President’s Statement

We see vigorous flowers in spring and yield solid fruit in autumn. The year of 2016 is marked in the past year. China began to fully implement the requirements of the 19th National Congress of the CPC and also celebrated the 40th anniversary of economic and opening up, and CCB got off to a flying start of carrying out a new round of three-year plan. In spite of profound and complicated changes in the external environment, the Bank stuck to the overall goal of 'sustained, steady and healthy development'. It fulfilled its responsibilities as a major bank, served the real economy, improved service quality, promoted financial innovation, tightened risk prevention and control, enhanced the people-oriented concept, and thus created the best business results over the past five years. The Bank reported net profit of RMB 23 billion, up 30% YoY, ROE at 17.9%, CAR at 13.3%, NPL rate at 1.26% and social contribution per share of RMB 0.33, ranking in the top three in proposing sustainable economic development, social advancement and environmental improvement.

The Bank stayed true to the underlying mission of finance serving the real economy in 2016 by keeping on enhancing value-creating ability and value contribution, devoting ourselves to realizing the comprehensive value of economy, environment and society, and enabling our own sustainability. The Bank made great efforts to improve the quality of service, and launched a series of measures to provide strong support for the real economy, especially for small and medium-sized enterprises (SMEs). The Bank increased its funding support for private enterprises, increased the share of financial target poverty alleviation, and improved the financial system. The Bank also strengthened its financial oversight, refined its risk management, and improved the financial system.

In 2018, the Bank will continue to uphold the ‘real economy, openness, and integration’, the Bank will expand the ‘one-stop service’ philosophy, and promote the development of the real economy. The Bank will continue to maintain a high level of financial oversight and risk management, continuously improving the financial system and promoting the development of the real economy.

In 2016, the Bank continued to promote the philosophy of ‘real economy, openness, and integration’ and expand the ‘one-stop service’ philosophy, promoting the development of the real economy. The Bank continued to maintain a high level of financial oversight and risk management, continuously improving the financial system and promoting the development of the real economy.
About Us

Company Profile

Industrial and Commercial Bank of China was established on 1 January 1904. On 20 October 1953, the Bank was wholly restructured into a joint-stock limited company. On 27 October 1998, the Bank was successfully listed on both Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited. Through its continuous endeavor and stable development, the Bank has developed into the leading bank in the world, possessing an excellent customer base, a diversified business structure, strong innovation capabilities and market competitiveness. The Bank regards service as the very foundation to seek further development and adheres to create value through services while providing a comprehensive range of financial products and services to 7001 thousand enterprise customers and 607 million personal customers.

The Bank has been consciously integrating the social responsibilities with its development strategy and operation and management activities, and gaining wide recognition in the aspects of promoting inclusive finance, supporting targeted poverty relief, protecting environment and resources and participating in public welfare undertakings. The Bank always keeps in mind its underlying relation of serving the real economy with its principal business, and along with the real economy it prospers, suffers and grows. Taking a risk-based approach and never overstepping the bottom line, it constantly enhances its capability of controlling and mitigating risks. Besides, the Bank remains steadfast in understanding and following the business rules of commercial banks to strive to be a century-old bank. It also stays committed to seeking progress with innovation while maintaining stability, continuously enhances the strategy of mega retail, mega asset management, mega investment banking as well as internationalized and comprehensive development, and actively embraces the Internet. The Bank unremittingly delivers specialized service and pioneered a specialized business model, thus making it "a craftsman in large banking". The Bank was ranked the 1st place among the Top 1000 World Banks by The Banker, ranked 1st place in the Global 2000 listed by Forbes and topped the sub-list of commercial banks of the Global 500 in fortunes for the sixth consecutive year, and took the 1st place among the Top 500 Banking Brands of Brand Finance for the third consecutive year.

Corporate Culture

Mission

Excellence for You. Excellent Services to Clients, Maximum Returns to Shareholders, Real Success for Our People, Great Contribution to Society

Value

Integrity Leads to Prosperity, Integrity, Honesty, Prudence, Innovation, Excellence

Vision

Build a world-class and modern financial enterprise with global competitiveness by adhering to the principles of "Share the same vision, customer-oriented, innovation, leadership, and people-oriented".

Connotation of Responsibility

"Excellence for You — excellent services to clients, maximum returns to shareholders, real success for our people, great contribution to society" is not only a social responsibility objective of ICBC, but also the solemn commitment made to various stakeholders. The Bank is committed to serving common interests of various stakeholders in economic and social development, promoting sustainable economic development and social progress, developing core values such as "integrity, humanity, prudence, innovation, excellence", and rendering comprehensive value to economy, environment and society.

Responsibility Communication

The Bank paid great attention to communication with stakeholders. By establishing the mechanism for coordination of instant and regular communication and coordination of communication on specific topics and international exchanges, the Bank ensured constant and good exchanges with key stakeholders and encouraged involvement of related parties by actively tapping into the role of new media platforms.

- Launching the social responsibility column at the official website and the micro and official WeChat accounts.
- Enhancing interactive exchanges with the public through new media channels such as microblog and Q&A sessions.
- Regularly issuing public reports.
- Participating in related meetings of United Nations Environment Programme.
- Attending related meetings of United Nations Global Compact.
Leveraging a sound corporate governance framework, the Bank promoted the transformation of operations, offered innovative products and services, strove to enhance profitability and risk management, promoted the reasonable distribution of social resources via optimal allocation of financial resources, further stepped up efforts to build a green financial system to improve economic, social and ecological benefits and created superior value for all the stakeholders including shareholders, customers and employees as well as the society.
Corporate Governance and Development Strategy

Corporate Governance Framework

The Bank has made constant efforts to improve the checks and balances mechanisms in corporate governance comprising shareholders' general meeting, effective board of directors, executive board of supervisors and efficient senior management featuring clearly defined responsibilities and accountability, coordination and effective checks and balances, to improve the organic combination of Party leadership and corporate governance mechanisms and to refine the operation mechanism of the authority organs, decision-making organs, supervisory organs and executive organs targeting at reasonable decision-making, vigorous implementation, effective supervision and robust operation. During the reporting period, the Bank received a series of corporate governance-related awards from Chinese and foreign authoritative institutions and news media, including the "The Asset Corporate Award —- Platinum Award" from the Hong Kong magazine The Asset, the "2018 CCTV China's Top 10 Listed Companies Award" from the 2018 CCTV Financial Forum & Chinese Listed Companies Summit, and the "Gold Round Table —- Excellent Enterprises in Corporate Governance" from Directors & Boards magazine.

Shareholders' General Meeting

Each meeting was convened in strict compliance with relevant regulations on corporate governance and the act on shareholders' participation and exercise of powers. Officers, the interests of minority shareholders were taken into careful consideration.

Board of Directors

At the end of the reporting period, the Board of Directors of the Bank comprised 15 members (6 of whom were female), consisting of 13 directors (5 of whom were female), 2 executive directors and 1 independent non-executive director. In total, 13 directors were elected from 2 of the largest shareholder organs.

Board of Supervisors

As at the end of the reporting period, the board of supervisors of the Bank comprised 15 members, including 1 shareholder supervisor, 3 nonexecutive supervisors, 2 internal supervisors.
Particular Attention to Significant Issues

During the reporting period, the Board of Directors of the Bank attached great importance to significant issues relating to strategic planning, serving the real economy, business development and risk management, as well as the environmental, social and economic (ESG)-related issues, and in this regard launched sound communication and special researches.

In December 2018, the Bank held the Seminar of Board of Directors on the Implementation of Strategic Development Plan for 2018–2020 in Beijing, which was presided over by then Chairman Yi Huiman, and attended by the Beijing-based directors, supervisors and senior management members.

Protection of Minority Shareholders’ Rights and Interests

The Bank has strictly complied with laws, regulations, regulatory requirements and fundamental regulations of corporate governance, and has taken various measures such as improving information disclosure management, strengthening investor relations management and refining the operation mechanism of the Shareholders’ General Meeting, with a view to safeguarding the rights of all shareholders, especially minority investors, and increasing communication and exchange among shareholders. Since it was listed, in order to treat A and H minority shareholders fairly, the Bank has held the Annual General Meeting in Beijing and Hong Kong concurrently by video link and set up registration offices of A and H shareholders both in Beijing and Hong Kong to facilitate the voting of shareholders.

Strengthening of Information Disclosure

During the reporting period, the Bank continued to strengthen the implementation of information disclosure rules and regulations, kept raising the compliance awareness and responsibility awareness of internal significant information reporting entities, particularly registered and listed insider information, conducted regular self-inspections of insider transactions, prevented insider trading risks in a down-to-earth way, and actively protected the legitimate rights and interests of the Bank and its shareholders.

The Bank strictly abided by the requirements of Chinese and foreign regulators on information disclosure, actively performed the information disclosure obligations, waived off each compulsory information disclosure work, promoted voluntary information disclosure, and continued to enhance the corporate transparency.
Economic Performance

<table>
<thead>
<tr>
<th>Economic Indices</th>
<th>Unit</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>RMB100 million</td>
<td>276,595</td>
<td>260,870</td>
<td>241,373</td>
</tr>
<tr>
<td>Total loans and advances to customers</td>
<td>RMB100 million</td>
<td>154,199</td>
<td>142,334</td>
<td>130,556</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>RMB100 million</td>
<td>214,089</td>
<td>195,629</td>
<td>181,139</td>
</tr>
<tr>
<td>Operating income</td>
<td>RMB100 million</td>
<td>7,251</td>
<td>6,757</td>
<td>6,417</td>
</tr>
<tr>
<td>Net profit</td>
<td>RMB100 million</td>
<td>2,987</td>
<td>2,875</td>
<td>2,791</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>RMB</td>
<td>0.82</td>
<td>0.79</td>
<td>0.77</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>RMB100 million</td>
<td>893</td>
<td>888</td>
<td>885</td>
</tr>
<tr>
<td>Total tax payment</td>
<td>RMB100 million</td>
<td>1,207</td>
<td>1,165</td>
<td>1,433</td>
</tr>
<tr>
<td>Return on average total assets</td>
<td>%</td>
<td>1.11</td>
<td>1.14</td>
<td>1.20</td>
</tr>
<tr>
<td>Return on weighted average equity</td>
<td>%</td>
<td>13.79</td>
<td>14.35</td>
<td>15.24</td>
</tr>
<tr>
<td>NPL ratio</td>
<td>%</td>
<td>1.52</td>
<td>1.55</td>
<td>1.62</td>
</tr>
<tr>
<td>NPL balance</td>
<td>RMB100 million</td>
<td>2,351</td>
<td>2,210</td>
<td>2,118</td>
</tr>
<tr>
<td>Allowances to NPL</td>
<td>%</td>
<td>175.76</td>
<td>154.07</td>
<td>136.69</td>
</tr>
<tr>
<td>Capital adequacy ratio</td>
<td>%</td>
<td>15.39</td>
<td>15.14</td>
<td>14.61</td>
</tr>
<tr>
<td>Core tier 1 capital adequacy ratio</td>
<td>%</td>
<td>12.98</td>
<td>12.77</td>
<td>12.87</td>
</tr>
</tbody>
</table>

Note: Since 2012, the capital adequacy ratio and core tier 1 capital adequacy ratio of the Bank have been calculated according to the Regulatory Guideline for Capital of Commercial Banks (Provisional) issued in June 2012 by CBRC.
Environmental Performance

<table>
<thead>
<tr>
<th>Environmental Index</th>
<th>Unit</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic green credit balance</td>
<td>RMB100 million</td>
<td>12,377.58</td>
<td>10,991.99</td>
<td>9,785.60</td>
</tr>
<tr>
<td>Proportion of domestic E-banking business volume (%)</td>
<td>%</td>
<td>97.7</td>
<td>94.86</td>
<td>92.00</td>
</tr>
<tr>
<td>Office paper consumption (Head Office)</td>
<td>Million pieces</td>
<td>8.72</td>
<td>8.73</td>
<td>7.71</td>
</tr>
<tr>
<td>Office water consumption (Head Office)</td>
<td>Kilowatt-hour</td>
<td>18,394,080</td>
<td>19,408,280</td>
<td>19,867,300</td>
</tr>
<tr>
<td>Office vehicle oil consumption (Head Office)</td>
<td>Ton</td>
<td>172,377</td>
<td>170,196</td>
<td>156,324</td>
</tr>
<tr>
<td>Official vehicle oil consumption (Head Office)</td>
<td>Liter</td>
<td>76,699</td>
<td>86,195</td>
<td>86,532</td>
</tr>
</tbody>
</table>

Data on Energy Saving and Environmental Protection under Green Credit

- Green credit balance (RMB100 million)
  - 2016: 9,785.60
  - 2017: 10,991.99
  - 2018: 12,377.58

- CO₂ equivalent of reductions (10,000 t)
  - 2016: 2,333.64
  - 2017: 7,561.87
  - 2018: 8,958.79

- Standard coal equivalence of reductions (10,000 t)
  - 2016: 6,126.49
  - 2017: 3,486.65
  - 2018: 4,290.42

- Water saved (10,000 t)
  - 2016: 2.3
  - 2017: 1.61
  - 2018: 3.93

- Ammonia nitrogen emission reduction (10,000 t)
  - 2016: 5.08
  - 2018: 3.72

- Nitrogen oxides emission reduction (10,000 t)
  - 2016: 28.7
  - 2017: 15.83
  - 2018: 23.31

- SO₂ emission reduction (10,000 t)
  - 2016: 38.31
  - 2017: 12.43
  - 2018: 4.33

- COD emission reduction (10,000 t)
  - 2016: 28.7
  - 2017: 15.83
  - 2018: 23.31

Note: The above data is converted and calculated from green credit.
**Social Performance**

<table>
<thead>
<tr>
<th>Social Index</th>
<th>Value 2018</th>
<th>Value 2017</th>
<th>Value 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic inclusive finance loan</td>
<td>3,216.85</td>
<td>2,724.82</td>
<td>-</td>
</tr>
<tr>
<td>balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social contribution per share</td>
<td>2.53</td>
<td>2.40</td>
<td>2.44</td>
</tr>
<tr>
<td>Total number of employees</td>
<td>449,296</td>
<td>453,046</td>
<td>461,749</td>
</tr>
<tr>
<td>Proportion of female employees</td>
<td>50.6%</td>
<td>51.3%</td>
<td>51.3%</td>
</tr>
<tr>
<td>Proportion of employees from ethnic minority groups</td>
<td>5.7%</td>
<td>5.7%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Average training days per person</td>
<td>10.43</td>
<td>9.9</td>
<td>9.63</td>
</tr>
<tr>
<td>Donations by the Group</td>
<td>10,425</td>
<td>7,792</td>
<td>6,530</td>
</tr>
</tbody>
</table>

**Social Contribution per Share (RMB)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2.53</td>
</tr>
<tr>
<td>2017</td>
<td>2.40</td>
</tr>
<tr>
<td>2018</td>
<td>2.63</td>
</tr>
</tbody>
</table>

Donations by the Group (RMB thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>6,550</td>
</tr>
<tr>
<td>2017</td>
<td>7,792</td>
</tr>
<tr>
<td>2018</td>
<td>10,425</td>
</tr>
</tbody>
</table>

**Responsible Procurement**

**Strict Requirement**

The Bank defined clearly on how the suppliers should fulfill their social responsibilities. Suppliers were required to sign the Fair Competition Commitment and the Supplier Social Responsibility Commitment, and provide information on environmental management certification, occupational health certification, product’s environmental label certification, energy conservation certification and social responsibility standard certification.

**Shared Growth**

The supplier information database found wider applications throughout the Bank. While strengthening the inspection of suppliers' risk information such as external bonds, the Bank strengthened communications and exchanges with suppliers, and put in place an information interaction mechanism to communicate information on project implementation and feedback. This not only served the business development of the Bank, but also boosted the improvement of supplier product quality and service level.

**IT-based Management**

The Bank extensively invited potential suppliers into cooperation through ICBC's e-commerce procurement platform, strengthened the organization and management of e-commerce procurement, and improved the centralized procurement efficiency.

The Bank continued to strengthen IT application, improved the refined management of centralized procurement, and effectively exercised hard control of risk systems by automatically verifying factors such as contract suppliers and amounts with the procurement results. For the first time, the centralized procurement projects have realized the linkage and correspondence with the project budget and payments, contracts and fixed assets, and made it possible to track how the suppliers of the whole bank’s centralized procurement projects acted in real-time.

**Supplier Satisfaction Survey**

During the reporting period, the Bank completed a survey on satisfaction with the whole bank’s centralized procurement suppliers, strengthening the restriction on and supervision of suppliers' services and compliance.

The survey covered 25 categories of products of 50 suppliers.

More than 90% of the equipment seriously procured by the grassroots officers were put under the survey.

49,000 participants in the survey.

4,058 suggestions and suggestions were collected.

**Notes**

1. Social contribution value per share = Basic earnings per share * (Tax payment + employee expense + interest expense + total allowance on public welfare) / total income
2. The scope of total number of employees and proportion of female employees and employees from minority ethnic groups is the whole group. The ethnic minorities in the Table refer to the remaining 56 ethnic minorities in addition to the Han nationality in the People's Republic of China.
3. The domestic green credit is counted as the energy saving and environmental protection projects and services of CBIC.
4. Balance of domestic industrial finance lease has been calculated based on the statistics of the CBIC since 2017.
**Green Finance**

During the reporting period, the Bank earnestly acted in line with the five development concepts of innovation, coordination, green, opening up, and sharing. Regarding green finance strengthening as a key strategy for long-term pursuit, the Bank comprehensively certified green finance, actively backed the development of green industries, emphasized the prevention and control of environmental and social risks, and continued to enhance low-carbon operations, in order to synchronously improve economic, social and ecological benefits.

![Green Energy Image]
Green Credit

As at the end of the reporting period, the balance of domestic green credit that the Bank extended to energy conservation and environmental protection projects and services amounted to RMB 1,237,758 million.

Improving the Policy System

The Bank issued the Opinions on Comprehensively Strengthening Green Finance, which define the work objectives and basic principles, sorted out and made clear the main tasks of work and specific measures for strengthening green finance, including 27 measures in six aspects, e.g., furthering green adjustment of investment and financing structures, comprehensively strengthening environmental and social risk management, actively carrying out green financial innovation, comprehensively implementing regulatory requirements, strengthening the organization of green finance work and ensuring its proper functioning as well as day-to-day management, thus laying a solid foundation for comprehensively strengthening green finance, building a world-class green bank and realizing the sustainable development of investment and financing business.

Since 2002, the Bank has issued the revised industrial (green) credit policy each year. It acted in accordance with the green credit policy orientation and requirements for different industries, gave higher industry positioning to green industries such as ecological protection, clean energy, energy conservation and environmental protection and circular economy, established the relationship between industry positioning and economic capital and encouraged and guided the whole bank to actively support the credit business in the green economy.

The Bank has successively prepared and issued the Opinions on Credit Support for Key Areas of Advanced Manufacturing and the Guidelines on Credit for Energy Conservation, among others, in order to guide the whole bank to actively cultivate such emerging green credit markets as energy conservation and emission reduction and circular economy.

by drawing lessons from the Equator Principles and IFC performance standards and guidelines, the Bank issued the Management Measures for Classification of Green Credit, which classified corporate loan customers of the Bank in the mainland and their projects into twelve types in five categories, based on the degree of impact on the environment and social economy, and embodied in the internal asset management system, thereby unifying the scientific and quantitative management of customers' environmental and social risks.

Providing more Safeguards for Green Credit

The Bank has been improving the IT-based green credit management. The Bank added the statistical marks for energy-saving and environmental-friendly projects and services including 11 sub-indicators, such as classification of energy-saving and environmental-friendly projects and services and project's energy-saving effect, and established an internal management system. In 2020, the Bank improved the quality of report data and perfected the functions of the green credit statistical system.
Green Bonds

During the reporting period, the Bank actively carried forward green finance and assisted the development of the green bond market by underwriting 6 green bonds and raising RMB 65.51 billion accumulatively, as well as issuing two dual-currency green bonds.

On 1 June 2016, the Bank issued a green bond in US dollar and euro through London Branch, and the final issuance amount was equivalent to USD 1.4 billion. The bond was officially listed on the London Stock Exchange, and became the largest green bond among the bonds listed in the Exchange. All the money raised from the bond was used to support the projects of clean transportation and renewable energy. The bond continued to follow the green framework established by the Bank in 2017, and was certified by the Climate Bond Initiative (CBI) as a “Climate Bond”, which was consistent with domestic and international green finance best practices.

On 13 June 2016, the Bank issued a green bond in US dollar and Hong Kong dollar through ICBC (UK), and the final issuance amount was equivalent to USD 570 million. It was officially listed on the Stock Exchange of Hong Kong Limited. The bond continued to follow the green framework established by the Bank in 2017, met the latest domestic and international green bond standards, and also received the Pre-Issuance Stage Certificate from the Hong Kong Quality Assurance Agency (RQA).

During the reporting period, Beijing Branch of the Bank, as the underscribes, successfully issued a tranche of Green Asset-backed Notes (ABN) for a power company. The ABN was the first class energy ABN issued by a SOE in the Interbank. The successful issuance set a good example, drew wide attention from the market, and was well recognized by customers.

A joint stock company is the only company in China, and even the whole world that operates across both the agricultural and new energy - photovoltaic industries. With a complete circular economy industrial chain of "chemical raw energy in place, it can fully utilize waste while saving energy. In recent years, the company has actively promoted the "solar+agriculture" business model featuring PV panels installed above the pond, which serve to facilitate fish farming under the water. After learning about the company's direct financing demand, Shenzhen Branch of the Bank smoothly completed a multiple of tests including due diligence, credit review and investment review. In November 2018, the Bank issued RMB 500 million super-short-term commercial paper, and helped the company issue the papers with a coupon rate at a level significantly lower than that of the last issuance, which effectively reduced the cost of the issuance.

Propagating Green Concept

The Bank provides annual bank statement service for customers, specially calculating the number of transactions handled via the online channel of ICBC Mobile and estimating the carbon emission saved by giving comprehensive consideration to traveling, human resources, digital prints and other costs. In the latest concept of "green transportation" and "environmental protection to carbon emissions", ICBC uses a variety of approaches to promote carbon reduction.

Green Financial Research

During the reporting period, the Bank kept strengthening research into green finance, and got many research achievements which were groundbreaking in the industry. In December 2018, CS 100 ESC Index, an outcome of the joint efforts by the Bank and China Securities Co., Ltd., was officially launched. This is the first ESC Index published by a Chinese financial institution.
Column: Winning the Tough Battle against Poverty in Sichuan Province

Invested RMB 30.71 million

During the reporting period, the Bank invested RMB30.71 million in the four designated poverty alleviation sites — Tongjiang, Nanjiang, Wanyuan, and Jiangyou in Sichuan Province. In four places, the Bank invested 3.072 million yuan. The officers of the bank dispatched to fight against poverty worked in the villages and local residents to achieve the progress of anti-poverty work in Nanjiang County subject to financial assessment and was successfully lifted out of poverty by the end of 2018. The final assessment procedure commenced.

The Bank addressed poverty relief by enhancing the skills of the impoverished population. Because the people are the biggest asset, the bank has been working hard to extend support to teachers, students, and graduates. The Bank has carried out the Qilong Program of sponsoring excellent poor college students for 15 straight years; the Candle Program of commending excellent village teachers for 10 straight years; and the Liyang Program of commending excellent village teachers for 10 straight years. Since launching the targeted enrollment program for poor college graduates in 2015, the Bank has synchronously kicked off special recruitment programs in more than 20 provinces and municipalities where the government-designated poverty counties for poverty relief are located. As of the end of the reporting period, the program hired 838 poor college graduates.

His name was born to a registered poor household of Jiangyou Township, Wanyuan County in 2012. He was admitted to a university. But at that time, his mother had just finished breast cancer surgery, and his grandmother’s family could not afford his tuition. The Bank’s poor college student funding program helped him to enter the university. Four years later, he joined the Bank through the Special Recruitment Program for Poor College Students. In this way, he lifted his whole family out of poverty and kindled the hope of changing destiny with knowledge for poor households.

The Bank improved the local medical services and public hygiene and reduced the cases of being reduced to poverty or returning to poverty due to illnesses, by offering free medical assistance and providing medical and health facilities. Many poverty-stricken people gained access to bank medical services.

In cooperation with the China Women’s Development Foundation, the Bank donated RMB1.5 million.

During the reporting period, the Bank invested RMB14.5 million in supporting 15 farming and breeding projects, including Pork Breeding in Tongjiang, Yellow Sheep in Nanjiang, Black Chickens in Wanyuan, and Vegetable Garden in Jiangyou. In the process, the Bank adhered to the anti-poverty model that combines IOC, the government, the village’s Party committees, and the volunteer committees, enterprises, and the poor households together, and benefited 5,600 poor households, with an income increase of RMB3,000 per household in average.

In terms of industrial support, the Bank focused on disseminating industrial knowledge on the one hand, and fully employed the poor people to pursue “self-development, independent development” by promoting the idea and the anti-poverty stories of poor households on the other. Zhong Li of Luzihao Village in Wanyuan City is a person with a disability, and his family burden is heavy because a family member is sick. After participating in the Black Chickens Breeding Industry Project of the Bank, he increased his annual income to RMB40,000, and became a believer on the road of getting rich in just one year. Seeing the vivid cases of shaking off poverty, many poor households had a stronger desire and became more confident to get rid of poverty and get rich with hard work.
For the first time, the “Life Line Express” train hospital pulled into Baxi of Yongchuan, an area designated to receive support from the Bank. 1,219 poor cataract patients were given free cataract surgery. At the same time, a cataract treatment centre was built at the Central Hospital of Yongchuan to improve medical facilities and enhance the level of diagnosis and treatment, thus leaving a “Life Line Express” that never leaves.

**Targeted Poverty Relief Plans for the Future:**

- **In view of the development plan of the poorer regions, the Bank will coordinate targeted poverty relief through finance with rural revitalization and create new financial products and services for poverty relief according to local conditions.**

- **The bank will implement the poverty relief model that focuses on the combination of finance, education and healthcare, and push the poverty alleviation efforts from being driven by external force to being driven by internal force and from individual cases to collective help.**

- **The Bank will focus on poverty relief in the extremely poor regions, make overall arrangements of resources, and prioritize support to the most urgent problems.**

**Balance of finance-backed targeted poverty relief loans (RMB10,000)**

- Total: 15,594,543.84
- Loan of industry targeted poverty relief: 5,079,545.99
- Loan of project targeted poverty relief: 702,104.44
- Rural transport facilities: 171,825.00
- Upgrading of rural power networks: 190,432.19
- Rural water conservation facilities: 693,061.84
- Rural education loan: 2,909,044.98

**Amount of targeted poverty relief input (RMB10,000)**

- Total: 3,071.00
- Poverty relief through industries: 1,890.00
- Poverty relief through education: 681.00
- Poverty relief through healthcare: 470.00
- Poverty relief through infrastructure: 43.00
- Assistance in selling agricultural products in poor areas: 10,800.00

**Consumption-based poverty relief (RMB10,000)**

- Total: 2,984.67
  - Purchase of agricultural products in poor areas: 2,984.67

**The group poverty relief donations apart from targeted poverty relief**

- Amount of donations: 2,794.43 (RMB 10,000)

**Projects**

- Including infrastructure construction, industrial development, education, medical care and relief to poor households.

**Number of beneficiaries**

- 317,932 (Including number of registered poor people: 58,202)

Note: The “targeted poverty relief” refers to the poverty relief efforts in Tongjiang County, Nongjiang County, Jinping County and Wenguan City in Sichuan Province.
Ten Years Together to Serve Africa
—Strategic Value

During the reporting period, as the 10th anniversary of its strategic cooperation with Standard Bank Group, the Bank promoted China-Africa economic, trade and social exchanges as well as remained rooted in Africa to serve the local community and boost friendship, mutual benefit and common development.

In the year of 2018, the Bank and Standard Bank Group seized the historic opportunity to strengthen strategic cooperation and coordination in every respect and make their contributions to economic and social development in Africa.

In July 2018, then Chairman Yi Huiman of the Bank answered journalists’ questions at the press conference on the 10th anniversary of the strategic partnership between the two banks in Johannesburg, South Africa.

During the reporting period, the Bank’s African Representative Office and Standard Bank Group jointly organized economic forums in many African countries. Under the theme of “bank-entrepreneurship—trade expansion and joint development,” these forums exchanged ideas about economic outlooks on both sides and development prospects, giving an impetus to deepening China-Africa cooperation and broadening win-win cooperation.

During the reporting period, Standard Bank Group assisted African customers to complete more than USD155 billion in financing, with focus on agriculture and SMEs. Specifically, the Standard Bank granted USD30 million of financing to Zimbabwe’s food processing enterprises to fund their purchase from local farmers, issued USD37 million of financing to small agricultural product manufacturers in cooperation with the Ugandan government and invested more than 250 million USD to support the development of SMEs and startups. Standard Bank Group invested in more than 150 tech start-ups by setting up incubation base in several African countries such as South Africa, Ghana, Mozambique and Nigeria, providing support for more than 12,000 entrepreneurs and creating a large number of jobs in Africa.

In September 2018, a conference was held in Beijing to celebrate the 10th anniversary of strategic cooperation between the Bank and Standard Bank Group.

Buildings of Standard Bank Group
The First CIE was held successfully in Shanghai during 5-16 November 2018. Standard Bank Group partnered with the Bank in organizing the China Africa Business Matching Meeting, enabling China-Africa trade. Standard Bank Group was the only financial service provider from Africa at the exhibition and also invited CIE representatives of more than 60 enterprises from nine African countries, including South Africa, Nigeria, Ghana and Botswana. At CIE where global importers and exporters gathered, the two banks built a platform that not only showcased the excellent financial services of the Bank and Standard Bank Group, but also displayed the products of African customers, adding a bright African color to the grand event.

Supporting African Education Development

During the reporting period, Standard Bank Group provided strong support for education development in Africa, including co-working with governments and government agencies of many countries in establishing student grant programs, and financially assisted 300 students in getting their degrees, as well as setting up the Tutuwa Community Foundation jointly with social partners to provide support for children’s education and young people’s work, reading and writing skills. In 2018, Standard Bank Group and the Tutuwa Community Foundation invested a total of about ZAR11.6 million in the Early Childhood Development (ECD) programs. Standard Bank Group helped local youth enhance their language and work skills in various ways and improved early education infrastructure, such as kindergartens, in rural and underdeveloped areas. The Feeder Trust, an NGO sponsored by Standard Bank Group, raised over ZAR23 million of social donations for more than 1000 financially stressed students. In Nigeria, Ghana, Uganda and some other African countries, Standard Bank Group was also dedicated to providing local people with better access to education, from infant education to higher education, by sponsoring pivotal schools, helping families enhance their working skills, donating teaching and medical supplies and renovating school facilities.

During the reporting period, the first Africa China Banking Center in West Africa officially opened in Standard IBTC Bank PLC. The center offers full-time agent services in English and Chinese, greatly enhancing the bank’s ability to serve overseas China. Nigeria, as the largest economy in Africa, has been in closer economic and trade ties with China in recent years. The Africa China Banking Center of Standard IBTC Bank PLC will provide more timely and convenient services to customers from every corner of Nigeria.
Sticking to Our Founding Mission

Sticking to founding mission, the Bank was determined to be rooted in the real economy. It focused on the high-end manufacturing, cultivated happiness industries, promoted the development of Internet and Internet of Things, and supported regional development. Moreover, it further built the inclusive finance system to serve the small and micro enterprises and private economy. It upheld the fundamental policy of targeted poverty relief and elimination, innovatively pushed ahead with poverty relief and kept enhancing its capability in this field, so as to improve the people’s livelihood with financial services.
Serving the Real Economy

During the reporting period, the Bank stuck to the fundamental mission of supporting the real economy with financial services, rationally planned the structure and intensity of credit supply, focused on key areas, important regions and weak links, increased support for emerging industries such as science and technology innovation enterprises, advanced manufacturing, modern logistics, and happiness industries, deepened the financing service for the real economy, private and small and micro enterprises in particular, and worked hard to address the issue of limited credit availability and high credit cost facing some enterprises. As of the end of the reporting period, the Bank registered an increase of RMB15.1 billion in loans to private enterprises, and RMB15.1 billion in loans to small and micro enterprises, an increase of 8.9% on a yearly basis.

Shenzhen Branch of the Bank provided financing support for the advanced rail transit project of an enterprise.

Focusing on High-end Manufacturing

During the reporting period, the Bank issued policy documents including the “Action Plan for Attacking and Elevating Key Areas of High-end Manufacturing” to continuously strengthen the financing support for high-end manufacturing. The Bank gave a remarkable impetus to the development of high-tech, high-end numerical control machine tools, high-end equipment manufacturing, advanced rail transit equipment, and new energy vehicles.

<table>
<thead>
<tr>
<th>balance of RMB and foreign-currency loans to manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMB 1.39 trillion</td>
</tr>
</tbody>
</table>

“ICBC Science and Technology Innovation Kickoff Plan”

During the reporting period, the Bank actively supported the development of science and technology innovation, established two science and technology innovation enterprise financial service centers in Shenzhen and Shanghai, and gradually explored the characteristic business path of serving science and technology innovation enterprises. On the basis of establishing 10 new economy-oriented sub-branches, the Bank introduced another 19 into areas with relatively developed innovative economy such as Beijing, Jiangsu, Zhejiang and Shandong, and leveraged the professionalism of outside to evaluate the technical risks of enterprises. Based on in-depth study of the full-life cycle financial services needs of science and technology innovation enterprises, the Bank released the “ICBC Science and Technology Innovation Kickoff Plan”, a kind of integrated financial services solutions.

Constructing the Cooperation Circle of Science and Technology Innovation Finance

During the reporting period, the Bank strengthened cooperation with government departments including the National Development and Reform Commission, the Ministry of Science and Technology, and the Ministry of Education, as well as Shanghai Stock Exchange and Shenzhen Stock Exchange, and scientific research institutions and universities including the Chinese Academy of Sciences and Tsinghua University, as well as many well-known venture-capital firms, and constructed an ecological cooperation system from front-end customer marketing to back-end risk control, forming the cooperation circle of science and technology innovation finance.

Fostering the happiness industry

During the reporting period, to meet the financial service needs of hospitals, tourism attractions and colleges and universities, the Bank strengthened top-level design and Group-wide implementation, issued a series of in-house policy documents, created a special credit plan for happiness industry development, developed innovative comprehensive financial service products and stepped up efforts to foster the happiness industry.

As at the end of the reporting period, the Bank recorded

<table>
<thead>
<tr>
<th>RMB 283.613 billion in balance of loans to the happiness industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>an increase of 28.97%</td>
</tr>
</tbody>
</table>

Industrial and Commercial Bank of China Limited
Supporting Tourism Development of Xishuangbanna Prefecture

Xishuangbanna Wild Elephant Valley National Park is a 4A tourist attraction of China. With 1.8 million visitors each year, it is an important part of Xishuangbanna Prefecture’s tourism resources. During the reporting period, Xishuangbanna Branch of the Bank successfully won RMB468 million from the Wild Elephant Valley project based on the customer’s financing demand, assisting the development of tourism in Xishuangbanna.

Supporting Regional Development

Consistent with the construction of “Four regions” and “Three supporting belts” and the Belt and Road Initiative, the Bank increased integrated financial service support for Xiongan New Area, Guangdong, Hong Kong and Macau Greater Bay Area, Yangtze River Delta and Asia-Pacific Region.

Promoting the Development of Internet and Internet of Things (IoT)

During the reporting period, the Bank increased support for strategic emerging industries including new-generation information technology, smart city, integrated circuits, display panels, Internet and software. A professional team composed of nearly 100 members was established to provide financial services under a number of IoT scenarios.

Developing Modern Logistics

During the reporting period, the Bank tried hard to meet the financing demands of key enterprises in key sectors of the modern logistics industry. The Bank maintained rapid growth in lending to modern logistics, with an annual growth rate of 6%. At the end of the reporting period, the Bank had a loan balance of RMB11.90 billion to the modern logistics industry, representing an increase of RMB1.190 billion over the beginning of the year.

The Bank released the Opinion on Promotion of Corporate Financial Services for Industrial Upgrad and Technological Innovation of the Guangdong, Hong Kong and Macau Greater Bay Area, deciding to step up efforts to expand the business in capital markets, venture loan, cross-border finance and industry-university-research cooperation.

Shenzhen Branch of the Bank financed the development of modern logistics by a leading enterprise in the logistics industry.

The Bank held the meeting of the Alliance of Corporate Financial Development for Regional Cooperation of the Yangtze River Delta, deciding to set up flexible teams, establish an information sharing platform and drive the individualized authorization in the region.

As the only RMB settlement bank designated by the Kazakhstan Central Bank, ICBC (Almaty) actively supported the construction of major projects of Chinese-funded enterprises in Central Asia. The projects spread across a variety of sectors like petroleum, minerals, processing and manufacturing, trade and infrastructure construction. ICBC (Almaty) was the largest market maker for the direct trading in RMB and Tenge.

The Bank sponsored the construction of "Four regions" and "Three supporting belts" and the Belt and Road Initiative.
Developing Inclusive Finance

During the reporting period, following the guideline of “Providing true micro and small finance with concrete actions” and the principle of commercial sustainability, the Bank actively developed inclusive finance businesses on a whole. The report showed that since the end of 2020, the Bank had achieved steady improvement in the asset quality. At the end of the reporting period, the Bank recorded RMB216.215 billion (under CRR criteria) in balance of domestic inclusive finance loans, up RMB111.693 billion from the beginning of the year, representing a growth rate of 11.1%.

Premier of the State Council Li Keqiang commended the Bank’s slogan that “a bank would have no future without serving small and micro enterprises” during his visit to the Inclusive Finance Department of the Bank, stressing that the small and micro enterprises were the testing success of a bank, and a large bank that does well in serving small and micro enterprises will have a bright future.

Strengthening the Development of Inclusive Finance Bodies

During the reporting period, the Bank gave full play to the coordination and deliberative role of the Inclusive Finance Promotion Committee, further illuminated the function of the Inclusive Finance Department as the lead department for inclusive finance and advanced the collaborative development of inclusive finance. In addition to setting up inclusive finance departments at the Head Office and Tier One branches, the Bank further improved the hierarchical management system for inclusive finance at the Tier-Two branch level.
Innovating Online Inclusive Finance Products

During the reporting period, the Bank advocated a strategy of "One Seed, Two Wings" for development of inclusive finance. While actively exploring the new models of internet financing, the Bank picked up speed in developing the online inclusive business model by focusing on the existing customer resources and internal data while paying due regard to external demands and characteristics of different branches. Relying on the "One Platform" and following the philosophy of "tapping the value of data, creating economic benefits from credit and enhancing the efficiency of financing", the Bank accelerated the creation of in-house projects, continuously improved the customer experience, and put in place an online-micro and small-enterprise financial services system consisting of "One Platform" - micro and small-enterprise financial service platform and catering for "Three Kinds of Products" - Quick Lending for Operation, Online Revolving Loan and Online Supply Chain Finance.

Launching the "E-collaboration Dream Plan"

During the reporting period, the Bank launched an "e-commerce dream plan" to provide merchants with a full package of financial solutions, e.g., fund collection & payment, deposit & wealth management, loan & financing, private banking services and customization of precious metals. This became the first large-scale comprehensive financial service project for merchants in the Chinese banking industry. As at the end of the reporting period, e-payment has entered 310 specialized markets and 680 shopping streets, helping micro, small and medium enterprises' dream of seeking further development in the era of "consumption economy" come true.

Extending Offline Service Models

During the reporting period, the Bank pursued "Centralized Operation" of standard and batch businesses, boosted operational efficiency through specialization and assembly-line processing, broke the bottleneck on customer managers' capacity due to small value of individual financing facilities and provided strong support for large-scale business development. It intensified the "operation" function of small and micro credit centers in line with the objectives of building four centers, namely, "Marketing Cooperation Center", "Business Processing Center", "Risk Control Center" and "OCS Implementation Service Center". With the center of operation located, the Bank adopted a combination of "branch head, sub-center" business and "branch head, sub-center" business to extend operation further to lay sub-branches with abundant small and micro business resources as well as strong operation and management capabilities.

Zhejiang Huzhou Branch of the Bank practiced the ecological philosophy that "clear waters and green mountains are as good as mountains of gold and silver". It developed and launched the "Deqing Mountain Scenic Area Homestay Loan" after a thorough field survey of local tourism development. In the "Deqing Mountain Scenic Area Homestay Loan", the loan facility provided homestay operators with startup and operation funds, supported local tourism development and created jobs for local people.

The "Quick Lending for Operation" by integrating the industry & commerce, tax, credit reference, asset and settlement information and adopting internet and big data technologies to offer online structured loans for small and micro enterprises, and thus meet their frequent and urgent demand for short-term financing.
Deepening Poverty Relief through Finance

The Bank took poverty relief as an important part of fulfilling its social responsibilities, established the Leading Group for Poverty Relief, and improved the poverty relief mechanism. In 2018, the first year for the three-year action plan of winning the tough battle of targeted poverty relief and elimination, the bank focused on the basic principle of targeted poverty relief and elimination, took innovative measures to make progress in the fight against poverty, kept enhancing the financial support and poverty relief efforts well targeted at the needs of poverty-stricken areas and made endeavors to play its due role in poverty relief. As of the end of the reporting period, the outstanding loans for targeted poverty relief reached RMB155,945 billion, representing an increase of 22.7% over the beginning of the year.

The Bank fully leveraged financial services to lift people in poor areas out of poverty. Increased credit support to poor areas and provided good financial services for poor areas. It concentrated efforts on supporting areas of extreme poverty, helping targeted areas of poverty relief to integrate resources and pooled resources from all sides to assist the poor in improving production and living conditions, supporting local people to meet poverty relief objectives to schedule and coordinate financial support to poverty relief.

The National Leading Group for Poverty Relief through Finance held a meeting to strengthen the leadership and coordination of poverty relief work. The ICBC Draft Plan for Targeted Poverty Relief through Finance (Version 2016), the Guidelines on Effective Work on Targeted Poverty Relief and the Work Plan for Supervision and Inspection of Targeted Poverty Relief were formulated. The Measures for Assessment of Effectiveness of Targeted Poverty Relief through Finance was issued bank-wide to provide a solid policy basis for poverty relief work.

Innovating Mode of Targeted Poverty Relief

The Bank made breakthroughs in credit granting, product innovation and service supply in line with financial needs of poor areas, deepened the work on poverty relief, enabled people to play a greater leverage role in poverty relief and spared no effort to advance poverty relief through finance.

Building an Ecosphere of Fighting against Poverty through Industrial Development

The Bank worked with multiple institutions to found the Alliance of Targeted Poverty Relief for a Beautiful Life, aimed at providing a series of caring services, e.g., opening a shop online, product promotion, integrated finance, cash logistics and personnel training, and putting in place an ecological chain of reducing poverty through industrial development that integrates large banks, central media, logistical channels, operations and direct selling for poor households.

Directors of the Bank visited designated poverty relief sites

Promoting E-commerce Support for Poverty Relief

The Bank leveraged its strong IT capacity and its influential e-commerce platforms, ICBC Mall to consolidate logistics, fund flows and information flows and help farmers and agricultural enterprises in poor areas sell agricultural supplies and agricultural products. Towards the goal of building "No. 1 E-commerce Platform for Poverty Relief", the Bank created a chain-like aid mode including "One Channel, Two Supports". Specifically, the Bank opened an e-commerce channel to help the merchants go online quickly and provided free support measures (e-commerce operation training, brand building, assumption of sales and margin, marketing subsidy and financing support), achieving good results in e-commerce-based poverty relief.

As of the end of the reporting period, the Bank opened 22 "Poverty Relief Sheds" on ICBC Mall, where over 7,500 products from 231 poor counties were sold. During the reporting period, ICBC Mall helped sell nearly RMB110.6 million of agricultural products from poor areas.

On 22 November 2018, Inner Mongolia Branch of the Bank signed the Framework Agreement on Poverty Relief and Support Cooperation between Industrial and Commercial Bank of China and the Enterprises of ICBC Mall with the merchants of ICBC Mall selling products with the characteristics of Inner Mongolia, putting in place a new online channel of selling characteristic products like high-quality mutton and cashmere in poverty-stricken areas.

Hunan Hushuzi Branch of the Bank actively engaged in cooperation with Hunan Xiangxi Mountain Ecological & Cultural Tourism Co., Ltd. The Branch signed agreements with local registered poor households and offered a voluntary job to each household, and granted an anti-poverty loan of RMB50,000 to each household. The loan, with a term of three years, had its interest subsidized by the government and guaranteed by Hunan Xiangxi Mountain Ecological & Cultural Tourism Co., Ltd.

Poverty Relief through Spending

During the reporting period, the Bank took purchase of agricultural products in poor regions and hub in rural areas as important approaches of finance-based poverty relief, and encouraged the branches to finely buy agricultural products in poor regions. As of the end of the reporting period, the whole bank reported such purchases at RMB22,174,100.
In November 2018, the Bank signed the Agreement on Cooperation in Poverty Relief with the Apple Sector of Yanchang County with a number of parties, including the Yanchang County Government, China Rural People's Insurance, and others, to launch the "CCIC Easy Farm Loan - Apple Links" financing product for apple farmers. In the pilot business, the Bank provided financing support for farmers and agricultural enterprises cooperatives that have purchased the agricultural product price insurance in terms of agricultural production, spot sales, storage of goods and processing trade, thus effectively easing customer financial stress in agricultural production.

In-depth Surveys

During the reporting period, the Bank conducted survey groups to conduct depth surveys of 54 private enterprises, providing a basis for decision-making on the support for private enterprises.

Supporting Private Economy

Due to the reporting period, the Bank treated all market players with equality under the principle of "market-based lending regardless of ownership, industry and size" and continuously increased the financial support for private enterprises.

Focusing on Financial Services for "Agriculture, Farmers, and Rural Areas"

The Bank seriously implemented the work plan of the Financial Services for "Agriculture, Farmers, and Rural Areas" and focused on supporting the agricultural services for "Agriculture, Farmers, and Rural Areas" and provided comprehensive support for the production and operation financing needs of small and medium-sized agricultural enterprises, emerging agricultural business entities, and farmers. As at the end of the reporting period, the Bank increased RMB 90.23 billion in balance of loans to farmers, including RMB 70.82 billion of outstanding loans to farmers.

During the reporting period, Chongqing Branch of the Bank launched the "Agricultural Guarantee Loan" in cooperation with Chongqing Agricultural Guarantee Company. Wang, a major orange farmer in Guanz Tiger, was in urgent need of a loan to fund his farm expansion. Previously, the bank had been unable to offer him a loan due to the lack of collateral. After Wang filed his application for a RMB 500,000 "Agricultural Guarantee Loan", the Small and Micro Credit Center of Shaping Branch provided door-to-door service and disbursed the loan in less than one day.

Support the stable operation of private enterprises

Support high-quality private enterprises to issue bonds

Support the industry-leading private enterprises to launch mergers and acquisitions

Support the reduction of financing costs for private enterprises

Support upstream and downstream customers of private enterprises

Support private enterprises to improve their ability to innovate in science and technology

Guangzhou Branch's "Nine Measures" to Address Development Challenges for Private Enterprises

On 1 November 2018, Guangzhou Branch of the Bank held a signing ceremony of strategic cooperation agreement with the Guangzhou Federation of Industry and Commerce and key private enterprises, and promised to further increase the financial support level for private enterprises with "Nine Measures".

Operating Like "Banks for You!"
Establishing a Long-lasting Mechanism

During the reporting period, the Bank issued the Opinion on Strengthening Comprehensive Financial Services for Private Enterprises and completed the contract signing for "Head Office & HQ" cooperation with 100 major private enterprises, giving priority to high-quality private enterprises that focus on their principal business and demonstrate sound financial management.

On 16 October 2018, the Bank held the signing ceremony of the "Industrial and Commercial Bank of China - Backbone Private Enterprise Head Office & HQ Cooperation Agreement" in Beijing. The Bank signed cooperation agreements with 100 backbone private enterprises to further deepen the partnership. The then Chairman Yi Huiman, President Gu Sha and Senior Executive Vice President Hu Hao attended the ceremony, and held talks with the heads of participating private enterprises. They also granted the "ICBC Backbone Private Enterprise Cooperation Customer" plaques for 20 enterprises and the "ICBC Backbone Private Enterprise Cooperation Customer" plaques for five enterprises.

Acting as a "Leading Goose"

During the reporting period, the Bank completed the creation and investment of the first batch of four credit risk mitigation vehicles (CRMV), a broad financing instrument for private enterprises. The market and introduced wealth management funds to provide private enterprises with financial assistance through debt or equity investment. It held key branch meetings on private enterprises, guiding branches to focus on high-quality private enterprises and priority projects that represent key areas of people's livelihood and have good cash flow expectations.

Over the years, a medical enterprise has become the largest cardiovascular medical platform in China. During the reporting period, Beijing Branch of the Bank actively provided financing support for the development of high-quality private medical enterprises, and granted an M&A loan of RMB500 million to help the medical enterprise acquire an equity stake of 45% in a pharmaceutical enterprise with the qualification to produce atorvastatin tablets, a lipid-lowering drug. This move helped further improve the layout of the medical enterprise in the pharmaceutical segment.

A private flour product company in a modern large-scale integrated food enterprise group in the convenient food industry. During the reporting period, Xi'an Branch of the Bank granted an M&A loan of RMB180 million to the company for its acquisition of a 47.83% equity stake in a phosphate company, supporting its diversified development, and also issued a working capital loan of RMB300 million to it for purchase and storage of wheat in the peak season, backing its expanded production.
Customers are the business foundation of a bank. The Bank upheld and fulfilled the "customer-oriented" operating philosophy and took persistent efforts to build an efficient, reputed bank that provides good customer experience. It was dedicated to structuring a service hierarchy that combines online and offline operations, manual work and artificial intelligence as well as notification and interaction, and committed to promote economic and social development, as well as benefit the people's livelihood with its superior quality financial services featuring higher efficiency, safety and convenience, to achieve "By Your Side and As Your Trust" in practice.
Developing Smart Service

During the reporting period, seizing the opportunities of consumption structure transformation and upgrade and furthered application of FinTech, the Bank initiated a new chapter in the transformation towards smart retail, and developed smarter new online/offline retail finance models, services and channels through in-depth integration of retail finance and FinTech.

Improving Online Financial Services

During the reporting period, the Bank simplified operating procedures on a customer-oriented basis to lower access thresholds, and provided more convenient, quicker online financial services through financial innovation.

![Image: Chart showing improvements in online financial services]

The transformation and innovation in ICBC Mobile, ICBC Mall and ICBC Link were further deepened.

The Bank tried to build ICBC Mobile with a stronger focus on the core functions of finance.

ICBC Mobile was the first in the industry to launch the eye-catching services such as “Wish under Mobile Banking” and “One-click Trailers” and take “Zero Lower Thresholds” actions, including separation of self-registration and card-linking and loan-free inquiry of account balance, thereby further simplifying business processes and lowering the thresholds for customer entry.

ICBC Mall further focused on high-quality e-commerce and ICBC Link focused more on main scene carriers and main users portals.

The Bank emphasized the distinctive brand program and tried to build a new e-commerce platform with e-commerce as the core and finance as the foundation. The ICBC e-Commerce platform went live successfully. The Bank launched a new version of the mobile app, focusing on the development of the three distinctive brands, namely ICBC EC Commerce, ICBC e-Travel, ICBC e-Assets, ICBC e-Doctors and ICBC e-Charity, and also pressed forward with the customer attraction platform and Cross-border e-Commerce projects.

It was comprehensively upgraded to build a new e-commerce center, user center and sharing center. The ICBC e-Commerce platform was upgraded with an improved user experience and new features, including a more intuitive search function and personalized recommendations. The platform also offers a wide range of financial products and services, allowing customers to easily access and compare different options.

Upgrading Offline Services

During the reporting period, the Bank launched the facial recognition-based ATM withdrawal service in addition to the existing cardless cash withdrawal functions such as mobile reservation for ATM withdrawal. On the basis of the expanded demand of customers, the Bank promoted self-service smart facilities such as ATMs, desktops, intelligent service terminal and intelligent terminal (Carbon Monoxide detection Version) to further accommodate various service scenarios in different branches, provide customers with one-stop, efficient services and boost the efficiency of work and ability to prevent risks.

Continuously Promoting Smart Services and Improving Process

As at the end of the reporting period, the Bank’s intelligent facilities fully supported Class I, Class II and Class III account services and management and other functions such as electronic financial services and self-service banking's wealth management service. The Bank furthered the integration of online and offline services by launching a WeChat mini program for online account application, voice-based mobile banking, mobile payments, CRM, and a mobile app for corporate deposit placement. It provided a non-face-to-face service for corporate deposit placement, wealth management, fund, insurance, and loan application, allowing customers to receive service from local institutions. The facial recognition technology was fully applied to high-frequency, high-risk business requiring authentication, so as to effectively prevent identity thefts and simplify the business process. FinTech was employed to accurately identify visiting customers and accurately profile customers based on big data, so as to provide customers with personalized services.

Building Integrated Online and Offline Service Channels of Outlets

The Bank holistically assessed the value of FinTech in customer service and marketing. It developed an innovative service channel integrating WeChat public account, mini programs, QR code and WiFi, which promoted the sales and service integration of traditional online outlets and led to a new marketing model featuring online-offline integration. During the reporting period, the Bank's QR code, a service enabling transactions by scanning QR codes, successfully surpassed 56.25 million transactions. ICBC WeChat Public Account for Customer Service provided transaction inquiry account inquiry and utility bill payment services to over 25.9 million customers. "ICBC Service" mini program received 133.76 million hits. Outlets had a total of 13.475 million WiFi users and customer traffic of 66.944 million person-times.

Optimizing Channel Distribution

During the reporting period, the Bank completed outlet network renovation for 33 outlets, principally through relocations, and launched various service models and new outlets for 377 outlets. By the end of the reporting period, 13.25 outlets were relocated and 101 new service models were opened. In poverty-stricken areas, 16 outlets were relocated and 17 had their service models opened. The operation of these outlets completed the automation and standardization of payment services, remarkably improving their service capability and customer experience. After continuous channel improvement, the Bank's outlet network has become more reasonably structured to provide a broader range of business functions in a more convenient service environment with more advanced facilities.
Extending Cloud Banking Smart Services

During the reporting period, the Bank set up a cloud banking center by integrating six customer service centers, and promoted customer service improvement, system integration and upgrade, and establishment of a smart customer service system. The cloud banking center has provided services in China, English and Cantonese for 1.7 billion phone times to customers in more than 20 countries and regions worldwide.

Setting up Cloud Maintenance Centers

As of the end of the reporting period, the Bank had established cloud maintenance teams at 37 branches and had over 1,000 cloud customer managers providing services for nearly 20 million customers through outgoing phone calls, SMS messages and ICBC Link notifications.

Daily Intelligent Service Volume Reached over 1 Million

The Bank managed to flexibly deploy the intelligent customer service QMOS on mobile terminals and online channels, which has expanded the reach of ICBC customer services. As of the end of the reporting period, the Intelligent Customer Service covered 35 service channels of the Bank, including ICBC's official account on WeChat and ICBC Mobile, and connected third-party platforms. Daily intelligent service volume reached over 1 million. The Bank innovatively launched the intelligent voice service of telephone banking, which got placed in 10 places. The customer service efficiency and customer satisfaction have been improved.

Improving Customer Experience

During the reporting period, the Bank listened carefully to customer opinions, continued to improve customer services, and coordinated offline distribution optimization and standardized decoration. The Bank worked hard to establish a multi-dimensional service system online + offline, manual + AI, notification + interactions, and endeavored to provide customer services with identification, responsiveness and connectivity through all channels as well as more efficient, safer and more convenient financial services of better quality, and become a trusted, reliable, user-friendly and first-choice bank that provides excellent financial services.

Improving Service Quality

The Bank always upholds the "customer-oriented" philosophy, takes customer opinions and suggestions as a crucial guide and keeps pushing forward product innovation and service optimization to improve customer experience. During the reporting period, the Bank refined business management rules including debit card replacement without changing card number and non-local card replacement, in a bid to improve the personal banking management, make service process more convenient and user-friendly and continuously enhance customer satisfaction.

Building Stan-credited Outlets

According to third-party survey data, the Bank's customer satisfaction score increased by 4.5% from last year.

The Bank endeavored to enhance and give full play to the guiding role of good examples in service improvements. In an effort to spur positive energy and push forward the harmonious bank drive. As of the end of the reporting period, the Bank identified 665-staff service outlets, playing a model role in improving customer services in the new era.
Shandong Branch Self-help Food-truck Farmers

During the reporting period, the Shangqiu area of Shandong Province was hit hard by a flood. The Bank's Shandong Weifang Branch set up mobile service stations in flood-affected areas and provided financial services and onsite advisory services to flood-affected farmers, assisting in their restoration of production activity.

Guangdong Branch Improved the Service Environment of Outlets

During the reporting period, Guangdong Branch of the Bank stepped up the remodeling and upgrading of over 140 outlets. The upgraded outlets are divided into such functional zones as intelligent service, self-service banking, cash, non-cash, wealth management and VIP service, with sufficient parking spaces available to customers. Customer experience has been dramatically improved.

Bank ICBC (U.S.) Provided Financial Services for the 2018 FIFA World Cup

During the reporting period, Bank ICBC (U.S.) established an accessible environment at all its outlets for customers with physical disabilities, including special doorways, heating aids and special keyboards, so as to better serve tourists visiting Latin America during the 2018 FIFA World Cup. The IT department of the subsidiary also developed a special website version for visually impaired users, providing them with an effective channel for accessing financial services.
Boosting Service Efficiency

The Bank regularly collected and analyzed customer feedback, promoted the functional improvement and process optimization of related products and services, and formed a closed-loop mechanism for customer opinions, service improvement and process innovation, and continuously improved service efficiency.

During the reporting period, the Bank re-designed the service interface of smart devices for more reasonable layout and zoning and clearer menu functions. Service navigation was added and the business process alerts and interactive directions were improved, making customer interaction more friendly and operations smoother.

The Bank developed the Enterprise Line (EL), QR code-based cheque loading and ICBC e-Security to address the pain points of small and micro business, which has substantially boosted the efficiency of account opening, payment and high-valued added information inquiry by newly established enterprises. Online and offline marketing was strengthened for inclusive finance development. Corporate mobile banking and corporate online banking were grown together with shared customer bases and business synergies.

Building a Global Brand

Steady Internationalization Progress

The Bank continued to improve its global network. Currently it operates 436 institutions in 47 countries and regions and indirectly covers 30 African countries as a shareholder of Standard Bank Group. During the reporting period, Zurich Branch, He Chi Min City Representative Office and Manila Branch respectively started business. Approval of European Central Bank was obtained for the setup of ICBC Austraitl.

Providing Global Financial Products, Deepening Financial Cooperation

Global project finance

The Bank supported 428 "Going Global" projects with a total loan amount of USD102.4 Billion. The Bank won over 10 awards from The Banker (formerly known as Financial Times). China Banking Association, etc.

Cross-border RMB business

During the reporting period, the Bank handled a total of RMB64 billion of cross-border RMB transactions.

Financial market business

24-hour trading service is available for foreign currency bonds, foreign exchange, paper precious metals and commodities.

428 "Going Global" projects

4.6 trillion cross-border RMB transactions

24-hour trading service
Cross-border RMB Business Development

The Bank actively served the real economy by building a business model featuring collaboration between cross-border RMB settlement, clearing, investment, and financing. Global markets, asset management, and investment, the Bank enhanced cross-border RMB fund flows and helped conduct a number of groundbreaking cross-border RMB deals.

Driving Local Economic Development

In serving the Chinese companies “Going Global”, the Bank took an active part in international exchanges and cooperation. Based on the economic and social development, the Bank added consideration to the effects of financing to local residents, environment, and society and strive for mutual benefit, win-win results, and sustainable development.

Supporting the Development of Local SMEs

To support local small and medium-sized enterprises (SMEs)’ development and economic growth, ICBC (Argentina) issued low-interest loans to qualified enterprises as required by the Central Bank of Argentina. These loans were focused on SMEs’ demand for financing and expansion of operations, purchase of raw materials, and new project investments giving a boost to local economic development.

In the 2018 Syndicated Loan Business Evaluation Campaign organized by China Banking, the Bank won the “Best Project Award” in the supported financing LNG Project in Asia A, Indonesia.
Leading in Innovation

The Bank vigorously fostered innovation culture, adhered to indigenous innovation, and strengthened protection of intellectual property rights. It innovated products and services and continuously strengthened innovation in management in a bid to become a leader and driver of the smart finance ecosystem. During the reporting period, the bank set up the Financial Technology Department, aimed at giving full play to the positive role of FinTech in boosting business transformation and development. Moreover, it prepared to establish the wealth management subsidiary to push forward the business upgrade and development on all fronts under the guidance of the new rules on asset management.
Focus on FinTech

During the reporting period, the Bank invested heavily in the Bank’s new strategic development led by IT reform, employed advanced FinTech to build a comprehensive, intelligent and ecosystem-based system of financial products and services suite for future development, actively explored and deepened the support for inclusive finance and green finance services through in-depth FinTech exploration and practice, and built more up-to-date and intelligent financial services, thereby enabling transformation of the development model and setting a lead in innovation.

Setup of Financial Technology Department

The Bank always attaches great importance to FinTech, regarding technology as the very foundation to seek further development. It has made vigorous efforts on IT and product innovation from the strategic perspective of building core competitiveness. Through unremitting efforts of generations, the Bank has embarked on a distinctive path of technological innovation and development.

During the reporting period, the Bank consolidated the IT Department and the Product Innovation Management Department to establish a new Financial Technology Department. It sought to address such issues as the quality of business requirements and efficiency of technological R&D using new ideas, new models and new technologies. In a bid to truly establish an efficient and convenient technology management system and product R&D model, it accelerated the inter-generation IT stream through improvement of internal mechanisms and processes, and gave full play to the role of FinTech in boosting business transformation and development.

e-ICBC 3.0 Strategy

The Bank pursues smart transformation of traditional financial services under the principle of inheritance and innovation. Specifically, it is dedicated to transforming to “smart banking” featuring intelligent services, inclusive innovation and variable applications by building an open, cooperative and ecosystem financial service ecosystem: creating smart systems of marketing, products, services and risk control; reshaping banks’ traditional role as information and credit intermediaries; developing an integrated online and offline development model and building an innovative customer relationship management system characterized by integrated online and offline attraction, activation and retention of customers.

During the reporting period, the Bank officially released the API open platform portal to the public to provide 610 API services under 9 categories, connect more than 940 partners and realize standard packaging and exporting of advantageous products and services such as account, payment, investment and wealth management, covering 160 million individual customers. The Bank innovatively built a financial ecological closed platform, providing corporate customers with Industry Saas services that integrate the Bank’s financial services and facilitating the development of the Internet-based financial ecosystem. The Bank upgraded "ICBC Mobile", "ICBC E-Bank" and "ICBC Link" to make them smarter, so as to effectively improve the customer service capabilities of the three Internet-based finance platforms.

Protecting Intellectual Property Rights, Adhering to Indigenous Innovation

- During the reporting period, the Bank was granted 43 patents, including 270 patents for invention for Inventions.
- The total number of patents owned by the Bank has increased to 549.
- 279 patents for utility model and product design granted by the State Intellectual Property Office.
In September 2018, Shanghai Branch of the Bank participated in the 2018 World Artificial Intelligence Conference, showcasing the innovative FinTech applications in the field of artificial intelligence, such as smart robots, VR Panoramic Bank, smart cash operations, smart site selection of outlets and virtual commodity purchase. During the conference, the Bank's "Smart Future Bank" project won the top 50 award at the 2018 World Artificial Intelligence Innovation Competition.

During the reporting period, Guizhou Branch of the Bank signed a strategic cooperation agreement with Guizhou University to jointly establish the ICBC Guizhou Card FinTech Innovation Platform to promote digital management of the campus.

ECOS System Development

During the reporting period, the Bank launched the intelligent banking information system (ECOS) project in pursuit of the intelligent banking strategy. The integration and construction of business architectures were completed in 28 fields, including personal accounts, corporate deposits, credit cards and corporate payment and settlement. The Bank established a new open system of account services that cover all regions and all mainstream forms. The Bank's credit cards and debit cards products, effectively address the "hot topics" and "pain points" in the fields of personal account opening, closing and loss reporting, and provides customers with the best products and quality services.

the ECOS is integrated into systems
- Effective asset management
- Independent
- Better service
- Better experience
- Internal management

Two aspects of the project
- Enhanced risk management framework
- Effective and stable IT system development

The ECOS attracted more than 4000 contestants from 55 universities. The Bank aims to integrate the latest FinTech ideas from the campus with ICBC's financial ecosystem and injected vitality into financial business in an intelligent and efficient way, spurring the enthusiasm of college students for FinTech innovation and fostering more technological innovation talents for the larger society.

During the reporting period, the ICBC and the Kunming University of Science and Technology jointly launched the "2018 ICBC-ICBC Kunming University of Science and Technology Students Competition on FinTech Innovation", attracting more than 400 contestants from 55 universities. The Bank aims to integrate the latest FinTech ideas from the campus with ICBC's financial ecosystem and injected vitality into financial business in an intelligent and efficient way, spurring the enthusiasm of college students for FinTech innovation and fostering more technological innovation talents for the larger society.
Seven Innovation Laboratories

The Bank seized the opportunity of the times and took the lead in the industry to set up "Seven Innovation Laboratories", made active explorations in cutting-edge technology fields such as artificial intelligence, big data, blockchain and Internet of Things. It has fostered a talent pool, developed a series of FinTech platforms with core intellectual property rights and built an technological edge over peers.

FinTech Infrastructure Development Gains Pace

- AI technologies: transaction anti-fraud, etc.
- Biometrics: facial recognition-based ATM withdrawal, payment and social security payments
- Blockchain technology: based on transparent and efficient management of the "Millennial Forest" and relocation and relocation funds in Xiongan New Area
- Big data: in the push for data and intelligent applications, the Bank became the first to establish a proprietary controllable big data service cloud platform in China's banking industry

Push for Financial Innovation

During the reporting period, the Bank held a press conference on innovation culture, and officially released the concept of "focusing on the source, changing with the times, pursuing innovation with collaboration and retaining permanent vitality" for innovation culture, for the purpose of leading the innovation with cultural development and providing more solid support for the Bank's innovation and development in the new era.
During the reporting period, the Bank held the 9th "ICBC Cup" Financial Creative Design Contest of National College Students, encouraging college students to come up with valuable, practical creative ideas for bank financial areas, fintech and financial scenarios. After launch and promotion, collection and review of works and the national finals, the contest attracted more than 10,000 college students from over 1,000 colleges across the country, receiving a total of 5,200 creative works and building a new platform for bank-university partnerships.

"Mega Retail" Drive

During the reporting period, the Bank had a good grip on the rules underlying retail banking. In the new era, actively explored the fintech-based transformation towards smart retail and took products, processes, channels, risk control and accounts as the main drivers for sound and sustainable development of retail banking.

The “ICBC Cup” Financial Creative Design Contest of National College Students

The Bank entered into a comprehensive strategic partnership agreement with the Police Museum on 12 October 2018. The two sides will work together to build a new financial, cultural and creative environment based on the new positioning of "Culture + Financial + Technology".

New Progress Made in Smart Retail

During the reporting period, the Bank rolled out "Happy Installment", a single brand for all credit card installment services including ICBC Easy Installment, auto installments, customized installment, bill installment, SMS installment and spending installment. It aimed to establish an installment product family with a full spectrum of features and varieties, build a new installment model benefiting the broadest customer base and integrating online and offline channels and improve the standard of living and level of happiness with smarter, more convenient and more scenario-based consumer finance products and services.

The Bank joined the "Smart Retail" products & services in the first "China Smart Retail Expo". ICBC Easy Loan is an unsecured retail consumer loan product of the Bank that is available only. It is characterized by low financing cost, revolving credit limit, flexible term, various repayment methods and convenient channels. The total amount of ICBC Easy Loan customers is growing faster and showing greater diversity of customers. The reporting period, a total of RMB138.1 billion of loans were issued, showing a good momentum of growth.

The Bank was dedicated to building the "ICBC Life" APP that integrates everyday life, shopping and financial services by launching new modules, refining contents concerning user rights and benefits and improving daily life scenarios. ICBC Life had over 27 million registered users as of the end of the reporting period and completed RMB3.2 billion of transactions in the year. It became the Bank’s fourth target APP among the most popular digital applications in 2018 by Analysys.
Launching New Credit Card Products

During the reporting period, the Bank launched a series of well-designed new products with rich benefits, such as ICBC Zodiac Credit Card, WeChat Co-branded Credit Card, Overseas Student Card and ICBC Global Trend Plus Credit Card. These products have won the Bank new advantages and reputation in an era flooded with homogenous products. ICBC Constellation Credit Card has won the "CUAMP" award from International Card Manufacturers Association.

At the end of the reporting period:

- [Image of credit cards]
- [Image of Constellation Credit Card]
- [Image of WeChat Co-branded Credit Card]
- [Image of Overseas Student Card]
- [Image of ICBC Global Trend Plus Credit Card]

Establishing an All-channel Service System with Connectivity

The Bank built an ecosystem of intelligent POS payment scenarios and took the lead in starting setup of "Patented China" payment application scenarios. It accelerated the transformation of ATM channels and expanded the service portfolio of ATM channels to include non-cash services, such as travel deposit service. Smart customer service scenarios were developed to provide customers with diverse and smart financial services.

“Arena of ‘Smart Hospitals’” Scenario

A healthcare group is a state-owned health conglomerate founded by the Hangzhou City Development Group with the approval of Hangzhou Municipal Government. It is a provider of integrated services including medical treatment, teaching, research, rehabilitation and elderly care. "Arena of ‘Smart Hospitals’" of the Bank is a partner of three major hospitals of the group. To address the inconvenience in hospital bill payment, ICBC Hangzhou Branch launched the "Pay by UnionPay mobile phone" and self-service bill payment machines in the three hospitals, and caused the three hospitals to take the lead in implementing various payment methods in Hangzhou Province, such as bank card payment, QR code scanning and Mobile Pay service. These services have effectively reduced the hospital's workload and patients' inconvenience in bill payment, fully recognized by both hospitals and patients.

"The Bankroll” – Pay by UnionPay mobile phone

During the reporting period, the Bankroll, a subsidiary of the Bank, conducted in-depth research on wind power, photovoltaic and environmental protection sectors. Based on its surveys on industries and companies, the subsidiary issued in-depth analysis reports reviewing and analyzing major developments in the new energy field in China and worldwide, so as to deepen the understanding and knowledge of the company and its customers in this field and further encourage investment in green finance in the capital market.

“Mega Investment Banking” Drive

During the reporting period, the Bank strengthened group-wide top-down design for coordinated development of investment banking, focused efforts and resources on key regions, key customers, key products and key institutions and worked hard to foster the investment banking culture, enhance business turnover, upgrade business system and boost core-business linkage.

Actively Promoting the Internationalization of the “Mega Investment Banking” Strategy

During the reporting period, the Bank pursued the internationalization of the "Mega Investment Banking" strategy. Major product lines of overseas investment banking maintained market leadership and ranked third in the IPO underwriting on the HKEX Main Board. The Group ranked third in the Chinese offshore bond market. The Bank extended its M&A business to high-value-added areas such as advisory service. A number of overseas institutions including New York Branch accomplished the first M&A financial advisory deal. The portfolio of overseas investment banking has been continuously improved. The continuous improvements in the cross-regional investment banking service capabilities have laid a stronger foundation for more Chinese and foreign companies to break away from regional restrictions and for the Chinese market to further open up.

Building the ICBC Investment Banking Research Brand

During the reporting period, the research team of ICBC International, a subsidiary of the Bank, conducted in-depth research on wind power, photovoltaic and environmental protection sectors. Based on its surveys on industries and companies, the subsidiary issued in-depth analysis reports reviewing and analyzing major developments in the new energy field in China and worldwide, so as to deepen the understanding and knowledge of the company and its customers in this field and further encourage investment in green finance in the capital market.
Building the ICBC Investment Banking M&A Brand

According to the rankings of financial advisors for Chinese companies' overseas M&As published by Reuters (formerly known as Thomson Reuters) in 2016, during the reporting period, the Bank maintained the largest number of M&A financial advisory deals and continued to maintain its market position and brand influence as one of the leading banks in M&A.

Maintained the largest number of M&A financial advisory deals

2017/2018 Best M&A Service Award
from CFI

2018 (11th) China M&A Awards -
Best M&A Advisor

2018 Top Ten M&A Advisory Firms

Well organized strategy for equity investment

During the reporting period, the Bank implemented the equity investment fund to provide better-targeted support for rapid development of related industries, as part of its vigorous, well-organized push for equity investment. The Bank completed a number of influential industrial fund investments and a number of major direct investment projects in China, giving an impetus to fund operation and project implementation.

Explorations for "Mega Asset Management"

During the reporting period, the Bank upheld the investment philosophy of integrity, value, professionalism and innovation, steadily pushed forward the transformation of the asset management business model and made solid efforts on a series of work such as asset-based transformation of fixed assets, investment and research capacity building, compliant sales, risk control and quality. Dedicated to "Navy-based products, standardized assets", the Bank endeavored to build six systems, namely, a strong qualified investors system, an innovative and robust product system, an investment research system focused on allocations among asset categories, a comprehensive risk control system, a strong and effective operations and valuation system, and an efficient and sound organizational structure system. The Bank advanced business upgrades and growth under the new regulations on asset management and worked hard to create safe, steady and sustainable returns for customers’ wealth management funds.

The Bank incorporated the pre-investment examination, real-time investment control and post-investment monitoring of related wealth management services into its integrated management process. Issued the Management Rule for Regional Wealth Management Business, set up a dynamic scoring mechanism for regional wealth management services and established a system of regional wealth management assessment indicators under three dimensions, namely operation, risk and management.

The Bank officially announced to establish a wealth management subsidiary. A proprietary group for setup of the wealth management subsidiary was established to coordinate and facilitate the preparatory work for the wealth management subsidiary.

According to the new regulations on asset management and the business transformation needs, the Internal Control Manual for Asset Management was compiled to effectively improve the capability of internal risk prevention and control. The Bank made the risk control system solutions for risk control indicators pursuant to new regulations and launched the independent risk control middleware to realize flexible risk management before, during and after wealth management investments.

At the end of the reporting period, the Bank held RMB116.3 trillion in assets, an increase of RMB741.4 billion or 6.9% year-on-year. It took the top spot by both stock and incument of assets in custody ranking first among domestic banks in China for 23 consecutive years. The Bank remained the market leader in main custody products such as mutual funds, insurance, bank wealth management, enterprise annuities and dedicated fund accounts.
Security and prudence underpin the sustainable prosperity of a bank. The Bank upheld the corporate culture that "Integrity Leads to Prosperity," responded actively to the latest changes in financial regulatory requirements and market conditions, defended the bottom line of risks, fortified the lines of defense for compliance, pursued safe operation and sound development based on well-established policies and risk control and prevention, effectively protected the rights and interests of consumers and safeguarded financial security and stability.
Preventing Financial Risks

During the reporting period, the Bank strictly defended the bottom line of risks and upheld the "prudent attitude in development" and "conservative to risk". It continued to improve its risk management capability by performing the responsibilities for risk prevention and control while making timely adjustments to the risk policy according to circumstances.

Improving Enterprise Risk Management

- Strengthening the Group's Risk Appetite Management
- Improving Country Risk Limit Management
- Strengthening Consolidated Management of the Group

The Bank clarified the Group's risk appetite management requirements, improved the hierarchy of risk appetite indicators, formulated the statement of risk appetite and incorporated non-Bank institutions and business lines into the Group's risk appetite system. During the reporting period, the Bank issued the Risk Management Plan 2018-2020 and formulated the Administrative Measures for Comprehensive Risk Stress Testing of the Group. Group-wide special stress tests were conducted.

Strengthening Risk Penetration of Subsidiaries

During the reporting period, the Bank strengthened the risk penetration of subsidiaries, systematically strengthened the corporate governance mechanism of the Group, and strengthened the risk penetration of the Group's entire subsidiary ecosystem. The Bank issued the Group's External Credit Risk Handbook and the Group's Risk Management Plan 2018-2020, and issued the Administrative Measures for Comprehensive Risk Stress Testing of the Group. Group-wide special stress tests were conducted.

Safeguarding Financial Assets

Improving the Industry Mix

The Bank adjusted and improved industry-specific credit policies continuously in line with macro-economic policies, industrial policy orientation and industry characteristics, strengthened the industrial investment layout, highlighted the strategic positioning of key areas and quality customers, continuously improved the industrial credit structure, further stressed the strategic functions of credit policy and promoted the guidance, practicality and operability of industrial credit policy.

Improving Industrial Credit Policies

Guidance + Practicality + Operability

Solid Improvements in Risk Prevention and Control

During the reporting period, the Bank remained steadfast in taking forward-looking measures to prevent risks and strictly controlled the "three gates" for acceptance of new applications, control of existing credit and disposal of non-performing loans. With focus on potential risks, the Bank took a variety of measures (e.g. reallocating surplus credit funds to key industries in line with industrial sector-specific credit policies) to support the elimination of industrial overcapacities by financial means and significantly enhanced the quality of assets. The efforts on industry transformation and upgrading made remarkable achievements.
The Bank strengthened performance of duties at the “first line of defense”, clarified branches’ responsibility for potential risk management, speeded up the formation of asset quality control teams and strengthened the monitoring and analysis of the quality of new loans for corporate customers.

The Bank launched NPL crackdown in key industries, dynamically monitored the asset quality of key customers and established a regular analysis mechanism for them.

The Bank paid close attention to the structural changes in the real estate market under the regulation and control policy and seized opportunities to reduce NPLs by means of market-based restructuring, batch transfer, cash collection, judicial auction and write-off.

The Bank clarified the principles of “institutionalizing follow-up management, normalizing risk awareness and conducting market-based risk disposal”, continued to strengthen the risk screening and ongoing management of existing bonds portfolio the Bank held. There were no new defaults to the Bank’s bond portfolio in open markets during the reporting period.

Quantitative Asset Quality Indicators

In the reporting period, the Bank maintained the momentum of asset quality improvements and saw continuous improvements in key indicators.

<table>
<thead>
<tr>
<th>Year</th>
<th>NPL Balance (RMB 100 million)</th>
<th>NPL ratio (%)</th>
<th>Advances to NPL (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2,351</td>
<td>2.118</td>
<td>15.52</td>
</tr>
<tr>
<td>2017</td>
<td>2,210</td>
<td>2.118</td>
<td>15.52</td>
</tr>
<tr>
<td>2016</td>
<td>2,118</td>
<td>1.52</td>
<td>15.52</td>
</tr>
<tr>
<td>2018</td>
<td>175.76</td>
<td>15.47</td>
<td>13.69</td>
</tr>
<tr>
<td>2017</td>
<td>154.07</td>
<td>13.69</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>136.69</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strengthening Risk Resilience

During the reporting period, the Bank maintained a sound capital adequacy level and adhered to a long-term capital replenishment mechanism that is based on internal capital replenishment, supplemented by external issuance of capital instruments and supported by credit asset securitization and risk-weighted asset constraints. With a stronger capital base to shore up business development, the Bank has significantly enhanced its resilience to external risks and played the role of financial “stabiliser” and “buffer” as a large state-owned bank.

Capital adequacy ratio in the past three years

- 2018: 15.39%
- 2017: 15.14%
- 2016: 14.61%

Strengthening the Group’s Market Risk Prevention

The Bank improved the group-wide market risk policies and procedures, strengthened the group-wide market risk limit control, upgraded the group’s market risk exposure management and risk dissemination, continuously improved market risk management efficiency and related risk issues and strengthened the Group’s market risk management. The Bank has also started efforts to implement new risk for market risk capital under Basel III and guided overseas institutions to strengthen client monitoring and foreign exchange exposure measurement.

Guard against financial risks

- Monitoring the Cross Risks
  - During the reporting period, the Bank incorporated cross-risks into the comprehensive risk management system and kept monitoring cross-risks. It developed a dynamic monitoring and early warning system for the whole process and chain of cross-cutting financial activities, and controlled risk monitoring and early warning across risks in the whole group. The Bank’s ability to prevent and control cross-risks in the trading business has been significantly improved.
Strengthening Compliance Building

1. Complying with Management

During the reporting period, the Bank improved its system building, formulated long-term mechanisms, strengthened staff training, intensified supervision and inspection, actively performed AML responsibilities as a commercial bank, further fortified the foundation for internal control management and demonstrated integrity as a big bank.

2. Compliance Culture

The Bank carried out the “Year of Internal Control and Compliance Enhancement” campaign in 2018. It organized a total of 1,307 “compliance parameter” roadshow sessions at all levels, held 7,172 general discussion sessions in the forms of seminars, lectures, debates and competitions and held the online knowledge contest on internal control and compliance attended by 239,700 employees. These events have further enhanced the integration of compliance culture-themed activities and professional activities.

IT Development

The Bank kicked off the Group’s intelligent internal control and compliance project and developed the time-buoyant road map for application of AI technologies. It employed the machine learning platform, graph calculation and community network analysis algorithms to improve the effectiveness of system warning, risk prediction, supervision and inspection.

Internal Audit

The Bank implemented risk-oriented audit activities around its development strategy and central tasks, continuously improved audit services and professional capabilities, improved audit functions and working mechanisms, innovated in audit models and technology applications, expanded audit coverage and audit value, strengthened team building and vocational education and kept improving the internal audit system.

Anti-money Laundering

During the reporting period, the Bank strictly implemented anti-money laundering (AML) and counter-terrorist financing (CTF) laws and regulations and actively performed its social responsibilities for AML as a commercial bank. Backed by technical supports such as big data and artificial intelligence, the Bank continued to refine the IT system for AML in line with the trends in money laundering risks and the characteristics of business development.

The Bank improved the AML monitoring capability

A counter-based enhanced customer identification mechanism featuring “digital check + facial recognition + fader verification” was established. The customer identity documents were strictly checked for authenticity and validity. As a result, the Bank successfully detected potential risk events, including account opening with stolen identity and opened numerous opening of accounts multiple times.

Customer identification measures were improved

The Bank actively cooperated in AML investigations

During the reporting period, the Bank cooperated with competent authorities in AML/CTF investigations.

The Bank strengthened the ability of all personnel to perform their AML duties

AML training programs were launched in various forms across the Group. A total of more than 300,000 people attended such training, covering 100% of AML personnel and meeting the requirements for the fulfillment of AML obligations by all employees.

Total number of participants more than 300,000 people-times

AML staff training coverage reaches 100%
Adhering to “Strict Bank Governance”

During the reporting period, the Bank applied the requirement of “strict bank governance in every aspect” to all aspects, all systems and all processes of operation and management, thereby enhancing supervision, discipline and accountability continuously.

The Bank pressed forward with the integrity culture campaign, and speeded up the preparation for building an integrity culture education base, so as to enhance employees’ sense of discipline, compliance risk, safety and responsibility at all levels.

The Bank revised and issued relevant regulations to provide enforceable and operable top-level policies and draw an insurmountable red line.

During the reporting period, the Bank conducted on-site inspections on 24 institutions.

During the reporting period, the Bank organized 2430 case-based education events namely “discipline by case, rules by case” by category and tier, and distributed 8808 issues of update briefings.
Improving the Consumer Protection System

During the reporting period, the Bank fully performed its obligations of consumer protection as a corporate citizen, took consumer protection as an important part of its corporate culture and strategic plan for business development, ran consumer protection through the whole process of management and operation and strived for integration and mutual promotion of consumer protection and business development.

A Better Consumer Protection Mechanism

The Bank further improved the working mechanism for consumer protection and conducted all-dimensional assessment of consumer protection work. It kept enhancing all employees' awareness and capability of consumer protection. It continued to consolidate the achievements in standardization of service charges and improve the quality and efficiency of serving the real economy.

More Fine-grained Complaint Management

The Bank further deepened the “customer-oriented” philosophy in operation and management, focused on key professional issues and endeavored to address the root causes of customer complaints. It attached greater importance to improving products and services from the perspective of consumers, thereby achieving the harmony of economic benefits and social value.

Internal Training

The Bank established a multi-level, systematic and professional consumer protection training system, organized online consumer protection knowledge contest attended by 188,400 employees. On-site and video training on consumer protection was held to improve the consumer protection capability of all employees across the Bank.

Consumer Education

The Bank organized intensive public education events, such as “National Financial Education Campaign”, “Financial Literacy Popularizing Month” and “Good Online Financial Service Users with Stronger Financial Qualities” and “Popularizing Financial Knowledge” Series, and themed events including “3.15 Theme Education” and “Preventing Illegal Fundraising”, effectively expand the coverage and influence of consumer education events.

Ensuring Security and Stability of IT Systems

During the reporting period, the Bank maintained secure and stable operation of its IT systems, providing secure and stable financial services for customers. The Bank continued to improve the group-wide management of production and operations, completed the annual business level systems disaster recovery drill and substantially improved the continuity of information systems.
People-oriented

Adhering to the people-oriented philosophy, the Bank took "equal, open, respectful and integrated" attitudes to proactively optimize the employment environment, substantially protect the legitimate rights and interests of employees and care about their growth. At the same time, the Bank actively supported charity work, encouraged the employees to participate in volunteer activities, and gave back to the society and fulfilled its corporate social responsibilities in multiple ways, such as helping the poor, the elderly, people with disabilities, and providing financial support for education.
Safeguarding Employees’ Legal Rights

Regulating Labor Employment

During the reporting period, the Bank carefully implemented the Labor Contract Law and other relevant national laws and regulations, continuously established and improved various labor systems, discussed and signed labor contracts according to law, specified the rights and obligations of employees, and kept improving the “paid leave” system. It signed labor contracts or agreements with the employees hired by overseas institutions in the host countries/regions according to local laws and policies.

Promoting Democratic Management

During the reporting period, the Bank held an interim session of its first employee representative congress of domestic institutions, at which all employee representatives across the Bank elected employee supervisors through casting secret ballots in person or via video-conferencing. Meanwhile, it kept refining its employee representative systems, guided more than 10 outlets to prepare for the employee representative congress and held the congress as scheduled according to law, and made sure that all the 2 branches and higher-level institutions convened such congress on a regular basis.

Perfecting the Guarantee Mechanism

During the reporting period, the Bank worked harder to help the employees in difficulty. Assistance for such employees was offered in a centralized way, and a caring mutual aid mechanism was established to help the children of the above employees receive education.

The Bank continued to improve the right protection mechanism for domestic female employees, created a good atmosphere for female employees in terms of culture, work, and life, and made important contributions to promoting the harmonious development of the Bank.

The ratio of female employees in recent three years reached

- 2018: 56%
- 2017: 57%
- 2016: 59%

Female employees of Hubei Branch of the Bank participated in “Fly Together, Rainbow & Music Promoting” campaign.
Supporting the Employees’ Growth

During the reporting period, the Bank set up many steps and created various conditions for the employees’ growth. It established scientific mechanisms for their growths, provided diverse paths for career development, set apart time for trainings, and promoted cultural exchange and integration. In the endeavor to achieve employee progress and corporate development at the same time.

Providing More Paths of Career Development

During the reporting period, the Bank continuously reinforced and improved the position and role management system, created more rooms for employees to get promoted, and established a career development model covering multiple positions and types. Additionally, it carried out targeted career design and capability cultivation according to employees’ different positions, teams, capabilities, and ages, thus understanding their growth greatly and enabling them to realize long-term career development in the light of what the Bank needed and their personal interest.

Emphasizing Trainings on Professional Skills

The Bank focused its attention on building itself into a bank of learners. Mindful of its operational transformation, business development, and employee demand, it coordinated the optimization of training for management personnel, professionals, and front-line staff in branches, and worked its platform advantages in strategic transmission, discussion and exchange, problem solving, and learning and sharing. During the reporting period, the Bank delivered 44,700 training sessions of various kinds to 5.24 million person-times, with each person receiving trainings of around 10.43 days averagely. All of these trainings proved to be necessary for the employees to shore up their duty performance ability.

Deepening Employee’s Recognition of the Bank

Perfecting the Employee Incentive Mechanism

The Bank believes in incentivizing the employees with honors and gives reasonable and suitable awards to honor-winning employees. It integrates the honors with incentives such as bonuses, training, vacation, and promotion, and strives to achieve the optimal results.

Caring for Employees’ Physical and Mental Health

The Bank organized domestic employees to receive health checkups every year. At the same time, the Bank worked hard to build a diversity of cultural and sports associations, and carried out various sports and fitness activities such as basketball, table tennis, Tai Chi, and meditation, to enhance the physical and mental health of employees. Additionally, it actively encouraged employees to participate in singing, photography, calligraphy, drama and other competitions on the level of the Chinese financial industry. Its employees won a first prize and a third prize in the first creative script competition of the Chinese financial industry. The comedy plays of Beijing Branch and Tianjin Branch were granted with the silver award in the fifth drama competition hosted by the Association of the Chinese Dramaists in the Financial Circles. The Bank strengthened the management of services provided to domestic retired personnel and staff to create conditions for them to improve their physical and mental health and experience better life.

During the reporting period, the Bank held events such as the fourth all-employee badminton competition, the first five-a-side football match attended by all employees, and the 16th staff sports meeting where the employees of the Head Office organ and these directly affiliated institutions in Beijing competed with each other. All of these events lifted the popularity of the main sports activities among the employees and helped them deliver a better performance in competitive sports.
Promoting Cultural Exchange

Upholding the concept of equality, openness, respect and integration, the Bank is dedicated to encouraging employees from different countries to share their culture with each other. It has established an internal mechanism in which overseas institutions select talented employees with outstanding performance and send them to institutions in China for exchange and learning, to bring overseas employees and provide them with more opportunities to learn about the business, ICBC, and China. In a bid to increase cultural integrity, at the end of the reporting period, there were in total 15,687 people working in overseas institutions, including 225 senior managers, 61.65% and 18.22% of whom were local respectively.

While complying with the personnel development plan, ICBC (Canada) tries its best to attract as many as native talents onboard. At the end of the reporting period, the ratio of native employees to its headcount was 94.4%, which not only proved the way for the subsidiary’s localized operation, but also created more job opportunities for the local community.

The ratio of native employees to ICBC (Canada)’s headcount was 94.4%.

An employee of ICBC Warsaw Branch is reading a “That’s China, that’s ICBC” bookshelf.

An Exchange Event Attended by Youth Representatives from Asia-Pacific Institutions.

During the reporting period, the Bank hosted an exchange event titled “Young people forge ahead hand in hand” for youth representatives from Asia-Pacific-based institutions. During the four-day event, 41 young staff representatives from Singapore Branch, Tokyo Branch, ICBC (Thailand), and ICBC (Malaysia) held dialogues with their Chinese colleagues, creating a united, enthralling atmosphere.
Dedicated to Environmental Protection and Public Welfare Undertakings

Green Operation

Advocating Green Office

The Bank advocated green office by constantly enriching the functions of the office automation system, actively promoting the paperless office operation and making meetings go paperless. In the meantime, it took a further step to lighten the car-use system, and continued to develop the diversified office car-use system whose self-owned cars make up both business car services and commercial car services such as online car-hailing, served as a supplement.

Paperless Meetings

With the office automation platform and fixed device, the Head Office is able to present meeting materials to readers through mobile terminals securely, and put them under convenient control and unified documentation. Compared with the traditional printing mode, the system is "more secure, convenient, and eco-friendly".

Advocating the Idea of Water-saving

During the reporting period, the Head Office optimized the step-value control of main water pipes to adjust the water supply volume, established the residual water recovery and clearing water recycling mechanism, and enabled the recycling of direct drinking water-filtered waste water by being delivered to the air-conditioning cooling tower. Thanks to these efforts, it managed to save water in 2,181 tons every year.

Advocating the Idea of Energy-saving

During the reporting period, the Head Office improved the ventilation efficiency by taking such measures as ventilation window deducting and air filter replacement. The introduction of fresh air technology helped to balance the heat distribution in the office building, and to adjust its blast pressure and outlet water temperature in the light of outdoor environment. Besides, the adoption of intelligent building control, time controllers, energy-saving lighting sources, and other measures managed to improve energy efficiency continuously.
Voluntary Tree Planting

The Bank carried out the voluntary tree planting initiatives constantly. During the reporting period, the Head Office spent RMB 660,000 on planting 3,312 trees. With these endeavors, it managed to raise the awareness of environmental protection, and the sense of responsibility for planting, protecting and using trees among its employees.

Waste statistics

<table>
<thead>
<tr>
<th>Type</th>
<th>2016/5</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microcomputer</td>
<td>1,541</td>
<td>642</td>
<td>524</td>
</tr>
<tr>
<td>Display</td>
<td>1,331</td>
<td>304</td>
<td>320</td>
</tr>
<tr>
<td>Laptop</td>
<td>1,369</td>
<td>496</td>
<td>158</td>
</tr>
<tr>
<td>Printer</td>
<td>257</td>
<td>148</td>
<td>195</td>
</tr>
<tr>
<td>Server</td>
<td>3</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>118</td>
<td>37</td>
<td>82</td>
</tr>
</tbody>
</table>

Volunteer Activities

During the reporting period, the Bank took an active part in various volunteer activities, such as aid for the disabled, environmental protection, donation to schools, and public welfare publicity. At the same time, it supported and encouraged its employees to give back to the society through various means. The donations made by the Bank and its employees totaled RMB 104.25 million in the year.

GHG (greenhouse gas) emission at Beijing-based institutions of the Head Office

According to the carbon emission management requirements of Beijing, information of institutions headquartered in Beijing includes that of the Head Office, the Data Center (Beijing) and the Beijing Branch of the Software Development Center. The Data Center (Beijing) provides uninterrupted operation services for the business information system of the whole bank, and therefore consumes more energy. Relevant energy consumption was calculated according to the Guidelines for Greenhouse Gas Emissions Accounting and Reporting of Beijing Enterprises (V1.0).

Direct GHG emissions

<table>
<thead>
<tr>
<th>Emission (tons of carbon dioxide)</th>
<th>the main source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.5176</td>
</tr>
</tbody>
</table>

Other indirect GHG emissions

<table>
<thead>
<tr>
<th>Emission (tons of carbon dioxide)</th>
<th>the main source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>78,422.97</td>
</tr>
</tbody>
</table>

Industrial and Commercial Bank of China Limited | 99
To make sure each outdoor worker as sanitation workers, deliverymen, traffic police assistants, auxiliary traffic police officers, and volunteers can have an easy access to rest places, drinking water, charging devices, and toilet facilities, ICBC Shanghai Branch has set up an “ICBC Home” at each of its nearly 550 outlets in the municipality. Installed with the air-conditioner, refrigerator, water dispenser, sofa, reading corner, and other equipment, these facilities enable outdoor workers to have a rest, drink some water, or take shelter from cold or hot weather.

“Love Cubic” Reading Rooms

To provide the left-behind children of rural households with extracurricular books as many as possible in cities, ICBC—AIA Assurance has kept building the “Love Cubic” reading rooms in poverty-stricken areas. Each of these facilities is installed with brand new bookshelves, desks and chairs, alongside 1,000 volumes of children’s books. So far, the “Love Cubic” reading rooms have found their way to 13 Chinese provinces and autonomous regions, and brought over 30,000 books to them for free. This initiative was named one of the most influential public welfare programs of 2018 selected by China Insurance Charity Ranking.

During the reporting period, Xinjiang Branch of the Bank donated money to build a small anti-poverty square at Taqile Village, Taqile Township, Shule Country of Xinjiang, a city in the south of Xinjiang, which marked the end of the village's status of having no shops.

It is said that there were no shops available in the vicinity of this village. Villagers had to travel over 10 kilometers to buy living supplies, which was extremely inconvenient. Informed of this situation, Xinjiang Branch donated RMB500,000 to build a small anti-poverty square with an area of more than 600 square meters. The 11 front rooms were allocated to the poverty-stricken households to open up shops. In this way, villages could buy necessities of life without leaving their village.

During the reporting period, Heilong Branch of the Bank and Xiong An Branch launched an eco-friendly public service activity, as part of the World Environment Day. During the activity, young volunteers were organized to jog around Xiong Lake and collect trash scattered there, in a move to protect the environment of the lake.

During the 2018 college entrance examination, Guandu Branch of the Bank erected service stations at its outlets which were located in the vicinity of examination centers. At these service stations, there were bottled waters, Will connection, cellphone chargers, paper sheets and pens, printers and copies, and emergency drugs. These service stations were well received among the examinees.
Column: Fulfilling CSRs Worldwide as a Big Bank

During the reporting period, overseas institutions of the Bank strengthened the communication and integration with local communities, tightened the cooperation with charity organizations, and participated in local charity programs in various ways.

Singapore Creative Awards

During the reporting period, ICBC Singapore Branch teamed up with SPH (Singapore Press Holdings) Chinese Media Group to launch the first Singapore Creative Awards themed on "Our Culture". The purposes of the event were set to develop more creatively cultural products unique to Singapore, and promote the development of the local cultural and creative industry. Some 160 works of graphic design and product design were solicited in total.

Making Those Living in the SOS Children's Village Smile

During the reporting period, all staff members of Prague Branch of the Bank donated some pieces of furniture to and worked as volunteers at the Czech-based SOS Children's Village. Established in 2012, the facility is a renowned charity located in Prague. The employees helped the residents in the village paint their room walls and assemble furniture together. What they had done was welcomed by the organization, and highly recognized by the local community.

Love across Hong Kong

During the reporting period, ICBC (Asia) had been appointed as the chair of Caritas Hong Kong Fund Raising for the 20th consecutive year, and held and participated in 13 charitable activities of the organization. Some examples of these activities were hosting the charity golf tournament for two years in a row, the fundraising evening party and Cantonese song evening party, funding the scholarship programs available at Caritas Institute of Higher Education, holding charity barbeque, hosting charity lottery tickets on behalf of Caritas, selling cookies for charity, and sponsoring CSR-related or low-income families to hold Christmas parties, watch movies and do other things, through which HK$2.8 million was raised in the name of Caritas in total.

The Public-spirited Vietsiane Branch

Vietsiane Branch of the Bank is actively dedicated to fulfilling CSR, and spreading philanthropic ideas. Primarily helping the elderly, orphans, students, the poor, and the disaster-stricken people, it successively made donations to the Frozen disaster-affected persons living in the mountains of north Laos, the orphans and old people in Salong and Savannakhet Provinces in the southern part, the impoverished rural households in the remote mountains of Bokhaham District in the central part, the flood-stricken people of Attopu Province in the southern part, and a local primary school located in Vietsiane Province.
"Save Three Parsons by Donating a Pint of Blood"

During the reporting period, ICBC (Malaysia) partnered with Perbadanan Nasional Negara Malaysia to host a public spirited blood donation activity at Avenue K Shopping Mall in Kuala Lumpur. More than 115 persons attended the activity, donating 52,000 milliliters of blood in total.

"Go CHINA" Educational Charity Program of Warsaw Branch

During the reporting period, Warsaw Branch of the Bank unveiled the "GO CHINA" scholarship program, in cooperation with local charities. Through the program, two native students from poor families but with excellent academic performance were selected to travel to Beijing and Shanghai for a two-week international summer camp and to visit the head office of the Bank.

Staff of ICBC (Pera) with local children

During the reporting period, staff of ICBC (Pera) fitted into the local community and visited local children, sending them love and laughter.

"Actions Taken by ICBC (Mexico)"

During the reporting period, ICBC (Mexico) actively cooperated with the Banks of Mexico Association and participated in various community-oriented public welfare programs organized by it. For example, the employees of the subsidiary helped the Santa Fe Community Center located in Mexico City paint its walls as volunteers. Twenty volunteers, consisting of employees and their family members and friends, painted a total of 45 walls. The Santa Fe Community Center and Tlalchic Primary School each sent an impassioned thank-you letter to the subsidiary after receiving its assistance.

Love of Riyadh Branch

During the reporting period, Riyadh Branch's staff members set up a team of volunteers to distribute food to the poverty-stricken areas of Al Nassem. More than 200 food packs were distributed, and they were integrated into the local community and fulfilled their social responsibilities with practical actions.
To make the report more targeted and responsive, the bank devised the substantive analysis questionnaire to better understand the stakeholders' needs and strengthen corporate development strategy and customer management. This was developed through surveys of customers, shareholders, employees, suppliers, press, CSR experts, and non-government organizations (NGOs) during the reporting period. The key findings were identified on the basis of the results.

**Outlook**

2018 was the year marking the 40th anniversary of China's reform and opening-up. In the year, China was on the threshold of the "Three Major Missions" of serving the real economy, preventing and controlling financial risks, and deepening reforms and innovations. The bank further improved corporate governance, made a breakthrough in business transformation, enhanced business and management innovation, and strengthened the capability of risk-taking and inclusive financial services. The bank actively advocated the formation of a win-win-growth model centered on sustainable and social responsibility fulfillment and worked hard to maintain and promote the substantive value of environmental, social, and governance.

2019 marks the 70th anniversary of the founding of the People's Republic of China, and it is also a key year for building a moderately prosperous society in all-round development. On the international arena, economic globalization is challenged by trade protectionism, rising uncertainties, and the development of the world and geopolitical conflicts. Growth drivers are weakening and downward trends are appearing in China, while our country is at the stage of adjusting and upgrading slower economic growth, difficult structural adjustments, the impact of various economic disturbances, and the replacement of growth drivers. However, the economic fundamentals featuring gigantic potential, great resilience and good prospects over a long-term are not changed. Economic structure optimization and upgrade, higher scientific and technological innovation, capabilities, the deepening of reform and opening up, and the acceleration of green development will bring us unprecedented opportunities and development space for the banking industry.

Great visions can be realized only through actions. Looking into the new year, the bank will remain committed to the target and commitment mode concerning the social responsibility work, conduct an objective analysis of the current and potential risk factors, maintain a strategic focus, and protect the good momentum of making further progress in supervision and management. In addition, the bank will continue to go ahead of other banks in serving the real economy, scientifically promote business transformation and development, enable reforms and innovations to go deeper and more profoundly, go all out to achieve the victory of overcoming the difficulties and controlling the risks, empowering the real economy and finance, and provide better services for high-quality development of the economy and the structural reform on the supply side. All in all, the bank will work hard to fulfill the responsibilities of a corporate citizen.

**Independent Limited Assurance Report**

We were engaged by the Board of Directors of Industrial and Commercial Bank of China Limited (ICBC) to provide limited assurance on the 2018 Social Responsibility (Environmental, Social and Governance) Report of ICBC for the year ended 31 December 2018 (the "SR Report").

**Responsibilities of the Board of Directors**

The Board of Directors of ICBC is solely responsible for the preparation and presentation of the 2018 SR Report, including the information and disclosures contained within it, in accordance with the Global Reporting Initiative (GRI)'s Sustainability Reporting Standard (GRI Standard), the Stock Exchange of Hong Kong (SEHK)'s Environmental, Social and Governance (ESG) Reporting Guide, and ESG guidelines of the Shanghai Stock Exchange.

- Preparations and review of internal control report and social responsibility report (collectively known as the "SR Report").

The Board of Directors is also responsible for determining ICBC's objectives in respect of social responsibility performance and reporting, including identification of stakeholders and material issues that are relevant to these stakeholders, for establishing and maintaining appropriate management and internal control systems from which the reported performance information is derived, and for maintaining adequate records.

**Responsibilities of KPMG**

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our work in accordance with International Standard on Assurance Engagements 2000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. We have compiled our work with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board forAccountants, and complied with the applicable ethical requirements of the International Standard on Quality Control 1 to maintain a comprehensive system of quality control.

Our independent limited assurance report is made solely to ICBC in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Board of Directors of ICBC those matters to which we have been engaged to state in this independent limited assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than ICBC for our work for this independent limited assurance report, or for the conclusions we have reached.

**Conclusion**

A limited assurance engagement on a SR report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the SR report, and applying analytical and other evidence gathering procedures, as appropriate. Our procedures included:

- Interviews of management and relevant staff at the head office and other locations concerning sustainability strategy and policies for material issues and the implementation of these strategies;
- Interviews with relevant staff at corporate and business units responsible for providing the information in the SR Report;
- A media analysis and an interest search for references to ICBC during the reporting period;
- Interviews with relevant staff at corporate and business units responsible for providing the information in the SR Report;
- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

- Visits to sites of Yunnan Branch, Guangdong Branch, Shanghai Branch, and other branches of ICBC during the reporting period;
- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

- A review of the draft report and a discussion with the Board of Directors concerning the content of the draft report.

We have no reason to believe that the information contained within the SR Report is not in accordance with the information providing the information in the SR Report.

**KPMG HuaZhuan LLP**

Beijing 28 March, 2019
# GRI Standard Index and Contrast with ESG Reporting Guide

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 102</strong> General Disclosures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-1</td>
<td>Name of the organisation</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>GRI 102-2</td>
<td>Activities, brands, products, and services</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>GRI 102-3</td>
<td>Location of headquarters</td>
<td>Back page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-4</td>
<td>Location of operations</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>GRI 102-5</td>
<td>Ownership and legal form</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>GRI 102-6</td>
<td>Markets served</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>GRI 102-7</td>
<td>Scale of the organisation</td>
<td>10, 10-14</td>
<td></td>
</tr>
<tr>
<td>GRI 102-8</td>
<td>Information on employees and other workers</td>
<td>10, 95</td>
<td></td>
</tr>
<tr>
<td>GRI 102-9</td>
<td>Supply chain</td>
<td>85.2</td>
<td>19</td>
</tr>
<tr>
<td>GRI 102-10</td>
<td>Significant changes to the organization and its supply chain</td>
<td>10-11</td>
<td></td>
</tr>
<tr>
<td>GRI 102-11</td>
<td>Precautionary principle or approach</td>
<td>10-23</td>
<td></td>
</tr>
<tr>
<td>GRI 102-12</td>
<td>External interfaces</td>
<td>10-23, 24, 66.74</td>
<td></td>
</tr>
<tr>
<td>GRI 102-13</td>
<td>Membership of associations</td>
<td>10-23, 24, 66.74</td>
<td></td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-14</td>
<td>Statement on materiality breakdown</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>GRI 102-15</td>
<td>Key issues, risks, and opportunities</td>
<td>12-106</td>
<td></td>
</tr>
<tr>
<td><strong>Ethics and integrity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-16</td>
<td>Values, principles, standards, and norms of behavior</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>GRI 102-17</td>
<td>Mechanisms for advice and guidance about ethics</td>
<td>87.2</td>
<td>16.55, 86</td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-18</td>
<td>Governance structure</td>
<td>Please refer to Chapter 14 of 2018 Annual Report (14 share)</td>
<td></td>
</tr>
<tr>
<td>GRI 102-19</td>
<td>Delegating authority</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>GRI 102-20</td>
<td>Executive-level responsibility for economic, environmental, and social topics</td>
<td>14, 15</td>
<td></td>
</tr>
<tr>
<td>GRI 102-21</td>
<td>Consulting stakeholders on economic, environmental, and social topics</td>
<td>14, 23</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103-22</td>
<td>Composition of the highest governance body and its committees</td>
<td>Please refer to Chapter 14 of 2018 Annual Report (14 share)</td>
<td></td>
</tr>
<tr>
<td>GRI 103-23</td>
<td>Chair of the highest governance body</td>
<td>Please refer to Chapter 9 of 2018 Annual Report (14 share)</td>
<td></td>
</tr>
<tr>
<td>GRI 103-24</td>
<td>Conflicts of interests</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>GRI 103-25</td>
<td>Role of the highest governance body in setting priorities, values, and strategy</td>
<td>10, 12, 23</td>
<td></td>
</tr>
<tr>
<td>GRI 103-26</td>
<td>Collective knowledge of the highest governance body</td>
<td>10, 12, 23</td>
<td></td>
</tr>
<tr>
<td>GRI 103-27</td>
<td>Evaluating the highest governance body's performance</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>GRI 103-28</td>
<td>Identifying and managing economic, environmental, and social impacts</td>
<td>10, 12, 23, 27-82</td>
<td></td>
</tr>
<tr>
<td>GRI 103-30</td>
<td>Effectiveness of risk management processes</td>
<td>10, 12, 23, 27-82</td>
<td></td>
</tr>
<tr>
<td>GRI 103-31</td>
<td>Review of economic, environmental, and social topics</td>
<td>7, 10, 42</td>
<td></td>
</tr>
<tr>
<td>GRI 103-32</td>
<td>Highest governance body’s role in sustainability reporting</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>GRI 103-33</td>
<td>Communicating ethical concerns</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>GRI 103-34</td>
<td>Nature and total number of critical concerns</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>GRI 103-35</td>
<td>Remuneration policies</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholder engagement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 103-36</td>
<td>List of stakeholder groups</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>GRI 103-41</td>
<td>Collective bargaining agreements</td>
<td>113</td>
<td></td>
</tr>
<tr>
<td>GRI 103-42</td>
<td>Identifying and selecting stakeholders</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>GRI 103-43</td>
<td>Approach to stakeholder engagement</td>
<td>12-13, 55</td>
<td></td>
</tr>
<tr>
<td>GRI 103-44</td>
<td>Key topics and concerns raised</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td><strong>Reporting practice</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 103-45</td>
<td>Entities included in the consolidated financial statements</td>
<td>Please refer to Chapter 14 of 2018 Annual Report (14 share)</td>
<td></td>
</tr>
<tr>
<td>GRI 103-46</td>
<td>Defining report content and topic boundaries</td>
<td>Back page</td>
<td></td>
</tr>
<tr>
<td>GRI 103-47</td>
<td>List of material topics</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>GRI 103-48</td>
<td>Retestments of information</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>Contents</td>
<td>ESG</td>
<td>Page</td>
</tr>
<tr>
<td>--------</td>
<td>----------</td>
<td>-----</td>
<td>------</td>
</tr>
<tr>
<td>GRI 102-49</td>
<td>Changes in reporting</td>
<td>A2.1</td>
<td>18</td>
</tr>
<tr>
<td>GRI 102-50</td>
<td>Reporting period</td>
<td>back page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-51</td>
<td>Date of most recent report</td>
<td>back page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-52</td>
<td>Reporting cycle</td>
<td>back page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-53</td>
<td>Contact point for questions regarding the report</td>
<td>1K7</td>
<td></td>
</tr>
<tr>
<td>GRI 102-54</td>
<td>Compliance with the GRI Sustainability Principles</td>
<td>108-111</td>
<td></td>
</tr>
<tr>
<td>GRI 102-55</td>
<td>GRI context issues</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>GRI 102-56</td>
<td>External assurance</td>
<td>108</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 103: Management Approach**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>A2.1</td>
<td>18</td>
</tr>
<tr>
<td>GRI 103-2</td>
<td>The management approach and its components</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 201: Economic Performance**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 201-1</td>
<td>Direct economic value generated and distributed</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>GRI 201-2</td>
<td>Financial implications and other risks and opportunities due to climate change</td>
<td>22-23</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 202: Market Presence**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 202-2</td>
<td>Proportion of senior management based in the local community</td>
<td>95</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 203: Indirect Economic Impacts**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 203-1</td>
<td>Infrastructure investments and services supported</td>
<td>45-46, 50-51, 53-55</td>
<td></td>
</tr>
<tr>
<td>GRI 203-2</td>
<td>Significant indirect economic impacts</td>
<td>50-51, 53-55</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 204: Procurement Practices**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 204</td>
<td>Procurement practices</td>
<td>A3.1</td>
<td>A1.8</td>
</tr>
<tr>
<td>GRI 204-2</td>
<td>Procurement practices</td>
<td>A3.1</td>
<td>A1.6</td>
</tr>
</tbody>
</table>

**GRI 205: Anti-corruption**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 205-2</td>
<td>Communication and training about anti-corruption policies and procedures</td>
<td>B3.3</td>
<td>B4.1, B4.2</td>
</tr>
<tr>
<td>GRI 205-3</td>
<td>Confirmed incidents of corruption and actions taken</td>
<td>B3.3</td>
<td>B4.1, B4.2</td>
</tr>
</tbody>
</table>

**GRI 301: Materials**

<table>
<thead>
<tr>
<th>Number</th>
<th>Contents</th>
<th>ESG</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 301-1</td>
<td>Materials used by weight or volume</td>
<td>A3.1</td>
<td>16, 16-17, 17-18, 18-19</td>
</tr>
<tr>
<td>GRI 302-1</td>
<td>Energy consumption within the organization</td>
<td>A3.1</td>
<td>16, 16-17, 17-18, 18-19</td>
</tr>
</tbody>
</table>
ESG Guidelines

A.1 Emissions General Disclosure is information on the policies and compliance with relevant laws and regulations with respect to significant environmental impacts including greenhouse gas emissions, hazardous and non-hazardous waste, and air emissions. These are summarized in the following tables.

A.1.1 Total Hazardous Waste Production (in tonnes) and percentage of total production volume, per facility.

A.1.2 Total non-hazardous waste produced (in tonnes) and percentage of total production volume, per facility.

A.1.3 Description of measures to mitigate emissions and results achieved.

A.1.4 Description of water consumption in total and intensity (per unit of production volume, per facility).

A.2.1 Direct and indirect energy consumption by type (per unit volume, per facility).

A.2.2 Description of energy efficiency initiatives and results achieved.

A.3.1 Description of hazardous and non-hazardous waste risks and the actions taken to manage them.

A.4.1 General Disclosure on the policies (a) and (b) as per the laws and regulations that have a significant impact on the issue relating to fire protection and safety, environmental protection, and public health.

A.5.1 Description of fire protection and safety policies and provisions, and the measures taken to ensure compliance.

A.5.2 Description of environmental protection policies and provisions, and the measures taken to ensure compliance.

A.5.3 Description of public health policies and provisions, and the measures taken to ensure compliance.

B. Social Responsibility Performance Contrast with the Ten UNGC Principles

B.1 UNGC Principle: Businesses should support and respect the protection of internationally recognized human rights.

B.2 CSR Performance in 2018:

B.2.1 The Bank has implemented a number of measures to promote human rights and respect the protection of internationally recognized human rights. The Bank has also established a human rights management system to ensure that all employees are aware of their responsibilities and are able to implement the Bank's human rights policies.

B.2.2 The Bank has also implemented a number of measures to ensure the protection of human rights, including the provision of training programs for employees and the establishment of a human rights monitoring and reporting mechanism. The Bank has also established a human rights advisory council to provide advice and guidance on human rights issues.

B.2.3 The Bank has also implemented a number of measures to ensure the protection of human rights, including the provision of training programs for employees and the establishment of a human rights monitoring and reporting mechanism. The Bank has also established a human rights advisory council to provide advice and guidance on human rights issues.

B.2.4 The Bank has also implemented a number of measures to ensure the protection of human rights, including the provision of training programs for employees and the establishment of a human rights monitoring and reporting mechanism. The Bank has also established a human rights advisory council to provide advice and guidance on human rights issues.
Introduction

Scope of the Report

Organizational scope of the Report: This report is primarily about Industrial and Commercial Bank of China Limited, covering the whole group.

Reporting period: 1 January 2018 – 31 December 2018. Some content exceeded this scope.

Reporting cycle: Annual

Preparation Principle of the Report

The Report is compiled by the CSR Standard promulgated by the Global Reporting Initiative in the Ten Principles Global Compaction (GRI-C) Principles and the ISO26000/Social Responsibility Guidelines (2008) and the Environmental Social and Governance Reporting Guide of the Stock Exchange of Hong Kong Limited, and meets the requirements set out in the "Guidelines concerning Enhancing the Social Responsibility of Banking and Financial Institutions" issued by China Banking Regulatory Commission, "Guidelines for Corporate Social Responsibility of Listed Companies" promulgated by the Shanghai Stock Exchange, the "Guideline for the Calculation of Social Responsibility Performance" from the China Banking Association. The evaluation and verification of the report is conducted by KPMG Huazhen Special General Partnership. This report is published in both Chinese and English. Should there be any discrepancy between the Chinese and the English versions, the Chinese version shall prevail.

Contact

Corporate Strategy and Investor Relations Department
Industrial and Commercial Bank of China Limited
Address: No. 15 Fuxingmenmen Avenue, Xicheng District, Beijing, P.R.C.
Tel: 86-10-66010000, 66010002
Fax: 86-10-66010322
Email: csicicb.com.cn

Assurance Approach of the Report

The Board of Directors of Industrial and Commercial Bank of China Limited and all directors undertake that the information in this report contains no false record, misleading statement or material omission, and assume individual and joint and several liabilities to the authenticity, accuracy and completeness of the information in this report. Meanwhile, KPMG Huazhen Special General Partnership has carried out the independent third-party assurance of this report. Please see the Appendices for assurance basis, scope and method of work and assurance result.

Release and interpretation of the Report

This Report is released both in hardcopies and online. The online version is available on the Bank's website at www.icbc.com.cn, www.icbc.com.cn. This Report is published both in Chinese and English. Should there be any discrepancy between the Chinese and the English versions, the Chinese version shall prevail.

Explanations for Report Data

Financial data in the report are from the 2018 financial statements processed pursuant to International Financial Reporting Standards, which have been independently audited by KPMG Huazhen Special General Partnership. Other data are mainly of the year 2018 and sourced from internal systems and statistics of branches of the Bank. The units in this report, unless otherwise specified, are denominated in RMB.