3 April 2023

"BOCHK Greater Bay Area Climate Transition ETF" debuts
Hong Kong's first ETF tracking an ESG index with investments in GBA that helps investors capture economic growth opportunities from climate transition in GBA

Bank of China (Hong Kong) Limited ("BOCHK"), BOCHK Asset Management Limited ("BOCHKAM") and BOCI-Prudential Asset Management Limited ("BOCIPAM") jointly announced the successful listing of the "**BOCHK Greater Bay Area Climate Transition ETF**" ("this ETF") on the main board of The Stock Exchange of Hong Kong Limited ("SEHK"). The HKD counter stock code of this ETF is 03129 and its RMB counter stock code is 83129. This ETF is the first exchange-traded fund in the Hong Kong market which tracks an environment, social, and governance ("ESG") index with investments in the Guangdong-Hong Kong-Macao Greater Bay Area (the "GBA"), providing an option for investors to capture economic growth opportunities driven by climate transition in the GBA.

This ETF seeks to provide investment performance (before fees and expenses) that tracks the performance of the "S&P BOCHK China Hong Kong Greater Bay Area Net Zero 2050 Climate Transition Index" (the "GBA Climate Transition Index"), which was launched by BOCHK in collaboration with S&P Dow Jones Indices LLC in 2022. This ETF primarily adopts a full replication strategy through investing all or substantially all of its assets in constituent securities (securities listed on SEHK and the Shenzhen Stock Exchange) of the GBA Climate Transition Index, broadly in proportion to the respective weightings of the index securities. The "BOCHK Greater Bay Area Climate Transition ETF" is the sub-fund of BOCHK's ETF Series, with BOCIPAM as fund manager and BOCHKAM as investment adviser.

HAN Zhu, General Manager of Economics & Strategic Planning Department of BOCHK and Hong Kong Financial Research Institute of Bank of China, said, "Following the introduction of the GBA Climate Transition Index in July 2022, we are very honoured to collaborate with BOCHKAM and BOCIPAM and delighted to witness the successful launch of the first ETF product tracking the Index. Sustainability is the core concept underpinning the development of BOCHK. We are committed to providing our customers with diversified green and sustainable financial solutions, and becoming their key partners of their low-carbon transition. We will continue to leverage Hong Kong's role as a 'super connector' to connect green and low-carbon projects under the national pledge of 'carbon neutrality' to global green and sustainable capital, supporting the transition to a low-carbon economy and society."

SHEN Hua, Chief Executive Officer of BOCHKAM, said, "We are pleased to act as the investment adviser for the 'BOCHK Greater Bay Area Climate Transition ETF'. ETFs offer lower investment costs, flexible trading, and high transparency compared with traditional mutual funds, providing investors with a more diversified investment alternative for asset allocation. At the same time, as the first ETF in Hong Kong market focusing on climate transition in the GBA, this ETF meets the growing investor demand for ESG investments and asset allocation needs. Over the past years, BOCHKAM has actively implemented ESG development concepts. In addition to introducing the first ESG multi-asset retail fund with RMB share class in the Hong Kong market, we have taken steps to integrate climate-related risk factors into our investment risk management framework, in order to enhance our relevant risk management practices. We are committed to providing more quality fund products, striving to promote the ESG investment philosophy, and contributing our efforts to strengthen Hong Kong's position as a global asset management centre."

Dick LEE, Chief Executive Officer of BOCIPAM, said, "BOCIPAM is delighted to successfully launch the 'BOCHK Greater Bay Area Climate Transition ETF' in collaboration with BOCHK and BOCHKAM. This ETF provides investors with an option to pursue structural long-term growth opportunities brought about by the transition to a low-carbon economy. Constituent stocks of the relevant index are selected from its parent index, S&P China-Hong Kong Greater Bay Area Index, taking into consideration of ESG factors, combined with three criteria exclusion policy and optimisation constraints. Looking forward, we will continue to develop different ESG products and strive to create a better future for the next generation."

The BOCHK Greater Bay Area Climate Transition ETF is denominated in Hong Kong dollars. Currently, units of this ETF can be traded on SEHK under the Dual Counter arrangement, i.e. HKD counter and RMB counter, and will be settled in HKD and RMB, respectively. The trading board lot size of this ETF is 100 units, while the current Management Fee (with trustee fee* and investment adviser's fee included) is 0.5% of the ETF's net asset value per annum**.

This press release is jointly issued by Bank of China (Hong Kong) Limited, BOCHK Asset Management Limited, and BOCI-Prudential Asset Management Limited. This press release has not been reviewed by the Securities and Futures Commission ("SFC"). This press release is for informational purposes only and does not constitute any distribution, or any recommendation, offer, invitation or solicitation to buy or sell any investment. The information herein is based on sources believed to be reliable and the opinions contained herein are for reference only.

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* The Trustee fee includes administrator's fee, registrar's fee and custodian's fee.
** Please refer to the section of "Fees And Charges Applicable to the Sub-Fund" in Appendix III to the Prospectus for the details of the ongoing fees payable by the Fund.

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About Bank of China (Hong Kong) Limited
Bank of China (Hong Kong) Limited ("BOCHK") is committed to pursuing its strategic goal to "Build a First-class Regional Banking Group" and promoting sustainable and high-quality development. Capitalising on its advantages as a major commercial banking group in Hong Kong, BOCHK continues to increase local market penetration, captures business opportunities in the Greater Bay Area and actively expands its business development in Southeast Asia. We strive to provide customers with comprehensive, professional and high-quality services. Entering a new era of smart banking, we endeavour to become a customer-centric digital bank by enhancing customer experience with innovative technology and offering intelligent products and services.

As one of the three note-issuing banks and the sole clearing bank for Renminbi ("RMB") business in Hong Kong, BOCHK has strong market positions in all major businesses. Our strong RMB franchise has made us the first choice for customers in RMB business. We have the most extensive branch network and diverse service platforms in Hong Kong, as well as efficient e-channels such as Internet and Mobile Banking services. We offer a comprehensive range of financial, investment and wealth management services to personal, corporate and institutional customers.

We are actively pushing forward our regional development and expanding our business in the Southeast Asian region. With our branches and subsidiaries in Thailand, Malaysia, Vietnam, the Philippines, Indonesia, Cambodia, Laos, Brunei and Myanmar, we support customers in the region with professional and high-quality financial services. Through close cooperation with our parent bank BOC, we provide a full range of high-quality cross-border services to multinationals, cross-border customers, mainland enterprises going global, central banks and super-sovereign organisations.

As a leading commercial and regional bank with deep roots in Hong Kong for over 100 years, BOCHK upholds its mission of "Bridge China and the World for the Common Good". We are committed to undertaking our corporate social responsibilities, promoting long-term and balanced sustainable development, and delivering greater value for our stakeholders and the community.

BOC Hong Kong (Holdings) Limited is one of the largest listed companies on the Main Board of the Stock Exchange of Hong Kong, with stock code "2388" and ADR OTC Symbol "BHKLY".

About BOCHK Asset Management Limited
BOCHK Asset Management Limited ("BOCHK Asset Management"), established in 2010, is a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited. BOCHK Asset Management is committed to providing retail and institutional investors with a wide array of bond, equity and alternative Investments products such as private equity and real estate investments, as well as offering comprehensive investment solutions to meet an investor's risk/return profile and investment objectives. In addition, the company also manages investment funds for clients and customizes discretionary investment portfolios to maximize the potential returns.

Since its establishment, BOCHK Asset Management has proven outstanding performance and received various industry accolades. At the Best of the Best Awards in 2023, *Asia Asset Management* named the company the "Best RMB Manager in Hong Kong"[#] for the third consecutive year. In the house award category of BENCHMARK's Fund of the Year Awards 2022, it was also named "Best-in-Class of China Fixed Income," "Outstanding Achiever of Asia Fixed Income," and "Outstanding Achiever of RMB Fixed Income." In the same year, our company won "Most Innovative Product" in the ESG-related categories at the 2021 CAMAHK-Bloomberg Offshore China Fund Awards, which the *Hong Kong Chinese Fund Industry Association* and *Bloomberg* co-hosted.

[#] Source: The Best of the Best Awards are issued by *Asia Asset Management*, reflecting performance as at 30 November 2022, please visit www.asiaasset.com for award's details. The BENCHMARK's Fund of the Year Awards 2022 is issued by *BENCHMARK* reflecting performance as at end of September 2021 (https://www.benchmark.today/fund-awards-2022). The 2021 CAMAHK-Bloomberg Offshore China Fund Awards reflected performance as at 31 September 2021. Please visit https://www.bloomberg.com/company/press/hkcama-and-bloomberg-host-seventh-annual-offshore-china-fund-awards/ for award details.

About BOCI-Prudential Asset Management Limited
BOCI-Prudential Asset Management Limited ("BOCI-Prudential Asset Management") is a joint venture established in 1999 between BOCI Asset Management Limited (which is a subsidiary company wholly owned by BOC International Holdings Limited) and Prudential Corporation Holdings Limited (which is a subsidiary company wholly owned by Prudential Holdings Limited).

BOCI-Prudential Asset Management is an asset management company founded in Hong Kong, offering a broad spectrum of investment products ranging from Hong Kong mandatory provident fund scheme ("MPF"), retirement schemes, retail unit trusts to exchange traded funds, apart from the tailor-made investment strategies for individual and institutional clients.

For more information about BOCI-Prudential Asset Management, please visit the company's website at www.boci-pru.com.hk[##].

[##]The website has not been reviewed by the SFC.

Index Provider Disclaimer
The S&P BOCHK China Hong Kong Greater Bay Area Net Zero 2050 Climate Transition Index (the "Index") is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and Bank of China (Hong Kong) Limited, and has been licensed for use by BOCI-Prudential Asset Management Limited (the "Manager"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); BOCHK is a trademark of Bank of China (Hong Kong) Limited and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by the Manager. BOCHK Greater Bay Area Climate Transition ETF ("such product") is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, or their respective affiliates, or Bank of China (Hong Kong) Limited and none of such parties make any representation regarding the advisability of investing in such product nor do they have any liability for any errors, omissions, or interruptions of the Index.

Key Features and Risks:

1. The BOCHK Greater Bay Area Climate Transition ETF (the "Sub-Fund") is an index-tracking exchange traded fund which seeks to provide investment performance (before fees and expenses) that tracks the performance of the S&P BOCHK China Hong Kong Greater Bay Area Net Zero 2050 Climate Transition Index (the "Underlying Index").
2. The Sub-Fund primarily (not less than 70% of its net asset value) invests in eligible securities that are commensurate with the Sub-Fund's focus on environment, social and governance ("ESG"), which include China-domiciled and/or Hong Kong-domiciled companies listed on stock exchanges in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") (including A-Shares) that are within the Underlying Index.
3. The Underlying Index incorporates ESG factors as a key construction focus. Its major ESG focus is reduction of greenhouse gas ("GHG" expressed in CO2 equivalents) emissions at the index level. The Underlying Index is designed to measure the performance of eligible equity securities in GBA and is based on the S&P China-Hong Kong Greater Bay Area Index (Parent Index). The constituents of the Underlying Index are selected from some of the largest float-adjusted market capitalization (FMC) companies and weighted collectively compatible with a 1.5°C global warming climate scenario ("1.5°C Climate Scenario")^ at the index level.
4. Investment involves risks and the Sub-Fund may not be suitable for everyone. Past performance is not indicative of future performance. The Sub-Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of units of the Sub-Fund (the "Units") and the income (if any) generated from the Sub-Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
5. The key risks to which the Sub-Fund is subject to include : general investment risk, equity market risk, ESG investment policy risk, emerging market / People's Republic of China ("PRC") market risk, risk associated with high volatility of the equity market in Mainland China, risk associated with regulatory/exchanges requirements/policies of the equity market in Mainland China, concentration risk, risks related to Shenzhen-Hong Kong Stock Connect, risks associated with the ChiNext market, passive investment risk, tracking error risk, trading risk, trading differences risks, foreign exchange and RMB currency and conversion risks, legal and regulatory risk, PRC tax risk, termination risk, reliance on market maker risks, reliance on index provider risks, risk in relation to distribution and dual counter risks.
6. The Manager will normally make distributions out of net income received or receivable by the Sub-Fund. However, in the event that the net income is insufficient to pay the distributions that it declares, the Manager may also, in its absolute discretion, determine that distributions be paid out of the capital of the Sub-Fund, or the Manager may, in its discretion, pay distributions out of its gross income while charging/ paying all or part of its fees and expenses to/ out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of capital. This may reduce the capital that the Sub-Fund has available for investment in future and may constrain capital growth.
7. Investors should be aware that in circumstances where distributions are paid out of capital or effectively out of capital, this amounts to a return or withdrawal of part of the amount investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of capital or payment of distributions effectively out of capital (as the case may be) may result in an immediate decrease in the Net Asset Value per Unit.
8. All Units (whether HKD or RMB traded Units) of the Sub-Fund will receive distributions (if any) in HKD only.
9. Please refer to the offering document of the Sub-Fund for further details including investment objectives and policies, charges and expenses and risk factors, before making any investment decision.

^ It is a pathway to achieve net zero emissions by 2050 to limit the global warming up to 1.5°C above pre-industrial levels.