 per cent., 4.65 per cent., 5.81 per cent. and 3.56 per cent., respectively, of its total assets. The following table sets forth the balances of significant components of the Bank's total assets as at the dates indicated:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	(RMB in million)			
Cash and balances with central banks.....	898,022	717,354	701,847	756,642
Due from and placements with banks and other financial institutions	859,642	974,042	881,284	944,861
Derivative financial assets	67,387	100,375	43,736	54,870
Loans and advances to customers.....	7,772,060	8,351,131	8,898,768	9,257,705
Financial investments at fair value through profit or loss	642,282	656,152	600,609	706,638
Financial investments at amortised cost.....	2,573,911	2,581,793	2,701,622	2,781,574
Financial investments at fair value through other comprehensive income	887,949	1,082,144	1,225,683	1,235,257
Investments in associates and joint venture	8,990	11,601	16,897	19,663
Property and equipment.....	217,751	238,949	246,926	250,110
Deferred tax assets.....	40,379	42,752	42,198	43,386
Other assets ⁽¹⁾	92,099	144,424	188,818	209,469
Total assets	14,060,472	14,900,717	15,548,388	16,260,175

Note:

- (1) Other assets consist of interest receivable, settlement accounts, other receivables and prepayments, investment properties, land use rights and others, intangible assets, long-term deferred expenses, precious metal, foreclosed assets, goodwill, refundable deposits and unsettled assets.

¹ Including financial investments at fair value through profit or loss, financial investments at amortised cost and financial investments at fair value through other comprehensive income.

As at 30 June 2026, the Group's Common Equity Tier-1 Capital adequacy ratio, tier 1 capital adequacy ratio and capital adequacy ratio being 11.25 per cent., 12.46 per cent. and 16.00 per cent., respectively.

Loans and Advances to Customers

As at 30 June 2026, the Bank's corporate loans and personal loans represented 68.02 per cent. and 29.03 per cent., respectively, of its total loans and advances to customers. The Bank's corporate banking business remains its core banking business. As at 30 June 2026, the Bank's corporate loan balance was RMB6,455.006 billion, representing an increase of RMB411,196 million or 6.80 per cent. compared to 31 December 2025.

The balances (after provision) of Bank's loans and advances to customers represent a significant portion of its assets and accounted for 56.93 per cent. of its total assets as at 30 June 2026. The balance (after provision) of the Bank's loans and advances to customers increased by 4.03 per cent. to RMB9,257,705 million as at 30 June 2026 from RMB8,898,768 million as at 31 December 2025.

Distribution of Loans by Industry

The Bank's corporate loan portfolio represents a broad range of industries, but is concentrated in particular in the transportation, storage and postal services, manufacturing, leasing and commercial services, water conservancy, environmental and other public services and real estate sectors. The following table sets forth the Bank's corporate loan portfolio by industry and as a percentage of its loan portfolio as at the dates indicated:

	31 December 2023		31 December 2024		31 December 2025		30 June 2026	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
<i>(RMB in million, except percentages)</i>								
Corporate loans	5,179,533	65.09	5,566,578	65.07	6,043,810	66.25	6,455,006	68.02
Transportation, storage and postal services	905,624	11.38	985,091	11.50	1,040,017	11.40	1,064,314	11.22
Manufacturing	954,586	12.00	1,053,309	12.31	1,199,118	13.14	1,351,745	14.24
Leasing and commercial services	866,601	10.89	948,410	11.09	1,050,098	11.51	1,104,805	11.64
Real estate	489,080	6.15	527,675	6.17	515,274	5.65	504,839	5.32
Water conservancy, environmental and other public services	466,137	5.86	467,212	5.46	453,574	4.97	467,041	4.92
Production and supply of electric power, heat, gas and water	391,742	4.92	456,439	5.34	462,521	5.07	455,603	4.80
Wholesale and retail	292,168	3.67	289,006	3.38	364,888	4.00	445,909	4.70
Construction	188,716	2.37	210,582	2.46	221,232	2.42	242,844	2.56
Finance	159,183	2.00	144,878	1.69	182,029	2.00	212,719	2.24
Education, science, culture and public health .	141,254	1.78	151,490	1.77	178,108	1.95	197,289	2.08
Mining	116,467	1.46	123,059	1.44	138,852	1.52	136,841	1.44
Others	88,640	1.11	86,090	1.01	77,300	0.85	84,587	0.90

	31 December 2023		31 December 2024		31 December 2025		30 June 2026	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
<i>(RMB in million, except percentages)</i>								
Information transmission, software and information technology services	81,176	1.02	89,510	1.05	122,863	1.35	148,380	1.56
Accommodation and catering	38,159	0.48	33,827	0.40	37,936	0.42	38,090	0.40
Personal loans	2,473,100	31.08	2,752,406	32.17	2,835,038	31.07	2,755,025	29.03
Discounted bills	304,452	3.83	236,138	2.76	244,723	2.68	279,642	2.95
Total	7,957,085	100.00	8,555,122	100.00	9,123,571	100.00	9,489,673	100.00

As at 30 June 2026, the Group continued to strengthen its financing support for the real economy, with manufacturing industry loans increasing by RMB152,627 million; transportation, storage and postal services industry loans increasing by RMB24,297 million; leasing and commercial services industry loans increasing by RMB54,707 million; water conservancy, environmental and other public facilities industry loans increasing by RMB13,467 million; and wholesale and retail loans increasing by RMB81,021 million.

Personal Banking Loan Concentration by Product

The Bank's personal finance loan portfolio consists primarily of mortgage loans, credit card advances and others. The following table sets forth the Bank's personal finance loan portfolio by products and as a percentage of its personal finance loan portfolio as at the dates indicated:

	31 December 2023		31 December 2024		31 December 2025		30 June 2026	
	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
<i>(RMB in million, except percentages)</i>								
Mortgage	1,462,634	59.14	1,466,604	53.28	1,442,452	50.88	1,402,596	50.91
Credit card	489,725	19.80	538,404	19.56	531,348	18.74	485,319	17.62
Personal business loans ..	343,585	13.90	413,626	15.03	462,270	16.31	469,454	17.04
Personal consumption loans	173,423	7.01	330,260	12.00	395,731	13.96	394,166	14.31
Others	3,733	0.15	3,512	0.13	3,237	0.11	3,490	0.13
Total personal loans	2,473,100	100.00	2,752,406	100.00	2,835,038	100.00	2,755,025	100.00

As at 30 June 2026, the personal loan balance was RMB2,755,025 million, representing an decrease of RMB80,013 million or 2.82 per cent. over the end of the previous year, the proportion of which in loans and advances to customers decreased by 2.04 percentage points to 29.03 per cent. over the end of the previous year, among which mortgage loans decreased by RMB39,856 million or 2.76 per cent. over the end of the previous year. As at 30 June 2026, the proportion of mortgage loans in loans and advances to customers decreased by 1.03 percentage point to 14.78 per cent. over the end of the previous year. As at 30 June 2026, credit card loans decreased by RMB46,029 million or 8.66 per cent. over the end of the previous year. As at 30 June 2026, discounted bills increased by RMB34,919 million or 14.27 per cent. over the end of the previous year.

Maturity of Loans

When a short-term loan is renewed following repayment within the credit term of the loan, no re-application for a credit line is required, provided such loan is drawn in accordance with relevant rules and within the

effective credit line. Upon expiration of the credit term of a loan, a borrower must re-apply for a new loan, subject to the Bank's standard credit approval procedures. The interest rates for the Bank's Renminbi-denominated loans and advances are regulated by the PBOC, and banks have discretion to determine the interest rates for Renminbi-denominated loans and advances within a permitted range. The interest rate for discounted bills is determined with reference to the PBOC market re-discount interest rate.

Borrower Concentration

Under the current PRC banking regulations, the aggregate amount of the Bank's loan exposure to any single borrower may not exceed 10 per cent. of its net capital. The Bank is currently in compliance with this regulatory requirement.

Loans and Advances Balances by Geographical Segments

The following table sets forth the geographic distribution of the Bank's gross loans and advances as at the dates indicated:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
			(RMB in million)	
Yangtze River Delta ⁽¹⁾	2,226,422	2,432,084	2,672,097	2,847,582
Pearl River Delta ⁽²⁾	1,051,204	1,115,864	1,221,976	1,275,981
Bohai Rim Economic Zone ⁽³⁾	1,288,078	1,406,292	1,423,266	1,436,353
Central China ⁽⁴⁾	1,290,880	1,370,600	1,471,281	1,548,268
Western China ⁽⁵⁾	947,510	1,024,200	1,126,880	1,178,388
North Eastern China ⁽⁶⁾	265,215	274,860	283,061	277,573
Overseas ⁽⁷⁾	359,446	329,666	331,428	343,286
Head office ⁽⁸⁾	528,330	601,556	593,582	582,242
Total	7,957,085	8,555,122	9,123,571	9,489,673

Note:

- (1) Yangtze River Delta included Shanghai (excluding Head Office), Jiangsu Province, Zhejiang Province and Anhui Province;
- (2) Pearl River Delta included Fujian Province and Guangdong Province
- (3) Bohai Rim Economic Zone included Beijing, Tianjin, Hebei Province and Shandong Province;
- (4) Central China included Shanxi Province, Jiangxi Province, Henan Province, Hubei Province, Hunan Province, Hainan Province and Guangxi Zhuang Autonomous Region;
- (5) Western China included Chongqing, Sichuan Province, Guizhou Province, Yunnan Province, Shaanxi Province, Gansu Province, Qinghai Province, Inner Mongolia Autonomous Region, Ningxia Hui Autonomous Region, Xinjiang Uyghur Autonomous Region and Tibet Autonomous Region;
- (6) North Eastern China included Liaoning Province, Jilin Province and Heilongjiang Province;
- (7) Overseas included Hong Kong, New York, Tokyo, Singapore, Seoul, Frankfurt, Macau, Ho Chi Minh City, San Francisco, Sydney, Taipei, London, Luxembourg, Brisbane, Paris, Rome, Brazil, Melbourne, Toronto, Prague, Johannesburg and Dubai;
- (8) Head Office included the Pacific Credit Card Centre.

The Bank's business is concentrated on the economically developed areas of China. As at 30 June 2026, the Bank's loans and advances balances from Yangtze River Delta, Pearl River Delta, Bohai Rim Economic Zone and Central China accounted for 30.01 per cent., 13.45 per cent., 15.14 per cent. and 16.31 per cent., respectively, of its total loans and advances balances.

LOAN QUALITY

The Bank measures and monitors the asset quality of the Bank's loan portfolio through its loan classification system. The Bank classifies its loans using a five-category loan classification system, which complies with the applicable regulatory guidelines.

The Bank intends to continue to improve its loan quality and to generate stable profits while maintaining its credit risk exposure within acceptable parameters through a diversified loan portfolio. The Bank has established an integrated credit risk management system with comprehensive policies and procedures to identify, measure, monitor and control credit risk across its organisation. See the section headed "*Risk Management and Internal Control*".

Impaired loans are a concept under IFRS Accounting Standards, which has been adopted by the Bank in the preparation of its financial statements set forth in this Offering Circular. A loan is impaired if there is objective evidence that the Bank will not be able to collect all amounts due according to the original contractual terms of such loan. Non-performing loan is used to refer to a loan that is classified as "substandard", "doubtful" or "loss" under the five-category loan classification system established by the CBIRC (now the NFRA).

Overdue loans are (1) for loans with a specific expiry date – these loans should be treated as overdue where the principal or interest is overdue and remains unpaid as at the reporting date; (2) for loans with regular instalments – these loans should be treated as overdue when an instalment payment is overdue and remains unpaid as at the reporting date.

Provision for Impairment Losses on Loans and Advances to Customers

Since 2017, for a financial asset that is individually significant, the Group assesses the asset individually for impairment. For a financial asset that is not individually significant, the Group assesses the asset individually for impairment or includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset (whether significant or not), it includes the asset in a group of financial assets with similar credit risk characteristics and collectively reassesses them for impairment. Assets for which an impairment loss is individually recognised are not included in a collective assessment of impairment.

If financial assets carried at amortised cost are impaired, the carrying amounts of the financial assets are reduced to the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of reduction is recognised as an impairment loss in profit or loss and is recorded through the use of an allowance account. When a financial asset is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. If, subsequent to the recognition of an impairment loss on financial assets carried at amortised cost, there is objective evidence of a recovery in value of the financial assets which can be related objectively to an event occurring after the impairment is recognised, the previously recognised impairment loss is reversed. However, the reversal is made to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Effective from 1 January 2018, IFRS 9 introduces a new model for the recognition of impairment losses – the expected credit losses ("ECL") model, which constitutes a change from the incurred loss model in the IAS 39.

Under IFRS 9, ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the total cash flows that are due to the Group in accordance with the contract and the total cash flows that the Group expects to receive discounted at the original effective interest rate, i.e. the present value of the total cash

flows shortage. Purchased or originated credit-impaired financial assets shall be discounted at the credit-adjusted effective interest rate. The Group measures the ECL of financial instruments at amortised cost or debt investments at fair value through other comprehensive income. The Group divides them into 3 stages by assessing whether there has been a significant increase in credit risk since initial recognition. The Group measures the ECL of a financial instrument in a way that reflects (1) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (2) the time value of money; and (3) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The following table sets forth certain information regarding the Bank's individually identified impaired loans and its loans overdue by more than 90 days as at the dates indicated:

	31 December 2023	31 December 2024	31 December 2025	30 June 2026
		(RMB in million, except percentages)		
Non-performing loans	105,688	111,677	116,983	123,510
Loans overdue by more than 90 days	68,394	75,709	96,631	107,142
Non-performing loan ratio	1.33%	1.31%	1.28%	1.30%

Distribution of non-performing loans by region

The following table sets forth the geographic distribution of the Bank's non-performing loans as at the dates indicated:

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025			As at 30 June 2026		
	Amount	% of total loans	Non- performing loan ratio	Amount	% of total loans	Non- performing loan ratio	Amount	% of total loans	Non- performing loan ratio	Amount	% of total loans	Non- performing loan ratio
	(RMB in million, except percentages)											
Yangtze River Delta	20,582	19.47	0.92	24,213	21.68	1.00	26,826	22.93	1.00	25,912	20.98	0.91
Pearl River Delta	12,214	11.56	1.16	14,704	13.17	1.32	18,795	16.07	1.54	21,245	17.20	1.66
Bohai Rim Economic Zone.....	16,472	15.59	1.28	14,279	12.79	1.02	16,831	14.39	1.18	15,904	12.88	1.11
Central China.....	13,311	12.59	1.03	14,535	13.02	1.06	15,466	13.22	1.05	17,183	13.91	1.11
Western China	9,443	8.93	1.00	8,989	8.05	0.88	10,263	8.77	0.91	10,376	8.40	0.88
North Eastern China	11,221	10.62	4.23	8,902	7.97	3.24	6,178	5.28	2.18	7,069	5.72	2.55
Overseas	13,053	12.35	3.63	13,459	12.05	4.08	7,773	6.64	2.35	6,726	5.45	1.96
Head Office ⁽¹⁾	9,392	8.89	1.78	12,596	11.28	2.09	14,851	12.70	2.50	19,095	15.46	3.28
Total	105,688	100.00	1.33	111,677	100.00	1.31	116,983	100.00	1.28	123,510	100.00	1.30

Notes:

(1) Head Office included the Pacific Credit Card Centre.

TRADING ASSETS

The Bank invests in and trades Renminbi-denominated and foreign currency-denominated listed and unlisted debt and equity securities for its own account to (1) maintain the stability and diversification of the Bank's assets, (2) maintain adequate sources of back-up liquidity to match the Bank's funding requirements, and (3) supplement income from the Bank's core lending activities.

The Bank's investment securities include primarily securities issued by central governments and central banks, securities issued by banks and other financial institutions, securities issued by corporate entities, as well as a small portion of investment securities issued by public sector entities.

The Bank's trading assets include primarily listed and unlisted debt and equity securities, as well as derivative financial instruments, issued by banks and financial institutions, corporate entities, governments and central banks and public sector entities. The majority of the unlisted bonds in this category are traded in the interbank market in the PRC.

From 1 January 2018, the Bank applied IFRS 9 and records and reclassifies its investment securities and trading assets on its statement of financial position as financial assets by measurement of fair value through profit or loss ("**FVPL**"), fair value through other comprehensive income ("**FVOCI**") or amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured from these financial assets. Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at FVOCI.

The following table sets forth the Bank's debt securities at FVPL as analysed by issuer as at the dates indicated:

	31 December 2023	31 December 2024	31 December 2025	30 June 2026
	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
	<i>(RMB in million, except percentages)</i>			
Governments and central banks.....	107,622	143,402	92,904	154,506
Banks and other financial institutions.....	81,756	74,812	108,227	108,506
Corporate entities	37,823	21,370	25,895	31,560
Public sector entities	41	51	121	304

LIABILITIES AND SOURCES OF FUNDS

The Group's total liabilities as at 30 June 2026 were RMB 14,956,243 million, which represents an increase of 4.82 per cent. from RMB14,268,106 million as at 31 December 2025. The amount of the Group's deposits from customers accounted for 66.30 per cent. of its total liabilities as at 30 June 2026. The Bank obtains funding for its lending and investment activities from a variety of sources, both domestic and international. The Bank's principal sources of funding are corporate and individual deposits. The Bank's funding operations are designed to ensure both a stable source of funds and effective liquidity management. The Bank continuously adjusts its funding operations to minimise funding costs and also endeavours to match currencies and maturities with those of its loan portfolio.

The table below illustrates the balance and breakdown of the Group's deposits from customers as at the dates indicated:

	31 December 2023		31 December 2024		31 December 2025		30 June 2026	
	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>
	<i>(RMB in million, except percentages)</i>							
Corporate deposits	5,041,991	58.96	4,900,260	55.68	5,081,685	54.59	5,464,231	55.11
Corporate demand deposits ..	2,050,524	23.98	1,961,964	22.29	1,857,908	19.96	1,955,525	19.72
Corporate time deposits	2,991,467	34.98	2,938,296	33.39	3,223,777	34.63	3,508,706	35.39
Personal deposits	3,358,156	39.27	3,729,547	42.38	4,059,392	43.62	4,306,291	43.43
Personal demand deposits	884,746	10.35	949,259	10.79	1,011,343	10.87	1,029,318	10.38
Personal time deposits	2,473,410	28.92	2,780,288	31.59	3,048,049	32.75	3,276,973	33.05
Other deposits	3,240	0.04	3,436	0.04	2,433	0.02	2,280	0.02
Accrued interest	147,828	1.73	167,092	1.90	164,305	1.77	142,634	1.44
Total deposits from customers.....	8,551,215	100.00	8,800,335	100.00	9,307,815	100.00	9,915,436	100.00

DISTRIBUTION OF DEPOSITS BY GEOGRAPHY

The following table sets forth the distribution of the Bank's deposit balances as at the dates indicated:

	31 December 2023		31 December 2024		31 December 2025		30 June 2026	
	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>	<i>Amount</i>	<i>% of total</i>
	<i>(RMB in million, except percentages)</i>							
Yangtze River Delta.....	2,363,907	27.64	2,433,080	27.65	2,581,989	27.74	2,780,570	28.04
Pearl River Delta.....	1,057,766	12.37	1,037,123	11.79	1,068,529	11.48	1,109,139	11.19
Bohai Rim Economic Zone.	1,825,945	21.35	1,892,633	21.51	2,000,094	21.49	2,217,819	22.37
Central China.....	1,365,881	15.99	1,436,159	16.31	1,561,377	16.77	1,651,857	16.66
Western China	894,662	10.46	913,041	10.37	968,094	10.40	1,023,557	10.32
North Eastern China	426,274	4.98	441,464	5.02	466,764	5.01	502,768	5.07
Overseas	465,463	5.44	476,226	5.41	493,285	5.30	483,726	4.88
Head office	3,489	0.04	3,517	0.04	3,378	0.04	3,366	0.03
Accrued interest	147,828	1.73	167,092	1.90	164,305	1.77	142,634	1.44
Total	8,551,215	100.00	8,800,335	100.00	9,307,815	100.00	9,915,436	100.00

SUBSTANTIAL SHAREHOLDERS

The table below sets forth certain information regarding ownership of outstanding shares of the Bank as at 30 June 2026 by those persons who hold or are beneficially interested in any substantial part of the share capital of the Bank.

Particulars of shareholdings disclosed pursuant to H shares regulatory requirements

As at 30 June 2026, to the knowledge of the directors and chief executive of the Bank, the substantial shareholders and other persons (excluding the directors and chief executive of the Bank) who had interests or short positions in the shares or underlying shares of the Bank as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

Name of substantial shareholders	Capacity	Number of A shares	Nature of interest ⁽¹⁾	Approximate percentage of total issued A shares	Approximate percentage of total issued shares
				(%)	
MOF	Beneficial owner	26,388,772,272 ⁽²⁾	Long position	49.46	29.86
The National Council for Social Security Fund.....	Beneficial owner	3,105,155,568 ⁽⁴⁾	Long position	5.82	3.51

Name of substantial shareholders	Capacity	Number of H shares	Nature of interest ⁽¹⁾	Approximate percentage of total issued H shares ⁽⁸⁾	Approximate percentage of total issued shares ⁽⁸⁾
				(%)	
MOF	Beneficial owner	4,553,999,999 ⁽²⁾	Long position	13.01	5.15
HSBC Holding plc	Interest of controlled corporations	14,135,636,613 ⁽³⁾	Long position	40.37	16.00
The National Council for Social Security Fund.....	Beneficial owner	9,044,640,332 ⁽⁴⁾	Long position	25.83	10.24

Notes:

- (1) Long positions held other than through equity derivatives.
- (2) To the knowledge of the Bank, as at 30 June 2026, the MOF held 4,553,999,999 H shares and 26,388,772,272 A shares of the Bank, respectively, representing 5.15 per cent. and 29.86 per cent. of the total ordinary shares issued by the Bank.
- (3) HSBC Holdings plc wholly owns HSBC Asia Holdings Limited, which wholly owns HSBC. As at 30 June 2026, HSBC beneficially held 14,135,636,613 H shares of the Bank. Pursuant to the SFO, HSBC Holdings plc was deemed to own the interests associated with the 14,135,636,613 H shares held by HSBC.
- (4) To the knowledge of the Bank, as at 30 June 2026, the SSF held a total of 9,044,640,332 H shares and 3,105,155,568 A shares (please refer to the details in the 2026 Interim Financial Statements) of the Bank, respectively representing 10.24 per cent. and 3.51 per cent. of the Bank's total ordinary shares issued.

Save as disclosed above, as at 30 June 2026, no other person (excluding the Directors and Chief Executive of the Bank) or corporation were recorded in the register required to be kept under Section 336 of the SFO as holding any interests or short positions in the shares or underlying shares of the Bank that would fall to be disclosed to the Bank and the HKSE pursuant to Divisions 2 and 3 of Part XV of the SFO.

MANAGEMENT OF THE BANK

GENERAL

The Board of the Bank currently comprises 15 members being four executive directors, five non-executive directors and six independent non-executive directors. Each director of the Bank is elected at a shareholder meeting for a term of three years, which is renewable upon re-election. The chairman and the vice chairman of the Board are elected by a simple majority of the Board.

The business address of the directors and senior management personnel named below is No. 188 Yin Cheng Zhong Road, Pudong District, Shanghai, PRC, 200120.

DIRECTORS

The following table sets forth certain information concerning the directors of the Bank.

Name	Position
Mr. REN Deqi	Chairman and Executive Director
Mr. ZHANG Baojiang.....	Vice Chairman and Executive Director
Mr. YIN Jiuyong	Executive Director
Mr. ZHOU Wanfu	Executive Director
Mr. CHANG Baosheng	Non-executive Director
Mr. LIAO, Yi Chien David	Non-executive Director
Mr. CHAN Siu Chung	Non-executive Director
Mr. MU Guoxin	Non-executive Director
Mr. AI Dong	Non-executive Director
Mr. ZHANG Xiangdong	Independent Non-executive Director
Ms. LI Xiaohui	Independent Non-executive Director
Mr. MA Jun	Independent Non-executive Director
Mr. WONG Tin Chak	Independent Non-executive Director
Mr. XIAO Wei	Independent Non-executive Director
Ms. LIU Ruixia	Independent Non-executive Director

EXECUTIVE DIRECTORS

Mr. REN Deqi, Chairman and Executive Director. Mr. Ren has been serving as the Chairman of the Board of Directors since January 2020, Executive Director of the Bank since August 2018. Mr. Ren served as Vice Chairman of the Board of Directors, Executive Director and President of the Bank. Mr. Ren served as Executive Director and Executive Vice President of Bank of China. During the period, he also served as Non-executive Director of Bank of China Hong Kong (Holdings) Limited and Chief Executive Officer of Shanghai Renminbi Trading Business Headquarter of Bank of China. Mr. Ren served as several positions in China Construction Bank, including General Manager of the Risk Management Department, President of the Hubei Branch, General Manager of the Credit Management Department, General Manager of the Risk Monitoring Department and

Deputy General Manager of the Credit Approval Department. Mr. Ren obtained his master's degree in engineering from Tsinghua University in 1988 and he is a Senior Economist.

Mr. ZHANG Baojiang, Vice Chairman and Executive Director. Mr. Zhang has been serving as the Vice Chairman of the Board of Directors and Executive Director of the Bank since August 2024, President of the Bank since June 2024. Mr. Zhang had worked for Agricultural Development Bank of China, serving as the Vice President of such bank, President of the Anhui Branch, Director of the General Office of the Head Office, Vice President of the Shaanxi Branch, Deputy General Manager (In Charge of Work) of the Policy Research Office, Deputy Director of the General Office and Deputy General Manager of the Research Office of the Head Office, etc. Mr. Zhang obtained bachelor's degree in science from the Beijing Normal University in 1993, and obtained a master's degree in economics from the Graduate School of the Party School of the Central Committee of Communist Party of China in 1998 and a doctoral degree in economics from the Graduate School of the Party School of the Central Committee of Communist Party of China in 2004 and he is a Senior Economist.

Mr. YIN Jiuyong, Executive Director and Executive Vice President. Mr. Yin has been serving as an Executive Director of the Bank since February 2024 and as an Executive Vice President of the Bank since September 2019. Mr. Yin held various positions in Agricultural Development Bank of China, including Executive Vice President, Director of the General Office, President of the Henan Branch, General Manager and Deputy General Manager of the First Customer Department (during the period, Mr. Yin served a temporary position as Deputy Manager of Business Department of the Baoding Branch and Executive Vice President of the Baoding Branch), Deputy Director of the First Credit Department, Division Chief of the Comprehensive Division, Deputy Division Chief of Comprehensive Division of the First Industrial and Commercial Credit Department, and Deputy Division Chief of Purchase and Sale Division of the Industrial and Commercial Credit Department. Mr. Yin obtained his doctoral degree in agriculture from China Agricultural University in 1993 and he is a Senior Economist.

Mr. ZHOU Wanfu, Executive Director and Executive Vice President. Mr. Zhou has been serving as an Executive Director of the Bank since February 2024 and as an Executive Vice President of the Bank since July 2020. Mr. Zhou held various positions in Agricultural Bank of China, including Secretary of the Board of Directors, General Manager of the Strategic Planning Department, President of Tianjin Training Institute, Executive Vice President of Chongqing Branch, General Manager of the Asset and Liability Management Department, Deputy General Manager of the Planning and Finance Department, Deputy General Manager of the Asset and Liability Management Department, Executive Vice President of the Ningbo Branch, Division Chief of the Comprehensive Planning Department of the Asset and Liability Management Division and Deputy Division Chief of the Development and Planning Department of the Business Planning Division of the Head office. Mr. Zhou obtained his master's degree in economics from the Graduate School of the PBOC in 1988 and obtained his MBA degree from Nanyang Technological University in Singapore in 2003.

NON-EXECUTIVE DIRECTORS

Mr. CHANG Baosheng, Non-executive Director. Mr. Chang has been serving as a Non-executive Director since January 2021, and holds position at Central Huijin Investment Ltd. Mr. Chang served as Level-two Inspector and Deputy Inspector of the Ningxia Supervision Bureau of the MOF. Mr. Chang served as Deputy Inspector, Assistant Commissioner, Deputy Director of the Third Business Department, Deputy Director of the Second Business Department and Deputy Director of the General Office of Ningxia Supervision and Inspection Office of the MOF. Mr. Chang graduated from Zhongnan University of Economics and Law in 1989.

Mr. LIAO, Yi Chien David, Non-executive Director. Mr. Liao has been serving as a Non-executive Director of the Bank since May 2021. He is a member of HSBC Holdings plc's Group Operating Committee. He is Co-Chief Executive of Asia and Middle East and serves as Executive Director on the Board of HSBC, a substantial

shareholder of the Bank. He holds positions as Chairman of HSBC Bank (China) Company Limited and Non-Executive Director of Hang Seng Bank Limited. After joining HSBC in 1997, Mr. Liao was responsible for the local currency fixed income business in Greater China and Singapore. He was appointed Treasurer and Head of Global Markets, China; then became Head of Global Banking and Markets, China; and served as President and Chief Executive, HSBC China. He was also Head of Global Banking Coverage for Asia-Pacific. Mr. Liao obtained his honorary bachelor's degree from University of London in 1995.

Mr. CHAN Siu Chung, Non-executive Director. Mr. Chan has been serving as a Non-executive Director since October 2019. Mr. Chan serves as the Advisor to Co-Chief Executives, HSBC Hong Kong, a substantial shareholder of the Bank. Mr. Chan served as the Head of Capital Market for Greater China Region at HSBC, Co-Head of Capital Markets for Asia-Pacific, Deputy Head of the Global Markets Asia Pacific and Head of Trading in Hong Kong, Head of Trading in Hong Kong, Head of Hong Kong Dollar Interest Rate and Derivatives Trading, Senior Interest Rate Dealer and Senior Dealer. Mr. Chan obtained his master's degree in applied finance from Macquarie University, Australia in 1994.

Mr. MU Guoxin, Non-executive Director. Mr. Mu has been serving as a Non-executive Director since August 2022. Mr. Mu serves as a full-time director at the Bank designated by National Council for Social Security Fund, a substantial shareholder of the Bank, also a Non-executive Director of COFCO Fortune Brand Co., Ltd. Mr. Mu served as the Director and the Deputy Director of the Fund Finance Department, Chief of Accounting Division, the Deputy Chief of Accounting Division of Finance and Accounting Department of the National Council for Social Security Fund and Deputy Division Chief of the Second System Division of the Accounting Department of the MOF. Mr. Mu obtained his MPA degree under the cooperative cultivation programme between Peking University and the National Academy of Governance in 2008 and he is a Senior Accountant.

Mr. AI Dong, Non-executive Director. Mr. Ai has been serving as a Non-executive Director of the Bank since April 2025. Mr. Ai serves as the deputy director of the Finance Department of China National Tobacco Corporation, also a director of National Small and Medium Enterprises Development Fund Company Limited and a supervisor of China Tobacco Magazine Company Limited. Mr. Ai served as the director of the Comprehensive Division and deputy director of the Accounting Division of the Finance Department of China National Tobacco Corporation, the finance manager of Zimbabwe Tianze Tobacco Company Limited, and the staff member of Third Research Institute of the Aerospace Industry Corporation. Mr. Ai obtained a bachelor's degree in taxation from Tianjin Business School in 1998.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. ZHANG Xiangdong, Independent Non-executive Director. Mr. Zhang has been serving as an Independent Non-executive Director of the Bank since August 2020. Mr. Zhang served as Non-executive Director of Bank of China Limited, Non-executive Director and Chairman of the Risk Management Committee of the Board of Directors of China Construction Bank Corporation (during which period Mr. Zhang concurrently served as member of the China International Economic and Trade Arbitration Commission). Mr. Zhang also served as Inspector and Deputy Director General of the General Affairs Department of the SAFE. He served as Executive Vice President of Haikou Branch of the PBOC and Deputy Director General of Hainan Branch of the SAFE concurrently. Mr. Zhang concurrently served as Member of the Issuance Approval Committee of the CSRC. Mr. Zhang obtained his master's degree in law from Renmin University of China in 1990 and he is a Senior Economist.

Ms. LI Xiaohui, Independent Non-executive Director. Ms. Li has been serving as an Independent Non-executive Director of the Bank since November 2020. She has been a Professor and Doctoral Supervisor at the School of Accounting, Central University of Finance and Economics. She also serves as Independent Director of China Everbright Group Company Limited, External Supervisor of Bank of Beijing Co., Ltd, Member of the

Professional Technical Advisory Committee of the Chinese Institute of Certified Public Accountants, Member of the Audit Committee of the Accounting Society of China, Member of the Audit Standards Committee of the China Internal Audit Association. Ms. Li worked in the Professional Standards Department of the Chinese Institute of Certified Public Accountants. Ms. Li worked successively in Cangzhou Accounting Firm, Cangshi Accounting Firm and the State-owned Assets Administration under Hebei Province Department of Finance. Ms. Li obtained her doctoral degree in economics from Central University of Finance and Economics in 2001 and she is a Certified Public Accountant.

Mr. MA Jun, Independent Non-executive Director. Mr. Ma has been serving as an Independent Non-executive Director of the Bank since August 2022. Mr. Ma is currently the President of the Beijing Institute of Green Finance and Sustainable Development. Mr Ma also serves as Independent Director of China Life Insurance (Group) Company, Director of the Green Finance Committee of China Society for Finance, Co-Chairman of the Steering Committee of the “Belt and Road” Green Investment Principles, Chairman of the Hong Kong Green Finance Association and Chairman of the Capacity Building Alliance of Sustainable Investment. Mr. Ma served as a member of the Monetary Policy Committee of the PBOC, Co-Chairman of the G20 Sustainable Finance Working Group, Director of the Centre for Finance and Development under Tsinghua National Institute of Financial Research, Chief Economist of the Research Bureau of the PBOC, Chief Economist, Investment Strategist and Managing Director of Deutsche Bank Greater China, Senior Economist at the World Bank, Economist at the International Monetary Fund, and also worked at the Development Research Centre of the State Council. Mr. Ma obtained his doctor’s degree in economics from Georgetown University, USA in 1994.

Mr. WONG Tin Chak, Independent Non-executive Director. Mr. Wong has been serving as an Independent Non-executive Director of the Bank since November 2023 and he is an Associate of the Institute of Chartered Accountants in England and Wales. Since November 2022, Mr. Wong has been the Chief Partner of Shanghai Dekun Tianyu Management Consulting Partners (Limited Partnership) and a member of the Digital Economy Strategy Committee of the Chinese Association of Development Strategy Studies, Independent Director of ENN Natural Gas Co., Ltd. He has previously worked as, among others, a Chief Commercial Officer, a Risk Advisory Managing Partner and a member of Management Committee of Deloitte China, a member of the Risk Advisory Management Committee of Deloitte Asia Pacific, an Audit and Assurance Deputy Managing Partner and a Partner of Deloitte Touche Tohmatsu Certified Public Accountants and a Partner of Deloitte Touche Tohmatsu. Mr. Wong obtained a bachelor of social science degree from The University of Hong Kong in 1988.

Mr. XIAO Wei, Independent Non-executive Director. Mr. Xiao has been serving as an Independent Non-executive Director of the Bank since September 2024. Mr. Xiao served as Chief Audit Officer of Bank of China Limited, General Manager of the Financial Management Department of the Head Office, Deputy General Manager of the Beijing Branch, Chief Financial Officer of the Beijing Branch, Assistant General Manager and Deputy General Manager of the Asset-and-Liability Management Department of the Head Office, etc. Mr. Xiao obtained a doctoral degree in economics from Renmin University of China in 1994 and he is a Senior Accountant.

Ms. LIU Ruixia, Independent Non-executive Director. Ms. Liu has been serving as an Independent Non-executive Director of the Bank since January 2026. Ms. Liu serves as Chief Expert of the Green Credit Professional Committee of China Banking Association and Chief Expert of the Expert Working Group for China’s Banking Industry in Supporting the Achievement of Carbon Peak and Carbon Neutrality Goals. She previously served as a member of the Task Force on Climate-related Financial Disclosures (“TCFD”) of the Financial Stability Board, General Manager, Senior Risk Management Expert, Deputy General Manager, Deputy General Manager of the Credit Evaluation Department, Deputy General Manager of the Evaluation and Consultation Department, Director of the Credit Evaluation Division of the Evaluation and Consultation Department, Director of the Accounting Management Division of the Fund Custody Department, and Director of the Comprehensive Division of the Business Development Department at Industrial and Commercial Bank

of China. Ms. Liu obtained her master's degree in economics from Southwest University of Finance and Economics in 1989 and she is a Senior Economist. Ms. Liu enjoyed special government allowances of the State Council.

SENIOR MANAGEMENT

The senior management of the Bank comprises members of the senior management and secretary of the Board, of which, members of the senior management include, among others, the President, Executive Vice Presidents, Chief Financial Officer, Chief Risk Officer, Chief Information Officer, Chief Compliance Officer, Chief Business Office and other senior executives appointed by the Board of Directors. The president is accountable to the Board, whereas various functional departments, branch offices and other members of senior management of the Bank are accountable to the president. The president has the right to organise, develop and operate management activities in accordance with laws, regulations, the Bank's Articles of Association and authorisation from the Board.

The following table sets forth certain information concerning members of the senior management of the Bank.

Name	Position
Mr. ZHANG Baojiang.....	President
Mr. YIN Jiuyong	Executive Vice President
Mr. ZHOU Wanfu	Executive Vice President
Mr. QIAN Bin	Executive Vice President
Mr. GU Bin	Executive Vice President
Mr. YANG Tao	Executive Vice President
Mr. HE Zhaobin	Secretary of the Board of Directors
Mr. LIN Hua.....	Chief Business Officer (Retail and Private Business Sector)
Mr. LIU Jianjun.....	Chief Risk Officer, Chief Compliance Officer
Mr. LIU Lei.....	Chief Information Officer
Mr. CHO, Kwok Hung Arthur.....	BOCOM-HSBC Strategic Cooperation Consultant

Mr. ZHANG Baojiang, please refer to details in “*Executive Directors*”.

Mr. YIN Jiuyong, please refer to details in “*Executive Directors*”.

Mr. ZHOU Wanfu, please refer to details in “*Executive Directors*”.

Mr. QIAN Bin, Executive Vice President. Mr. Qian has been serving as an Executive Vice President of the Bank since July 2021. Mr. Qian had concurrently been Chief Information Officer of the Bank since October 2022. Mr. Qian held various positions at Industrial and Commercial Bank of China, including General Manager and Principal of Internet Finance Department, General Manager of Data Centre (Shanghai), Deputy General Manager of Private Banking Department, Deputy General Manager of Information Technology Department, General Manager of Information Technology Department Shanghai Branch and concurrently Director of Technology Security Centre Shanghai Branch etc. Mr. Qian obtained his MBA degree from The University of Hong Kong - Fudan University IMBA Programme in 2004 and he is a Senior Engineer.

Mr. GU Bin, Executive Vice President. Mr. Gu has been serving as an Executive Vice President of the Bank since November 2024. At Industrial and Commercial Bank of China, Mr. Gu served as Director of Internal

Audit Bureau, General Manager of Human Resources Department, General Manager of Xiamen Branch, Deputy General Manager of Credit Approval Department, Deputy General Manager of Guizhou Branch, Deputy General Manager of Xiamen branch, Deputy General Manager of Credit Management Department etc. Mr. Gu obtained his master's degree in engineering from Tsinghua University in 1997 and he is a Senior Economist.

Mr. YANG Tao, Executive Vice President. Mr. Yang has been serving as an Executive Vice President of the Bank since April 2025. Mr. Yang worked for China Development Bank and served as General Manager of Review Management Department, General Manager of Industry Department II, and Deputy General Manager of Shenzhen Branch. Mr. Yang obtained bachelor's degree in economics from Southwestern University of Finance and Economics in 1993 and he is a Senior Economist.

Mr. HE Zhaobin, Secretary of the Board of Directors. Mr. He has been serving as the Secretary of the Board of Directors since June 2023. Mr. He served as a Non-executive Director of the Bank from August 2017 to January 2021. Mr. He held various positions including Deputy Director of National Agricultural Comprehensive Development Office of the State, Deputy Director of Agriculture Comprehensive Reform Group Office of the State Council, Deputy Director of the Department of Supervision and Inspection of MOF etc. Mr. He obtained his master's degree in public administration in Peking University and China National School of Administration and he is a Certified Public Accountant and a Senior Economist.

Mr. LIN Hua, Chief Business Officer (Retail and Private Business). Mr. Lin has been serving as the Chief Business Officer (Retail and Private Business) of the Bank since June 2023. Mr. Lin held various positions at the Bank, including Chief Risk Officer, General Manager of Risk Management Department, Director of Internal Control and Crime Prevention Office, General Manager of Jiangsu Branch, General Manager and Deputy General Manager (performing the duties of the General Manager) of the Jiangxi Branch, Deputy General Manager and Senior Credit Officer of Shanghai Branch etc. Mr. Lin obtained his Senior Management MBA Degree from Shanghai University of Finance and Economics in 2004 and he is a Senior Economist.

Mr. LIU Jianjun, Chief Risk Officer. Mr. Liu has been serving as the Chief Risk Office since June 2023. Mr. Liu has been concurrently serving as the Chief Compliance Officer of the Bank since May 2026. Mr. Liu held various positions at the Bank, including Chief Expert, General Manager of Risk Management Department, Director of Crime Prevention Office, General Manager of Beijing Branch, CEO and Standing Deputy CEO of Beijing Management Department (Group Customer Department), General Manager, Deputy General Manager and Senior Credit Officer of Jilin Branch, Deputy General Manager and Senior Credit Officer of Changchun Branch, Deputy General Manager and Senior Credit Officer of Beijing Branch etc. Mr. Liu obtained his MBA degree from Beijing Institute of Technology in 2003 and he is an Intermediate Economist.

Mr. LIU Lei, Chief Information Officer. Mr. Liu has been Chief Information Officer of the Bank since June 2026, and has concurrently been General Manager of the Financial Technology Department and President of the Financial Technology Innovation Research Institute of the Bank since 2025. Mr. Liu held various positions at the Bank, including Director of the Digital Transformation Office and General Manager of the Software Development Centre, concurrently serving as Chairman and President of Bank of Communications Financial Technology Co., Ltd., Deputy Head of the Preparatory Group of Bank of Communications Fintech Co., Ltd., General Manager of the Software Development Centre (Shanghai), Deputy General Manager of the Software Development Centre, concurrently serving as General Manager of the R&D Centre (Shenzhen), Assistant General Manager of the Software Development Centre, Senior Manager of the Chief Engineer Office of the Software Development Centre, Senior Manager of Development Department One, and Deputy Senior Manager of Development Department One etc. Mr. Liu obtained his bachelor's degree in engineering from East China University of Science and Technology in 1994 and he is an Engineer.

Mr. CHO, Kwok Hung Arthur, BOCOM-HSBC Strategic Cooperation Consultant. Mr. Cho has been serving as the BOCOM-HSBC Strategic Cooperation Consultant since April 2023. He was the Chief Risk Officer of Hang Seng Bank (China) Limited, Risk Management Consultant assigned by HSBC to the Bank (as an expatriate employee of HSBC), General Manager of HSBC Shanghai Branch, Director of Credit Risk Training of HSBC (China), Director of Commercial Banking School of HSBC Asia Pacific, Director of Corporate Banking Training Department of HSBC Asia Pacific etc. Mr. Cho obtained his MBA degree from City University of Hong Kong in 1996.

BOARD COMMITTEES

The Board of Directors set up Strategy Committee, Audit Committee, Risk Management and Related Party Transaction Control Committee, Personnel and Remuneration Committee and Social Responsibility (Environmental, Social and Governance) and Consumer Protection Committee, among which, the Risk Management and Related Party Transaction Control Committee assumed the responsibilities of the US Risk Management Committee, and the Personnel and Remuneration Committee performed the functions of both nomination and remuneration.

The Strategy Committee

The Strategy Committee is primarily responsible for deliberating and studying the Bank's development strategy, medium and long term development plans and financial technology plans, etc., regularly inspecting, monitoring and evaluating the implementation, and revising and improving them in a timely manner as needed, and making recommendations to the Board of Directors; reviewing the development strategic plans, important policies and systems for key businesses such as sci-tech finance, green finance, inclusive finance, ageing finance, and digital finance, and evaluating their development effectiveness; regularly analysing and evaluating the Bank's assets management, deliberating and studying capital planning and capital replenishment plans, and making recommendations to the Board of the Directors; deliberating and studying the Bank's significant investment plans (including significant equity investment) and making recommendations to the Board of the Directors; deliberating and studying the Bank's annual business plans, inspecting, monitoring and evaluating the implementation, and making recommendations to the Board of Directors; deliberating and studying the establishment of internal functional departments of the Bank and the establishment plans of domestic first-tier branches, overseas branches and domestic and foreign subsidiaries, and making recommendations to the Board of Directors; inspecting and evaluating the implementation of the Bank's corporate governance system, monitoring and evaluating the compliance and effectiveness of corporate governance, and making recommendations to the Board of Directors on formulating and improving corporate governance policies and systems; and performing other duties stipulated by laws and regulations, securities regulatory authorities and stock exchanges at the place where the shares of the Bank are listed and authorised by the Board of Directors.

For the year ended 31 December 2025, the Committee held six meetings, reviewed and approved 45 proposals and reports, and presented professional recommendations to the Board of Directors.

The Audit Committee

After the reform of the Board of Supervisors was completed, the original functions of the Board of Supervisors were assumed by the Audit Committee. The Audit Committee is mainly responsible for examining the Bank's financial affairs, including but not limited to reviewing the Bank's financial information and disclosures, examining accounting policies and practices, supervising the financial position and financial reporting process, and issuing an opinion on the financial report; supervising the conduct of directors and senior management in the performance of their duties, requiring them to rectify actions that harm the interests of the Bank; making recommendations for dismissal of directors and senior management who violate laws, regulations, the Articles of Association or resolutions of the shareholders' meeting, and initiating legal proceedings against those who

cause losses to the Bank; supervising and evaluating the relationship between the Bank and the external auditors and the work of the external auditors; directing, supervising, appraising and assessing the internal audit work, the internal audit system and the implementation of the system; supervising and assessing the effectiveness of the Bank's internal controls and inspecting the internal control system and the implementation of the system; evaluating the mechanisms for the employees of the Bank to report irregularities in financial reports and internal controls and other improper conduct, and the mechanisms for the Bank to conduct independent and impartial investigations of the reported matters and take appropriate actions; and performing other duties stipulated by laws and regulations, securities regulatory authorities and stock exchanges at the place where the shares of the Bank are listed and authorised by the Board of Directors

For the year ended 31 December 2025, the Audit Committee held five meetings and reviewed and approved 41 proposals and reports, and presented professional recommendations to the Board of Directors.

The Risk Management and Related Party Transaction Control Committee

The Risk Management and Related Party Transaction Control Committee is primarily responsible for reviewing and revising the Bank's risk strategy, risk management policies, risk appetite, comprehensive risk management framework and internal control system based on the Bank's overall strategy, supervising and evaluating the implementation and its effects, and making recommendations to the Board of Directors; supervising and assessing the risk management of the credit, liquidity, market, operation, compliance, nationality, bank book interest rate, reputation, information technology, prevention against violations, outsourcing, business continuity, money laundering and terrorist financing and other aspects of the Bank, and making recommendations to the Board of Directors; regularly listening to the comprehensive risk management assessment report submitted by the senior management of the Bank, and supervising the senior management to effectively identify, measure, monitor, control and deal with various risks in a timely manner; regularly reviewing the Bank's annual risk appetite, setting scientific and reasonable risk preference statement, risk tolerance and risk limit in accordance with the external economic and financial environment and the operational needs of the Bank, and submitting to the Board of Directors for approval; assuming the responsibilities of the US Risk Management Committee in accordance with the requirements in the Enhanced Prudential Standards for Bank Holding Companies and Foreign Banking Organisations established by the Federal Reserve Board; reviewing and amending the Bank's basic system for management of related party transactions, examining major related party transactions, unified transaction agreements, and daily related party transaction agreements, listening to reports on the management of related party transactions, accepting the filing of general related party transactions, and other major matters related to related party transactions; establishing the objectives of building the Bank's money laundering risk management culture, reviewing and finalising money laundering risk management strategies, approving policies and procedures for money laundering risk management, regularly reviewing anti-money laundering work reports, assessing the Bank's anti-money laundering risk management status, fully recognising the money laundering risks faced by the Bank, and making suggestions to the Board of Directors for improving the Bank's anti-money laundering risk management and internal controls; and performing other duties stipulated by laws and regulations, securities regulatory authorities and stock exchanges at the place where the shares of the Bank are listed and authorised by the Board of Directors.

For the year ended 31 December 2025, the Risk Management and Related Party Transaction Control Committee held five meetings, reviewed and approved 39 proposals and reports, and presented professional recommendations to the Board of Directors.

The Personnel and Remuneration Committee

The Personnel and Remuneration Committee is primarily responsible for evaluating the structure, size and composition of the Board of Directors, and making recommendations on the size and structure of Board of Directors and any proposed changes to the Board of Directors in accordance with the development strategy of

the Bank and the equity structure of the Bank; establishing procedures and criteria for the selection and appointment of directors and senior management of the Bank, identifying individuals suitably qualified to become directors and senior management, conducting preliminary review of the qualifications and conditions of directors and senior management, and making recommendations to the Board of Directors on the appointment of directors and senior management and succession plan for directors and senior management; approving and revising the diversity membership policy for the Board of Directors and assessing the result of the implementation of the policy; reviewing the independence of independent non-executive directors; reviewing the fundamental system and policy of the Bank regarding remuneration management, and the policy and structure of remuneration for directors and senior management, and making recommendations to the Board of Directors; developing the performance review criteria for directors and senior management of the Bank, and the salary and incentive plans for directors and senior officers according to the strategic planning and business objectives determined by the Board of Directors, and making recommendations to the Board of Directors; organising the performance review of the senior management and confirming the results based on the authorisation of the Board of Directors; and performing other duties stipulated by laws and regulations, securities regulatory authorities and stock exchanges at the place where the shares of the Bank are listed and authorised by the Board of Directors.

The Personnel and Remuneration Committee's nomination procedures for the directors and senior management of the Bank are as follows: (1) Understanding the Bank's demands for directors in time; (2) Extensively searching for candidates of directors according to the demands; (3) After determining the initial candidates, the office of the board of directors collects and organises the resumes of initial candidates, and forms written materials; (4) Obtaining the consent of initial candidates, otherwise not eligible for director nomination; (5) Convening the meetings of the Personnel and Remuneration Committee to conduct examinations on the qualification of the initial candidates based on the Bank's employment conditions for directors; (6) Proposing to the Board of Directors about the election of new director and reporting the written deliberation opinions to the Board of Directors; (7) Conducting other follow up work based on decisions and feedbacks of the Board of Directors

For the year ended 31 December 2025, the Personnel and Remuneration Committee held six meetings, reviewed and approved 18 proposals and reports, and presented professional recommendations to the Board of Directors.

The Social Responsibility (Environmental, Social and Governance) and Consumer Protection Committee

The Social Responsibility (Environmental, Social and Governance) and Consumer Protection Committee is primarily responsible for formulating the Bank's social responsibility strategies and policies and fulfilling plans and measures of social responsibilities, regularly reviewing the achievement of social responsibility work objectives, and submitting the annual sustainability report to the Board of Directors for approval; studying, formulating, assessing, and enhancing the effectiveness of the Bank's performance of social responsibilities in the Environmental, Social and Governance aspect, and improving the quality of Environmental, Social and Governance information disclosure; reviewing the strategies, policies and objectives of consumer protection work, studying major issues and key policies related to consumer protection, and submitting consumer protection work reports and annual reports to the Board of Directors; supervising the completeness, timeliness and effectiveness of the work of the senior management and consumer rights protection department; overseeing green finance initiatives, promoting a Bank-wide commitment to green development based on energy conservation, low carbon practices, environmental protection, and sustainable development, reviewing the Bank's green finance development strategies, green finance development objectives, and reports, as well as credit policies related to environment and sustainable development, and making recommendations to the Board of Directors; approving external donations according to the authorisation of the Board of Directors, and submitting requests to the Board of Directors or the shareholders' meeting for approval of additional external

donation quotas based on the Bank's actual circumstances; and performing other duties stipulated by laws and regulations, securities regulatory authorities and stock exchanges at the place where the shares of the Bank are listed and authorised by the Board of Directors.

For the year ended 31 December 2025, the Social Responsibility (Environmental, Social and Governance) and Consumer Protection Committee held four meetings, reviewed and approved 17 proposals and reports, and presented professional recommendations to the Board of Directors.

BANKING REGULATION AND SUPERVISION IN THE PRC

OVERVIEW

The banking industry in the PRC is highly regulated. The principal regulatory authorities in the PRC banking industry include the NFRA and the PBOC. The NFRA is responsible for supervising and regulating banking institutions, and the PBOC, as the central bank of the PRC, is responsible for formulating and implementing monetary policies. The principal laws and regulations relating to the PRC banking industry are the People's Bank of China Law of the People's Republic of China (中華人民共和國中國人民銀行法), the Commercial Banking Law of the People's Republic of China (中華人民共和國商業銀行法) and the Banking Supervision and Regulatory Law of the People's Republic of China (中華人民共和國銀行業監督管理法), and the rules and regulations established thereunder.

NFRA

Pursuant to the Plan for the Institution Reform of the State Council issued by the Central Committee of the Communist Party of China on 10 March 2023, the NFRA was established on 18 May 2023, building on the foundation of the CBIRC. With the formation of the NFRA, the CBIRC is no longer retained. The NFRA undertakes daily regulatory responsibilities of the PBOC for financial holding companies and other financial groups, as well as the responsibilities for consumer protection in the financial sector, and the investor protection responsibilities of the CSRC will also be transferred to the NFRA. The proposed reform is expected to be completed before the end of 2023 at the central government level. On 18 May 2023, the NFRA was officially established.

Functions and Powers

The NFRA is the principal regulatory authority in the PRC responsible for the supervision and regulation of banking institutions operating within the PRC, including commercial banks, urban credit cooperatives, rural credit cooperatives, other deposit-taking financial institutions and policy banks, as well as certain non-bank financial institutions, such as asset management companies, trust and investment companies, finance companies, financial leasing companies and other financial institutions.

The 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.
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.
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 such information in accordance with relevant provisions. To fulfil the responsibilities concerning comprehensive statistics of the financial industry.
7. To carry out technology supervision of banking institutions, insurance institutions, financial holding companies. 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. 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. To study and put forward recommendations on the recovery and resolution of financial institutions in collaboration with relevant departments and organise their implementation.
11. To take the lead in cracking down on illegal financial activities, organise 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 organise 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 fulfil 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.

Supervision over Capital Adequacy

In February 2004, the CBRC (the predecessor of the CBIRC and the NFRA) issued the Capital Adequacy Measures applicable to all commercial banks in the PRC. The Capital Adequacy Measures provided for a phase-in period whereby all domestic banks must have met the minimum ratios of capital adequacy by 1 January 2007.

On 3 July 2007, the CBRC issued an amendment to the Capital Adequacy Measures to set forth new and more stringent capital adequacy guidelines that must be complied with from 3 July 2007 onwards.

On 7 June 2012, the CBRC announced the Capital Management Rules to replace the Capital Adequacy Measures, setting up a new capital adequacy regulatory system by reference to Basel III to replace the Capital Adequacy Measures. The Capital Management Rules have been in effect since 1 January 2013. In particular, the Capital Management Rules establish a unified and comprehensive capital adequacy regulatory system, redefine the meaning of capital, enlarge the scope of risks to be covered by capital, require the scientific classification and differentiated supervision of the capital adequacy levels of commercial banks and give commercial banks a transitional period for meeting the new capital adequacy requirements.

Under the Capital Management Rules, capital adequacy ratios are calculated according to the following formulae in accordance with CBRC requirements:

$$\begin{aligned} \text{Capital Adequacy Ratio} &= \frac{\text{Total capital - corresponding capital deductions}}{\text{Risk-weight assets}} \times 100\% \\ \text{Tier 1 Capital Adequacy Ratio} &= \frac{\text{Tier 1 capital - corresponding capital deductions}}{\text{Risk-weight assets}} \times 100\% \\ \text{Common Equity Tier-1 Capital Adequacy Ratio} &= \frac{\text{Common Equity Tier-1 Capital - corresponding capital deductions}}{\text{Risk-weight assets}} \times 100\% \end{aligned}$$

On 29 November 2012, the CBRC released *The Guiding Opinions on Capital Instrument Innovation of Commercial Banks* (中國銀監會關於商業銀行資本工具創新的指導意見) (the “**Guiding Opinions**”) which was further revised on 22 November 2019, allowing and encouraging commercial banks to develop capital instruments (including tier 2 capital instruments) that comply with the Capital Management Rules. Pursuant to the Guiding Opinions, Additional Tier 1 Capital instruments and tier 2 capital instruments issued by a commercial bank after 1 January 2013 must contain a provision that requires such instruments to be either written off or converted into common stock upon the occurrence of a triggering event. A triggering event for Additional Tier 1 Capital instruments occurs when the Common Equity Tier-1 Capital adequacy ratio of the commercial bank falls to 5.125 per cent. or below. A triggering event for tier 2 capital instruments occurs upon the earlier of: (i) a decision of write-down or share conversion, without which the commercial bank would

become non-viable, as determined by the CBRC; or (ii) a decision to make a public sector injection of capital or equivalent support, without which the commercial bank would have become non-viable, as determined by relevant authorities. On 18 January, 2018, the CBRC, the PBOC, the CSRC, the CIRC and the State Administration of Foreign Exchange jointly released The Opinions on Further Supporting Commercial Banks' Innovation on Capital Instruments (中國銀監會、中國人民銀行、中國證監會、中國保監會、國家外匯管理局關於進一步支持商業銀行資本工具創新的意見) (the “**Opinions**”), further supporting the beneficial exploration of commercial banks for innovating capital instruments, expanding the channels for issuance of capital instruments, increasing capital instrument types, creating favourable conditions for commercial banks to issue capital bonds without fixed terms, Tier-2 capital bonds to be converted into shares, capital bonds containing regular share conversion clauses, bonds with total loss-absorbing capacity and other capital instruments and improving the approval of issuance of capital instruments.

On 26 October 2023, the NFRA promulgated the Rules Governing Capital Management of Commercial Banks (商業銀行資本管理辦法) (the “**New Capital Management Rules**”), which became effective on 1 January 2024. According to the New Capital Management Rules, the minimum capital adequacy ratio, tier 1 capital adequacy ratio and Common Equity Tier-1 Capital adequacy ratio for commercial banks are 8 per cent., 6 per cent. and 5 per cent., respectively. A commercial bank is also subject to the capital conservation buffer over and above the minimum capital requirement at 2.5 per cent. of total risk weighted assets of the bank comprised of Common Equity Tier-1 Capital, and under certain circumstances, a countercyclical buffer is required and the specific requirement of the countercyclical buffer shall be separately stipulated by the PBOC in conjunction with the NFRA. In addition, if a commercial bank is designated as a domestic systematically important commercial bank by the CBIRC (now the NFRA), such domestic systematically important bank is required to maintain a further capital surcharge above prevailing Common Equity Tier-1 Capital requirements as separately stipulated by the PBOC in conjunction with the NFRA.

On 27 October 2021, the PBOC, the CBIRC (now the NFRA) and the MOF promulgated the Measures for the Administration of the Total Loss-Absorbing Capacity of Global Systemically Important Banks (全球系統重要性銀行總損失吸收能力管理辦法), which became into effect on 1 December 2021. In accordance with these Measures, the external total loss absorption capacity (the “**TLAC**”) ratio of a global systemically important bank shall meet the following requirements: (1) the risk-weighted ratio of total external TLAC shall not be lower than 16 per cent. from 1 January 2025, and shall not be lower than 18 per cent. from 1 January 2028 and (2) the total leverage ratio of external TLAC shall not be lower than 6 per cent. from 1 January 2025, and shall not be lower than 6.75 per cent. from 1 January 2028.

Examination and Supervision

The NFRA monitors the operations of banks and their branches through on-site examinations and off-site surveillance. On-site examinations generally include inspecting a bank's business premises, interviewing its employees, senior management and directors for an explanation of significant issues relating to its operations and risk management and reviewing relevant documents and materials kept by the bank. The NFRA also conducts off-site surveillance by reviewing financial and other reports regularly submitted by banks and monitoring banks' business activities and risk exposure status to evaluate and analyse the operational risk of the banks.

If a banking institution is not in compliance with an applicable banking regulation, the NFRA is authorised to impose corrective and punitive measures, including imposing fines, ordering the suspension of certain business activities, imposing restrictions on dividends and other forms of distributions and asset transfers and suspending the opening of new branches. In extreme cases or when a commercial bank fails to take corrective action within the time period specified by the NFRA, the NFRA may order the banking institution to suspend operations and

may revoke its operating-business licence. In the event of a crisis or failure within a banking institution, the NFRA may assume control over, or facilitate the restructuring of, such banking institution.

PBOC

As the central bank of the PRC, the PBOC is responsible for formulating and implementing monetary policies and maintaining the stability of the PRC financial markets. According to the *People's Bank of China Law of the People's Republic of China* (中華人民共和國中國人民銀行法) and relevant regulations, the PBOC is empowered to:

- issue and implement orders and regulations in relation to its duties;
- formulate and implement monetary policy in accordance with laws;
- issue Renminbi and administer its circulation;
- regulate the inter-bank money market and the inter-bank bond market;
- implement foreign exchange controls and regulate the inter-bank foreign exchange market;
- supervise and regulate the gold market;
- hold, administer and manage state reserves of foreign exchange and gold;
- manage the national treasury;
- safeguard the normal operation of payment and clearing systems;
- guide and coordinate the financial industry in its anti-money laundering activities and take responsibility for monitoring capital in respect of anti-money laundering;
- take responsibility for financial industry statistics, surveys, analyses and forecasts;
- participate in international financial activities in its capacity as the central bank of the PRC; and
- undertake other duties as prescribed by the State Council.

On 15 August 2013, the State Council issued the Reply of the State Council on the Establishment of the Inter-departmental Coordination Joint Meeting System for Financial Supervision (國務院關於同意建立金融監管協調部際聯席會議制度的批覆), which aims to build up such system. The PBOC shall take the lead at the joint meetings, with the CBRC, the CSRC, the CIRC and the SAFE being the major members. The NDRC and the MOF may be invited to attend the joint meetings, if necessary.

On 13 January 2017, the PBOC promulgated the PBOC Notice on Issues Relating to the Macro-prudential Management of Overall Cross-border Financing (《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 “**PBOC Notice**”), which came into effect from the date of promulgation and imposes certain filing, reporting and other requirements on PRC companies and financial institutions that engage in cross-border financing activities. According to the consultation with the PBOC regarding the relevant filing and reporting requirements under the PBOC Notice, the PBOC hold the opinion that if (a) the proceeds raised from the issuance under the Programme are not repatriated into the PRC, and (b) the PRC parent bank takes the view that its offshore branch is not a PRC entity for the purpose of the PBOC Notice, then the PBOC Notice is not applicable to the notes issuance of its offshore branch. In connection with the update of the Programme or any issuance by an offshore branch under the Programme, the Bank holds the view that the PBOC Notice is not applicable and consequently has not made and does not intend to make any filing with the PBOC under the PBOC Notice. As advised by the PRC legal advisors, considering (a) the update of the Programme (without any

issuance hereunder) and the entering into of the contracts solely in connection with the update does not amount to “cross-border financing activities” under the PBOC Notice; and (b) an issuance by an offshore branch where the proceeds will not be repatriated into the PRC does not involve any “cross-border financing activities” under the PBOC Notice, the update of the Programme and any issuance by the Issuer with its proceeds not being repatriated into the PRC shall not trigger filing requirements under the PBOC Notice. Furthermore, if the proceeds of the Notes are repatriated into the PRC, the PBOC Notice may be applicable for the issuance and thus the Issuer shall make filings with the PBOC regarding the Notes according to the requirements under the PBOC Notice. It should be noted that the PBOC Notice is new and the implementation rules have not yet been published, and if following the date of this Offering Circular, the relevant Issuer or the Bank is required to make any filing, reporting or take other steps to comply with the PBOC Notice, the relevant Issuer or the Bank will take the necessary steps to comply with such requirements.

NDRC

On 5 January 2023, the NDRC published 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) (the “**Order 56**”), which came into effect on 10 February 2023 and repealed the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (關於推進企業發行外債備案登記制管理改革的通知) on the same date. The Order 56 applies to medium and long-term foreign debts with a maturity of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas enterprises or branches controlled by aforementioned PRC enterprises, denominated in local or foreign currency, and of which principal is repaid with payment of interest as agreed. For the purpose of the Order 56, the forms of foreign debts include but are not limited to senior bonds, perpetual bonds, capital bonds, medium-term notes, convertible bonds, exchangeable bonds, financial leasing, and commercial loans. Before borrowing any foreign debt, the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明) (“**Examination and Registration Certificate**”) shall be obtained from the NDRC, and such certificate shall be valid for one year from the date of issuance and be automatically invalidated upon expiry. Apart from the foregoing pre-issuance requirement, the Order 56 stipulates post-issuance filing requirements as following: (1) filing the information of foreign debts within 10 business days after borrowing each foreign debt; (2) filing the information on the borrowing of foreign debts within 10 business days upon the expiration of the Examination and Registration Certificate; (3) filing the information on the use of proceeds raised from foreign debts, including, among others, the repayment of principal with the payment of interest, plans and arrangements, and major business indicators, within five business days prior to the end of January and the end of July each year. In addition, in case of any major event that may affect the normal performance of debt obligations, enterprises shall promptly report relevant information and take risk control measures to prevent the spill-over of onshore default risks and cross default risks. With respect to conducts in violation of the Order 56, legal liabilities and consequences to enterprises borrowing foreign debts have been stipulated in the Order 56. If any enterprise borrows foreign debts in violation of the Order 56, the NDRC will take disciplinary actions such as holding an interview and giving a public warning against the relevant enterprise and its principal liable person. If any application documents to apply for foreign debt approval submitted by enterprises contain concealing, false record, misleading statement, or material omission, the NDRC will give a warning to relevant enterprise and its principal liable person. If the approval is obtained by concealment, deception, bribery, or any other improper means, such approval will be revoked. For any enterprise failing to comply with filing and reporting requirements under the Order 56, the NDRC will order such enterprise to take rectification actions within a prescribed time limit; and if the circumstances are severe or the enterprise fails to take rectification action within the prescribed time limit, give a warning to the relevant enterprise and its principal liable person. Furthermore, conducts in violation of the Order 56 committed by enterprises will be publicised on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統).

The NDRC issued the Certificate of Examination and Registration of Foreign Debts Borrowed by Enterprises (企業借用外債審核登記證明) (發改辦外債[2026][159]號) to the Bank on 7 May 2026 (the “**NDRC Certificate**”). The recipient may at its own discretion issue notes of any amount up to the granted amount under such annual foreign debt quota, although it still has to make post-issuance filing within 10 business days after the completion of the issuance of the relevant notes. The relevant Issuer is entitled to utilise the annual quota of the Bank under the NDRC Certificate. As such, the relevant Issuer is not required to carry out any pre-issuance registration in relation to the Notes pursuant to the Order 56, as the issue size and other terms and conditions of the Notes will all fall within the scope of the NDRC Certificate. However, the relevant Issuer and the Bank still have to comply with regulations regarding risk management and interim and ex-post supervision of the Order 56 and any other rules and regulations promulgated by the NDRC in relation with the supervision and management of foreign debt from time to time.

As new regulation, the Order 56 and the NDRC Certificate will be subject to interpretation and application by the relevant PRC authorities, and it remains unclear what impact non-compliance will have on the legality, enforceability and validity of the Notes.

TAXATION

The following summary of certain PRC and Hong Kong of the purchase, ownership and disposal of the Notes is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Notes or any persons acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. Persons considering the purchase of the Notes should consult their own tax advisers concerning the possible tax consequences of buying, holding or selling any Notes under the laws of their country of citizenship, residence or domicile.

PRC Taxation

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 advisers 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. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2008.

Pursuant to the New Enterprise Income Tax Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose “de facto management bodies” are within the territory of the PRC shall be PRC tax resident enterprises for the purpose of the New Enterprise Income Tax Law and they shall pay enterprise income tax at the rate of 25 per cent. in respect of their income sourced from both within and outside the PRC. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the “de facto management body” of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the New Enterprise Income Tax Law and be subject to enterprise income tax at the rate of 25 per cent. for its income sourced from both within and outside PRC. As confirmed by the Issuer, as at the date of this Offering Circular, the Issuer has not been notified or informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the New Enterprise Income Tax Law. On that basis, holders of the Notes will not be subject to withholding tax, income tax or any other taxes or duties (including stamp duty) imposed by any governmental authority in the PRC in respect of the holding of the Notes or any repayment of principal and payment of interest made thereon.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the New Enterprise Income Tax Law and related implementation regulations in the future. If the Issuer is treated as a PRC tax resident enterprise, the interest payable by the Issuer may be considered as income sourced inside the PRC. Pursuant to the New Enterprise Income Tax Law and its implementation regulations, any non-resident enterprise without establishment within the PRC or its income has no actual connection to its establishment inside the PRC may be subject to enterprise income tax at the rate of 10 per cent. on the passive incomes including interest payable sourced inside the PRC unless a lower tax treaty rate applies. Similarly, pursuant to the PRC Individual Income Tax Law, any non-resident individual Noteholders may be subject to individual income tax at the rate of 20 per cent. on the interest payable, which may be further decreased by an applicable tax treaty. Such income tax shall be withheld at source by the PRC entity making payment, who shall be obliged to withhold the tax amount from each payment or payment due. Accordingly, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, the Issuer shall withhold income

tax from the payments of interest in respect of the Notes for any non-PRC enterprise and individual Noteholders. However, notwithstanding the potential withholding of PRC tax by the Issuer, the Issuer 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.

Non-PRC Noteholders will not be subject to the PRC tax on any capital gains derived from a sale or exchange of Notes consummated outside mainland China between non-PRC Noteholders, except however, if the Issuer is treated as a PRC tax resident enterprise under the New Enterprise Income Tax Law and related implementation regulations in the future, any gain realised by the non-PRC enterprise Noteholders from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly would be subject to up to 10 per cent. of PRC withholding tax unless decreased or exempted by an applicable tax treaty. Further, non-PRC individual Noteholders may be subject to individual income tax at the rate of 20 per cent. on the capital gains, which may be decreased or exempted by an applicable tax treaty.

On 25 December 2024, the Standing Committee of the National People's Congress issued the Value-added Tax Law ("**New VAT Law**"), which is effective on 1 January 2026. Pursuant to the New VAT Law, VAT is applicable where the entities or individuals provide services within the PRC. The revenues generated from the taxable sale of services by entities and individuals, shall be subject to PRC VAT, if the seller of the services is within the PRC or the services is consumed within the PRC (including services provided to the entities or individuals located within the PRC by the entities or individuals outside of the PRC). Accordingly, if the Issuer is deemed to be a PRC resident enterprise in the PRC by the PRC tax authorities, the interest and other interest like earnings derived from such products and received by a non PRC holders from the Issuer may be subject to PRC VAT. Additionally, VAT is unlikely to be applicable to any transfer of Notes between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Notes, but there is uncertainty as to the applicability of VAT if the seller of the Notes is located inside the PRC.

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).

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. Based on the definition of “deposit” in the Banking Ordinance (Cap. 155) of Hong Kong and provided no prospectus involving the issue of the Notes is registered under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, the issue of the Notes by the Bank is likely 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, with effect from 1 January 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the “**FSIE Amendments**”), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) 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 FSIE Amendments also provide 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:

- (a) 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
- (b) 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 Bank 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 Notes 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.

POTENTIAL FATCA WITHHOLDING AFTER 2019

Pursuant to certain provisions of U.S. law, 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. A number of jurisdictions (including Hong Kong and the PRC) 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. Certain aspects of the application of these rules 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. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

PRC CURRENCY CONTROLS

Remittance of Renminbi into and outside the PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. On July 2009, the PRC government promulgated Measures for the Administration of the Pilot Program of Renminbi Settlement of Cross-Border Trades (跨境貿易人民幣結算試點管理辦法) (the “**Measures**”) and its implementation rules, pursuant to which designated and eligible enterprises are allowed to settle their cross-border trade transactions in Renminbi. Since July 2009, subject to the Measures and its implementation rules, the PRC has commenced a scheme pursuant to which Renminbi may be used for settlement of cross-border trade between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Program of Renminbi Settlement of Cross-Border Trades (關於擴大跨境貿易人民幣結算試點有關問題的通知), pursuant to which (i) the list of designated pilot districts was expanded to cover 20 provinces including Beijing, Shanghai, Tianjin, Chongqing, Guangdong, Jiangsu, Zhejiang, Liaoning, Shandong and Sichuan, and (ii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from the PRC, such Renminbi remittance may only be effected by approved pilot enterprises in 16 provinces within the designated pilot districts in the PRC). On 27 July 2011, the PRC government promulgated the Circular on the Expansion of the Regions of Renminbi Settlement of Cross-Border Trades (關於擴大跨境貿易人民幣結算地區的通知), pursuant to which the list of designated pilot districts was expanded to the whole country. On 3 February 2012, the PRC government promulgated the *Circular on the Relevant Issues Pertaining to Administration over Enterprises Engaging in RMB Settlement of Export of Goods* (關於出口貨物貿易人民幣結算企業管理有關問題的通知), pursuant to which any enterprises in China which are qualified to engage in import and export trade are allowed to settle their goods export trade in Renminbi.

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, 銀發 [2013] 168 號), which, in particular, simplifies the procedures for cross-border Renminbi trade settlement under current account items. For example, PRC banks may conduct settlement for the PRC enterprises (excluding those on the Supervision List) upon the PRC enterprises presenting the payment instruction. PRC banks may also allow the PRC enterprises to make/receive payments under current account items prior to the relevant PRC bank’s verification of underlying transactions (noting that verification of underlying transactions is usually a precondition for cross-border remittance).

On 23 October 2019, the SAFE promulgated 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, 匯發[2019]29 號) which became effective on 1 February 2020. 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, simplifying 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 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, 匯發[2019]28 號), 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.

The Measures and the subsequent circulars will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Measures 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 the relevant PRC authorities.

Capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are generally required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or any other relevant PRC parties are also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities may approve a foreign entity to make a capital contribution or shareholder’s loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may also be required to complete registration and verification process with the relevant PRC authorities before such Renminbi remittances.

On 3 June 2011, the PBOC promulgated the *Circular on Clarifying Issues concerning Cross-border Renminbi Settlement* (中國人民銀行關於明確跨境人民幣業務相關問題的通知) (the “**PBOC Circular**”). The PBOC Circular provides instructions to local PBOC authorities on procedures for the approval of settlement activities for non-financial Renminbi foreign direct investment into the PRC. The PBOC Circular applies to all non-financial Renminbi foreign direct investment into the PRC, and includes investment by way of establishing a new enterprise, acquiring an onshore enterprise, transferring the shares, increasing the registered capital of an existing enterprise, or providing loan facilities in Renminbi. The domestic settlement banks of foreign investors or foreign invested enterprises in the PRC are required to submit written applications to the relevant local PBOC authorities which include, *inter alia*, requisite approval letters issued by the relevant MOFCOM authorities. The PBOC Circular only applies to cases where the receiving onshore enterprise is not a financial institution. On 13 October 2011, the PBOC issued the PBOC RMB FDI Measures, to commence the PBOC’s detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated cross-border loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC which was previously required by the PBOC Circular is no longer necessary.

On 14 June 2012, the PBOC issued the Notice on Clarifying the implementation of Settlement of Cross-Border Renminbi Direct Investment (中國人民銀行關於明確外商直接投資人民幣結算業務操作細則的通知), which provides more detailed rules for cross-border Renminbi direct investments and settlements.

On 3 December 2013, MOFCOM promulgated the Announcement on Issues Related to Cross-border RMB Direct Investment (关于跨境人民币直接投资有关问题的公告) (the “**MOFCOM RMB FDI Circular**”), which has become effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM RMB FDI Circular, the competent counterpart of MOFCOM will grant written approval for each FDI and specify “Renminbi Foreign Direct Investment” and the amount of capital contribution in the approval. Unlike previous MOFCOM regulations on FDI, the MOFCOM RMB FDI Circular removes the approval requirement for changes in the relevant joint venture contract or the articles of association of the joint venture company where foreign investors change the currency of its existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM RMB FDI Circular also clearly prohibits the FDI funds from being used for any direct or indirect investment in securities and financial derivatives (except for strategic investment in the PRC listed companies) or for entrustment loans in the PRC.

On 13 February 2015, the SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知) (the “**2015 SAFE Circular**”), which became effective on 1 June 2015. The 2015 SAFE Circular aims to deepen the reform of foreign exchange administration of capital accounts, promote and facilitate the capital operation of enterprises in making cross-border investments, regulate the direct investment-related foreign exchange administration business, improve the administration efficiency. The 2015 SAFE Circular set forth the following reformation: (i) cancel the Administrative Examination and Approval Procedures relating to the Foreign Exchange Registration Approval under Domestic Direct Investment and the Foreign Exchange Registration Approval under Overseas Direct Investment; (ii) cancel the requirements to provide the confirmation, and apply for the registration, of foreign investors’ non-monetary contribution and provide the confirmation, and apply for the registration, of foreign investors’ contribution to purchasing the equity held by the party incorporated in the PRC under domestic direct investment; (iii) the requirements to provide the confirmation, and apply for the registration, of foreign investors’ monetary contribution has been replaced by the requirement to apply for a book-entry registration of domestic direct investment monetary contribution.

On 9 June 2016, the SAFE issued the Notice on Reforming and Regulating the Policies for the Administration of Settlement of Foreign Exchange under Capital Accounts (國家外匯管理局關於改革和規範資本項目結匯管理政策的通知), which provided, among others, that the settlement of foreign exchange funds under capital accounts (including, among others, the foreign capital, debt financing and overseas listing repatriation of funds) that are subject to willingness settlement as already specified by relevant policies may be handled at banks based on the domestic institutions’ actual requirements for business operation, and where there are restrictive provisions in any current regulations on the settlement of foreign exchange funds under capital accounts of domestic institutions, these provisions shall prevail.

On 26 January 2017, the SAFE issued the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知, 匯發[2017]3號) to further advance the reform of foreign exchange administration, such as:

- settlement of domestic foreign exchange loans is allowed for export trade in goods. A domestic institution shall repay loans with the foreign exchange funds received from export trade in goods, rather than, in principle, purchased foreign exchange;

- a debtor may directly or indirectly repatriate the funds under guarantee and use them domestically by, among others, granting loans and making equity investment domestically. Where a bank performs its guarantee obligation under overseas loans with domestic guarantee, relevant foreign exchange settlement and sale shall be managed as the bank's own foreign exchange settlement and sale;
- the deposits absorbed by a domestic bank through its principal international foreign exchange account and allowed to be used domestically are no more than 100 per cent. of the average daily deposit balance in the previous six months as opposed to the former 50 per cent.; and the funds used domestically are not included in the bank's outstanding short-term external debt quota;
- allowing foreign exchange settlement in the domestic foreign exchange accounts of overseas institutions within pilot free trade zones: Where funds are repatriated and used domestically after settlement, a domestic bank shall, under the relevant provisions on cross-border transactions, handle such funds by examining the valid commercial documents and vouchers of domestic institutions and domestic individuals; and
- where a domestic institution grants overseas loans, the total of the balance of overseas loans granted in domestic currency and the balance of overseas loans granted in foreign currency shall not exceed 30 per cent. of owner's equity in the audited financial statements of the previous year.

Since September 2015, 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 stocks, financial derivatives, or non-self-use real estate assets, or purchase wealth management products or extend loans to enterprises outside the group.

The securities markets, specifically the Renminbi Qualified Foreign Institutional Investor (“**RQFII**”) regime and the China Interbank Bond Market (“**CIBM**”), have been further liberalised for foreign investors. The PBOC has relaxed the quota control for RQFII, initiated a bond market mutual access scheme between mainland and Hong Kong to allow eligible investors to invest in CIBM and has also expanded the list of foreign investors eligible to directly invest in CIBM, removed quota restriction, and 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).

Interbank foreign exchange market is also opening-up. In 2018, CFETS further relaxed qualifications, application materials and the procedures for 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.

On 23 October 2019, the SAFE promulgated 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, 匯發[2019]29 號) which became effective on 1 February 2020, according to which, several measures were taken to intensify, for example, “Capital accounts - special account for domestic reinvestment” is included in “capital accounts - foreign exchange capital account”.

On the same day, the SAFE issued 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, 匯發[2019]28 號) in order to further promote the reform of “simplification of administrative procedures and decentralisation of powers, combination of decentralisation and appropriate control, and optimisation of services”. It cancelled restrictions on the use of funds in domestic asset realisation accounts for foreign exchange settlement and restrictions on the number of opened foreign exchange accounts under capital accounts.

As the MOFCOM RMB FDI Circular, the PBOC RMB FDI Measures and other normative documents mentioned above are relatively new rules, they 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.

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, 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 Issuer believes to be reliable, but neither the relevant Issuer nor the Arranger nor any Dealers 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. Neither the Issuer nor any other party to the 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, or payments made on account of, such beneficial ownership interests.

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

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, “**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 all financial institutions regulated by 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

Bearer Notes

The Issuer has made applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note will be deposited with a common depositary for Euroclear and Clearstream or a sub-custodian for the CMU. Transfers of interests in a temporary Global Note or a permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream. Each Global Note will have an International Securities Identification Number (“**ISIN**”) and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number. An ISIN and a Common Code may also be provided upon request.

Registered Notes

The Issuer may make applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. The Issuer may also apply to have Notes to be represented by a Global Certificate accepted for clearance through the CMU. Each Global Certificate will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number. Investors in Notes of such Series may hold their interests in a Global Certificate through Euroclear, Clearstream or the CMU (if applicable). An ISIN and a Common Code may also be provided upon request.

Each Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under “*Subscription and Sale*”.

All Registered Notes will initially be in the form of a Global Certificate. Individual Certificates will be available, in the case of Notes initially represented by a Global Certificate, in amounts specified in the applicable Pricing Supplement.

SUBSCRIPTION AND SALE

Dealer Agreement

Subject to the terms and on the conditions contained in the amended and restated dealer agreement dated 7 June 2023, as amended and/or supplemented and/or restated from time to time (the “**Dealer Agreement**”) between Bank of Communications Co., Ltd. Hong Kong Branch (as an Issuer) and Bank of Communications Co., Ltd. Hong Kong Branch (as Arranger and Dealer), the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the relevant Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers as at the date of the Dealer Agreement. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the relevant Issuer through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are severally underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. Bank of Communications Co., Ltd. Hong Kong Branch has agreed to reimburse the Dealers for certain of their activities in connection with the Programme.

The relevant Issuer will indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes. The Dealer Agreement entitles the Dealers 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 connection with the issue of the Notes, the relevant Dealer or Dealers (if any) named as the stabilisation manager(s) (the “**Stabilisation Manager**”) or any person acting on behalf of the Stabilisation Manager may, to the extent permitted by applicable laws and directives, over-allot the Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail, but in so doing, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager shall act as principal and not as agent of the relevant Issuer. However, there is no assurance that the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager will undertake Stabilisation action. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the relevant Dealer(s).

The Arranger, the Dealers or any of their respective affiliates are financial institutions engaged in various activities which may include certain trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities advisory services for the relevant Issuer, the Bank and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the relevant Issuer, the Bank and/or their respective subsidiaries and affiliates in the ordinary course of the relevant Issuer’s, the Bank’s or their business. In the ordinary course of their various business activities, the Arranger, the Dealers and their respective affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the relevant Issuer, the Bank and/or their respective subsidiaries and affiliates, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or its affiliate for asset management and/or proprietary purposes but not with a view to distribution.

In connection with the offer and sale of the Notes, the Issuer, the Arranger, the Dealers and/or their respective affiliates may place orders, receive allocations and purchase Notes for their own account (without a view to distributing such Notes) and such orders and/or allocations of the Notes may be material. Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of the relevant Issuer, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering. Accordingly, references herein to the Notes being ‘offered’ should be read as including any offering of the Notes to the relevant Issuer, the Arranger, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of trading in the Notes may be constrained (see “*Risk Factors — Risks Relating to the Market Generally — 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*”). The Issuer, the Arranger and the Dealers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIIs (including private banks)

This notice to CMIIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIIs, which require the attention and cooperation of other CMIIs (including private banks). Certain CMIIs 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 Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the relevant Issuer, a CMI or its group companies would be considered under the SFC Code as having an Association with the relevant Issuer, the CMI or the relevant group company. CMIIs 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 Issuer or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes 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.

CMIIs 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 CMIIs). CMIIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIIs 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. CMIIs should not place “X-orders” into the order book.

CMIIs 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.

CMIIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the relevant Issuer. In addition, CMIIs (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); and
- 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 Issuer, 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 relevant 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 Dealer with such evidence within the timeline requested.

Selling Restrictions

General

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. If a jurisdiction requires that the offering of Notes be made by a licensed broker or dealer and any Dealer or any affiliate of that Dealer is a licensed broker in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the relevant Issuer in such jurisdiction.

United States

This paragraph shall apply in respect of any Notes the Pricing Supplement for which specifies that “Regulation S Category 1” applies. The Notes have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented, and each further Dealer appointed under the Programme will be required to represent, that it has not offered or sold the Notes, and agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell, any Notes constituting part of its allotment in the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meaning given to them by Regulation S.

This paragraph shall apply in respect of any Notes the Pricing Supplement for which specifies that “Regulation S Category 2” applies. The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has offered and sold, and shall offer and sell, any Series (1) as part of their distribution at any time and (2) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, only in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and shall comply with the offering restrictions requirement of Regulation S. Each Dealer has agreed to notify the Fiscal Agent or, in the case of a Syndicated Issue, the Lead Manager when it has completed the distribution of its portion of the Notes of any identifiable tranche so that the Fiscal Agent or, in the case of a Syndicated Issue, the Lead Manager may determine the completion of the distribution of all Notes of that tranche and notify the other relevant Dealers of the end of the distribution compliance period. Each Dealer has agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

“The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of Notes of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act.”

Unless the Pricing Supplement or the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, each Dealer has represented and agreed in relation to each Tranche of Notes in bearer form:

- (i) except to the extent permitted under U.S. Treas. Reg. §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**”):
 - (a) it has not offered or sold, and during a 40 day restricted period shall not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and
 - (b) it has not delivered and shall not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (ii) it has and throughout the restricted period shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
- (iii) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
- (iv) with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations contained in sub-paragraphs (i), (ii) and (iii) on behalf of such affiliate or (b) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in sub-paragraphs (i), (ii) and (iii).

Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the D Rules.

To the extent that the Pricing Supplement or the Subscription Agreement relating to one or more Tranches of Bearer Notes specifies that the applicable TEFRA exemption is “C Rules”, under U.S. Treas. Reg. §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**”), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented and agreed that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes in bearer form, it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules and IRS Notice 2012-20.

Each issuance of index-, commodity- or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the relevant Dealer(s) shall agree with the Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each relevant Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

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 EEA. 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 Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**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 (as defined above); 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.

Public Offer Selling Restriction under the Prospectus Regulation

If the 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 EEA (each a “**Member State**”), 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 Relevant 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.

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 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 UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) 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; or
 - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (“**POATRs**”); 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.

Public Offer Selling Restriction under the UK Prospectus Regulation

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 the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the UK 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 UK, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer;
- (d) at any time if the denomination per Note being offered amounts to at least GBP50,000 (or equivalent); or
- (e) 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 in the UK

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) 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 (b) it has not offered or sold and will not offer or sell any Notes other than 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 where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (ii) 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 apply to the relevant Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

Hong Kong

In relation to each Tranche of Notes issued by the relevant Issuer, 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 of Hong Kong 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (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, in each case 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.

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 registered as a prospectus with the Monetary Authority of Singapore. Accordingly, 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 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 Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (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 Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(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).

PRC

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 or sold and will not offer or sell any of the Notes in the PRC (for such purposes, not including Hong Kong, Macau or Taiwan) or to residents of the PRC unless such offer or sale is made in compliance with all applicable laws and regulations of the PRC.

Taiwan

Unless the Notes have been registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan, the Notes may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority of Taiwan.

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 “**Financial Instruments and Exchange Act**”). Accordingly, 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws regulations of Japan.

GENERAL INFORMATION

1. **Clearing Systems:** The Notes have been accepted for clearance through the Euroclear and Clearstream systems (which are the entities in charge of keeping the records). 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 relevant ISIN, the Common Code and (where applicable) the identification number for any other relevant clearing system for each series of Notes will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be set out in the relevant Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the relevant Pricing Supplement.

2. **Legal Entity Identifier of the Bank:** 549300AX1UM10U30HK09
3. **Listing:** Application has been made to the HKSE for 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 HKSE. Notes to be listed on the HKSE are required to have a denomination of at least HK\$500,000 (or its equivalent in other currencies).
4. **Litigation:** None of the Issuer nor any of its subsidiaries is involved in any material litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Notes, nor is the Issuer or any of its subsidiaries aware that any such proceedings are pending or threatened.
5. **Authorisations:** Bank of Communications Co., Ltd. Hong Kong Branch has obtained all necessary consents, approvals and authorisations as may be required in connection with the establishment of the Programme and the issue of this Offering Circular. The establishment of the Programme have been duly authorised by a resolution of the Board of the Bank dated 27 October 2017 and the issue of Notes thereunder will be duly authorised the Bank's internal resolution from time to time. The Issuer has obtained and has agreed to obtain from time to time all necessary internal consents, approvals and authorisations for the issue of Notes under the Programme.
6. **No Material Adverse Change:** Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer or of the Group since 30 June 2026 and no material adverse change in the financial position or prospects of the Issuer or of the Group since 31 December 2025.
7. **Available Documents:** For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and at the specified office of the Fiscal Agent:
 - (a) the Memorandum and Articles of Association of the Issuer;
 - (b) the audited consolidated financial statements of the Bank as at and for the years ended 31 December 2023, 2024 and 2025 and a copy of the related auditor's report of KPMG;
 - (c) the unaudited condensed consolidated financial statements of the Bank as at and for six months ended 30 June 2025 and 2026 and a copy of the related auditor's report of KPMG;
 - (d) copies of the most recent annual and interim reports (including the financial statements) published by the Bank;

- (e) the Agency Agreement (which includes the form of the Global Notes, the Global Certificate, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons) and the Deed of Covenant;
 - (f) the Dealer Agreement;
 - (g) a copy of this Offering Circular together with any Supplement to this Offering Circular or further Offering Circular; and
 - (h) each Pricing Supplement (save that Pricing Supplement relating to an unlisted Note 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 Fiscal Agent as to its holding of Notes and identity).
8. **Auditor:** KPMG, the Bank's independent auditor for the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2025 and 2026, has audited the Bank's consolidated financial statements for the years ended 31 December 2023, 2024 and 2025 and issued unqualified audit reports thereon, and has reviewed the Bank's condensed consolidated financial statements for the six months ended 30 June 2025 and 2026 and issued unqualified review reports thereon.
9. Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: "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 Internal Revenue Code".
10. The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issue of Notes.

ISSUER

Bank of Communications Co., Ltd. Hong Kong Branch
20 Pedder Street
Central
Hong Kong

AUDITORS OF THE BANK

KPMG
8/F, Prince's Building
10 Chater Road
Central
Hong Kong

FISCAL AGENT AND PAYING AGENT

Bank of Communications Co., Ltd. Hong Kong Branch
20 Pedder Street
Central
Hong Kong

REGISTRAR AND TRANSFER AGENT

Bank of Communications Co., Ltd. Hong Kong Branch
20 Pedder Street
Central
Hong Kong

CMU LODGING AND PAYING AGENT

Bank of Communications Co., Ltd. Hong Kong Branch
20 Pedder Street
Central
Hong Kong

LEGAL ADVISERS

*To the Issuer
as to English law*

Linklaters
11th Floor, Alexandra House
Chater Road
Hong Kong

*To the Issuer
as to PRC law*

King & Wood Mallesons
17th Floor, One ICC
Shanghai International Commerce Centre
999 Middle Huai Hai Road
Xuhui District, Shanghai 200031
PRC

*To the Joint Lead Managers
as to English law*

Allen Overy Shearman Sterling
9th Floor, Three Exchange Square
Central
Hong Kong

*To the Joint Lead Managers
as to PRC law*

JunHe LLP
20th Floor
8 Jianguomenbei Avenue
Beijing 100005
PRC