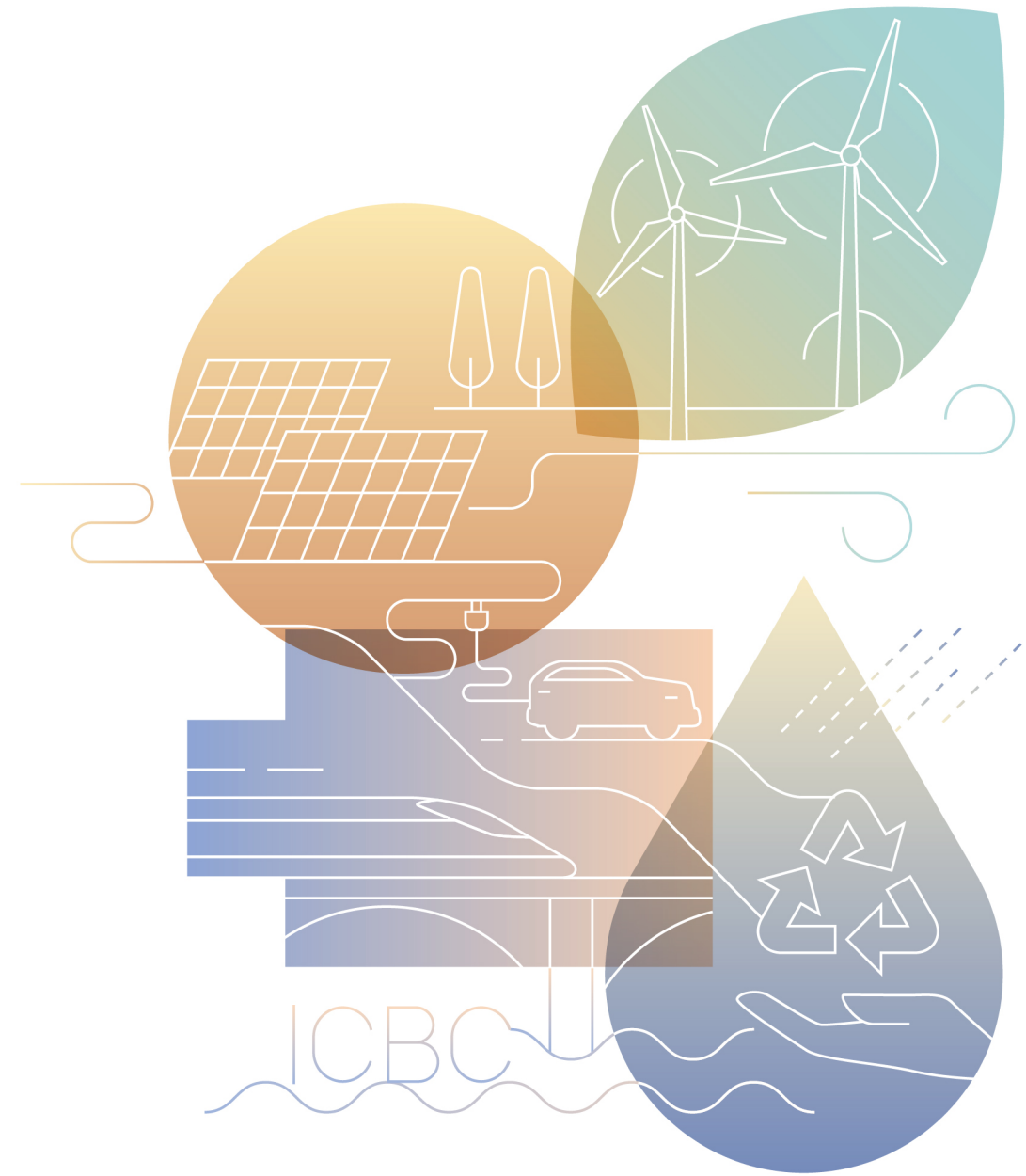




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Annual Green Bond Report 2019

2019

Annual Green Bond Report

Industrial and Commercial Bank of China Limited

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General Information

Vision and objective

Industrial and Commercial Bank of China Limited (hereinafter referred to as “ICBC”) values service as the foundation of the bank and insists on creating value through providing comprehensive financial products and services to 8.098 million corporate clients and 650 million retail customers worldwide. ICBC has been consciously integrating the social responsibilities into its development strategy, operation and management activities in the aspects including developing inclusive finance, supporting targeted poverty relief, protecting environment and resources, and backing social and public welfare undertakings.

In accordance to the vision of “building a world-class and modern financial enterprise with global competitiveness featuring delivering excellence, sticking to our founding mission, customer’s favourite, leading in innovation, security and prudence and people-oriented”, ICBC always focuses on its main business, sticks to the mission of serving the real economy, and co-existing, sharing the hardships and growing together with the real economy for mutual prosperity; always adheres to the risk-based approach, firmly holds the bottom line, and constantly improves its ability to control and resolve risks; always adheres to the compliance and obedience of the operation rules for commercial banks, and is committed to building a "century-old institution"; always devoted to making progress amidst stability and strived for innovation and advancements, insists on deepening the strategy of development in personal and public businesses and the globalisation and integration strategy, actively embraces the Internet, and further promotes the construction of smart banking; always maintains professionalism and dedication, explores specialised business models, and forges "craftsmen in large banking".

services to
8.098 million
corporate clients and
650 million
retail customers worldwide



- ICBC actively advocates the concept of sustainable development and promotes conformity with international standards, becoming the first financial institution in the PRC to join the United Nations Environment Programme's Task Force on Climate-related Financial Disclosures (TCFD);
- It conducted a joint stress test regarding carbon trading on commercial banks' credit risk with the China Beijing Environmental Exchange, and formally released the first carbon stress test report in the PRC at the annual meeting of the Green Finance Committee in April 2019.
- In September 2019, as a core group member, it became one of the first signatories to the Principles for Responsible Banking launched by the United Nations Environment Programme Finance Initiative;

- It pushed forward China-UK climate and environmental disclosure practice.
- It participated in formulating environmental disclosure standards for financial institutions within the nation and abroad.

The vision of ICBC : To build a world-class and modern financial enterprise with global competitiveness.



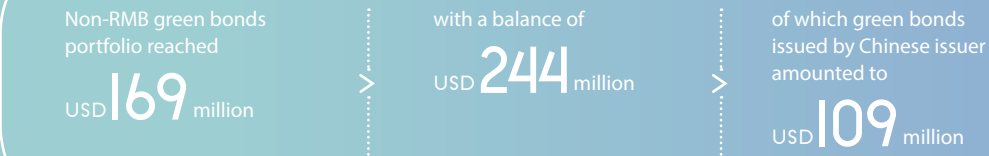
Issuing green bonds is a further elaboration of ICBC’s green strategy and facilitates the building of China’s ecological civilisation. The issuances will further boost ICBC as a Group in deepening its development strategies in terms of sustainability and climate change. The green bond framework will further support ICBC investors to achieve their investment goals from the fast-growing green economy.

Green Finance

ICBC has been actively implementing the national green development concepts and the sustainable development strategies, and has sternly applied the deployment approach and requirements from the central government in fighting the battle against pollution. It will step up its efforts on green finance as an important strategy for long-term commitment in various respects including policies and systems, management processes, business innovation, and its own performance, fully promoting the building of green finance, actively supporting the development of green industries, strengthening the prevention and control of environmental and social risks, continuously advancing low-carbon operations, aiming at achieving improvement in economic, social and ecological benefits at the same pace, and has established as a role model for being a responsible large bank and led the development of green finance within the domestic industry.

Green Bonds

Firstly, in terms of green bonds underwriting and investment, ICBC actively practices green finance, which has facilitated the growth of the green bond market.



Secondly, in terms of green bonds issuance, 2 new multi-currency green bonds were issued during the reporting period.

The world's first green "Belt and Road" inter-bank regular cooperation bond

On 16 April 2019, the world's first green "Belt and Road" inter-bank regular cooperation bond was issued through the Singapore Branch. The bond is listed on the Singapore Exchange with a final issuance amount of US\$2.2 billion, denominated in currencies including USD, RMB and EUR. All proceeds are used to support renewable energy, low-carbon and low-emission transportation, sustainable water resources management and other green assets projects along the "Belt and Road".

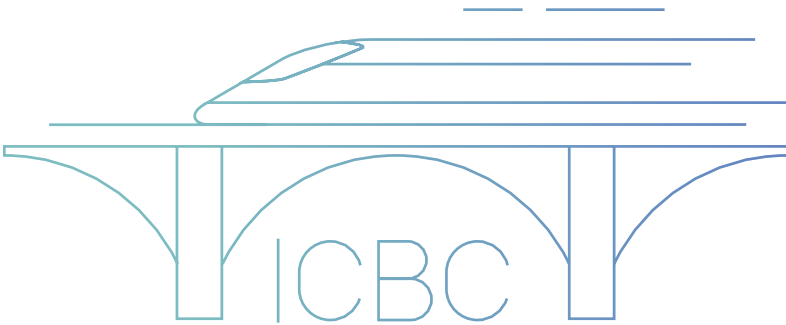
issue size
US\$ 2.2 billion

The first "Guangdong-Hong Kong-Macao Greater Bay Area" themed green bonds

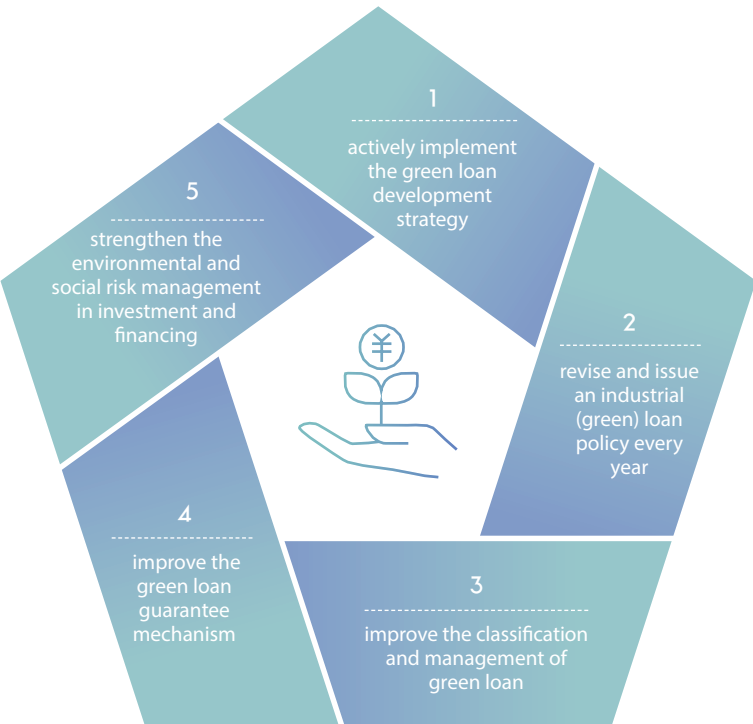
On 9 September 2019, the first "Guangdong-Hong Kong-Macao Greater Bay Area" themed green bonds were issued through the Hong Kong Branch. The final issue amount is equivalent to US\$3.15 billion, denominated in currencies including USD, HKD and RMB. The bond was awarded the Pre-issuance Stage Certificate and the Post-issuance Stage Certificate by the Hong Kong Quality Assurance Agency (HKQAA). All the proceeds will be used to support green asset projects such as renewable energy, low-carbon and low-emission transportation in the "Guangdong-Hong Kong-Macao Greater Bay Area".

issue size
US\$ 3.15 billion

The above two bonds continue to comply with the green bond framework established by the bank in 2017 in order to meet the domestic and international green bond standards.



Green Loan



Green Operation

ICBC actively advocates the concept of green environmental protection, promotes green office, establishes the concept of hardworking and thrifty, and strengthens the awareness of conservation. It increases energy conservation and emission reduction, pays close attention to energy control, optimises the operation mode of important energy-consuming equipment through technology upgrade and equipment revamp, and further identifies energy-saving opportunities. We continue to carry out greening and environmental protection activities, improve the ecological environment and fulfill our social responsibility. We actively implement relevant policies on energy conservation and environmental protection, improve the compliance of carbon emissions trading on the Beijing Exchange, fulfil its commitment to energy conservation and emission reduction, and continue to promote the construction of "Green Bank".

As of the end of the reporting period, the balance of ICBC's green loan extended to energy conservation and environmental protection projects and services related to ecological protection, clean energy, energy conservation and environmental protection and recycling of resources amounted to

RMB **1,350.838** billion,
with an increase of
RMB **113.080** billion
or **9.1%**
than the beginning of the year

During the reporting period, paperless meeting systems were introduced in

22 domestic branches,
and all professional meetings at the head office were held using handheld PADs, saving nearly one million sheets of paper weighing approximately

4.5 tons

General information of the green bonds

As of the end of the reporting period, ICBC issued five green bonds through Luxembourg Branch, London Branch, ICBC Asia, Singapore Branch and Hong Kong Branch with an aggregate issuance amount of US\$9.83 billion, all of which were highly recognised and over-subscribed by global investors.

with an aggregate issuance amount of
US\$ **9.83** billion

Details of ICBC's overseas green bonds as of the end of 2019

Luxembourg Branch	Issue date	28 September 2017		
	Issuer's rating	A1 (Moody's)		
	Issue rating	A1 (Moody's)		
	Issue type	Senior unsecured bond		
	Issue format	Reg S		
	ISIN	XS1691909334	XS1692890343	XS1691909177
	Type of issuance	Three-year Euro floating-rate	Three-year US dollar floating-rate	Five-year US dollar fixed-rate
	Issuance amount	EUR 1,100,000,000	USD 450,000,000	USD 400,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including "Belt and Road" and national renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management		
	Second opinion	"Dark Green" shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles		
London Branch	External auditor's opinion	External Assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards		
	Certification	Labelled by CBI as "Climate Bonds" on 26 September 2017; awarded the Post-Issuance Certification by CBI on 11 October 2018		
	Listing	Luxembourg Green Exchange LGX (Luxembourg Stock Exchange)		
	Issue date	5 June 2018		
	Issuer's rating	A1 (Moody's)		
	Issue rating	A1 (Moody's)		
	Issue type	Senior unsecured bond		
London Branch	Issue format	Reg S		
	ISIN	XS1830984628	XS1830985278	XS1831163396

London Branch	Type of issuance	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Three-year Euro floating-rate
	Issuance amount	USD 500,000,000	USD 500,000,000	EUR 500,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including “Belt and Road” and national renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management		
	Second opinion	"Dark Green" shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles		
	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards		
	Certification	Labelled by CBI as “Climate Bonds” on 28 May 2018; awarded the Post-Issuance Certification by CBI on 4 June 2019		
	Listing	London Stock Exchange		
ICBC Asia	Issue date	13 June 2018		
	Issuer's rating	A1 (Moody's)		
	Issue rating	A1 (Moody's)		
	Issue type	Senior unsecured bond		
	Issue format	Reg S		
	ISIN	XS1839369300	XS1839372601	HK0000425899
	Type of issuance	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Two-year HK dollar fixed-rate
	Issuance amount	USD 200,000,000	USD 200,000,000	HKD 2,600,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management		
	Second opinion	"Dark Green" shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles		
Singapore Branch	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards		
	Certification	Awarded the Pre-issuance Stage Certificate by the Hong Kong Quality Assurance Agency on 28 May 2018; awarded the Post-issuance Stage Certificate by the Hong Kong Quality Assurance Agency on 5 July 2019		
	Listing	Hong Kong Stock Exchange		
	Issue date	16 April 2019		
	Issuer's rating	A1 (Moody's)		
	Issue rating	A1 (Moody's)		

Singapore Branch	Issue type	Senior unsecured bond			
	Issue format	Reg S			
	ISIN	XS1982691070	XS1982691153	XS1982690858	XS1982691237
	Type of issuance	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Three-year Euro fixed-rate	Three-year Renminbi fixed-rate
	Issuance amount	USD 900,000,000	USD 600,000,000	EUR 500,000,000	CNH 1,000,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management			
	Second opinion	"Dark Green" shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles			
	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards			
Hong Kong Branch	Listing	Singapore Exchange			
	Issue date	9 September 2019			
	Issuer's rating	A1 (Moody's)			
	Issue rating	A1 (Moody's)			
	Issue type	Senior unsecured bond			
	Issue format	Reg S			
	ISIN	XS2052134652	XS2052134223	XS2052134496	HK0000525359
	Type of issuance	Three-year US dollar fixed-rate	Three-year US dollar floating-rate	Five-year US dollar floating-rate	Two-year HK dollar fixed-rate
	Issuance amount	USD 500,000,000	USD 1,000,000,000	USD 1,000,000,000	HKD 4,000,000,000
	Use of proceeds	For the purpose of financing or refinancing Eligible Green Assets in the Guangdong-Hong Kong-Macau Greater Bay Area as described in the Green Bond Framework of Industrial and Commercial Bank of China, covering areas including renewable energy, low carbon and low emission transportation, energy efficiency as well as sustainable water and wastewater management			
	Second opinion	"Dark Green" shading by the Center for International Climate Research (CICERO) in Oslo in accordance with the green bond principles			
	External auditor's opinion	External assurance by Beijing Zhongcai Green Financing Consultant Ltd. in accordance with China's green bond standards			
	Certification	Awarded the Pre-issuance Stage Certificate by the Hong Kong Quality Assurance Agency from August to September 2019; awarded the Post-issuance Stage Certificate by the Hong Kong Quality Assurance Agency on 14 September 2020			
	Listing	Hong Kong Stock Exchange			

/ Awards

Since the inaugural issuance of green bonds in 2017, ICBC has won **10** major awards as follows:

Received from *Finance Asia*

.....

The “Best Environmental, Social and Governance Deal” (Best ESG Deal) award¹ for 2017.

Received from *IFR Asia*

.....

The “Best Socially Responsible Investing Bond” (Best SRI Bond) award² for 2017. The evaluation comments of which include “ICBC has created a precedent for other Chinese issuers in the integration of domestic and foreign green standards” and “while meeting the green standards of China and the world, the green framework of ICBC has dispelled the doubts of overseas investors over definitions related to the domestic green market”.

Awarded by *The Asset*

.....

The “Best Green Bond”³

Received from *Environmental Finance*

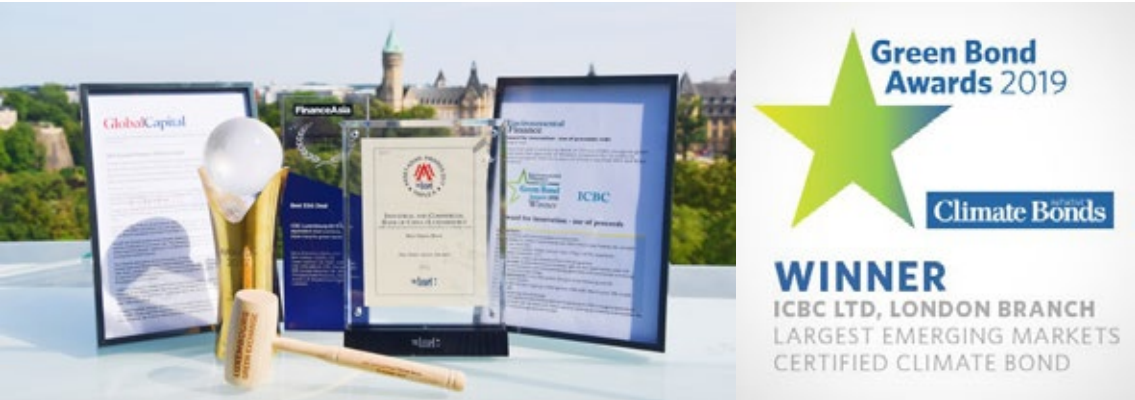
.....

The “Award for Innovation in the Use of Proceeds from Green Bonds”⁴ for 2018.

Issued by *GlobalCapital*

.....

The “2018 Asia Pacific Green/SRI Bond Deal of the Year” award⁵.



Received from CBI

.....

The “Largest Emerging Markets Certified Climate Bond in 2018” award⁶.

Awarded by *The Asset*

.....

The “Best Issuer for Sustainable Finance”

Awarded by *The Asset*

.....

the “Best FIG Bond”⁷

Awarded by *The Banker*

.....

the “Deals of the Year 2020 Asia Pacific”⁸

In the *Hong Kong Sustainability Finance Award 2020* held by the Hong Kong Quality Assurance Agency

.....

the “Outstanding Award for Green Bond Issuer - Largest Single Green Bond (Banking Industry)”



1. <https://www.financeasia.com/News/441270.winners-emfinanceasiaems-achievement-awards-part-2.aspx>
2. <http://www.ifrasia.com/sri-bond/21320981.article>
3. <https://www.theasset.com/awards/regional-deals-2017-fixed-income>
4. <https://www.environmental-finance.com/content/awards/green-bond-awards-2018/winners/award-for-innovation-use-of-proceeds-icbc.html>
5. <http://www.globalcapital.com/article/b19tcwdcbrq2ks/sri-award-winners-2018-revealed>
6. <https://cbi19.climatebonds.net/past-events/2019>
7. <https://www.theasset.com/awards/country-awards-2019-deals-north-asia>
8. <https://www.thebanker.com/Awards/Deals-of-the-Year/Deals-of-the-Year-2020-Asia-Pacific?ct=true>

Management of Proceeds

/ Governance Framework





ICBC has established the Green Bond Framework (hereinafter referred to as the “Framework”), under which funds raised by ICBC through green bonds will be used for financing or refinancing Eligible Green Assets making contribution to low-carbon environmental protection, sustainable economic development and climate change.

In any case, the Eligible Green Assets shall exclude the following categories:

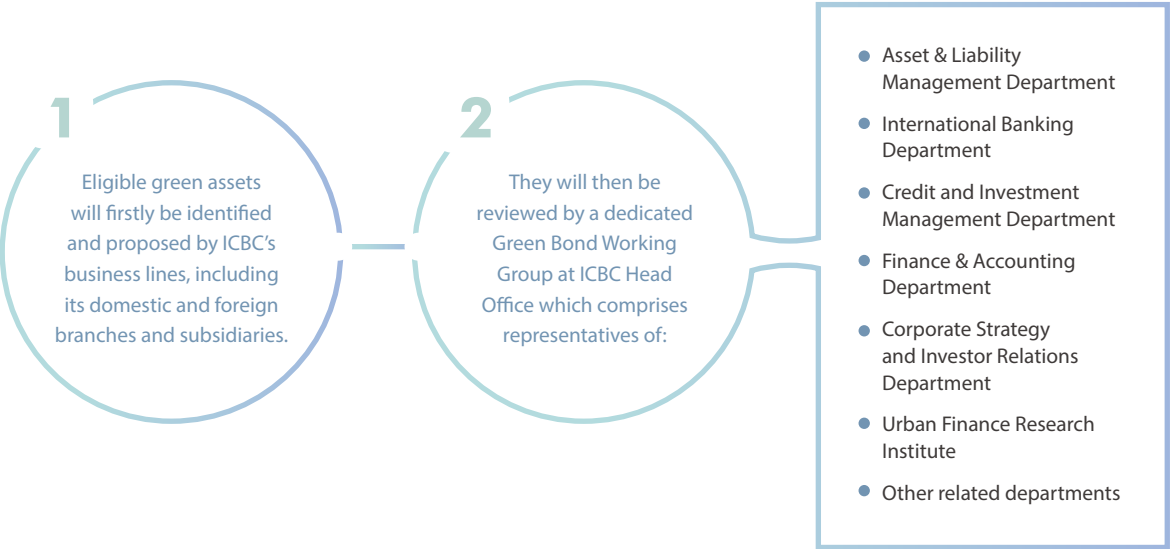
- Fossil fuel related assets
- Large-scale hydropower plants
- Nuclear and nuclear-related assets

Note: Assets in all eligible categories shall at least reach the threshold of relevant official standards of environmental impacts recognized in the local jurisdictions. In case of no official or locally recognized standards, corresponding international standards shall apply.

Categories and examples of Eligible Green Assets

“Eligible Green Asset Categories” for ICBC	Description and Examples
	<p>Renewable Energy</p> <ul style="list-style-type: none">● Generation and transmission of energy from renewable energy sources <p>Renewable energy sources include offshore and onshore wind, solar, tidal, hydropower subject to conditions, biomass and geothermal</p>
	<p>Low Carbon and Low Emission Transportation</p> <ul style="list-style-type: none">● Low carbon or emission transportation assets, systems, infrastructure, components and services excluding any infrastructure or rolling stock assets used for the transport of fossil fuel products <p>Examples include rail tram, metro, bus rapid transit systems and electric vehicles</p>
	<p>Energy Efficiency</p> <ul style="list-style-type: none">● Development of products or technology that increase energy efficiency <p>Examples include LED lights, improved chillers, improved lighting technology, and reduced power usage in manufacturing operations</p> <ul style="list-style-type: none">● Improved efficiency in the delivery of bulk energy services <p>Examples include district heating/cooling systems, smart grids, energy storage system and technology that reduce energy losses</p>
	<p>Sustainable Water And Wastewater Management</p> <ul style="list-style-type: none">● Technologies and infrastructure of water collection, treatment, recycling and re-use <p>Examples include water pipes to collect water and rainwater and related infrastructure of water treatment</p>

Project Evaluation and Selection



Prior to the issuance, the Green Bond Working Group will review all proposed Eligible Green Assets to determine their compliance with the Green Bond Framework of ICBC for approval as “Eligible Green Asset” and form an eligible green asset list (each an “Eligible Green Asset”, collectively the “Eligible Green Asset List”). In the Green Bond Working Group, representatives should have environmental experience and knowledge. The experts with environmental experience and knowledge enjoy a veto power to the final decision on the selection. The assets vetoed by them shall be excluded from the Eligible Green Asset List.






Annually, the Green Bond Working Group will review the allocation of the proceeds to the Eligible Green Asset List and determine if any changes are necessary (for example, if a project has been amortized, prepaid, sold or otherwise become ineligible) and facilitate ongoing reporting.

The Green Bond Working Group will decide if the Eligible Green Asset List needs any update (such as replacement, deletion, or addition of assets) to maintain the eligibility of the Use of Proceeds.

Use and Management of Proceeds

Proceeds raised by the five green bonds issued by ICBC have been passed in full to the head office through Luxembourg Branch, London Branch, Hong Kong Branch and Singapore Branch respectively, and are all used for the existing Eligible Green Assets.

External assessment and certification

External assessment and certification			
Item for certification	Certification standard	Certifying agency	Status of certification (report excerpts)
ICBC's Green Bond Framework	<div><p>The Green Bond Principles of the International Capital Market Association (ICMA)</p></div>	<div><p>Center for International Climate Research (CICERO)</p></div>	<div><p>“Based on an overall assessment of the activities that will be financed by the green bond and the governance of the framework, ICBC’s Green Bond Framework is awarded the Dark Green shading.”</p></div>
	<div><p>The Green Bond Framework of ICBC is in line with the Guiding Opinions on Building a Green Financial System (Yinfa [2016] No. 228) jointly issued by the People’s Bank of China, the Ministry of Finance, the National Development and Reform Commission, the Ministry of Environmental Protection, the China Banking Regulatory Commission, the China Securities Regulatory Commission, and the China Insurance Regulatory Commission, as well as the Catalogue of Projects Supported by Green Bonds issued by the People’s Bank of China</p></div>	<div><p>Beijing Zhongcai Green Financing Consultant Ltd.</p></div>	<div><p>“We are of the view that:</p><p>1. The direction of the use of proceeds and the categories of assets for application in the Green Bond Framework are in line with the standards of The Green Bond Principles 2017 of the International Capital Market Association (ICMA); and in line with the Catalogue of Projects Supported by Green Bonds (2015 Edition).</p><p>2. The Green Bond Framework has established a scientific assets evaluation and selection process, capable of selecting Eligible Green Assets if it is implemented effectively.</p><p>3. The Green Bond Framework has developed a comprehensive plan for the follow-up management of proceeds, capable of ensuring that the proceeds are used for Eligible Green Assets if it is implemented effectively.</p><p>4. The Green Bond Framework has established a clear plan for the disclosure of green bond information. If it is effectively implemented, it can ensure effective disclosure of green bond information.”</p></div>

Item for certification	Certification standard	Certifying agency	Status of certification (report excerpts)
Green bonds of Luxembourg branch	 Climate Bonds Standard	 Climate Bonds Initiative (CBI)	<p>"On 26 September 2017, in view of the application documents and verification reports provided by the applicant, the Climate Bonds Standard Committee agrees to grant "Climate Bond Certified" to the first climate bond to be issued under the EMTN of the applicant Luxembourg Branch of ICBC."</p> <p>"On 11 October 2018, in view of the application documents and verification reports provided by the applicant, the Climate Bonds Standard Committee agrees to grant "Post-issuance Certification" to the "Belt and Road" climate bond, equivalent to US\$2.15 billion, issued under the EMTN of the applicant Luxembourg Branch of ICBC in September 2017."</p>
Green bonds of London branch	 Climate Bonds Standard	 Climate Bonds Initiative (CBI)	"On 28 May 2018, in view of the application documents provided by the applicant, the Climate Bonds Standard Committee agrees to grant "Climate Bond Certified" to the green bond issued by London Branch of ICBC."
Green bonds of ICBC Asia	Green Finance Certification Scheme requirements	 Hong Kong Quality Assurance Agency (HKQAA)	"Hong Kong Quality Assurance Agency has confirmed that the three-year floating-rate US dollar green bond, the five-year floating-rate US dollar green bond and the two-year fixed-rate HK dollar green bond issued by Industrial and Commercial Bank of China (Asia) Limited are in line with the requirements of the Green Finance Certification Scheme and are applicable to the pre-issuance phase and the post-issuance phase."
Green bonds of Hong Kong branch	Green Finance Certification Scheme requirements	 Hong Kong Quality Assurance Agency (HKQAA)	"Hong Kong Quality Assurance Agency has confirmed that the three-year floating-rate US dollar green bond, the three-year fixed-rate US dollar green bond, the five-year floating-rate US dollar green bond, the two-year fixed-rate HK dollar green bond and the one-year fixed-rate Renminbi green bond issued by the Hong Kong branch of ICBC are in line with the requirements of the Green Finance Certification Scheme and are applicable to the pre-issuance phase and the post-issuance phase."

Use of Proceeds

/ Use of proceeds

The five green bonds issued by ICBC raised a total of US\$9.83 billion, which is mainly used in supporting the refinancing of the renewable energy industry, the low carbon and low emission transportation industry and the sustainable water resources management industry. The specific uses of such proceeds are detailed in table 4.

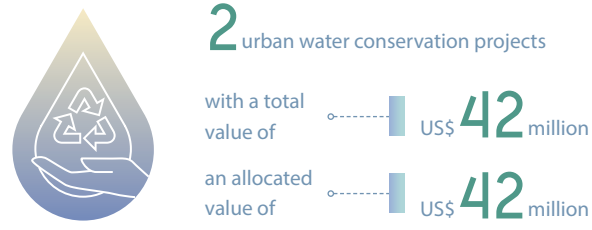
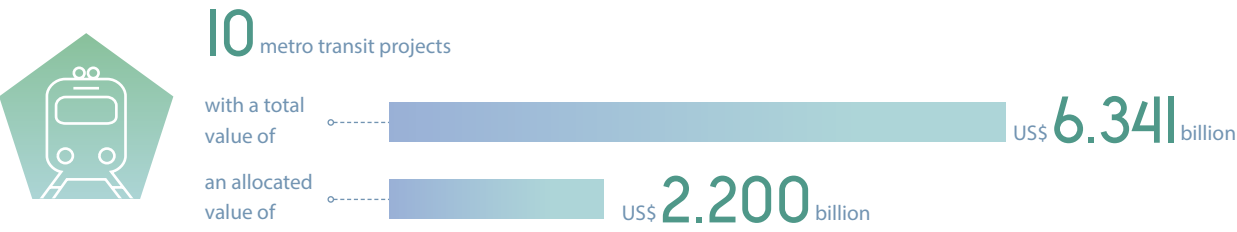
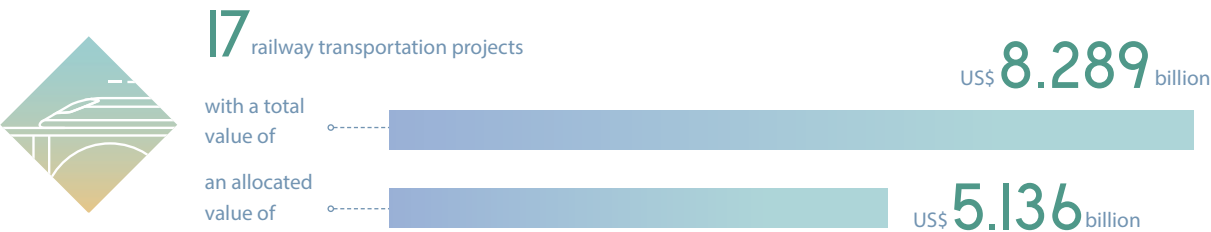
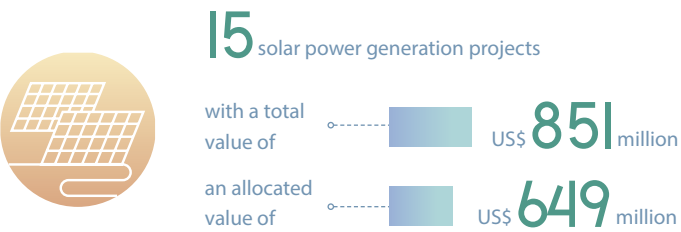
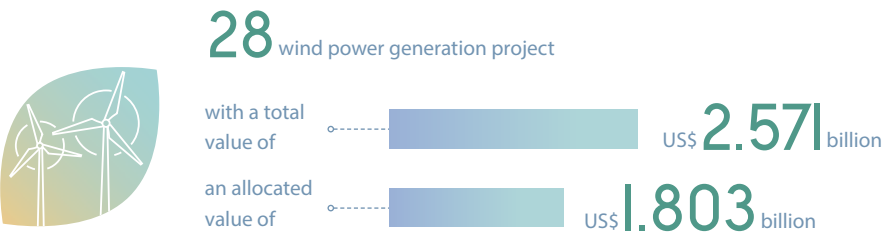
Total issue size by the 5 bonds

US\$ **9.83** billion



Breakdown by Sectors

The Eligible Green Assets funded by ICBC include wind power generation, solar power generation, railway transportation, metro transit and urban water conservation.



Breakdown by Category

Issuer	Asset Categories		No. of projects	Value (US\$ million)	Amount of proceeds allocated (US\$ million)	Proceeds from green bonds as a percentage of the project value (%)
Luxembourg Branch	Renewable energy	Wind power	4	508	371	73.03
		Solar power	6	286	258	90.21
	Low carbon and low emission transportation	Railway	2	2040	1521	74.56
	Total		12	2834	2150	75.86
London Branch	Renewable energy	Wind power	13	1354	751	55.47
		Solar power	3	283	109	38.52
	Low carbon and low emission transportation	Railway	3	2051	740	36.08
	Total		19	3688	1600	43.38
ICBC Asia	Low carbon and low emission transportation	Metro transit	1	50	50	100.00
		Railway	1	954	680	71.28
	Total		2	1004	730	72.71
Singapore Branch	Renewable energy	Wind power	6	463	463	100.00
		Solar power	3	206	206	100.00
	Low carbon and low emission transportation	Railway	4	1737	1489	85.72
	Sustainable water resources management	Water conservation	2	42	42	100
	Total		15	2448	2200	89.87
Hong Kong Branch	Renewable energy	Wind power	5	246	218	88.62
		Solar power	3	76	76	100.00
	Low carbon and low emission transportation	Metro transit	9	6291	2150	34.18
		Railway	7	1507	706	46.85
	Total		24	8120	3150	38.79

Note: 1. All amounts are in US dollar.
2. The value refers to loan balance of ICBC share in the project.

The Eligible Green Assets funded is located in many countries and regions in and outside China. The breakdown of the Eligible Green Assets funded (by region) is detailed in table 6.

Breakdown by Region					
Issuer	Countries and regions		No. of projects	Value (US\$ million)	Amount of proceeds allocated (US\$ million)
Luxembourg Branch	Outside China	Morocco	1	132	132
		Thailand	3	11	11
	Within China	Northwest	3	370	276
		East	3	281	210
		Central South	1	644	480
		Southwest	1	1396	1041
	Total			12	2834
London Branch	Outside China	UK	1	54	50
		Pakistan	1	75	55
	Within China	Northwest	9	1016	530
		Northeast	2	218	100
		North	1	114	64
		East	1	88	32
		Central South	3	1402	539
		Southwest	1	721	230
		Total			19
ICBC Asia	Outside China	Australia	1	50	50
	Within China	Northeast	1	954	680
Total			2	1004	730

Issuer	Countries and regions		No. of projects	Value (US\$ million)	Amount of proceeds allocated (US\$ million)
Singapore Branch	Outside China	Pakistan	1	70	70
		Egypt	1	27	27
	Within China	East	3	590	538
		South	1	672	566
		Central	2	166	166
		Southwest	2	230	230
		Northwest	5	693	603
Total			15	2448	2200
Hong Kong Branch	Within China	South	24	8120	3150
Total			24	8120	3150

Note: 1. All amounts are in US dollar.
2. The value refers to loan balance of ICBC share in the project.

Observation of Environmental Accident or Breach

There have been no environmental liability accidents or violations in the Eligible Green Assets invested by the proceeds raised by the 5 green bonds issued by ICBC. No project has expired or been replaced.

Environmental Impacts

Overall environmental benefits

The 5 green bonds issued helped to reduce a total CO₂ emission of **28,801,658** tons/year, increase water supply of **450,000** cubic metres/year, treat wastewater of **35,640,700** cubic metres/year, including **11,407,775** tons/year by renewable energy projects, **17,393,883** tons/year by low carbon and low emission transportation projects, as well as **450,000** cubic metres/year of water supply and **35,640,700** cubic metres/year of wastewater treated by sustainable water resources management projects.

Environmental benefits			
Issuer	Type of project	Key impact indicators	
Luxembourg Branch	Renewable energy projects	Wind power generation	Total installed capacity (MW): 1,100
			Annual generation capacity (MWh): 2,538,800
			Carbon emission reduction (tons): 2,075,469
		Solar power generation	Total installed capacity (MW): 406
			Annual generation capacity (MWh): 983,371
			Carbon emission reduction (tons): 644,968
	Low carbon and low emission transportation projects	Railway	Annual number of passengers transported (10,000 people): 1,367
			Annual volume of goods transported (10,000 tons): 1,907
			Carbon emission reduction (tons): 1,465,998
Total: Carbon emission reduction (tons)		4,186,435	
London Branch	Renewable energy projects	Wind power generation	Total installed capacity (MW): 2,934
			Annual generation capacity (MWh): 7,197,754
			Carbon emission reduction (tons): 4,693,508
		Solar power generation	Total installed capacity (MW): 550
			Annual generation capacity (MWh): 818,595
			Carbon emission reduction (tons): 626,225
	Low carbon and low emission transportation projects	Railway	Annual number of passengers transported (10,000 people): 4,312
			Carbon emission reduction (tons): 1,591,813
			Total: Carbon emission reduction (tons)

Issuer	Type of project	Key impact indicators	
ICBC Asia	Low carbon and low emission transportation projects	Metro transit	Carbon emission reduction (tons): 2,129
		Railway	Annual number of passengers transported (10,000 people): 956
			Carbon emission reduction (tons): 224,593
Total: Carbon emission reduction (tons)		226,722	
Singapore Branch	Renewable energy projects	Wind power generation	Total installed capacity (MW): 1,851
			Annual generation capacity (MWh): 2,129,486
			Carbon emission reduction (tons): 1,641,207
		Solar power generation	Total installed capacity (MW): 260
			Annual generation capacity (MWh): 296,488
			Carbon emission reduction (tons): 211,246
	Low carbon and low emission transportation projects	Railway	Annual number of passengers transported (10,000 people): 5,151
			Carbon emission reduction (tons): 4,493,255
	Sustainable water resources management	Urban water conservation	Annual increased water supply capacity (CBM): 450,000
Annual wastewater treatment capacity (CBM): 35,640,700			
Total:	Carbon emission reduction (tons)		6,345,708
	Annual water supply capacity(CBM)		450,000
	Annual wastewater treatment capacity (CBM)		35,640,700
Hong Kong Branch	Renewable energy projects	Wind power generation	Total installed capacity (MW): 349
			Annual generation capacity (MWh): 1,785,629
			Carbon emission reduction (tons): 1,383,862
		Solar power generation	Total installed capacity (MW): 140
			Annual generation capacity (MWh): 169,406
			Carbon emission reduction (tons): 131,290
	Low carbon and low emission transportation projects	Metro transit	Annual number of passengers transported (10,000 people): 94,127
			Carbon emission reduction (tons): 7,043,261
		Railway	Annual number of passengers transported (10,000 people): 6,853
Carbon emission reduction (tons): 2,572,834			
Total: Carbon emission reduction (tons)		11,131,247	

Note:
1. For renewable energy projects, impacts are calculated following the EIB Carbon Footprint Methodology. http://www.eib.org/attachments/strategies/eib_project_carbon_footprint_methodologies_en.pdf
2. For low-carbon and low-emission transportation projects, impacts are calculated following the index for railway sector in PRC in IEA-UIC Energy and CO₂ Railway Handbook (https://uic.org/IMG/pdf/handbook_iea-uic_2017_web3.pdf) and EIB CO₂ evaluation method

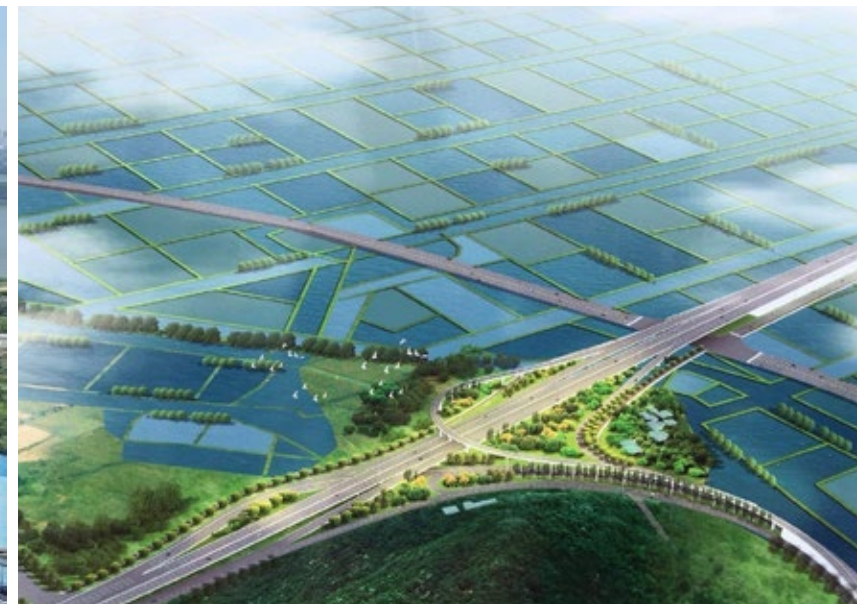
/ Project cases



Case One

Low carbon and low emission transportation project – railway

The project is built according to the national class I double-track railway standard with a speed above 120km/h, with passenger and freight lines and electric traction motors. It is expected to have an annual transportation capacity of 80 pairs of passenger cars per day and 800×104t of freight cars per year after transformation, and high-speed train units are considered. The railway is 22.9km long, starting from Longhu South Station in the north, through Chaoan and Shantou North to Shantou Station. The project will add another 22.9km as a second railway, with transformation work on the existing railway of 22.9km. The total investment of the project is approximately RMB2.29 billion and the total project period is 2.5 years. The project serves as an important part of the railway transportation network in eastern Guangdong, and will help to improve the railway transportation capacity in the region.



Case Two

Renewable energy project – solar power generation

The project uses 290W monocrystalline silicon photovoltaic modules with 68,640 fixed installations. According to the feasibility study report, the project is designed to generate grid electricity of 23,318,000kWh after first year of operation, with annual utilisation hours of 1,171 hours. In the 25-year period after commissioning, the average annual power generation is 21,309,000kWh, with average annual utilisation hours of 1,071 hours.



Case Three:

Sustainable water resources management project – urban water conservation

The project is an integrated water construction project, which includes water plant, sewage treatment plant, sludge treatment centre, water supply pipe network and sewage pipe network. Among them, the water supply network is 95.23km in length and the sewage treatment network length is 194.74km in length; which added water supply capacity of 130,000 tons/day, added sewage treatment capacity of 126,600 tons/day, transformed sewage treatment capacity of 50,000 tons/day and sludge treatment capacity of 100 tons/day. The project can effectively alleviate the stress posed by the supply and demand shortage of urban water supply and the lack of sewage treatment capacity.



Disclosure and Reporting

ICBC undertakes to publish the Annual Green Bond Report to provide information on the allocation of funds and the impact of projects.

This report is an annual report covering the period from 1 January 2019 to 31 December 2019. Some of the contents may go beyond this period.

The Annual Green Bond Report will be updated on a yearly basis and will be published on www.icbc-ltd.com, the global official website of ICBC. In addition, ICBC will disclose relevant content through other feasible channels, such as annual reports and corporate social responsibility reports. These reports will also be published on www.icbc-ltd.com.

ICBC has engaged an independent third party to give external assurance for this report.