A large bank is obliged to take on new and significant responsibility in the new era. 2019 marked the 70th anniversary of the founding of the People’s Republic of China and also saw fruitful results in our corporate social responsibility practices. In the past year, we embedded corporate social responsibility into our corporate governance, corporate culture, and business strategies, implemented new development concepts, and actively employed financial instruments and resources to help address the imbalances and inadequacies in economic and social development, fulfilling our responsibility as a large bank in an all-round manner.

We adhered to our business philosophy, stayed true to our original aspirations, and did our utmost to serve the real economy. We strengthened our ability to serve the real economy to support the supply-side structural reform and high-quality development, and kept a good grasp on the total amount, pace, destinations of investment and financing to help stabilize employment, financial operations, international trade, foreign capital, investment, and expectations and promote monetary transmission. We placed greater emphasis on targeted allocation of financial resources to better align with high-quality development, gave priority to meeting the needs of projects of national key strategies, and increased financial support for manufacturing, small and micro-enterprises, and private enterprises. The Bank’s loans granted for inclusive finance grew by more than 50% compared with the beginning of 2019, five times the average growth rate of all loans.

With stakeholder trust in mind, we followed the rule of commercial banks and kept creating value for our shareholders by pursuing prudent and sustainable development. We coordinated our economic responsibility, political responsibility, and social responsibility, enhanced our value creation ability to underpin our market competitiveness and financial innovation and risk control capabilities, and maximized value creation through the delivery of services, innovation, and management. In 2019, the Bank posted net profit of RMB313.4 billion, an increase of 4.9% year-on-year, bringing decent yields to shareholders. The Bank distributed the most dividends on average growth rate of all loans.

To better satisfy customer needs, we embraced the customer-oriented philosophy, improved the system and mechanism where everyone bears a share of responsibility, and cultivated an enabling environment for employees to bring into full play their initiative and creativity. We upheld the concept of growing with employees, cared for them in every detail, and provided a broad platform for employees to achieve growth, success, and value. We did everything possible to alleviate burdens on employees at the basic level, helped solve actual difficulties for expatriates, and took concrete steps to bring tangible benefits to employees at the basic level. We provided targeted training for employees at different levels and showed sincere care and appreciation to them, so as to strengthen cohesion, pool wisdom, and forge synergy for greater development.

We pushed forward our poverty alleviation efforts as a public-spirited and responsible bank to live up to community expectations. We integrated the resources in the entire bank to support the fight against poverty by combining targeted poverty alleviation and precision poverty alleviation through finance as well as poverty alleviation credit, industrial development, e-commerce, education, and employment. In 2019, the Bank saw a 16% increase in loans for precision poverty alleviation and donated RMB115 million to the targeted poverty-stricken areas. In addition, we adhered to the “finance for good” concept and actively participated in public interest activities as a responsible corporate citizen, and donated RMB206 million in total.

We continued advocating green finance and pursing green development to promote harmony between man and nature. We actively encouraged green operations and green office to play our part in carbon emission reduction and environmental protection. We provided strong backing for the development of green industries such as clean energy and environmental management, and our green loan outstanding within mainland China exceeded RMB1.35 trillion. We released the Belt and Road Green Finance (Investment) Index and issued the first green bond for Belt and Road Inter-bank Regular Cooperation and the first green bond for the Guangdong-Hong Kong-Macao Greater Bay Area, playing an active role in promoting sustainable economic development and improving the environment.

Against the backdrop of globalization, we actively responded to China’s proposition to build a community with a shared future for mankind and participated in international financial governance to serve the country’s initiative to promote higher level of opening-up. Leveraging our global network and advantage as the largest bank in RMB business, we enhanced our cross-border service capabilities to provide financial support for multinational companies to invest in China and for Chinese enterprises to go global. We took the lead in establishing the Belt and Road Inter-bank Regular Cooperation Mechanism (BBRM) and strengthened international financial exchanges and cooperation. We also demonstrated our image and fulfilled our responsibility as a major bank by providing first-class services and support for a range of key events such as the Second Belt and Road Forum for International Cooperation and the Second China International Import Expo.

As a Chinese saying goes, “those who pick fruits should be grateful to the trees, and those drinking water to the headwaters.” We will always bear in mind that the Bank’s development and progress is attributed to the trust and support from all stakeholders. In the new year, we will forge ahead together with all of our partners and the financial ecological power to shape a glorious new era.

Chairman: Chen Siqing
27 March 2020
In 2019, the Bank made steady progress amid the complicated and ever-changing environments at home and abroad. We implemented the new development concepts, strengthened our management capabilities, focused on serving the real economy, pushed forward reform and innovation in a down-to-earth manner, and continuously improved our brand value, demonstrating our role as a state-owned large bank in serving national strategies, preventing and mitigating financial risks, advancing prevention of financialisation through finance, and developing green and inclusive finance. In 2019, the Bank stayed ahead of most Chinese and foreign peers in main business indicators. It posted net profit of RMB33.4 billion, an increase of 4.9% year-on-year, and ROE of 13.05%, and capital adequacy ratio of 16.77%; our NPL ratio stood at 1.43%, and social contribution per share reached RMB2.73.

We focused on serving the real economy and always put customer first. We stayed true to the underlying mission of finance serving the real economy, made appropriate arrangements for the structure and amount of credit supply, with an emphasis on key fields, key regions, and areas of weakness, and gave priority to supporting infrastructure construction, high-quality development of the manufacturing sector, the development of outstanding private enterprises and sci-tech companies, and the supply-side structural reform, and worked to develop “inclusive finance 2.0” and explore a distinctive sustainable development model of inclusive finance. As of the end of 2019, total loans amounted to RMB 16.76 trillion, an increase of 8.7% on a yearly basis. The balance of corporate loans reached RMB9.96 trillion, an increase of 5.7% on a yearly basis. Specifically, the loan outstanding to manufacturing companies grew by 4.31% to RMB1.45 trillion, loan outstanding to private enterprises increased by 10% to RMB175.4 billion, inclusive loan outstanding based the criteria of the China Banking and Insurance Regulatory Commission (CBIRC) totaled RMB471.52 billion, an increase of 52%, and loan outstanding for targeted poverty alleviation reached RMB170.36 billion, an increase of 9.24%. We adhered to the “customer-centric” concept and improved service quality by promoting the coordinated development of consumer, business, and government services. We set up the Social Responsibility and Consumer Protection Committee under the board of directors, further improved the consumer protection system, and took solid steps to maintain the overall economic and financial stability and ensure the safety of customers’ financial assets. Additionally, we continuously improved our global network and strengthened the global service capacity. By the end of the year, we had 428 institutions in 48 countries and regions, indirectly covering 20 countries in Africa through equity participation in the Standard Bank Group.

We sped up efforts to boost technological innovation and green finance. Leveraging in-depth integration of financial services and FinTech, we experimented with online + offline service models, developed the ECOS smart banking system, and built an open cross-over ecosystem, becoming the largest comprehensive financial service provider in China. By the end of 2019, our app had served 492 million users, covering 57% of mobile internet users in China. We established the ICBC Technology Co., Ltd. and FinTech Research Institute and made a foray into frontier fields such as artificial intelligence, blockchain, cloud computing, big data, and Internet of Things in a bid to empower and serve our business transformation and development.

As a pioneer and leader in green finance, the Bank stuck to the business philosophy of green finance serving the real economy, actively implemented the country’s green development concept and sustainable development strategy, and embedded green development in our corporate culture and green operations in all business lines. We supported the development of green industries, intensified efforts in environmental and social risk prevention and control. In 2019, as the sole Chinese-funded institution joining the Global Investors for Sustainable Development (GISD) Alliance initiated by the Secretary General of the United Nations (UN), the Bank signed the UN’s Principles for Responsible Banking (PRB) and was also the first financial institution to join the Task Force on Climate-related Financial Disclosures (TCFD) under the UN Environment Programme. In a word, we saw improvements in economic, social, and environmental benefits. As of the end of the reporting period, the Bank’s green credit outstanding in support of ecological conservation, clean energy, and energy saving and environmental protection grew by 9.1% to RMB1,350.838 million; it underwrote six green bonds, raising RMB34.4 billion, and issued two green bonds with a combined amount of USD5.36 billion. We stuck to the bottom line of risk management and compliance and implemented the “people-oriented” concept. The Bank upheld risk management and compliance practices, adopted risk management policies based on the changing situation, and continuously enhanced its risk management capability to safeguard the overall economic and financial stability. It built platforms and created conditions for employee growth, put in place employee development mechanisms, provided diversified career development paths, and developed an integrated online and offline training system to improve the professionalism and adaptability of employees within and outside of mainland China. In 2019, the Bank organized 43,800 sessions of training, with a total of 5.31 million participants. It upheld the “people-oriented” concept, took concrete steps to protect the legitimate rights and interests of employees, cared about their physical health and mental wellbeing, encouraged them to take part in public interest activities, and promoted intercultural exchanges between employees of different nationalities.

2020 is the deadline for China to finish building a moderately prosperous society in all aspects and win the fight against poverty. Looking ahead, we will adhere to the general principle of making progress while ensuring stability, strive to promote high-quality economic development of China’s economy by pursuing high-quality development of our own, improve the adaptability, competitiveness, and inclusiveness of financial services, and leverage our outstanding management capabilities to blaze a new trail in building the Bank into a world-class modern financial institution and make new contributions to the sustainable development of the economy, society, and environment.
Chairman of the Bank’s Board of Supervisors

Yang Guozhong
Corporate Culture

Industrial and Commercial Bank of China was established on 1 January 1984. On 28 October 2005, the Bank was wholly restructured to a joint-stock limited company. On 27 October 2006, 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 creating value through services while providing a comprehensive range of financial products and services to 8,098 thousand corporate customers and 650 million personal customers. The Bank has been consciously integrating the social responsibilities with its development and operation and management activities, and actively embraces the internet. The Bank advances the intelligent bank building in depth, unswervingly delivers specialized services, and pioneers 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 World Banks by The Banker, ranked 1st place in the comprehensive strategy, and actively embraces the internet. The Bank advances the intelligent bank building in depth, unswervingly delivers specialized services, and pioneers a specialized business model, thus making it “a craftsman in large banking”.

The Bank always keeps in mind its underlying mission 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 development strategy of personal and corporate banking business as well as international and comprehensive strategy, and actively embraces the Internet. The Bank advances the intelligent bank building in depth, unswervingly delivers specialized services, and pioneers a specialized business model, thus making it “a craftsman in large banking”.

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CSR Performance

About Us

Company Profile

For us, the Bank always keeps in mind its underlying mission 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 development strategy of personal and corporate banking business as well as international and comprehensive strategy, and actively embraces the Internet. The Bank advances the intelligent bank building in depth, unswervingly delivers specialized services, and pioneers a specialized business model, thus making it “a craftsman in large banking”.

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Corporate Culture

Connotation of Social 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 corporate 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 and Excellence”, and maximizing comprehensive value to economy, environment and society.

Social Responsibility Communication

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## Annual CSR Progress

### Business Performance and Financial Indices

<table>
<thead>
<tr>
<th>Business Index</th>
<th>Unit</th>
<th>2019</th>
<th>2018</th>
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</tr>
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<tbody>
<tr>
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</tbody>
</table>

### Performance of Key Environmental and Social Indices

<table>
<thead>
<tr>
<th>Environmental/Social Index</th>
<th>Unit</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic green credit balance</td>
<td>RMB100 million</td>
<td>13,508.38</td>
<td>12,377.58</td>
<td>10,991.99</td>
</tr>
<tr>
<td>Proportion of domestic E-banking business volume</td>
<td>%</td>
<td>98.10</td>
<td>97.70</td>
<td>94.86</td>
</tr>
<tr>
<td>Office paper consumption (Head Office)</td>
<td>Million pieces</td>
<td>10.26</td>
<td>8.72</td>
<td>8.73</td>
</tr>
<tr>
<td>Office power consumption (Head Office&amp;Kindergarten)</td>
<td>Kilowatt/hour</td>
<td>19,667,324</td>
<td>18,394,080</td>
<td>19,408,280</td>
</tr>
<tr>
<td>Office water consumption (Head Office&amp;Kindergarten)</td>
<td>Ton</td>
<td>177,550</td>
<td>172,377</td>
<td>170,196</td>
</tr>
<tr>
<td>Official vehicle oil consumption (Head Office)</td>
<td>Liter</td>
<td>67,796</td>
<td>76,699</td>
<td>86,109</td>
</tr>
</tbody>
</table>

### Notes:
1. Social contribution per share = Basic earnings per share + (Tax payment + employee expense + interest expense + total investment on public interest)/ Total equity at the end of the period.
2. The scope of total number of employees, and proportion of female employees and employees from ethnic minority groups is the whole group.
3. The domestic green credit is counted as the energy saving and environmental protection projects and services of CBIRC.
The Board of Directors’ Leading Role and Main Measures for ESG Management

The Bank took the world’s best social responsibility practice as benchmark, continued to explore the path of sustainable development, and made unremitting efforts to improve the social responsibility management system integrating policy development, strategic planning, roles & implementation, information disclosure, education & training, index & assessment and international cooperation. The Board of Directors’ leading role in ESG management was also increasingly enhanced.

During the reporting period, the Bank set up the Social Responsibility and Consumer Protection Committee under the Board of Directors to assist the Board in carrying out relevant work.

CSR Awards

<table>
<thead>
<tr>
<th>Organize</th>
<th>Award</th>
</tr>
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<tbody>
<tr>
<td>Global Compact Network China</td>
<td>2019 Best Practice for Achieving SDGs (Ecological Protection and Attention to Climate Change)</td>
</tr>
<tr>
<td>Asiamoney</td>
<td>Best Green Financial Bank of the Year</td>
</tr>
<tr>
<td>China Banking Association</td>
<td>Award of Effective Support for Winning the “Three Tough Battles” in 2018</td>
</tr>
<tr>
<td>China News Service, China Newsweek</td>
<td>Most Responsible Enterprise of 2019</td>
</tr>
<tr>
<td>Financial Times</td>
<td>Best Bank of the Year in Eliminating Poverty</td>
</tr>
<tr>
<td>Southern Weekly</td>
<td>Excellent Companies on Corporate Social Responsibilities 2019</td>
</tr>
<tr>
<td>Finance.sina.com</td>
<td>Award of Best Bank in Responsible Investment</td>
</tr>
<tr>
<td>Caijing.com</td>
<td>Evergreen Awards – “2019 Sustainability Benefit Award”</td>
</tr>
<tr>
<td>Chinatimes.net.cn</td>
<td>Golden Cicada Award – 2019 Social Responsible Bank</td>
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<tr>
<td>21st Century Media</td>
<td>Excellent Corporate Citizen 2019</td>
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<tr>
<td>Chinese Corporate Citizen Conference</td>
<td>2019 China Four-star Corporate Citizen</td>
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<tr>
<td>Social Responsibility and Sustainable Development Committee of the Chinese Institute of Business Administration</td>
<td>Excellent Enterprise in Sustainable and Compliance Management</td>
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Social Responsibility Management

Connotation of Social Responsibility

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Social Responsibility Communication

The Bank paid great attention to communication with stakeholders. By establishing the mechanism for combination 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.

Social Responsibility Management Structure

The Board of Directors is responsible for finalizing the Bank’s basic rules and regular reports on social responsibility;

The Strategy Committee of the Board reviews regular reports and makes suggestions to the Board of Directors;

The Social Responsibility and Consumer Protection Committee of the Board of Directors assists the Board of Directors in reviewing the Bank’s social responsibility performance, consumer rights protection, green finance and inclusive finance, among others, and makes suggestions to the Board of Directors;

The Senior Management is responsible for carrying out all resolutions on social responsibility adopted by the Board of Directors, submitting regular reports, establishing and improving the Group’s social responsibility work index & statistical system;

The relevant departments of the Head Office and domestic and overseas branches and subsidiaries actively participate in social responsibility related work within their respective work scope.
Substantiality Analysis

To make the report more targeted and responsive, the Bank devised the substantive analysis questionnaire in view of the stakeholders’ needs and the corporate development strategy, and interviewed customers, investors/shareholders, regulators, employees, partners/suppliers, peers, the public, the press, CSR experts during the reporting period. Then we identified the key topics of sustainable development based on the results.

Communication with Stakeholders

During the reporting period, the Bank strictly abided by the requirements of Chinese and foreign regulators on information disclosure, actively performed the obligation of information disclosure, forged ahead in voluntary information disclosure, and voluntarily disclosed information on concerns of Chinese and foreign investors and capital markets, e.g., strategy setting, business development planning, risk management, green credit, international and diversified development, for the purposes of reducing information asymmetry, and protecting the rights and interests of stakeholders like investors, particularly minority shareholders.

ESG Report

Economic Performance

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<tr>
<td>Basic earnings per share</td>
<td>RMB</td>
<td>0.86</td>
<td>0.82</td>
<td>0.79</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>RMB100 million</td>
<td>936.64</td>
<td>893.15</td>
<td>858.23</td>
</tr>
<tr>
<td>Total tax payment</td>
<td>RMB100 million</td>
<td>1,309</td>
<td>1,207</td>
<td>1,165</td>
</tr>
<tr>
<td>Return on average total assets</td>
<td>%</td>
<td>1.08</td>
<td>1.11</td>
<td>1.14</td>
</tr>
<tr>
<td>Return on weighted average equity</td>
<td>%</td>
<td>13.05</td>
<td>13.79</td>
<td>14.35</td>
</tr>
<tr>
<td>NPL ratio</td>
<td>%</td>
<td>1.43</td>
<td>1.52</td>
<td>1.55</td>
</tr>
<tr>
<td>NPL balance</td>
<td>RMB100 million</td>
<td>2,402</td>
<td>2,351</td>
<td>2,210</td>
</tr>
<tr>
<td>Allowance to NPL</td>
<td>%</td>
<td>199.32</td>
<td>175.76</td>
<td>154.07</td>
</tr>
<tr>
<td>Capital adequacy ratio</td>
<td>%</td>
<td>16.77</td>
<td>15.39</td>
<td>15.14</td>
</tr>
<tr>
<td>Core tier 1 capital adequacy ratio</td>
<td>%</td>
<td>13.20</td>
<td>12.98</td>
<td>12.77</td>
</tr>
</tbody>
</table>

Note: Since 2013, the capital adequacy ratio and core tier 1 capital adequacy ratio of the Bank have been calculated according to the Regulation Governing Capital of Commercial Banks (Provisional) released in June 2012 by CBIRC.
**Environmental Performance**

Regarding green finance strengthening as a key strategy for long-term pursuit, the Bank comprehensively carried out green finance from the aspects of policy and system, management process, business innovation and its own performance, gave full support to the development of green industries, and reinforced the prevention and control of environmental and social risks. The Bank continuously promoted low-carbon operation, and realized the simultaneous improvement of economic, social and ecological benefits.

The Bank heightened the management of investment & financing environment and social risks, built green financial requirements into due diligence, project assessment, credit rating, review and approval, contract signing, fund disbursement and post-lending/investment management and other procedures to strengthen monitoring, identification, mitigation and control of environmental and social risks. The one-vote veto system for green finance is implemented throughout the whole process.

As at the end of the reporting period, the Bank’s outstanding domestic green credit granted to energy-saving and environmental-friendly projects and services came in at RMB 1,350,838 million up RMB 113.08 billion or 9.1% over the beginning of the year.

During the reporting period, the Bank, as the lead underwriter, accumulatively underwrote 6 green bonds of various types with total proceeds of RMB 34.4 billion and the lead underwriting amount of RMB 7.8 billion.

It issued the first green Belt & Road Inter-bank Regular Cooperation bond (“BRBR” bond) via Singapore Branch and the first “Guangdong-Hong Kong-Macao Greater Bay Area” green bond via Hong Kong Branch.

The Bank advocated green concept. It actively promoted green office, spurred the application of energy-saving technologies and made greater efforts to save energy and reduce emissions; it continued to launch “go green” initiatives and earnestly improved the ecological environment. The Bank actively promoted paperless operation and reduce emissions; it continued to launch “go green” initiatives and earnestly promoted paperless office, spurred the application of energy-saving technologies and made greater efforts to save energy and improve the ecological environment. During the reporting period, the Bank’s outstanding domestic green credit granted to energy-saving and environmental-friendly projects and services came in at RMB 1,350,838 million up RMB 113.08 billion or 9.1% over the beginning of the year.

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**Data on Reduction of Greenhouse Gas Emissions under Green Credit**

The above data is converted and calculated from green credit.

**Greenhouse gas emissions at Beijing-based institutions of the Head Office**

According to the carbon emission management requirements of Beijing, information of Beijing-based of the Head Office includes that of the Head Office, the Data Center (Beijing) and the Beijing Branch of the Software Development Center. Relevant energy consumption was calculated according to the Guidelines for Carbon Dioxide Emissions Accounting and Reporting of Beijing Enterprises (Units).

![Image](https://example.com/greenhouse-gas-emissions.png)

**Direct greenhouse gas emissions**

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![Image](https://example.com/direct-greenhouse-gas-emissions.png)

**Indirect greenhouse gas emissions**

![Image](https://example.com/indirect-greenhouse-gas-emissions.png)

**Emission (tons of carbon dioxide)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Emission</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>3,290.65</td>
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**Consumption of natural gas (millions of cubic meters)**

<table>
<thead>
<tr>
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</tr>
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<tbody>
<tr>
<td>2018</td>
<td>1,484.4</td>
</tr>
</tbody>
</table>

**Electricity consumption (MWh)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>77,596.4</td>
</tr>
</tbody>
</table>
During the reporting period, the Bank issued the Anti-money Laundering (AML) duties of commercial banks, organized the formulation of risk governance and case prevention measures, and completed the self-assessment of anti-money laundering (AML) duties of commercial banks, organized the formulation of risk governance and case prevention measures, and completed the self-assessment of operational risks and controls in key areas in 2019; promoted the performance of the primary responsibilities for case prevention, focused on key areas, consolidated case prevention management foundation, strengthened case risk prevention and control in key areas, carried out anti-commercial bribery training and education, and raised awareness of legal compliance.

### Equality and Diversity

The Bank clearly stipulated in the relevant policies that in recruiting employees, no institution may set up discriminatory conditions or other conditions unrelated to the job requirements. During the reporting period, the Bank issued the Guiding Opinions on Further Strengthening Protection of and Service Provision to Female Employees to all the domestic branches. It also strictly implemented the laws and regulations on the protection of female employees’ rights and interests, by guaranteeing their right to rest, leisure and paid holiday during their pregnancy and maternity.

### Consumer Protection

During the reporting period, the Bank further improved the consumer rights protection system at the corporate governance level. It formulated and issued the Administrative Measures for the Review of Consumer Rights Protection, and improved the relevant evaluation mechanisms. The Bank continuously improved the customer information protection system and incorporated customer information protection into the enterprise risk management system, formulated and continuously optimized all information security and customer information protection systems and measures, established and improved the information security working mechanism and accountability mechanism.

### Case Prevention and Anti-commercial Bribery

During the reporting period, the Bank actively performed anti-money laundering (AML) duties of commercial banks, organized the formulation of risk governance and case prevention measures, and completed the self-assessment of operational risks and controls in key areas in 2019, promoted the performance of the primary responsibilities for case prevention, focused on key areas, consolidated case prevention management foundation, strengthened case risk prevention and control in key areas, carried out anti-commercial bribery training and education, and raised awareness of legal compliance.

### Social Performance

<table>
<thead>
<tr>
<th>Social Index</th>
<th>Unit</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social contribution per share</td>
<td>RMB</td>
<td>2.73</td>
<td>2.53</td>
<td>2.40</td>
</tr>
<tr>
<td>Proportion of female employees</td>
<td>%</td>
<td>50.1</td>
<td>50.6</td>
<td>51.1</td>
</tr>
<tr>
<td>Proportion of female employees serving as managers or higher-level officials (Scope of domestic commercial bank)</td>
<td>%</td>
<td>28.19</td>
<td>28.27</td>
<td>28.48</td>
</tr>
<tr>
<td>Proportion of females in new entrants</td>
<td>%</td>
<td>54</td>
<td>56</td>
<td>57</td>
</tr>
<tr>
<td>Proportion of employees from ethnic minority groups</td>
<td>%</td>
<td>6.0</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Proportion of local hires at overseas institutions</td>
<td>%</td>
<td>92.05</td>
<td>91.95</td>
<td>92.3</td>
</tr>
<tr>
<td>Training sessions</td>
<td></td>
<td>10,000</td>
<td>4.38</td>
<td>4.47</td>
</tr>
<tr>
<td>Average training days per person</td>
<td>Day/person</td>
<td>8.25</td>
<td>10.43</td>
<td>9.9</td>
</tr>
<tr>
<td>Donations by the Group</td>
<td>RMB10 thousand</td>
<td>20,822</td>
<td>10,425</td>
<td>7,792</td>
</tr>
<tr>
<td>Total amount of annual funding for poverty alleviation</td>
<td>RMB10 thousand</td>
<td>17,203</td>
<td>5,865</td>
<td>4,859</td>
</tr>
</tbody>
</table>

*Note: Data are calculated based on the scope of domestic commercial banks*

### Poverty Elimination

#### I. Finance-backed precision poverty alleviation

- Balance of loans\(^1\)\(^2\): RMB17,036,035.99
- Including: Loan of industry precision poverty alleviation: RMB2,777,588.40
- Loan of project precision poverty alleviation\(^3\): RMB6,322,140.74
  - Including: Rural transport facilities: RMB119,330.00
  - Upgrading of rural power network: RMB209,077.14
  - Rural water conservancy facilities: RMB743,378.61
  - Rural education loan: RMB231,295.00

#### II. Amount of targeted poverty alleviation input

1. Poverty alleviation through industries: RMB4,534.00
2. Poverty alleviation through education: RMB984.00
3. Poverty alleviation through healthcare: RMB568.00
4. Poverty alleviation through employment: RMB3,480.00
5. Poverty alleviation through Party building: RMB1,800.00

#### III. Consumption-based poverty alleviation

1. Assistance in selling agricultural products in poor areas: RMB35,961.91
2. Purchase of agricultural products in poor areas: RMB10,418.69

#### IV. The Group poverty alleviation donations apart from targeted poverty alleviation

1. Amount of donations: RMB5,837.14
2. Projects: Including infrastructure construction, industrial development, education, medical care and visit to poor households
3. Number of beneficiaries: RMB420,299

*Note: (1) The “targeted poverty alleviation” refers to the poverty alleviation efforts in Tongjiang County, Nanjiang County, Jinyang County and Wanyuan City in Sichuan Province. (2) According to relevant regulations of the People’s Bank of China (PBC), loans for building roads in areas above the county level are no longer included in loans for transport facilities.*
Precision Poverty Alleviation Plans for the Future

In view of the new needs and fresh characteristics of the fight against poverty, the Bank put emphasis upon financial needs in regions in deep poverty, skewed resources and helped them shake off poverty on the basis of continuously improving the existing measures.

- **Trained grassroots officials**: 19,253
- **Trained technical personnel**: 18,260
- **Purchased RMB worth of agricultural products in poor areas**: 104 million
- **Assisted in selling RMB worth of agricultural products in poor areas**: 360 million

Supply Chain Management

**Strict requirements, effective management, shared growth**

1. Require suppliers to conduct self-assessment of social responsibilities
2. Require suppliers to provide environmental management system certificate, occupational health certificate, environmental labeled products certificate, energy saving certificate, social responsibility standard certificate and other social responsibility related qualification and certification information
3. Perform IT-based management of suppliers
4. Carry out supplier satisfaction surveys

Community Services

- **Hours of volunteer activities**: 194,876
- **Person-times of volunteer activities**: 112,714
- **Number of volunteer activities**: 9,746

The Bank explored new models of poverty alleviation via collaboration between eastern and western China and home and abroad capitalizing fully on its platforms and customer resource strengths.

Considering the requirement that the focus of the poverty alleviation through finance would be shifted to the people in relative poverty and the approach change from centralized efforts to routine promotion, the Bank incorporated poverty elimination into the rural vitalization strategy for coordinated development. It endeavored to establish a long-term effective mechanism for using financial services to support rural vitalization and filling up the areas of weakness in agriculture, rural areas and rural residents from an array of perspectives, e.g. top-level design, key fields, personal banking services and outlet optimization.

Leveraging the financial strengths, the Bank explored integrated supportive solutions, including pooling funding, intelligence and business, and helped local governments make coordinated planning and devise good ideas and measures for rural vitalization.

The Bank tailor-made supportive measures for targeted poverty alleviation areas specific to the anti-poverty progress and development needs, continued to increase inputs into the areas in deep poverty and pooled efforts to help them out of poverty as scheduled. The Bank continued to fulfill responsibilities, implemented policies, gave support and exercised oversight of the counties or cities that have shaken off poverty to consolidate the results.

The Bank promoted the construction of "ICBC Sharing Station" outlets, striving for the benefit of Chinese laborers to solve a series of practical problems, especially outdoor workers having difficulty in drinking water, resting, and using the toilet.

As at the end of the reporting period, the Bank built 14,098 domestic outlets into "ICBC Sharing Station".

ICBC is in action to fight against the epidemic

The Bank issued a special column via WeChat official account on ICBC’s actions in fight against the novel coronavirus pneumonia epidemic in 2020. ICBC's WeChat official account

Special column "ICBC is in action to fight against the epidemic" in ICBC's WeChat official account
Rigorous Corporate Governance

During the reporting period, the Bank upheld the Party leadership, integrated exercising full and strict governance of the Party and the Bank with improving the corporate governance system, further improved the working mechanisms and decision-making system of the Shareholders’ General Meeting, the Board of Directors, the Board of Supervisors and the Senior Management and further advanced modernization of the corporate governance capability. The Bank kept reinforcing the system of internal control and internal audit, actively strengthened domestic and oversea compliance management, carried out risk prevention and control as well as combat against business bribery in key fields with vigor and deepened rigorous governance.
Modernization of corporate governance

Upholding the Party leadership and enhancing corporate governance

Pursuant to the Articles of Association of the Bank, the Party Committee of the Bank unleashed its role as leadership core in charting the course, drafting overall plans and ensuring their implementation and organically combined the Party leadership with corporate governance.

Operation of corporate governance bodies

The Bank has made constant efforts to improve the corporate governance and checks and balances mechanism comprising the Shareholders’ General Meeting, the Board of Directors, the Board of Supervisors and the Senior Management featuring clearly-defined responsibilities and accountability, coordination and effective checks and balances, and to refine responsibilities of the authority organ, decision-making organ, supervisory organ and executive organ. As a result, the corporate governance operation mechanism with scientific decision-making process, effective supervision and steady operation has been in place.

During the reporting period, the Bank received a series of corporate governance awards from many Chinese and foreign authoritative institutions and news media: the “Hong Kong Corporate Governance Excellence Award” from the Chamber of Hong Kong Listed Companies, the “Golden Round Table Awards - Corporate Governance Medal” from the Directors & Boards, the “Best Listed Company Award” from the New Fortune, the “China Top 100 Award” from China Business Top 100 Forum. During the reporting period, the Board of Directors established a Corporate Social Responsibility and Consumer Protection Committee and a US Risk Committee.

During the reporting period, the Board of Directors established a Corporate Social Responsibility and Consumer Protection Committee and a US Risk Committee.
During the reporting period, the Bank convened one annual general meeting and two extraordinary general meetings to consider and approve 21 proposals and hear three reports. All these meetings conformed to relevant legal procedures and safeguarded shareholders’ right to attend and vote at meetings. The votes of minority shareholders were counted separately for 11 proposals.

As at the end of the reporting period, the Board of Supervisors of the Bank consisted of six members, including two Shareholder Supervisors, two Employee Supervisors and two External Supervisors. During the reporting period, the Board of Supervisors held five meetings to consider 20 proposals, hear 11 reports and read 23 reports.

On 20 June, 2019, the Bank’s 2018 Annual General Meeting was held in Beijing and Hong Kong concurrently via video.

The Board of Directors of the Bank consisted of 14 members (including two female members), of whom three were Executive Directors, five were Non-executive Directors and six were Independent Non-executive Directors. Independent Non-executive Directors accounted for more than one third of the total members of the Board of Directors. During the reporting period, the Board of Directors of the Bank held 13 meetings to consider 74 proposals and hear 27 reports.

In September 2019, supervisors of the Bank conducted a field survey at Zhejiang Branch.

Integration of Party building and corporate governance

The Bank upheld a working mechanism that combined Party building with corporate governance, thus unleashing the strengths in both Party leadership and corporate governance and achieving organic unity of strengthening Party leadership and improving corporate governance. It was embodied in the following dimensions: First, as to the leadership regime, the Bank adhered to “two-way entry, cross position”. Second, as to the decision-making mechanism, the Party Committee’s discussion was established as a procedure preceding the consideration by the Board of Directors. Third, as to the fulfillment of responsibility, the Bank combined the full and strict governance of the Party with the full and strict governance of the Bank, thereby making concerted efforts on the management of thought, team, organization and supervision and making new progress in Party building and business development.

In January 2019, Mr. Yi Huiman, then Chairman of the Bank (incumbent Chairman of China Securities Regulatory Commission), attended the 2019 annual work conference of the Bank.

During the reporting period, Mr. Yi Huiman resigned as Chairman of the Board of Directors of the Bank and was transferred to serve as Chairman of China Securities Regulatory Commission. In May 2019, Mr. Chen Siqing was appointed as Chairman of the Board of Directors of the Bank. In June 2019, Mr. Hu Hao and Mr. Tan Jiong were appointed as the Bank’s Executive Director. In September 2019, Mr. Tan Jiong resigned as the Bank’s Executive Director and Senior Executive Vice President and was transferred to serve as Vice Governor of Guizhou Province. In November 2019, Mr. Gu Shu was re-elected as the Bank’s Executive Director.

In April 2019, Mr. Cheng Fenghao resigned as the Bank’s Non-executive Director. In August 2019, Mr. Lu Yonghen was appointed as the Bank’s Non-executive Director.

In April 2019, Mr. Fred Zuliu Hu was appointed as the Bank’s Independent Non-executive Director. In April 2019, Mr. Hong Yongmao ceased to be the Bank’s Independent Non-executive Director. In June 2019, Mr. Yang Siu Shun was re-elected as the Bank’s Independent Non-executive Director.

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Investor relations management and information disclosure

Effective investor relations management

The Bank managed investor relations following the principle of serving investors in a comprehensive, proactive, coordinated, precise and efficient manner. It endeavored to increase the diversity of investors, carry out investor relations events more proactively, enhance the synergy of the collaborative investor relations management of the Group, provide services that are more specific to investor types and boost the effectiveness of market capitalization performance. As at the end of the reporting period, the market capitalization of the Bank rose to USD294.4 billion from USD269.3 billion at the beginning of 2019, taking the top spot among Chinese banks.

**Diversified capital supplement channels and investor base**

The Bank implemented the Group’s capital plan in line with the three critical battles and the three major financial tasks. The Bank successfully issued RMB80 billion of perpetual bonds, RMB70 billion of preference shares and RMB110 billion of tier 2 capital bonds, achieving the most appropriate level of capital adequacy. With a broad and diverse investor base, the Bank had a solid capital base to serve the real economy, support private enterprises and small and micro enterprises (SMEs), provide inclusive finance services and transform to internationalized and diversified operation.

**Strengthened information disclosure**

During the reporting period, the Bank continued to strengthen the implementation of information disclosure policies and procedures and boost the compliance awareness and sense of responsibility of all individuals and entities obligated to report significant information within the Bank. The Bank maintained a register of insiders having access to inside information, self-examined insider trading regularly, effectively forestalled the risk of insider trading and protected the legitimate rights and obligations of the Bank and its shareholders.

The Bank strictly followed domestic and overseas regulatory requirements on information disclosure, actively performed the obligation of information disclosure and carried out mandatory information disclosures to high quality in an orderly manner. The Bank voluntarily disclosed major concerns of domestic and overseas investors and capital markets, protected investors’ sight to know and further boosted the corporate transparency.

**Frequent investor interaction events**

The Bank successfully held the 2019 interim results briefing and reverse roadshow in Beijing and Xiongan New Area. The Bank conducted roadshows in Europe, Japan and South Korea and paid visits to important institutional investors in Norway, France, Germany, Japan and South Korea, showcasing the Bank’s performance highlights, and responding to investors’ concerns. The Bank responded actively to the hot market issues and understood shareholders’ focuses through various channels, including the Investor Day, door-to-door visits, the online platform of sseinfo.com and investor hotline, thereby protecting the legitimate rights and interests of minority shareholders.
**Optimized decision-making system**

The Bank improved the quality and efficiency of decision making and deliberation by special committees of the Board of Directors. In 2019, the special committees of the Board of Directors of the Bank held 29 meetings to consider 84 agenda items, giving constructive opinions and suggestions. The Board of Directors made decisions with improved efficiency and quality. The Board of Directors revised the working rules for four committees, including the Strategy Committee, further refined the duties of special committees, improved the composition of special committees and enhanced the quality and efficiency of special committees’ decision making and deliberation.

- **Directors conducted special surveys and seminars to improve the quality of decision making by the Board of Directors.**
  - During the reporting period, directors (excluding executive directors) of the Bank conducted 19 surveys (with 54 participants in total) and 36 seminars (with 81 participants in total), issued 15 survey reports and gave 12 survey briefings. Surveys were targeted at departments of the Head Office, institutions directly controlled by the Head Office and domestic and overseas branches and subsidiaries. The subject matters of surveys included FinTech development, financial support for regional development, financial service for manufacturing, inclusive finance, compliance management and risk management.

- **The Board of Directors improved the pre-meeting communication mechanism to make decisions more efficiently.**
  - During the reporting period, the Bank continuously improved the pre-meeting communication mechanism of the Board of Directors. 47 director pre-communication sessions were held in the year to make in-depth discussions on 72 proposals and 40 reports. Flexible forms of communication and arrangements for communication were utilized to increase the effectiveness of communication ensuring informed and efficient decisions made at meetings of the Board of Directors.

**Full and strict governance**

**Anti-money laundering system building**

During the reporting period, the Bank strictly abided by anti-money laundering and counter-terrorist financing (CTF) laws and regulations and actively performed commercial banks’ social responsibility for AML.

1. First, customer identification control was enhanced. The Bank established an enhanced over-the-counter customer identification mechanism featuring a combination of “online check, face recognition and teller verification” leveraging on big data, face recognition and other technologies.

2. Second, the Bank cooperated actively in AML investigation, providing strong evidence for the government’s crackdown on terrorist financing, telecom frauds, illegal fundraising and other criminal offenses.

3. Third, the Bank strengthened all staff’s ability to perform AML duties.
   - The Bank held nearly 2,300 AML training sessions with 500,000 trainees in total, covering 100% of personnel working in AML roles.

4. Fourth, AML awareness campaigns were carried out effectively.
   - In the year, the Bank carried out over 100 AML awareness campaigns accumulatively and distributed 2.45 million copies of promotional materials to the public, covering over 24.2 million person-time.

- **The Bank held 2,300 AML training sessions with 500,000 trainees in total, covering 100% of personnel working in AML roles.**
- **The Bank distributed 2.45 million copies of promotional materials to the public covering over 24.2 million person-time.**

**On 24 June 2019, Wang Lin, the Head of the Dispatched Discipline Inspection and Supervision Group, attended the Key AML Work Facilitation Meeting of the Bank.**
Building the IT systems for AML with vigor

Overseas
The Bank developed and promoted two AML core systems – the overseas AML monitoring system (BRAINS) and the sensitive data compliance review system (COMPASS).

Domestic:
As the first pilot institution to participate in PBOC’s pilot integrated AML reform, the Bank continued to optimize the AML system, establish centralized and efficient AML work procedures and realized centralized AML processing. The Bank used its proprietary AML indicator models to carry out follow-up monitoring and classified management of customers in different risk categories. In addition, the artificial intelligence technology was used to enhance the quality and efficiency of AML work.

Building the internal audit and internal control system

The Bank continued to build its internal control system based on the five elements of internal control, namely “control environment, risk assessment, control activities, information communication and monitoring and evaluation”. 262 tasks were assigned according to the Planning for Internal Control System Building for 2018-2020 and implemented in a well-organized manner. The Internal Control Manual was formulated for each function and distributed bank-wide, sorting out and displaying the control steps, risk points and control measures in the business and management activities in each function. Based on process streamlining and risk assessment, the control was focused on key positions, key fields and key risks.

Defining total 262 tasks for all business lines in 2019

The Bank implemented risk-oriented audit activities in an orderly manner in line with the development strategy and core tasks. Audits were focused on the implementation of national strategies, fulfillment of regulatory requirements, improvement of corporate governance and performance of corporate social responsibility. During the reporting period, the Bank continued to enhance audit specialization, improved the audit management mechanism, innovated technology and method applications, strengthened vocational education and training and kept improving the service capability.

Case risk prevention and control in key fields

During the reporting period, the Bank developed risk governance and case prevention measures, completed the annual self-assessment of operational risk and control in key fields and conducted special business examinations according to regulatory requirements and business practices.

During the reporting period, the Bank continued to take strong measures for case prevention, promoted case prevention obligors to fulfill their obligations with a focus on key fields and fortified the foundation for case prevention management. Thanks to a series of case prevention methods taken, the case risk ratio was below the target value defined by CBIRC, significantly promoting the safety and increase of corporate value.

On 2 August 2019, Wang Lin, the Head of the Dispatched Discipline Inspection and Supervision Group, attended the 2019 annual work meeting on case prevention.
Anti-commercial bribery: Promoting integration of rigorous Party governance and rigorous Bank corporate to further enhance corporate value

The Bank formulated the Opinions on Boosting the Effectiveness of Dispatched Supervision through Supervisory Collaboration. Six mechanisms including supervisory consulting, joint meeting and information sharing were employed to integrate dispatched supervision with the Bank’s Party self-supervision, business management and governance body supervision, so as to ensure all supervisory bodies would further fulfill their duties and roles, create supervisory synergies, boost the effectiveness of supervision and enhance the checks and balances on powers.

Three bank-wide exemplary education meetings were held in 2019. Case-based education and rectification were organized. Based on the Mings’ commercial bribery cases (Gu Guoming and Xie Ming), the Bank carried out an education and rectification campaign among tier-two branches and higher-level branches and urged all entities to review, investigate and correct similar problems, thereby strengthening deterrence so no one dares to, is unable to, and has no desire to commit acts of corruption. The Bank enhanced the integrity and self-discipline of all staff, especially those in key positions, further advanced integrity risk prevention and control and effectively protected the interests of shareholders.

The Bank carried out training and crackdown campaigns, enhancing the awareness of non-corruption among all employees through full-coverage education and training. Taking into account the characteristics of the financial industry, the Bank further improved the power mechanisms, policies and procedures for credit approval, selection and use of talent and other key fields and positions, so as to cut off the tunneling and propping chain and remove the soil that breeds corruption.

Short-term centralized education and long-term routine education were combined. All employees were guided to enhance their sense of integrity and self-discipline through announcements of non-corruption, Mings’ confessions and family tradition and education report, production of exemplary education films and setup of anti-corruption education bases.

Seoul Branch boosted the efficiency of transaction screening

2019 marked the “Year of Enhanced Compliance” for Seoul Branch. During the reporting period, Seoul Branch devoted itself to further improving the compliance management system, increasing the granularity of compliance work and optimizing relevant IT systems.

The management models were optimized to enable category-specific overseas compliance management. The Bank promoted regional management, endeavored to build an overseas compliance management framework in which the headquarters of the Group focuses on decision making and overall planning for compliance management, the regional compliance function focuses on monitoring, analysis, guidance and supervision and the institutional compliance function focuses on day-to-day operations and actions. The Bank advanced multi-tier control, implemented overseas compliance risk assessment projects, created a system of overseas compliance risk assessment indicators, outlined the compliance risk profile of overseas institutions and defined the management strategies and priorities accordingly.

Team building was strengthened to enhance the overseas compliance teams’ ability to perform duties. The Bank continued to strengthen compliance staffing and shaped an overseas compliance team ladder comprised mainly of local compliance staff, supported by expatriated compliance staff and backed by reserve staff. The Bank strengthened the admission and in-office supervision and assessment of overseas compliance officers, carried out two sessions of the “Global Compliance College” training program and continued to strengthen the exchange and cooperation of compliance staff.

Overseas compliance management

The Bank improved the management system and furthered efforts to build a long-standing mechanism for overseas compliance. The Plan for Building a Long-standing Mechanism for Overseas Compliance Management was issued for implementation, with the aim of further increasing the depth and breadth of the Bank’s overseas compliance management policies, mechanisms and procedures in a period to come under four dimensions, namely framework and functionality, policies and mechanisms, resources and teams as well as information systems.

The management toolkit was upgraded to improve the overseas compliance management information system. The Bank optimized the functions of the overseas compliance management system, improved the system user experience and standardized compliance management procedures and methods. The Bank created an overseas regulatory rules library consisting of over 2,000 rules of more than 40 countries, strengthened the study and application of regulatory technology (RegTech) and established and continuously enriched the toolkit for overseas compliance management.
Upholding the Principle of Customers First and Serving the Real Economy

——Striving to Become Customers’ Favorite with Our Founding Mission Kept Firmly in Mind

During the reporting period, the Bank remained true to its founding mission of serving the real economy, worked with firm resolve to become customers’ favorite, and adhered to the strategy of “putting customers first and serving the real economy”. It was determined to be rooted in the real economy, enhanced customer experience on all fronts, made financial services more adapted to the current situation, competitive and inclusive, continuously furthered financial supply-side structural reform, and moved on to all-out efforts to support high-quality economic development. Staying committed to meeting the new demands of the real economy and expectations of the people for financial services, the Bank strived to build itself into a responsible, respectable and passionate bank that remains true to its original aspiration.
Putting customers first to become their favorite

Achieving customer expansion with a tiered maintenance system

During the reporting period, the Bank upheld the “customer-oriented” operating philosophy to improve its services on all fronts.

Working harder to serve personal customers

During the reporting period, focusing on the strategy of offering the best personal banking service, the Bank provided more convenient, safe and considerate financial services for its customers.

Personal customers

During the reporting period, upholding the strategy of broadest customer base expansion, the Bank took key customer groups and market sectors as the focus to promote marketing-based customer attraction and have a better expansion of its customers.

As at the end of the reporting period, the Bank had more than 650 million broadest personal customers.

It registered 43.29 million customers compared with the beginning of the year, representing a net increase of 43.29 million customers compared with the beginning of the year.

It registered 2.01 million customers, representing a net increase of 2.01 million customers compared with the beginning of the year.

An increase of 3.62 million customers year-on-year.

An increase of 1.04 million customers.

Private banking customers

During the reporting period, the Bank provided private banking customers with selective financial products that are competitive in the market and all-round services, so as to meet their diversified and complex demands and better their experience in all respects.

As at the end of the reporting period, a total of 158,156 private banking customers had ever had at least RMB 6 million worth of average daily balance of financial assets one month with the Bank in the past six months, an increase of 12,085 customers year-on-year.

The assets under management amounted to RMB 1,895.4 billion, indicating an increase of RMB 277.4 billion year-on-year.

Personal financial assets and savings deposits

As at the end of the reporting period, the Bank’s personal financial assets reached RMB 14.56 trillion, an increase of RMB 1.05 trillion compared with the beginning of the year, exceeding RMB 1 trillion for the first time.

The balance of the Bank’s savings deposits exceeded RMB 10 trillion, reaching RMB 10.10 trillion. The Bank’s day-end increment in savings deposits and daily average increment in savings deposits both exceeded RMB 1 trillion, topping other banks.

Mobile banking personal customers

The number of ICBC Mobile personal customers exceeded 361 million, representing a net increase of 47.74 million customers, the highest in the past three years. Based on this, ICBC Mobile further shored up its leading position among domestic banks with respect to customer size, activeness and loyalty.

Credit card customers

The Bank recorded more than 48 million ETC customers and an industry-dominant ETC customer increment.

ETC customers

As at the end of the reporting period, the Bank’s personal financial assets reached RMB 14.56 trillion, an increase of RMB 1.05 trillion compared with the beginning of the year, exceeding RMB 1 trillion for the first time.

The balance of the Bank’s savings deposits exceeded RMB 10 trillion, reaching RMB 10.10 trillion. The Bank’s day-end increment in savings deposits and daily average increment in savings deposits both exceeded RMB 1 trillion, topping other banks.
Empower businesses customers

During the reporting period, the Bank adhered to the development philosophy of openness, cooperation and mutual benefit, established a broadest customer base system, improved integrated financial services, advanced the building of industrial platforms and economic cooperation and mutual benefit, established a broadest customer base system, improved service efficiency to consolidate and increase its service efficiency.

Corporate customers

The Bank provided head customers with tailored and integrated financial services to consolidate and increase its service efficiency. Tapping deep into “head” customer base, the Bank made active efforts to make core member enterprises of the Groups, local leading enterprises and enterprises who lead in industry subsectors its customers.

During the reporting period, the Bank adhered to the development philosophy of openness, cooperation and innovation, launched all-out efforts to develop the infrastructure of an open platform and integrated financial services, advanced the building of industrial platforms and economic cooperation and mutual benefit, established a broadest customer base system, improved service efficiency to consolidate and increase its service efficiency.

Corporate settlement accounts

During the reporting period, the Bank based its work on customers’ increasingly diversified and personalized demands, provided them with efficient, convenient and integrated online and offline services so that customers can open accounts with the Bank via multiple channels.

Open bank ecosystem

During the reporting period, the Bank launched the 2.0 version of corporate mobile banking to serve millions of small and micro enterprises. The number of active users of corporate mobile banking on an annual basis exceeded 2 million.

Providing quality services to governments

Facilitating reform of government institutions

Facilitating reform of institutions at all levels. The Bank took up the largest market share among its peers in terms of the number of accounts of reform institutions at the central government, provincial, municipal and county level.

Developing social security system in all sectors. Medical insurance reform institutions at the central government and provincial level that have opened accounts with the Bank accounted for 47% of the total. Among all occupational annuity cooperation projects initiated in regions that the Bank was eligible for bidding, its bid-winning rate reached 100%, leading the effort to support China’s social security reform with financial services.

Making all-round efforts to serve public institutions in key fields. The Bank seized the opportunity presented by China’s public wellbeing reform backed up by government support, paid closely attention to customers in key areas such as healthcare and education, and put in place more than 2,500 cloud platform projects nationwide.
Making government services more smart

During the reporting period, the Bank adhered to the concept of “technology driving, innovation empowerment”, followed the trend of providing “Internet-based government services”, and put in place a business cooperation structure with multiple engines featuring “1 government service portal + 12 key areas + 22 value-added services”, so as to support the government in building a one-stop and integrated smart government service platform, and connecting commissions, offices, departments and bureaus of governments to jointly provide various public services.

The Bank established a total of 2,937 Internet-based scenarios, covering various areas such as public service, transportation, education, medical treatment and judicial system.

The Bank incorporated such scenarios as offline small-amount payment, hospital registration and payment, public transportation, smart parking and public service payment to make its App more convenient for its customers, and developed an array of featured and easy-to-promote government service projects related to people's wellbeing.

The Bank's ICBC Link pushed more than 30 million pieces of public service information in a year, and facilitated more than 2 million payments of public service fees, and the issuance of more than 300 thousand e-social security cards in 281 cities in China.

The Bank's Yitongxing App, Wuhan Metro, and Shanghai ICBC Link electronic transport code achieved more than 10 million payments in the year, and facilitated more than 2 million payments of public service fees, and the issuance of more than 300 thousand e-social security cards in 281 cities in China.

Promoting intelligent transport services

During the reporting period, the Bank focused on three financial services including ETC, contactless payment and electronic transport code. As a result, the Bank recorded the highest number of new ETC customers among its peers. It released “ICBC Contactless Payment”, and equipped Beijing Capital International Airport, Chengdu Global Center, Jin Expressway and other well-known projects with ICBC Car Loan Payment service. The electronic transport code service is now available in 180 cities across China; Beijing Subway Yitongxing App, Wuhan Metro, and Shanghai ICBC Link transport code achieved more than 10 million payments in the last year.

License Payment service. The electronic transport code service in Beijing Subway and other well-known projects with ICBC Car Loan Payment service.

The Bank reached an exclusive cooperation agreement with government of Ningxia regarding “My Ningxia” App, which focused on issues concerning the people, involving 23 government bureaus and departments, and providing services covering more than 600 items. The App is available in almost all public service scenarios, puts into use innovative technologies on all fronts, and has high security standards. With “My Ningxia” App, people can enjoy convenient and smart public services in all places of Ningxia.

“1 government service portal + 12 key areas + 22 value-added services” are “1 government service portal + 12 key areas + 22 value-added services” are implemented.

During the reporting period, the Bank’s Remote Banking Center focused on issues of customers’ concern, continuously upgraded mechanisms to provide better service, improved its ability to efficiently solve customers’ problems, and consolidated the foundation for improving service quality in all respects.

The Bank's Personal Customer Service Call reached 87.2%, leading most of its peers.

Improving customer experience

Improving service quality

Launching collaborative remote video service

During the reporting period, the Bank officially launched the collaborative remote video service relying on its strength in FinTech innovation. Based on this service, the Bank’s phone customer service personnel, who used to just answer customer calls, now play a vital role in facilitating online and offline coordination by means of video and outlet VTM, thus building a bridge connecting customers and professional banking services and ushering in a new era of 5G video service.

The Bank officially launched collaborative remote video service.
Strengthening the leading role

During the reporting period, 150 outlets of the Bank met the five-star service standard. The Bank won the “Outstanding Contribution Award for Civilized and Standardized Service of China Banking Industry” for eleven consecutive years, and two of its standards made into the list of enterprise standard “Forerunners” awarded by eight ministries and commissions including PBC.

Improving the consumer protection system

During the reporting period, the Bank set up the Corporate Social Responsibility and Consumer Protection Committee under the Board of Directors, formulated and issued the Administrative Measures for Consumer Protection Examination, upgraded the consumer protection evaluation and assessment mechanism, and improved consumer protection from multiple dimensions such as corporate governance, system building and daily evaluation and assessment.

Building better outlets

During the reporting period, the Bank renovated 2,049 outlets and in nearly last five years, it completed renovation and hardware upgrading of more than 5,200 outlets.

Enhancing outlet service efficiency

During the reporting period, the Bank launched “Service Improvement in 100 Days” campaign. As a result, the Bank’s outlet services became much more efficient, the average customer waiting time at the Bank’s 16,000 domestic outlets is only 10 minutes.

Protecting customer privacy

During the reporting period, the Bank constantly improved its information security management architecture and strengthened information security management, thus making its information system safer on an on-going basis.

Advancing financial knowledge publicity

During the reporting period, the Bank launched regular and intensive financial knowledge publicity campaigns for its domestic customers, compiled target-oriented electronic publicity materials based on central issues, popular topics and difficult financial knowledge, and released such materials via its WeChat official account.

Strengthening internal training on consumer protection

During the reporting period, the Bank actively fostered a corporate culture encouraging the protection of consumers, and organized relevant education, training and knowledge competitions to further improve management skills and performance of consumer protection.

Improving customer information protection system

The Bank incorporated customer information protection into its Enterprise Risk Management System, formulated and continuously improved policies and regulations regarding information security and customer information protection, and established a sound customer information security protection mechanism.

An employee of ICBC Qingdao Branch taught elementary school students knowledge about anti-counterfeit money.
Establishing a compliance culture to better protect personal customer information

During the reporting period, the Bank adopted measures to strengthen employee education and enhance employees' awareness of customer information protection. It made full use of its online and offline channels to carry out personal information security publicity, with a view to helping customers raise their awareness of information security.

Establishing a sound customer information protection mechanism

Financial Technology Development Committee
It was responsible for reviewing the Bank’s information security strategies, major issues and information security assessment reports on an annual basis and providing guidance on information security management.

Credit Information Security Leading Group
It revised information security management policies and carried out information security checks on an annual basis.

Information security reporting mechanism
The leading department of information security management established an information security reporting mechanism.

Information security management of branches
Operational risk management committee and internal control committee of branches incorporated information security management into their scope of work and matters subject to review and consideration.

Inspections, assessment and internal audit
The Bank regularly launched inspection, assessment and internal audit on information technology risk.

Creating a compliance culture to better protect personal customer information

Safeguarding customer funds

Improving technology system
The Bank continuously improved the building of the fundamental technology system and provided customers with a stable and reliable service system with powerful functions to safeguard and promote the smooth development of customer business.

“ICBC Intelligent Defender”
The Bank introduced “ICBC Intelligent Defender” account security service, conducted one-click security detection on all debit cards, credit cards and payment environments of customers, and achieved oriented risk control.

“ICBC E-Security”
The Bank protected customer funds through “ICBC E-Security”. During the reporting period, a number of telecom frauds were detected and blocked, safeguarding a large amount of customer funds.

Clarifying partners’ responsibility
The provision of customer information to an external partner shall abide by relevant rules and partners’ responsibility shall be clearly defined.

Strictly controlling network interaction risk arising from cooperation with partners
The Bank conducted security isolation and monitoring on data transmission between its partners and itself.

Strengthening supervision and management of partners
The Bank conducted qualification review and daily management of its partners to supervise and examine their duty performance.

Enhancing customer information protection

Strengthening personal customer information protection

Strengthening network perimeter security protection
Strengthening transaction password protection
Strengthening transaction process control over related transactions
Strengthening customer information classification and secured protection management
Strengthening security monitoring, examination and protection of customer information
Strengthening in-process control over related transactions
Strengthening customer information classification and secured protection management
Strengthening in-process control over related transactions
Strengthening security monitoring, examination and protection of customer information

Operational risk management committee and internal control committee
The leading department of information security management established an information security reporting mechanism.

The leading department of information security management established an information security reporting mechanism.

Establishing a regular working mechanism
Under this mechanism, the Operational Risk Management Committee and Senior Management reviewed and determined the outsourcing scope and plan, which would be further reviewed by relevant experts to control the overall outsourcing risk.

Clarifying partners’ responsibility

Strengthening supervision and management of partners

The Bank conducted qualification review and daily management of its partners to supervise and examine their duty performance.
**Sticking to the founding mission -- serving the real economy**

During the reporting period, the Bank stuck to the founding mission of supporting the real economy with financial services, rationally planned the structure and intensity of credit supply, focused on key areas and important regions of the country, attached importance to infrastructure construction, major strategies, manufacturing, high-quality private enterprises and sci-tech innovation enterprises as well as structural reforms on the supply side, and provided better financial services for the real economy.

As at the end of the reporting period, total loans amounted to RMB 16.76 trillion, an increase of 8.7% on a yearly basis.

Among them, the Bank registered a balance of corporate loans of RMB 9.96 trillion, an increase of 5.7% on a yearly basis.

**Serving the infrastructure construction**

Corporate loans for infrastructure such as public facilities, transportation and energy increased by RMB 459.3 billion from the beginning of the reporting period.

- In terms of public facilities, the Bank mainly supported such major projects as urban improvement, shantytowns renovation and public utilities, the balance of the Bank’s loans to these areas increased significantly.
- In terms of transportation, the balance of the Bank’s loans to the railway and highway industries witnessed markedly growth.
- In terms of loans for wind and solar power and other clean energy industries, the Bank continued to lead ahead the banking industry a lot.

**Bond underwriting**

During the reporting period, the Bank acted as the lead underwriter for more than 1,800 Chinese bonds with a total value of RMB 1.52 trillion, providing solid fund support for the real economy.

- During the reporting period, the Bank acted as the lead underwriter for more than 1,800 unsecured bonds of non-financial enterprises with a total value of over RMB 540 billion.
- Chinese bonds with a total value of RMB 1.52 trillion, providing solid fund support for the real economy.

**ICBC Beijing Branch sold Beijing municipal government special bonds of RMB 560 million over the counter**

From 1 April to 3 April 2019, Beijing Municipal Bureau of Finance sold two Beijing municipal government special bonds to enterprises and public institutions as well as individual residents through the counter of commercial banks, of which RMB 560 million special bonds were sold by ICBC Beijing Branch. ICBC Beijing Branch, in collaboration with China Post, produced commemorative stamp albums for the first issue and subscription and commemorative envelopes for the first issue for large-sum subscription customers, leaving unique memory for this historic moment.
Supporting the implementation of major strategies
The Bank firmly supported the implementation of major strategies, increased financial support for the coordinated development of Beijing-Tianjin-Hebei region, the integrated development of Yangtze River Delta, the development of Yangtze River Economic Belt, the revitalization of northeast China, and the construction of Xiongan New Area, and promoted the formation of a regional economic layout with complementary advantages and high-quality development.

Coordinated development of Beijing-Tianjin-Hebei region
In accordance with the relocation of non-capital-core functions of Beijing, the Bank focused on three major areas including transportation, industry and ecological environmental protection, actively connected with Beijing-Tianjin-Hebei industry cooperation platform and provided financing support for a series of major projects such as Beijing-Xiongan Intercity Railway and Rongcheng-Wuhai Expressway New Line.

Integrated development of Yangtze River Delta
The Bank held an activity entitled ‘Concentrating efforts in the integration, focusing on high quality, giving financial support for Yangtze River Delta’ and issued the Action Plan for Providing Financial Support for Yangtze River Delta Integration, supporting the high-quality development of Yangtze River Delta integration with financial services in an all-around way.

Development of Yangtze River Economic Belt
The Bank issued the Opinions on Further Improving Green Financial Services of Yangtze River Economic Belt to support ecological protection, construction of transport corridors, industrial upgrading and transformation and construction of new cities and towns along the Yangtze River Economic Belt.

Revitalization of northeast China
The Bank conducted special survey of the revitalization of northeast China, held seminars on providing financial support for the revitalization of northeast China and signed the Agreement on Strategic Cooperation to Support Major Infrastructure Construction and Manufacturing Development in Northeast China.

Construction of Xiongan New Area
The Bank actively served the planning and construction of Xiongan New Area, responded to financial needs of China Xiongan Group and settled enterprises, improved the review and approval process of the financing for projects in the new area, and focused on supporting a number of key projects including Baiyangdian comprehensive governance. The Bank proactively served the building of Xiongan into a smart city and established important systems such as intelligent social security and registration system of industrial and commercial enterprises for Xiongan Management Committee, so as to promote the high-quality development of Xiongan New Area.

Supporting high-quality development of manufacturing
During the reporting period, the Bank held the activity “Year of Manufacturing Financial Service”, made great efforts in focusing on high-quality customers, enhancing resource guarantee and improving operation capability, actively supported high-quality enterprises and projects in emerging manufacturing fields, provided selective support for the transformation and upgrading of traditional industry to leading enterprises as well as financing support for projects in relocation and renovation, transformation and upgrading, and further backed advanced manufacturing customers in terms of medium to long-term loans offering and key regional policies.

- As at the end of the reporting period, the Bank recorded RMB 1.45 trillion in balance of corporate loans to manufacturing companies,
- an increase of RMB 59,691 million from the beginning of the period

The Bank provided comprehensive financial services for the construction of Xiongan High-speed Railway Station and Beijing-Xiongan Intercity Railway.

KBC Leasing, a subsidiary of the Bank, delivered the domestically produced ARJ21 plane with “Chinese Dream” theme painting.

KBC Hebei Provincial Branch supported a pharmaceutical group by offering liquidity loans.

KBC Zhejiang Huzhou Branch supported the green transformation and upgrading of an electronic component manufacturing enterprise.
**Supporting high-quality private enterprises**

During the reporting period, the Bank actively made efforts in such areas as strategy, product, service, institution and system, established three major resource guarantee systems for private enterprises, including size of special funds, special credit authorization system and professional service team, solved financing difficulties of private enterprises by comprehensively taking advantage of credit risk mitigation warrants (CRMW), relief funds, debt-to-equity swaps and other means and built a dedicated financial service system featuring “financing + intelligence” for private enterprises, to provide positive support for the development of private economy.

During the reporting period, the Bank won a lot of awards, including the “Top 10 Private Enterprise Financial Service Innovation Award” granted by The Chinese Banker and “2019 Excellent Examples of Financial Service for Private Enterprises and Small and Medium Enterprises” jointly awarded by China Association of Small and Medium Enterprises and China Banking Association.

- During the reporting period, the Bank recorded an increase of the balance of loans to private enterprises, up 10% from the beginning of the period.
- The Bank recorded 89,000 private enterprise borrowers, an increase of 11,100.

**Supporting the development of sci-tech innovation enterprises**

The Bank proactively explored the way for providing financial services for high-tech enterprises during the reporting period.

- **Accelerating the construction of specialized institutions for sci-tech enterprises**
  - The Bank built three financial service centers for sci-tech innovation enterprises in Shanghai, Shenzhen and Guangzhou and 20 sci-tech featured sub-branches in areas where high-tech enterprises were concentrated.

- **Building a product system exclusively for technological finance**
  - The Bank developed financial service solutions exclusive for sci-tech innovation enterprises and released a series of key products such as elite card, intellectual property loans and credit loans dedicated to such enterprises.

- **Improving the risk management system exclusive for sci-tech innovation enterprises**
  - The Bank upgraded the three risk management tools including “sci-tech risk assessment, dedicated rating and dedicated credit extension model”.

- **Building the “ICBC Sci-tech Innovation Finance Union”**
  - The Bank actively coordinated government agencies, venture capital institutions, capital market and industrial resources.

**Supporting the supply-side structural reform**

During the reporting period, ICBC Investment, a wholly-owned subsidiary of the Bank, actively and steadily promoted the high-quality development of market-oriented equity investments with supply-side structural reform as the main task, its customers at the core, and innovation as the driving force. The Bank gave full play to the role of market-oriented equity investments as the main force to facilitate the high-quality development of real economy.

As at the end of the reporting period, ICBC Investment signed RMB590.3 billion worth of contracts, up RMB148.2 billion year-on-year. Specifically, RMB262.6 billion was put into use, an increase of RMB182.0 billion over the same period of last year, covering a wide range of industries such as steel, coal, electricity, new energy, sci-tech innovation and infrastructure construction.
Developing inclusive finance

During the reporting period, the Bank, adhering to the slogan of “a bank would have no future without serving small and micro enterprises while a bank that does well in serving small and micro enterprises will have a great future”, improved product system, innovated service mode and steadily promoted the high-quality and sustainable development of inclusive finance business.

Supporting small and micro enterprises

The Bank stuck to enabling digital inclusive finance by FinTech, made great efforts to create “inclusive finance service 2.0” with “financing, intelligence and business” at its core, obviously increased its capabilities to provide financial services for small and micro enterprises, control risks and sustain business development, and formed an inclusive finance development mode with ICBC characteristics.

As at the end of the reporting period, the Bank established inclusive finance departments at 428 tier-two branches (440 in total) and recorded RMB 471.5 billion (under CBIRC criteria) in balance of inclusive finance loans, up RMB 161.4 billion from the beginning of the reporting period.

Supporting small and micro enterprises

As at the end of the reporting period, the Bank established inclusive finance departments at 428 tier-two branches (440 in total) and recorded 423 thousand customers, up 153 thousand over the beginning of the reporting period.

During the reporting period, the Bank totally established 288 small and micro credit centers (including sub-centers), reviewed and approved plans for piloting small and micro credit sub-centers of 28 branches, and recorded 423 thousand customers, up 153 thousand over the beginning of the reporting period.

Focusing on digital transformation

Enhancing the combination of online and offline business

Strengthening three product lines including “Quick Lending for Operation”, “Online Revolving Loan” and Digital Supply Chain

Completing the upgrading and transformation to “comprehensive service provider”, “shared ecosystem”, “customer center” and “intelligent bank” in terms of comprehensive service, ecological scenario, circulation channel and sci-tech structure

Chen Siqing, Chairman of the Bank, delivered a speech at the opening ceremony of the first “ICBC Small and Micro Customers Festival”
“Financing”

On the basis of its three major product lines, the Bank further released a series of financing products to serve small and micro enterprises.

The Bank launched “Employment Loan” to meet the employment demands of enterprises and facilitate payroll payment. As a result, tens of thousands of families benefited from funds granted via this product.

The Bank launched “Cross-border Loan” to provide more than RMB150 billion worth of credit for 150,000 small and micro enterprises mainly engaged in import and export businesses.

The Bank rolled out “Cloud Quickpass Loan” to help small and micro enterprises in their digital transformation.

“Intelligence”

The Bank held a series of activities, such as inviting thousands of experts to help small and micro enterprises and entrepreneurship training camp, to assist small and micro enterprises in improving their operation and management by inviting them to visit the Bank and giving them expert opinions and services. The Bank opened the “E-Intelligence think tank” consulting platform to provide comprehensive and professional online consultation services for small and micro enterprises. Through the combination of expert opinions and services and information products, the Bank helped small and micro enterprises make well-conceived decisions, apply new technologies, march in new business fields and make further progresses.

“Business”

The Bank continuously took advantage of its strengths in institutions and customers to help small and micro enterprises expand business. It established platforms such as “Entrepreneur Conference” and “Economic and Trade Fair” to promote the integration of small and micro enterprises into the global capital chain, industrial chain and value chain. Leveraging its ICBC Mall, the Bank opened up business channels, built business scenarios and explored business opportunities for small and micro enterprises.

ICBC Henan Provincial Branch

Based on the financing characteristics of high-tech enterprises and science and technology enterprises, ICBC Henan Provincial Branch created a featured inclusive financial product “Zhengzhou Sci-tech Loan” tailored to the financing needs of high-tech enterprises in Zhengzhou.

ICBC Suzhou Provincial Branch

ICBC Suzhou Branch positively cooperated with governments in all regions, innovated a model integrating “financing plan + credit enhancement fund in the region + credit enhancement for ‘bank plus government’ series products” and developed a batch of products to facilitate the Bank’s cooperation with local governments such as “Start-up Loan” “Fiscal Service Loan” and “Suzhou Trade Loan”.

ICBC Fujian Provincial Branch

In accordance with local conditions, ICBC Fujian Provincial Branch adopted targeted policies, and developed a number of financial products such as “Rock Tea Loan”, “Sea Cucumber Loan”, “Fishing Bank Loan”, “Ceramic Loan” and “Tobacco Loan” based on regional characteristics of Wuyi Mountain, Ningde city, and Quanzhou city, respectively.

ICBC Heilongjiang Provincial Branch

Relying on agricultural big data, ICBC Heilongjiang Provincial Branch provided farmers and people and enterprises engaged in agriculture with “ICBC Agriculture e Loan”, a product portfolio, including “Agricultural Reclamation e Loan”, “Agricultural Security e Loan”, “Agricultural Credit e Loan” and “Agricultural Mortgage e Loan”.

“ICBC Inclusive Discount” was put into service to get through the “last mile” to support small and micro enterprises with discounts

During the reporting period, on the basis of “ICBC e Discount”, an online self-service discounting product, the Bank put in place “ICBC Inclusive Discount” in strict accordance with rediscounting policies of PBC, in a bid to accurately provide discounts for eligible bills and get through the “last mile” to support small and micro enterprises. “ICBC Inclusive Discount” was put into pilot operation in the third quarter and has been promoted to some branches since October. As at the end of the reporting period, the Bank processed 1,083 businesses via “ICBC Inclusive Discount”, with RMB 709 million worth of volume.
Promoting poverty alleviation through finance

The Bank adhered to the combination of poverty alleviation and rural revitalization, continuously strengthened poverty alleviation through financial services, and took active measures to promote poverty alleviation through finance with a number of brilliant ideas and practical solutions.

Promoting the poverty alleviation model with joint efforts from banks, insurers and futures companies

Based on the current model of alleviating poverty with joined-up efforts from banks, insurers and futures companies, the Bank applied pilot feed cost and meteorological index insurance products to livestock and poultry breeding and characteristic planting industries in poverty-stricken areas, reducing operational risk and stabilizing income for local farmers and enterprises.

Promoting poverty alleviation with e-commerce

Relying on its e-commerce platform “ICBC Mall”, the Bank established poverty alleviation zones, carried out cooperation with e-commerce companies and governments, put in place new poverty alleviation models and made efforts to open up e-commerce channels for poverty alleviation to facilitate both supply and demand. During the reporting period, a total of 3,348 merchants were registered to relieve poverty, covering 494 national-level poverty-stricken counties in 22 provinces, autonomous regions and municipalities, and a total of nearly 200,000 people in registered poor households shared in the benefits. The Bank recorded RMB 440 million worth of transactions for poverty alleviation, of which RMB 390 million was generated from transactions of agricultural and sideline products.

Developing agriculture-related supply chain financing

The Bank completed its connection with 33 provincial-level institutions of National Agricultural Credit Guarantee Alliance, and set up flexible agriculture-related supply chain teams to provide guaranteed loans for agricultural enterprises, as well as people and enterprises engaged in new agriculture field.

ICBC Hunan Provincial Branch made use of ICBC Mall to support poverty alleviation

ICBC Hunan Provincial Branch made every effort to do a good job in targeted financial poverty alleviation by making full use of ICBC Mall. It carried out more than ten poverty alleviation activities by means of selling local specialties such as Kiwifruit, Yellow Peach, Ponkan, White Tea, and Navel Orange originated from Shibadong County, Huaihua City, Xiangxi Autonomous Prefecture, Sangdhi County and Langshan Mountain in Shaoyang City, respectively. The Branch cumulatively registered more than 30,000 orders, and helped more than 6,800 registered poor households in cooperation with ICBC Mall merchants.

Increasing the coverage rate of county-level outlets

As at the end of the reporting period, the Bank established 5,145 county-level outlets to serve agriculture rural areas, and rural residents covering 84.1% of China’s counties, up 0.5 percentage points year-on-year.

Improving financial services to support rural development

The Bank granted more medium- and long-term loans to support infrastructure in rural areas such as roads, water supply, gas supply, environmental protection, power grids, logistics, information, radio and television, promoting the integration and development of the primary, secondary and tertiary industries in rural areas, and strengthened support for industries with rural characteristics, modern agricultural product processing industries and new rural service industries.

ICBC Henan Provincial Branch issued RMB 200 million loans to a processing enterprise of agriculture-related dates products, benefiting tens of thousands of date farmers.

ICBC Lanzhou Branch helped Taochaxian Village sell agricultural and sideline products

The Bank expanded 70 supply chains to provide agriculture-related loans, of which 56 of them were put in place, involving RMB 7.3 billion worth of loans.

ICBC Lanzhou Branch helped Taochaxian Village sell agricultural and sideline products
Supporting consumption related to people’s livelihood

Developing personal consumption and student loans

In order to support consumption for improving people’s livelihood, and help poverty-stricken students accomplish their studies, the Bank actively developed consumption and student loans.

- As at the end of the reporting period, the balance of the Bank’s personal consumption loans RMB 193,516 million

Continuously supporting industries for people’s wellbeing

The Bank continued to pay attention to and support elderly care, healthcare, culture and tourism and other fields, formulated well-conceived plan for the credit market, actively made innovation in financial services, and effectively supported the development of modern service industry.

Elderly care

As one of the first banking financial institutions who joined the “Special Action of Inclusive Care for the Elderly Fueled by Municipal Governments and Enterprises”, the Bank took the lead in formulating and issuing the Credit Policy for Elderly Care Industry.

Healthcare

The Bank actively supported the high-quality development of healthcare industry.

- As at the end of the reporting period, the balance of loans to healthcare industry reached RMB 60,107 million

Providing positive support for modern logistics industry

The Bank positioned the culture and tourism sector as its priority when it came to investment and financing for consecutive years, continuously improved its financial service capabilities and positively met the investment and financing needs in related cultural fields.

Supporting the development of hog industry

The Bank stepped up financial support for the entire hog industrial chain.

- As at the end of the reporting period, the balance of the Bank’s loans to the entire hog industry cumulatively amounted to RMB 15 billion

Culture and tourism

The Bank provided financing support to a nursing agency for the elderly

ICBC Sichuan Chengdu Provincial Branch made a strategic cooperation agreement with Chengdu Research Base of Giant Panda Breeding

As at the end of the reporting period, the balance of the Bank’s loans to healthcare industry reached RMB 60,107 million

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During the reporting period, adhering to the philosophy of leading in innovation, the Bank focused on FinTech, reinforced the technology-driven strategy, fostered a new model of more intelligent online and offline services through in-depth integration of financial services and FinTech, comprehensively built a smart bank system, and became a leader and pioneer in smart finance. The Bank further strengthened the building of green finance system, simultaneously improved economic, social and ecological benefits, and created outstanding value for shareholders, customers and other stakeholders.
During the reporting period, the Bank held the ECOS launch conference in Beijing, opening a new chapter in the building of smart bank.

Following the development trend of FinTech, the Bank focused on the cross-border, cross-industry and cross-sector transformation and development of the Group, upheld the philosophy of "technology driving and innovation empowering", and advanced the building of smart bank at a high starting point. With comprehensive layout of cutting-edge technological fields such as "ABCDI" (A stands for AI, B stands for Blockchain, C stands for Cloud Computing, D stands for Big Data and I stands for IoT), ICBC dependently researched and developed a series of controllable FinTech platforms with core intellectual property, and established the dual-core IT structure attaching equal attention to the host and open platform, largely lifting its swift response in science and technology and iterative innovation capability. "Smart+" has become the hardcore of science and technology, bringing in surging power for transformation and innovation of banks. At such new starting point, the Bank devoted itself in building the "Digital ICBC" to promote the high-quality development of economy, and utilized technology to change finance and create better life with finance.

6766 Industrial and Commercial Bank of China Limited Corporate Social Responsibility Report 2019

Technical driving – leading in innovation

Releasing ECOS

Chen Siqing, Chairman of the Bank, attended the ECOS launch conferenCe and delivered a speech.

"Six symbolic achievements" in ECOS

Building an open and integrated cross-sector ecosystem
The Bank has become the largest comprehensive financial service "provider" in China, and realized the seamless integration of payment, financing, wealth management, investment and other financial products into education, health care, travel, government affairs and other consumption and corporate production scenarios, making financial services as convenient as water and electricity.

Launching the "Smarts+" innovation mode
The Bank strengthened the digital and intelligent application, and created smart services, smart products, smart risk control and smart operations to meet the new expectations and demands of the real economy and the people for financial services.

Building a dual-core IT architecture
The Bank was the first one in the industry to build the core banking business processing capacity based on a distributed cloud platform, making more than 90% of system functions available on open platforms. The system’s transaction performance improved significantly, achieving fast and stable operation.

Achieving highly adaptive and highly resilient support for hot spot scenarios
Through the transformation of IT architecture and the application of new financial technologies, the ability to support high-frequency and complex businesses has been greatly enhanced.

Building a series of enterprise-level FinTech platforms that lead the industry
These platforms include artificial intelligence, intelligent biological recognition, Internet of things services, blockchain technology, etc. The Bank vigorously promoted the integration of emerging technologies and business, formed leading enterprise-level technical capabilities and business application capabilities, and improved the quality and efficiency of financial services.

Forming the modular innovation capability of flexible combination and rapid R&D.
The Bank created a modular R&D system with the largest number of standardized services and the biggest transaction volume in the industry, enabling large banks to respond to market and customer needs more agilely.

Gu Shu, President of the Bank, introduced the ECOS results at the ECOS launch ceremony.
Building an open online account service ecosystem

During the reporting period, the Bank established a panoramic view of accounts for customers through ICBC Mobile, enabling customers to sign, register, query, manage and maintain accounts of other banks through the Internet banking connectivity function, so as to meet customers’ needs for various accounts under the “one-stop” management. The Bank launched the innovative “ICBC e Wallet”, and improved various connectivity services with various Internet companies. With accounts as a vehicle, it established a cooperation model of open account, payment, financing, clearing, wealth management and deposit integration and output based on API and H5.

ICBC e Wallet is the first product in the ECOS project of the Bank, which uses the modeling results of personal account business architecture to complete the development of IT systems. It is also the first Internet retail product based on a distributed architecture, using cloud computing and an open ecosystem.

Improving online smart finance

As at the end of the reporting period, the Bank’s App had 492 million individual users and 146 million ICBC Mall merchant users. The Bank improved customer experience and intelligence in an all-round way, and organically combined installment products with online consumption scenarios.

Improving offline intelligent services

Advancing the integration of online and offline services

During the reporting period, the Bank launched the code scanning at intelligent terminal and card-free face-scanning transactions at the counter, with mobile banking scanning of code as an identification method. It achieved uniform order-based management of transactions such as replacement of card without changing number and credit certification, and realized seamless link of online and offline services.

Optimizing channel layout

As at the end of the reporting period, the Bank had 15,700 domestic outlets, basically all of which are smart outlets. 6.16 billion transactions were handled at ATMs or intelligent teller machines, fully playing the role of replacing the manual processing.

ECOS (Ecosystem)

E : Enterprise-level
C : Customer-centred
O : Open and integrated
S : Smart

ICBC Link
Version 4.0 was launched

The Bank built a scenario cloud platform integrating functions, services and contents to support flexible and rapid expansion and operation of scenarios. A scenario service ecosystem featuring online government affairs, service messengers, sharing centers and enterprise-specific services has been initially established. It established 14,000 public accounts and pushed more than 60 million pieces of scenario-based service information.

ICBC Mall
Upgrading of ICBC Mall Version 2.0

The Bank improved customer experience and intelligence in an all-round way, and organically combined installment products with online consumption scenarios.

Poster of the “November 18 Internet Finance Fan Festival” of the Bank

Poster of the “November 18 Internet Finance Fan Festival” of the Bank
A new generation of smart bank flagship store debuted on Beijing Financial Street

On 31 December 2019, the Bank opened a new generation of smart bank flagship store on Beijing Financial Street. Based on the concept of “finance + technology + ecosystem” integration, this outlet promoted the integration of finance, technology and ecosystem by introducing cutting-edge technologies, such as 5G, artificial intelligence, blockchain and the Internet of things, to create a new generation of smart outlet featuring “technology driving, service collaboration, scenario link and ecological integration”. It implemented smart hall management, smart business processing, smart marketing services, and smart risk control to further improve service quality and efficiency. It launched 105 service scenarios with the features of ICBC Convenience Link, ICBC Convenience Stop, ICBC Global Link, and ICBC VIP Link. It built an open and integrated ecosystem linked by outlets to provide customers with one-stop services; it advanced the integration of manual and intelligent services, online and offline services and remote and onsite services, making financial and pan-financial services “ubiquitous”.

Building the “mega payment” system

The Bank launched innovative cooperation modes, including authentication of third-party payment service operators, one-click card binding services, and “merchant + agency collection”, improving rapid response and efficient collaboration capabilities. The Bank enhanced ICBC e-Payment service capabilities by improving experience, enriching functions and expanding boundaries.

R&D of pilot remote intelligent teller machine

The Bank provided services to customers by audio and video means (setting up a remote professional service team) and onsite biological recognition technology at counters, using audiovisual communication, biological recognition, artificial intelligence, big data and other technologies, and developed solutions to remote collaborative services of smart outlets. The device supported simultaneous handling of more than 200 personal and corporate banking transactions, covering more than 90% of common personal non-cash transactions. It could also provide remote services at any time according to customer needs. So far, the device has been put into services in a trial manner in Beijing, Nanjing and Suzhou branches. It breaks through the restrictions on banking services in terms of transaction media, time, and space.
Value creation -- delivering excellence

Creating value for shareholders

<table>
<thead>
<tr>
<th>Economic Index</th>
<th>Unit</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>RMB100 million</td>
<td>7,760.02</td>
<td>7,251.21</td>
<td>6,756.54</td>
</tr>
<tr>
<td>Net profit</td>
<td>RMB100 million</td>
<td>3,133.61</td>
<td>2,987.23</td>
<td>2,874.51</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>RMB</td>
<td>0.86</td>
<td>0.82</td>
<td>0.79</td>
</tr>
<tr>
<td>Cash dividends</td>
<td>RMB100 million</td>
<td>936.64</td>
<td>893.15</td>
<td>858.23</td>
</tr>
<tr>
<td>Total tax payment</td>
<td>RMB100 million</td>
<td>1,309</td>
<td>1,207</td>
<td>1,165</td>
</tr>
</tbody>
</table>

During the reporting period, the Bank disclosed information by regular report and interim announcement on the websites of Shanghai Stock Exchange and Hong Kong Stock Exchange, and continuously strengthened communication with global investors through official website, newspapers, roadshows and reverse roadshows, shareholders’ general meetings, press conferences in relation to business results, meetings with investors and analysts, meetings with the media, the online platform of sseinfo.com, investor hotline and investor mailbox, official Weibo and WeChat.

Creating value for customers

Relying on comprehensive advantages, the Bank provided customers with integrated financial services by giving full play to the value creation capabilities of such business as wealth management, funds, insurance, pensions and custody.

The Bank gave full play to the license advantages of ICBC Wealth Management Co., Ltd. (ICBC Wealth Management), advantages of market-oriented mechanisms, and leading advantages in the industry, and leveraged equity and creditor’s right as well as multiple financing tools to energetically develop direct investment and standardized investment, so as to effectively meet customers’ personalized, diversified and full-cycle financing needs.

Supply chain management

Requirements on suppliers’ performance of social responsibilities:

- Conducting self-assessment of social responsibility
- Providing social responsibility related qualification and certification information
- Providing government list information

Measures taken by the company in fulfilling social responsibility in respect of environmental protection, energy saving, occupational health and safety, etc. and effect of these measures

IT-based management of suppliers

The Bank managed based on the Bank’s centralized procurement supplier information bank, and actively introduced high-quality suppliers.

Supplier satisfaction surveys

The Bank organized the post-assessment of major centralized procurement projects, and used electronic and systematic means to conduct post-evaluation of nearly 20 categories of products and more than 30 products that had a wide range of applications across the Bank and had great influence. The overall satisfaction rate reached 98.56%.
Green finance

The Bank actively implemented the national green development concept and sustainable development strategy, conscientiously fulfilled the central government’s arrangements and requirements for pollution prevention and control, and regarded green finance strengthening as a key strategy for long-term pursuit. It comprehensively carried out green finance in respect of policy and system, management process, business innovation and its own gave full support to the development of green industries, reinforced the prevention and control of environmental risk, and continuously promoted low-carbon operation. It realized the simultaneous improvement of economic, social and ecological benefits, built the image of a large responsible commercial bank that guides the green finance development of domestic peers.

Green credit

Actively implementing the green credit development strategy

- In 2007
  The Bank took the lead to put forward the concept of “green credit” and energetically advanced the green credit strengthening.

- In 2015
  The Board of Directors reviewed and approved the ICBC Green Credit Development Strategy, which clarified the green credit development goals, organizational management, and construction of the green credit system.

- In 2018
  The Bank issued the Opinions on Comprehensively Strengthening Green Finance, further clarifying the basic principles, key tasks and specific measures of green finance development, and comprehensively deepening and promoting green finance.

Revising and issuing industrial (green) credit policy on an annual basis

The policy guided the entire Bank to give priority to credit business in the field of green economy; regard key indicators, such as corporate craft and technology, environmental protection and energy consumption, as the standards for industry and customer classification and project access, implement differentiated credit policies, and effectively guide the “green adjustment” to the Bank’s investment and financing structure.

Improving green credit classification management

Based on the Equator Principles and International Finance Corporation’s Performance Standards and Guidelines, the Bank classified all domestic corporate customer loans into four grades and 12 categories according to the impact of loans on the environment and the magnitude of environmental risk, so as to carry out dynamic classification and differentiated management of different types of customers and loans.

Improving green credit guarantee mechanism

Special audits of green credit are conducted on an annual basis. During the reporting period, the Bank organized the domestic green credit audits.

As at the end of the reporting period, the Bank’s outstanding green credit granted to energy saving and environmental-friendly projects and services such as ecological protection, clean energy, energy conservation and environmental protection and resource recycling were RMB 1,350,838 million. An increase of RMB 113.08 billion or 9.1% over the beginning of the year.
Strengthening the management of investment and financing environment and social risks

Green credits are subject to one-vote veto system. The Bank built green finance requirements into due diligence, project assessment, credit rating, review and approval, contract signing, fund disbursement and post-lending/investment management, and other procedures to strengthen monitoring, identification, mitigation and control of environmental risk. The one-vote system for green finance is implemented throughout the whole process.

The Bank carried out classified customer management for industries with excess capacity, such as steel and coal, and mainly supported the financing needs of high-quality customers in technological transformation, transformation and upgrading.

As at the end of the reporting period, the balance of loans to five industries with excess capacities decreased by RMB 11.03 billion from the beginning of the reporting period.

Green bond underwriting and investment

During the reporting period, the Bank, as the lead underwriter, accumulatively underwrote six green bonds of various types, with total proceeds of RMB34.4 billion and the lead underwriting amount of RMB7.8 billion.

Guangxi Branch provided financial support for environmental-friendly projects

In light of China’s energy policy, Guangxi Branch of the Bank actively financed green, low-carbon and clean emerging energy and power generation industries. It strongly supported key energy-saving projects, water pollution control projects, comprehensive resource utilization projects, energy saving and emission reduction technology industrialization demonstration and promotion projects, and other environmental-friendly projects of China and Guangxi, and tilted credit resources towards energy saving and environmental protection. The PPP project of No. 3 Sewage Treatment Plant in Wuzhou City is a technology and environmental protection. The PPP project of No. 3 Sewage Treatment Plant in Wuzhou City is a technology and environmental protection. The PPP project of No. 3 Sewage Treatment Plant in Wuzhou City is a technology and environmental protection. The PPP project of No. 3 Sewage Treatment Plant in Wuzhou City is a technology and environmental protection. The PPP project of No. 3 Sewage Treatment Plant in Wuzhou City is a technology and environmental protection.

Overseas institutions actively participated in green syndicated loans

The Bank’s Zurich Branch adhered to the concept of green credit in its business development, paid attention to benchmarking against local peers, and continuously stepped up green credit management and support for the green economy. During the reporting period, Zurich Branch, as the lead bank, participated in the USD1 billion green syndicated loan formed by a company in 2019, and earnestly implemented the green credit management throughout the whole process, including project due diligence, credit review, loan granting and post-lending management. The Bank’s London Branch and Tokyo Branch also participated in the loan.

Guangxi Branch provided financial support for environmental-friendly projects

On 16 April 2019, the Bank, through Singapore Branch, issued the world’s first green Belt & Road Inter-bank Regular Cooperation bond (BBBR Green Bond). This bond was listed on the Singapore Exchange, and denominated in USD, RMB and euro, with the final issuance amount equivalent to USD2.2 billion. All the proceeds will be used to support green asset projects along the Belt and Road, such as renewable energy, low-carbon and low-emission transportation, and sustainable water resources management.

Green bond issuance

On 9 September 2019, the Bank issued the first “Guangdong-Hong Kong-Macao Greater Bay Area” green bond through Hong Kong Branch. The bond was denominated in USD, HKD and RMB, with the final issuance amount of USD3.15 billion. This bond has obtained the pre-issuance green finance certificate conferred by the Hong Kong Quality Assurance Agency (HKQAA). All the proceeds will be used to support green asset projects along the “Guangdong-Hong Kong-Macao Greater Bay Area”, such as renewable energy, and low-carbon and low-emission transportation.

The Bank issued the first “Guangdong-Hong Kong-Macao Greater Bay Area” green bond through Hong Kong Branch.

The Bank, through Singapore Branch, issued the world’s first green Belt & Road Inter-bank Regular Cooperation bond (BBBR Green Bond).

First
The Bank actively promoted compliance with international standards and advocated the concept of sustainable development. In September 2019, as the sponsor, the Bank became one of the first contracted banks of the “Principles for Responsible Banking” initiated by the United Nations Environment Programme Financial Initiative.

In 2019, the Bank was the first financial institution in China to join TCFD.

The Bank organized and promoted the environmental information disclosure of Chinese and British financial institutions. The Bank organized and participated in the compilation of the Standards for Environmental Information Disclosure of Financial Institutions at home and abroad.

**Remarkable achievements made in green office**

With “paperless” office as an important means to promote green development and advocate green and low-carbon office, the Bank actively promoted paperless meeting and training, and established regular statistics system for green office. In 2019, 22 domestic institutions of the Bank launched the paperless meeting system, and PAD devices were used in all the specialized meetings of the Head Office, saving nearly one million sheets of paper which weigh about 4.5 tons throughout the year. The energy saving effect was obvious. Electronic, scenario-based and intelligent office iteration was accelerated. New applications such as office building management, employee health management, and attendance management were developed, mobile office functions were improved, technology applications were strengthened, and office efficiency was continuously improved.

**Consistent efforts were put into energy saving and emission reduction**

**Green operation**

The Bank actively advocated the concept of green environmental protection, strove to promote green office, and practiced the concept of diligence and thrift. The Bank strengthened energy saving and emission reduction, paid close attention to energy management and control, optimized the operation mode of important energy-consuming equipment through technology upgrading and equipment transformation, and deeply widened the space of energy saving. The Bank started on green and environmental protection activities, efﬁciently improved the ecological environment and fulﬁlled social responsibilities. The Bank actively implemented relevant policies on energy saving and environmental protection, did a good job in implementing carbon emission right trading of institutions in Beijing, promoted carbon energy saving and emission reduction, and continued to promote the development of “green bank”.

<table>
<thead>
<tr>
<th>Waste Statistics (Electronic Information Products)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019 Type (pcs)</strong></td>
</tr>
<tr>
<td>Microcomputer (mainframe)</td>
</tr>
<tr>
<td>513</td>
</tr>
</tbody>
</table>

The Bank jointly conducted the stress test of the influence of carbon trading on commercial banks’ credit risk with Beijing Environmental Exchange, and formally released the first carbon pressure test report at the annual conference of the Green Finance Committee of China Society for Finance and Banking in April 2019.

**Vehicle energy consumption declined steadily**

The Bank gradually built a corporate transportation security model that mainly uses its own vehicles and is supplemented by social vehicles, such as online hauled cars. It effectively reduced vehicle energy consumption and steadily improved overall vehicle utilization efficiency.

**Advancing the upgrading of energy saving technology**

The Bank furthered in-depth research on energy management and system transformation, and implemented a number of energy saving transformation projects, such as non-negative pressure water supply transformation, low-nitrogen transformation of direct-fired engines and gas boilers, integration and transformation of equipment rooms and equipment, and facilities, and closed-end cold channel/transformation in the equipment room.

**Strengthening promotion**

The Bank educated and guided employees to enhance awareness of energy saving and environmental protection, innovated energy saving and emission reduction mechanisms, and carried out various kinds of in-depth publicity of energy saving and consumption reduction. It built up and practiced green development concepts, and steadily promoted the implementation of various energy saving measures in work. It tapped potential and reduced consumption through rigorous management.

**Strengthening energy consumption control**

The Bank gradually improved the operation management and maintenance of equipment with large energy consumption, and improved the ventilation efﬁciency and ensured the optimal operation status and efﬁciency of units by descending the cooling tower water temperature in accordance with the outdoor environment; it adopted intelligent building control, time controller and LED energy-saving light sources to continuously improve energy saving.

**Consistent efforts were put into energy saving and emission reduction**

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The Bank is committed to global operation with an international vision, and integrated development at home and abroad. It actively supported Chinese enterprises to “go global”, and continuously improved cross-border and cross-market services. The Bank improved the international business and product system, stabilized the Group’s risk control capabilities, and continued to increase its value contribution. The Bank implemented national strategic requirements, served host countries’ social development, and strengthened international exchanges and cooperation.
Building a new ecosystem of international development

During the reporting period, the Bank constantly built a new ecology of international development, further improved the global network layout, with overseas institutions covering 48 countries and regions, gradually established a global investment and financing system, continuously enriched global financial products and financial service systems, and constantly improved the global risk control system.

International network further improved

As at the end of the reporting period, the Bank had 428 institutions in 48 countries and regions. Moreover, the Bank indirectly extended its reach to 20 African countries by buying stakes in Standard Bank Group Limited (Standard Bank). The Bank actively serves overseas investors from more than 50 countries and regions around the world, meets customers’ needs for investment and trading in the Chinese interbank market, and was awarded the “Award for Contribution to Opening-up” granted by the National Interbank Funding Center, and the “Excellent Settlement Agent” granted by China Central Depository & Clearing Co., Ltd. (CCDC).

Number of overseas institutions

<table>
<thead>
<tr>
<th>Year</th>
<th>Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>419</td>
</tr>
<tr>
<td>2018</td>
<td>426</td>
</tr>
<tr>
<td>2019</td>
<td>428</td>
</tr>
</tbody>
</table>

Total assets of overseas institutions (USD100 million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,586</td>
<td>3,843</td>
<td>4,057</td>
</tr>
</tbody>
</table>

Global Network of Institutions

- **Asia**
  - (Hong Kong and Macau)
    - ICBC (Asia)
    - ICBC (Macau)
  - ICBC International
    - Macau Branch
  - Hong Kong Branch
  - ICBC (Indonesia)
  - Singapore Branch
  - ICBC (Thailand)
  - Seoul Branch
  - ICBC (Thailand)
  - Busan Branch
  - ICBC (Thailand)
  - Tokyo Branch
  - ICBC (Thailand)
  - Doha (QFC) Branch
  - ICBC (Thailand)
  - Dubai (DIFC) Branch
  - ICBC (Thailand)
  - ICBC (Malaysia)
  - ICBC (Malaysia)
  - Hanoi Branch
  - ICBC (Vietnam)
  - Hu Chi Minh City
    - Representatives Office
    - Abu Dhabi Branch
  - ICBC (New Zealand)
  - ICBC (UK)
  - ICBC (Europe)
  - ICBC (Israel)
  - ICBC (Turkey)
  - ICBC (Austria)
  - ICBC (London)
  - ICBC (Canada)
  - ICBC (Mexico)
  - ICBC (Brazil)
  - ICBC (Argentina)
  - ICBC (Panama)
  - ICBC (Peru)
  - ICBC (Mexico)
  - ICBC (Panama)
  - ICBC (Peru)
  - ICBC (Mexico)
  - ICBC (Panama)
  - ICBC (Peru)
  - ICBC (Mexico)

- **Europe**
  - Luxembourg Branch
  - ICBC (Europe)
  - Frankfurt Branch
  - Paris Branch
  - Brussels Branch
  - Amsterdam Branch
  - Milan Branch
  - Madrid Branch
  - Warsaw Branch
  - Greek Representative Office
  - Prague Branch
  - Zurich Branch
  - ICBC (London)
  - London Branch
  - Bank ICBC (UK)
  - ICBC Standard Bank
  - ICBC (Turkey)
  - ICBC (Austria)

- **Americas**
  - New York Branch
  - ICBC (Canada)
  - ICBCFS
  - ICBC (USA)
  - ICBC (Argentina)
  - ICBC (Brazil)
  - ICBC (Peru)
  - ICBC (Mexico)

- **Oceania**
  - Sydney Branch
  - ICBC (New Zealand)
  - African Representative Office

During the reporting period, ICBC (Austria) officially opened. ICBC (Europe) Greek Representative Office and Macau Branch were awarded licenses.

On 21 May, 2019, Chen Siqing, Chairman of the Bank, attended the Grand Opening Ceremony of ICBC (Austria).

In December 2019, the 2019 strategic cooperation meeting of the Bank and Standard Bank Group was held in Johannesburg, South Africa, which further deepened the strategic cooperation between the two banks.

In December 2019, Chen Siqing, Chairman of the Bank, met with South African President Cyril Ramaphosa.

In December 2019, the Bank and the Standard Bank Group held an annual strategic cooperation meeting in Johannesburg, South Africa.
Building a global investment and financing system

During the reporting period, the Bank actively assisted Chinese enterprises in "going global", and steadily pushed forward the construction of overseas financing product lines. The Bank comprehensively enhanced their professional operation capabilities. The Bank had business presence in five continents, i.e. Asia, Africa, Europe, America and Oceania. 94 financial institutions in 51 countries and regions have become members of the normalized cooperation mechanism, and the cooperation between the members has been fruitful.

The Bank supported China-Greece clean energy cooperation

During the reporting period, the Bank and CEEC, British Green Energy Development Agency and PPC Renewable SA jointly signed the agreement on a Greek Minos tower solar-thermal power station project and the Greek clean energy market cooperation in Athens. Regional multilateral financial institutions, with the Bank as the lead arranger, provided financing for the project, which is jointly developed, constructed and operated by Chinese enterprises in conjunction with enterprises in Greece, the UK and other countries. It is the result of the international multilateral cooperation and China-Central and Eastern Europe cooperation framework ("17 + 1" cooperation) in energy field. After the project is completed, it will provide clean, stable and reliable green energy and promote local ecological environmental protection.

Establishing a global product system

During the reporting period, the Bank comprehensively promoted the upgrading and development of domestic foreign exchange business. It built an online and offline integrated transaction banking product and service system featuring local and foreign currency, domestic and foreign trade, focusing on foreign exchange account, international settlement and trade finance products. It has built a series of global financial products such as export credit, structured financing, cross-border M&A, and overseas project financing; established an overseas online financial product system covering personal and corporate internet banking and mobile banking; and launched online financial services in 41 countries and regions, with a total of 14 language services available.

Innovation and development of cross-border RMB business

The Bank leveraged on the Group's global service network and cross-border integrated service advantages to build a cross-border integrated RMB service system of full chain, full product lines and full life cycle, covering settlement, clearing, investment and financing, financial markets, bond underwriting, asset management, asset custody, and cross-border e-commerce. It accelerated the innovation and development of cross-border RMB business.

Building a global risk control system

During the reporting period, the Bank constantly improved the global risk control system, strengthened the consolidated management of subsidiaries, and bettered the country limit management system. It enhanced the global market risk prevention, and pushed forward the application of global advanced risk management technology. The global risk management capabilities continued to improve.

With the support of the PBC and overseas monetary authorities, by the end of the reporting period, the Bank had served as RMB clearing bank for Singapore, Luxembourg, Canada, Katar, Thailand, Argentina and Russia, taking the lead to provide round-the-clock uninterrupted cross-border RMB clearing and trading services worldwide. The Bank engaged in each business actively and orderly, and was widely recognized by local regulators and the entire markets.

As at the end of the reporting period, the Bank’s cross-border RMB business volume exceeded RMB 30 trillion, of which RMB 5.03 trillion (including settlement, trade financing, and RMB purchases and sales) amounted to foreign exchange under capital account.

The cumulative cross-border RMB business of domestic and overseas institutions amounted to RMB 24.8584 trillion.
Supporting local economic and social development

During the reporting period, the Bank’s overseas institutions supported local economic and social development, served local infrastructure construction, promoted local SME development, and served local social development.

Serving local infrastructure construction

ICBC (New Zealand) and ICBC (Asia) jointly supported New Zealand wharf project

ICBC (New Zealand) and ICBC (Asia) provided a NZD120 million loan to Napier Port, the fourth largest port in New Zealand, for its new wharf construction project.

ICBC (New Zealand) and ICBC (Asia) jointly visited Napier Port

Serving local SMEs development

ICBC (Asia) set up a virtual joint venture bank with large institutions

ICBC (Asia) has been actively responding to the call of Hong Kong Monetary Authority for the development of “intelligent bank.” In May 2019, Fusion Bank Limited, a virtual bank jointly established by ICBC (Asia), Tencent, Hong Kong Stock Exchange and other large institutions, successfully obtained a virtual banking license from Hong Kong Monetary Authority. The establishment of this virtual bank aims to serve retail customers and small & medium enterprises, promote the inclusive finance development in Hong Kong, and focus on providing customers with efficient, innovative, secure and convenient virtual banking financial services. As the sole bank shareholder, ICBC (Asia) will cooperate with Fusion Bank Limited in various fields, to provide professional advice on bank operations and management, promote the inclusive finance development in Hong Kong, and provide customers with a more cutting-edge and innovative financial service experience.

Singapore Branch promoted local SMEs development through “ICBC Mall”

In order to build a new bridge between China and Singapore, Singapore Branch closely cooperated with Enterprise Singapore, and helped local excellent SMEs to log on Singapore Pavilion of ICBC Mall. It continued to build unique services, and urged active merchants to launch new products. It worked with agency companies to help Singapore’s SMEs expand Chinese customer market through e-commerce platforms and help more local high-quality enterprises enter the Chinese market.

Serving local social development

Number of local employees of overseas institutions

14,740

Proportion of local employees of overseas institutions

92.05%

The Standard Bank responded to the UN’s “HeForShe” campaign

The Standard Bank actively responded and launched a series of activities to advocate gender equality, adhered to the principle of fair and equitable recruitment, and persisted in the implementation of effective employment policies.

Global market risk management system (GMRM)

In order to improve the Group’s market risk measurement and monitoring and reporting capabilities, the Bank independently developed the Global Market Risk Management System in China. Under the principles of “unified methods, unified measurement and unified systems” in the world, the system was designed to meet the needs of management covering the entire process of market risk identification, measurement, monitoring and control. With the GMRM, the Bank made a breakthrough in risk management methods and measurement techniques, providing systematic support for the Bank’s market risk identification, measurement, risk monitoring and control, and market risk analysis and reporting.

Overseas AML system

In order to enhance the ability of overseas institutions to prevent money laundering risks, the Bank developed and promoted two core AML systems – the Overseas Anti-money Laundering Monitoring System (BRAINS) and the Sensitive Compliance Audit System (COMPASS). They have improved the prevention and control of AML and sensitivity risks and work quality of overseas institutions.

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**Sydney Branch supported hospital project construction**

A hospital project, in which Sydney Branch participated in the loan, is of great significance to the health and medical security of South Australian residents. As the original lead bank, Sydney Branch participated in the whole process of the project demonstration, syndication and follow-up management.

**ICBC (Argentina) supported local agriculture**

ICBC (Argentina)'s agricultural industry service team developed specific products for the industry, appointed corresponding account managers, continuously expanded agricultural financial service channels and reduced financial service gaps. During the reporting period, the team provided foreign exchange and financing services, facilitated farmers to get rich, and helped drive economic development.

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**Enhancing international communication and cooperation**

During the reporting period, the Bank actively strengthened international exchanges and cooperation, and organized, participated in and served a series of large international events with global influence.

**Participating in related activities of the BRICS Business Council and the Sino-German Economic Advisory Committee**

The series meetings of BRICS Business Council in 2019 were held in Brazil. Chairman Chen Siqing attended the signing ceremony of the Council’s annual report, Council meeting and BRICS business forum made a speech.

Chairman Chen Siqing, as the Chinese Chairman of the Sino-German Economic Advisory Committee, presided over the Sixth Meeting of Sino-German Economic Advisory Committee & CEO Roundtable. He also attended the meeting of the prime ministers of the two countries and the entrepreneurs, and was present at the evening banquet and delivered a welcome speech.

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Group photo of BRICS Business Council members

Sixth Meeting of Sino-German Economic Advisory Committee & CEO Roundtable
Holding a series of supporting events of the China-ASEAN Expo

President Gu Shu attended the 16th China-ASEAN Expo and China-ASEAN Business and Investment Summit. The Bank invited domestic and overseas customers, institutions, and international organizations to participate in the event, which promoted the conclusion of cooperation projects and expanded the Bank’s international influence.

Coordinating and serving a series of activities in the China International Import Expo

The Bank earnestly fulfilled its responsibilities as an overseas business partner, organized a number of supporting activities such as the China-Europe CEO Summit, the Economic and Trade Fair for China, Africa and Latin America Cooperation, and the FinTech Forum to provide global, intelligent and professional financial services for the Expo.

Holding China-Africa Economic and Trade Cooperation Conference

The Bank and the Standard Bank Group hosted the China-Africa Economic and Trade Cooperation Conference in Changsha. The Conference promoted the fruitful results of China-Africa economic and trade cooperation in the fields of investment, trade and processing. Nine major projects and 29 cooperation intentions were successfully signed at the Conference.

Gu Shu, President of the Bank, attended and delivered a speech at the “16th China-ASEAN Financial Cooperation and Development Leadership Forum and the Summit of Financial Opening-up for the ASEAN”.

Hu Hao, then Senior Executive Vice President of the Bank (currently Chairman of the Board of Supervisors of China Investment Corporation), gave a speech at the Economic and Trade Fair for China, Africa and Latin America Cooperation.

The Bank gave full play to its own advantages and served the China-Europe CEO Summit by relying on FinTech empowerment.

Signing scene of China-Africa Economic and Trade Cooperation Conference
Pragmatic Transformation and Reform for Development

The Bank adhered to pragmatic transformation and reform for development, and kept pace with the times to maintain vitality in operation. It developed endogenous power based on business transformation, advanced refined management by deepening system and mechanism changes, and promoted product and service innovation with the development of science and technology. The Bank, in line with major national strategies for promoting regional development, provided financial support for Beijing-Tianjin-Hebei region, Guangdong-Hong Kong-Macao Greater Bay Area and Xiongan New Area.
Promoting business transformation

During the reporting period, the Bank continued to promote the transformation of its operating structure and improve the business income structure, vigorously developed capital-light business and fostered the continued growth of intermediary service income. The Bank developed the brand of “ICBC Investment Banking” and continuously deepened the development strategy of mega asset management. The Bank made progress in transformation and development of asset management business, and established ICBC Wealth Management in compliance with new regulations on asset management. The Bank also actively embraced internet finance and gave great impetus to the development of credit card third-party card-linking business.

Vigorously developing capital-light business and fostering the growth of intermediary service income

- Bank cards: RMB47,054 million
- Settlement, clearing and cash management: RMB37,321 million
- Personal wealth management and private banking: RMB27,337 million
- Investment banking: RMB23,860 million
- Corporate wealth management: RMB14,024 million

The Bank’s assets under custody reached RMB16.5 trillion. An increase of RMB240.2 billion or 1.5% year-on-year.

Propelling the development of asset management business

The Bank helped distressed enterprises with financial debt restructuring. The Bank, focusing on such key areas as capital market and industrial M&A, supported the high-quality development of listed companies and integration of industry chain resources. During the reporting period, the Bank granted nearly RMB100 billion for M&A financing, thus backing the funding demand of enterprises for M&A.

Developing the brand of ICBC Investment Banking

ICBC investment banking, following the keynote of “serving the real economy, empowering enterprise development, preventing and controlling financial risks and increasing revenue contributions”, worked harder to push forward service transformation. Three major breakthroughs were achieved in operating mechanism, business mode and regional development.
ICBC Wealth Management was established, in compliance with new regulations on asset management

On 22 May 2019, the CBIRC approved the opening of ICBC Wealth Management. As a wealth management banking company approved to open in the first batch, ICBC Wealth Management’s registered capital was RMB16 billion. It mainly focuses on asset management-related businesses such as public and private offering of wealth management products, and wealth management consulting and advisory services.

It was a major strategic measure taken by ICBC to set up ICBC Wealth Management, so as to focus on the three tasks of serving the real economy, preventing and controlling financial risks, and deepening financial reform, implement regulatory requirements, promote the Bank’s wealth management business to develop healthily and adhere to the origin of asset management.

Advancing the development of third-party payment card-linking business

During the reporting period, the Bank made unremitting efforts to render mobile payment more inclusive and convenient, for the benefit of its customers. In compliance with the requirements of new regulations, the Bank promoted the connection to the NetsUnion platform, to further improve customer experience.

The Bank also introduced third-party payment “one-click card-linking” service and proactively provided customers with special offers, in a bid to promote the rapid growth in transaction volume.

Deepening the reform of systems and mechanisms

During the reporting period, the Bank continued to deepen system and mechanism changes, pushed forward outlet transformation, sped up the construction of intelligent service channels, and continuously improved service in terms of process, quality and efficiency. The Bank accelerated the formation of a new FinTech layout featuring “one department, three centers, one company and one research institute”. The Bank also ushered in a new chapter in developing “ICBC Research” brand and established the Modern Finance Research Institute, boosting the transformation and development of the Group.

Pushing forward outlet transformation

During the reporting period, the Bank’s outlet transformation adhered to the overall work framework which centered on five major projects, namely “improvement and adjustment, burden reduction and empowerment, intelligent transformation, collaborative operation, and ecological construction”.

- Regarding outlet improvement and adjustment

The Bank closely followed the national strategic planning on key development areas, trend of urban economic and financial resources migration, application of FinTech, service extension to enterprises at lower levels and development of county area economy, and actively improved and adjusted outlet layout. During the reporting period, the Bank completed the relocation of 627 outlets.

- Regarding outlet burden reduction and empowerment

The Bank actively carried out outlet burden reduction and empowerment. On the one hand, the Bank took a holistic approach, which greatly improved the effectiveness of outlet employees. On the other hand, the Bank made steady progress in the building of the intelligent operation system and the process improvement of the integration of online and offline services. The R&D, transformation and application of typical personal and corporate business scenarios were completed, with customer experience significantly enhanced.

- Regarding outlet intelligent transformation

The first batch of intelligent outlets in Beijing, Suzhou, Nanjing and other cities were put into operation, winning good reputation among customers and in the industry. The intelligent banking exhibition halls were unveiled at the World Artificial Intelligence Conference in Shanghai and the Smart China Expo in Chongqing, receiving recognition from the industry.

- Regarding outlet collaborative operation

A remote outlet marketing and service collaboration mechanism took initial shape. Online outlet functions based on the mini program “ICBC Service” were constantly improved, with an effort to improve customer experience.

- Regarding outlet ecological construction

The Bank, centering on such scenarios as convenient public service, intelligent city, inclusive finance service to small and micro enterprises and characteristic culture, built an array of demonstration outlets with characteristic service models through “outlet plus”, to constantly enhance professional financial service and social life service capabilities of outlets and provide residents with warm and considerate banking services.

In line with the national strategic planning for key development regions, 63% of the newly-established outlets were in key national development areas including the Yangtze River Delta, the Pearl River Delta, and the Bohai Rim.

In response to the trend of urban economic and financial resources migration, 370 outlets in 84 major cities were relocated, accounting for 59% of the total outlets relocated.

Following the national strategy of poverty alleviation and the development trend of county area economy, the Bank further extended its services to 11 county areas where such services used to be unavailable, of which eight were poverty-stricken counties. This move increased the county area coverage rate and poverty-stricken county coverage rate by 0.5 and 1 percentage point respectively.

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During the reporting period, the Bank’s intelligent service channels covered more customers, with more functions, wider reception, better effects, smarter services and improved process. All domestic ICBC outlets had realized intelligent services, and ICBC (Argentina) and ICBC (Asia) also became the first banks to provide such services within their jurisdictions.

Outlet intelligent service, with a total of 287 service functions, covered all personal banking services and served 430 million customers throughout the year, 25% more than those served through bank counters; its total business volume reached 1.67 billion, a year-on-year increase of 12%.

Intelligent service channels continued to promote the deep integration of technological innovation and financial services. Leveraging financial technologies such as medium-free technology, face recognition, speech recognition, big data and AI, the Bank further improved its service quality and efficiency.

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The Bank boosted online and offline collaboration and multi-business integration.

Face scan, QR code scan and other medium-free services were applied in 52 high-frequency services. Information of 230 million payees on internet banking and mobile banking were integrated and shared in real-time. Further, the Bank enabled customers to apply for cards through online mini program and to receive cards through offline devices.

**Forming a new FinTech layout**

During the reporting period, the Bank quickly promoted the strategic transformation of intelligent banking, set up ICBC Information and Technology Co., Ltd. and FinTech Research Institute, formed a new FinTech layout featuring “one department, three centers, one company and one research institute”, and established its network in AI, blockchain, cloud computing, big data, biometrics, Internet of Things (IoT) and other cutting-edge technologies.

**Establishing FinTech Research Institute**

During the reporting period, the Bank established the FinTech Research Institute, which has FinTech innovation labs in such technology fields as blockchain and 5G, to integrate and enhance the sci-tech innovation capability.

The Bank put into production and promoted the application of enterprise-level robotic process automation (the RPA platform), the first of its kind in the domestic banking industry.

The IoT platform of the Bank was connected to millions of devices and provided massive IoT data support.

The blockchain platform of the Bank saw over 60 core technology breakthroughs. With innovative application in 80 scenarios of six major areas, the industry-influential “ICBC Blockchain plus” brand was created.

The Bank won the Best Financial Innovation Award from The Banker for the fourth consecutive year, the Top Ten FinTech Innovation Award and the Top Ten Blockchain Application Innovation Award.

The Bank had seven sci-tech achievements that won the Banking Technological Development Award of the PBC, of which the ICBC Finance Cloud Construction Project won the first prize.

The Bank was granted the “Best AI Initiative” and “Best Digital Transformation” awards by The Asian Banker.

Establishment of ICBC Technology

On 8 May 2019, ICBC Information and Technology Co., Ltd. ("ICBC Technology"), a wholly-owned subsidiary of the Bank, officially opened in Xiongan New Area, becoming the first technology company in the banking industry established there.

ICBC Technology is an important support for ICBC to implement open transformation of business and IT architecture based on an open financial service concept. On the basis of optimizing existing technology institutions, ICBC accelerated the expansion of its product and service value chain by establishing technology companies, and continuously improved customer service capabilities to form an ecological value system highlighting commercial value and industrial value, social value and public value.

The total number of patents owned by it increased to 603.
Developing the “ICBC Research” brand

On 25 December 2019, the Bank established the Modern Finance Research Institute in Beijing, ushering in a new chapter in developing “ICBC Research” into a brand with global influence. The Bank took practical actions to help build a new type of think tank with Chinese characteristics and served the modernization of national governance system and governance capabilities with ICBC wisdom. The Bank will pool the Group’s research resources and take advantage of external academic strengths to join efforts in such areas as theoretical research, think tank building and deepening reform, to better advise on the decisions and instructions of the central government, national development strategies and reform of the financial system, to provide reference for the Group’s decision-making in strategy transformation, operation and development, and to offer intelligent support to meet the diversified demands of customers.

Advancing business innovation

During the reporting period, the Bank continued to advance business innovation. It focused on financial demands of sci-tech innovation enterprises, and provided them with innovative financial services; it stepped up efforts in product innovation and issued a range of distinctive credit card such as ICBC Zodiac Credit Card to meet demands of different customer groups; it promoted the reform of private banking business to continuously satisfy characteristic financial service needs of high net worth customers including wealth inheritance; it gave more financial support for the implementation of regional strategies.

Establishing Financial Service Centers for Sci-tech Innovation Enterprises

The Bank’s Financial Service Center for Sci-tech Innovation Enterprises (“Sci-tech Innovation Center”) focused on financial service demands of sci-tech innovation enterprises and specialized in marketing management, product innovation and approval of investment and financing. Sci-tech Innovation Centers had professionals and specialized mechanism, created an operation mechanism integrating “professional marketing service system, exclusive financial product system and dedicated investment and financing appraisal system”, and worked hard to innovate financial service system and mechanism for sci-tech innovation enterprises. During the reporting period, the Bank set up a financial service center for sci-tech enterprises in Guangzhou, forming a new economic customer service framework of three financial service centers for sci-tech innovation enterprises in Shenzhen, Shanghai and Guangzhou plus 20 new economy featured sub-branches.
Shanghai Sci-tech Innovation Center

Focusing on sci-tech innovation, the Shanghai Sci-tech Innovation Center made progress in development of system and mechanism, marketing promotion, mode exploration, product innovation, linkage between investment and loan by taking the chances of Ling-gang Special Area of China (Shanghai) Pilot Free Trade Zone, STAR Market, and Yangtze River Delta Integration.

Shanghai Sci-tech Innovation Center attached importance to leading sci-tech innovation enterprises, expanded sci-tech innovation financial ecosystem and innovated intellectual property mortgage and financing product and financial service for full life circle of sci-tech innovation.

Guangzhou Sci-tech Innovation Center

During the reporting period, Guangzhou Financial Service Center for Sci-tech Innovation Enterprises and Guangzhou Technological Sub-branch were established. The Guangzhou Sci-tech Innovation Center took the lead in founding Guangzhou Technological Finance Investment and Loan Union, initial members of which included 17 major institutional investors and banking institutions in Guangzhou, to support the development of sci-tech innovation enterprises in Guangzhou by joining forces of all members. During the reporting period, the Bank opened fund-raising accounts for all enterprises successfully listed on the STAR Market in Guangzhou. The Guangzhou Sci-tech Innovation Center rolled out “Technology Pooling Loan”, providing matched and needed financial service for sci-tech innovation enterprises.

Putting more efforts in product innovation

During the reporting period, the Bank sped up efforts in product innovation. Grasping the operation rules in the new era, the Bank actively explored intelligent transformation development based on FinTech, focused on five driving factors, namely, product, procedure, channel, risk control and account, and promoted the sound, steady and sustainable business development.

Opening “ICBC Contactless Payment”

In September 2019, the Bank released “ICBC Contactless Payment”, a brand-new product system based on intelligent transport, in eight places including Beijing, Zhejiang and Sichuan. The system consists of three products, ICBC Car License Payment, QR Code Payment, and Password-free Payment. Customized solutions can be provided according to specific demands of customers. As at the end of the reporting period, the Bank had about 400 cooperation projects in the fields of highways, airports, urban roadside parking, large commercial centers and gas stations across the nation, fully realizing the online and offline financial services covering “driver, vehicle, parking lot and road.”

Figure Paying Parking Fee through Contactless Payment in Bejing Capital International Airport

On 10 December 2019, Guangzhou Technological Finance Development Forum entitled “ICBC Sci-tech Innovation & Enjoying a Better Future” was held by Guangzhou Sci-tech Innovation Center.
ICBC Zodiac Credit Card

ICBC Zodiac Credit Card is a financial product integrating the excellent traditional culture of Chinese nation and modern fashion, themed on oracle bone inscriptions and Chinese zodiac, marking the first time for the Bank to apply traditional cultural elements to its product. In April 2019, ICBC Zodiac Credit Card was granted the “Gold Medal for 2019 Most Popular Card” in Elan Awards, the Oscar’s equivalent for card development excellence.

Launching “ICBC e Corporate Payment”

During the reporting period, the Bank promoted the unified brand of corporate online payment “ICBC e Corporate Payment” with great efforts, embedded it into the payment links of various trading platforms, and adopted the cooperation mode of “platform managing transactions and bank managing payment”, with a view to providing corporations with online settlement service featuring “safe capital, convenient procedure, controllable risk”. Depending on the opening and component-based design philosophy, “ICBC e Corporate Payment” can be used in many scenarios including corporate commodity trading, public resource procurement, cross-border e-commerce, bulk commodity, corporate payment by flexible combination of payment method, payment feature and payment tool according to characteristics of different industries.

Advancing the reform of private banking business

During the reporting period, the Bank conducted comprehensive transformation of private banking business.

Business positioning transformed from asset management to private banking

Service mode transformed from single product sale to integrated service

Value demand transformed from serving wealth creation to serving wealth retention and wealth inheritance

Professional service transformed from part-time service to full-time service

Implementing regional strategy

Financial service to Beijing-Tianjin-Hebei regional strategy

The Bank paid much attention to the coordinated development of Beijing-Tianjin-Hebei region and continued to increase financing for traffic integration, ecological environmental protection, industry transformation and upgrade, and people’s livelihood in the Beijing-Tianjin-Hebei region. To meet the financing needs in relocating non-capital functions out of the densely populated city center, the Bank launched “Beijing Non-capital Functions Relocation Loan” to give strong support for projects in the relocation, such as urban infrastructure, public utilities, industry cluster district, shantytown transformation and new city construction.

The Bank entered into strategic cooperation agreements with the governments of Beijing, Tianjin, Hebei, etc. to support a number of significant projects, including Beijing Daxing International Airport and airport economic zone, the intercity railway and expressway in Beijing-Tianjin-Hebei region.
Financial service to Guangdong-Hong Kong-Macao regional strategy

The Bank clarified the roadmap for the financial business development of branches in the Greater Bay Area, formed a company line joint meeting system, set up a flexible team, strengthened information exchange of key projects in the Greater Bay Area, and performed dynamic management of the project information base. To promote the convenience of people’s livelihood in Guangdong-Hong Kong-Macao Greater Bay Area, the Bank released businesses “Bay Area Service Connect” and “Bay Area Account Connect”, opened the column “Greater Bay Area Life Circle” on ICBC e-Life, and issued the cross-border promotion brand “Enjoying Shopping in the Greater Bay Area”. The Bank concentrated efforts to build series of products such as “ICBC Guangdong-Hong Kong-Macao Greater Bay Area Virtual Credit Card” and “ICBC Guangdong-Hong Kong-Macao Greater Bay Area Debit Card”.

Supporting Yangtze River Delta Integration

On 10 October 2019, the Bank held an activity entitled “Concentrating efforts in the integration, focusing on high quality, giving financial support for Yangtze River Delta” and issued the Action Plan of Industrial and Commercial Bank of China for Providing Financial Support for Yangtze River Delta Integration. The Bank actively played its leading role in serving the local economy and proffered high quality and effective financial service to investment and construction of major projects, development of small and micro and private enterprises, improvement of people’s livelihood in the region. The Bank established over 3,000 branches in the Yangtze River delta region, including the Financial Service Centers for Sci-tech Innovation Enterprises at the Head-Office level and six new market featured branches, to collaboratively support the building of innovation-oriented industry system.

Financial service to Xiongan New Area strategy

ICBC Technology signed the memorandum of cooperation on the day of its opening with Xiongan New Area. By making full use of blockchain, big data, AI, Internet of Things and other new technologies, ICBC Technology developed totally 11 projects such as “Xiongan Demolition Fund Management Platform”, “Xiongan New Area Construction Project Fund Management Blockchain Platform”, involving intelligent public service, intelligent social security, construction fund management, land acquisition and demolition fund management, etc. It built intelligent scenic area, intelligent education, intelligent medical care and other scenarios related to people’s livelihood, connected New Area government, enterprises and residents, and offered “financial + technological” support for the construction and development of Xiongan New Area.
Security, Prudence and People-Oriented

—— Strengthening Foundation by Risk Control, and Promoting Development through Talents

“Security, prudence and people-oriented” is the foundation for the long-term prosperity of a bank. The Bank always practises the corporate culture of “Integrity Leads to Prosperity”, and sticks to the work philosophy of “strengthening foundation by risk control, and promoting development through talents”. While positively responding to the latest challenges from financial regulatory changes and market environment, it strictly adhered to the risk bottom line, and enhanced the recognition of employees by taking care of staff growth, for the purpose of safe operation and steady development.
During the reporting period, with adherence to the philosophy of “seeking progress while ensuring stability, seeking change while progressing, bottom-line thinking, and awareness of opportunities”, the Bank fulfilled the main responsibility for risk prevention and control, and persisted in changing risk control strategies over time and according to circumstances; hence its risk control capability was constantly improved, and the foundation for business development was continuously consolidated.

As at the end of the reporting period, the NPL ratio, which was 1.55% lower than that at the beginning of the period, recording the largest annual decline in the past three years and decreased for 12 consecutive quarters.

Comprehensively strengthening the foundation for basic management

The Bank intensified the management of basic rules, improved product management mechanism, strengthened rigid loan management, and promoted the building of a new generation of credit information system.

Steadily advancing the structure adjustment of loans, including re-lending

The actual amount of new loans exceeded RMB3 trillion in the year, which propelled the strategic structure adjustment of loans, effectively propelling the development of the real economy, and improving the efficiency of credit resource utilization.

Intensifying liquidity credit risk management

By fully researching and judging the factors affecting internal and external liquidity risks, the Bank strengthened the monitoring, and properly carried out liquidity risk management at key time points, thus effectively guaranteeing the stable operation of liquidity and the smooth and orderly payment for customers.

The Bank coordinated liquidity risk management, cemented the liquidity risk management of consolidated institutions, planned the layout of assets and liabilities, enriched and improved methods and technical tools, to enhance the Group’s ability to resist liquidity risk.

Tightening up operational risk management

The Bank improved the Group’s operational risk appetite transmission mechanism. It actively mobilized the initiative of the Group’s institutions to adopt the “One Policy for One Branch” on a trial basis, and apply the classified, multi-level and differentiated management.

The Bank pushed forward forward-looking control of major risks and migration of risk resolution. It exerted the synergy effect of operational risk control with “three lines of defense” in key risk areas, important control links and key risk control tasks. Moreover, The Bank improved the whole-process management of large-value operational risk events in domestic branches, and tracked the risk events one by one.

The Bank promoted the transformation of system building and improved the efficiency of services for the Group. During the reporting period, the “Advanced Operational Risk Measurement System” was upgraded to the “Operational Risk Application Management System”, and the Group’s operational risk management was transformed to “emphasis management”. According to the requirements of the CBIRC on effective data aggregation and risk reporting principles, the systematic reporting was realized for the operational risk data of acquired institutions, and the data aggregation process of ILD and KRI was optimized, thus consolidating the quality basis of the Group’s operational risk data.

By applying risk measurement technologies and capital management methods, the Bank continuously explored and actively innovated some aspects including risk measurement technologies and capital management methods, to enhance the efficiency of capital use and promote the transformation of system building and improved the Group’s operational risk management.

During the reporting period, the Bank’s risk management system for financial market business such as market risk management, pre-transaction risk control and product control, and counterparty credit risk management covered the entire group.

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While progressing, bottom-line thinking, and awareness of opportunities”, the Bank fulﬁlled the main responsibility for risk prevention and control, and persisted in changing risk control strategies over time and according to circumstances; hence its risk control capability was constantly improved, and the foundation for business development was continuously consolidated.
Preventing and mitigating imported risks

The Bank well controlled customer access, clarified the rules for access of cooperative institutions, and incorporated business limits of cooperative institutions into the Group’s limit management system for unified limit management.

The Bank collated existing customers and intensified efforts in identifying customers recorded on P2P platforms, financing or private financing, and strengthened early warning and risk reminders, to reduce the external risk impact.

The Bank further clarified the impact of external risks on underlying assets and financial market, strengthened the building of risk monitoring platforms, and expanded the monitoring coverage.

Refrining enterprise risk management

During the reporting period, the Bank improved its enterprise risk management system, standardized the Group’s risk appetite and limit management. According to the latest domestic and foreign regulatory requirements, it completed the annual update of recovery and resolution plan, properly conducted regulatory and internal stress testing, and promoted the implementation of risk management in branches.

Reinforcing risk appetite management of the Group

During the reporting period, the Bank tightened up the management of country limits, optimized the multi-level country risk limit system, carefully approved limit for different countries, and considered the overall balance of business development and country risk management.

Improving country risk limit management

During the reporting period, the Bank continued to reinforce the consolidated management of the Group, propelled the penetration of investment and financing business in non-bank subsidiaries, and carried out risk investigations in key non-bank subsidiaries, so as to optimize their risk limit system and operational evaluation scheme, and intensify the consolidated management for tier-two subsidiaries.

Strengthening the risk penetration and consolidated management of subsidiaries

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Promoting development through talents——people-orientation

During the reporting period, the Bank continuously built platforms and created conditions for staff growth. By adhering to the principles of “people-oriented, everybody’s responsibility, being kind to others, and human effort being the decisive factor”, it established a scientific mechanism to promote staff growth, and provided diversified career paths for employees. Besides, the Bank laid stress on trainings, to drive the unification of staff growth and corporate development.

During the reporting period, a total of 43,800 training sessions were held, with 5.31 million person-times, which provided necessary training support for enhancing employees’ ability to perform their duties.

Enhancing the value of talents

The Bank conducted the training on strategy transmission and introduced advanced career development training. For credit customer managers, the quality model and learning map on corporate and personal credit was developed; for investment banking, internal control and other positions, the core talent training program was implemented; for outlet heads, customer service managers, operation supervisors and personal customer managers (wealth managers), training programs were carried out in consultation with outlet transformation and labor portfolio optimization and series of standardized courses and micro-lectures were developed.

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Targeting at the building of a “learning” bank, the Bank built a staff training system that combined domestic and overseas institutions, online and offline channels, professional competence and adaptive trainings based on operational transformation, business development and staff needs. It launched a mobile knowledge management platform, to provide integrated online learning services covering “searching, asking, learning and using”. Besides, the professional qualification certification mechanism was optimized, and the R&D of textbooks and cases was strengthened, knowledge management and application was improved.

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During the reporting period, domestic institutions of the Bank conscientiously implemented the Labor Contract Law and relevant national laws and regulations, and constantly established and improved various employment rules. It paid social insurance and housing provident funds for domestic employees in full and on time. Besides, relevant labor contracts or agreements were signed with local employees of overseas institutions in accordance with the requirements of local policies and regulations.

**Strengthening team building**

During the reporting period, the Bank organized training courses and pilot demonstration classes for young and middle-aged managers, to accelerate the growth of outstanding young talents. Outstanding talents were assigned to key strategic development areas in the country, poverty alleviation frontlines and troubled branches, for them to accumulate experience at key positions; in addition, the process management was enhanced, and results were tracked, to continuously improve the relevance and effectiveness of practical exercises.

The Bank prepared a work plan for the building of core talent team including corporate credit customer managers, to determine the scope of talent candidates, strengthen the building of talent team for credit business line, and continuously enhance the Bank’s credit operation level. Besides, more human resources were allocated to emerging businesses such as FinTech, to propel the training of international talents, and achieve positive results in the building of professional talent team.

**Optimizing talent structure**

During the reporting period, a position labelling system was established for employees of the whole bank, to clarify the distribution of personnel at all levels and in various professions, and provide employees with multi-channel career development paths, with the focus on their growth. For the employees at different positions and echelons with different capabilities and different ages, targeted career design and capability trainings were carried out to provide solid support for employees’ growth and help them achieve long-term career development. The management of job rank systems was continuously strengthened and improved, to establish and improve a career development model with “vertical promotion and horizontal communication” that covers different job categories.

**Strengthening humanistic care**

**Advancing democratic management**

The Bank convened an interim session of the First Employees’ Congress of domestic institutions in the form of onsite meeting plus videoconference, organizing employee representatives of the whole bank to elect employee supervisors by secret ballot. The Bank improved the system of Employees’ Congress continuously, with over 40 applications approved during the reporting period, and more than 30 grassroots institutions instructed to hold the employees’ congress as scheduled in the established agenda in accordance with laws and regulations, to ensure the orderly performance of work related to the Employees’ Congress at tier-two branches and institutions of above level.

**Protecting the legal rights and interests of female employees**

During the reporting period, the Bank constantly improved the protection mechanism for female employees’ rights and interests in China, strictly implemented the laws and regulations on protection of female employees’ rights and interests, and clarified the right of taking holidays for female employees during the pregnancy and maternity, making significant contribution for the Bank’s harmonious development.
Caring for physical and mental health

The Bank organized domestic employees to receive annual health check-ups. The building of various cultural and sports associations were cemented, and various sports and fitness activities were carried out, such as basketball, table tennis, Tai Chi and walking. For the purpose of actively participating in the sports games for staff of central government and state organs, 195 employees were organized to take part in 15 sports events in the three major categories of ball, track & field and mass sports, and won the outstanding organization award.

Domestic staff unions at all levels within the Bank actively carried out various forms of care activities such as psychological counselling, sending blessings in spring, cool in summer, health in autumn and warmness in winter, to promote the physical and mental health of employees.

The Head Office held the first collective wedding themed with “Weddings Blessed by ICBC, Stay Together for the Rest of Life”

On the morning of 27 October 2019, the Bank held a collective wedding for 35 couples at the central garden of the Head Office building, with the theme of “Weddings Blessed by ICBC, Stay Together for the Rest of Life”. Chairman Chen Siqing addressed as the presider of the wedding ceremony. The 35 new couples represented the 35-year history of the Bank. Over the past 35 years, the Bank has kept pace with the reform and opening up and advanced with the times. It has gone through a course of development from a small bank to a large one and from local to global.
Emphasis on awards and honors

To intensify the incentives with honors, the Bank held the ICBC global campaign themed “ONE ICBC, ONE FAMILY” and the 2019 award ceremony. During the event, all the bank leaders and senior management members jointly presented awards to the winning representatives of “Touching ICBC”, “Innovative ICBC”, “ICBC Craftsmanship” and “Serving the China International Import Expo”. The success of the ceremony conveyed the values of “ONE ICBC, ONE FAMILY” in different dimensions, and demonstrated the spirit of “fighter + doer”, innovative cultural characteristics, and integrated cultural consensus of the Bank’s employees in the process of promoting global operations from multiple perspectives, which deepened our understanding of the Bank’s common value pursuit, development vision, and corporate governance standards followed by the Bank’s institutions at all levels.

Promoting cultural integration

Adhering to the “equal, open, respectful and integrated” philosophy, the Bank was committed to facilitating multicultural exchanges and cross-cultural management among employees of different nationalities. It established a mechanism of exchange and learning in domestic institutions by outstanding local employees of overseas institutions, constantly strengthened local employee training, and provided more opportunities for local employees to learn business, understand ICBC and China, so as to enhance cultural integration and the Bank’s capability in corporate culture building on an ongoing basis.

Employees of ICBC (Moscow) were organized to watch a Chinese ballet “Confucius”

Seoul Branch held the Employee Games

Continuously Propelling Personnel Exchange Program with Standard Bank

In 2016, the Bank and Standard Bank Group signed the Agreement on Cooperation in the Main Framework of Employee Exchange Plan, initiating the personnel exchange program between the two banks. As at the end of reporting period, the two parties had exchanged a total of 42 employees, covering more than 10 business lines, which boosted the exchange and reference of the two banks in terms of business philosophy, corporate culture and business development, reinforced their exchange and cooperation in the key areas, and cultivated a number of international talents for the two banks.

ICBC (Argentina) fully absorbed local talents

As at the end of reporting period, there were 3,744 local employees, accounting for 99.18% of the total employees of ICBC (Argentina). There were 15 senior management personnel, 7 of whom were local senior management members. The move not only built a ladder for localized operation, but also provided local jobs. The following picture shows that local employees at the first intelligent outlet of ICBC (Argentina) are providing services for customers.
Targeted Poverty Alleviation

During the reporting period, the Bank enrolled more people to the Leading Group and made relevant work plans. Chairman Chen Siqing presided over several meetings of the Leading Group and made arrangements for precision poverty alleviation. In August and October, Chairman Chen Siqing paid visits to four counties and cities in Sichuan, for which the Bank shoulders the responsibility of poverty alleviation. Senior Executive Vice President in charge also visited these counties twice to better communicate with farmers and provide suggestions on their work.

During the reporting period, RMB113 million were invested (donated) for targeted poverty alleviation. Helped to introduce in RMB36.39 million. Trained 19,253 front-line officials, Trained 18,260 technical personnel. Purchased RMB104 million worth of agricultural products from poverty-stricken areas. Assisted poverty-stricken areas in selling RMB360 million worth of agricultural products.

In October 2019, Chen Siqing, Chairman of the Bank, accompanied by Mr. Li Yunze, Vice Governor of Sichuan Province, visited poverty-stricken households in Jinyang County of Sichuan Province for targeted poverty alleviation research. Jinyang County is the only one of extreme poverty among the four counties and cities. To help it shake off poverty, the Bank made all-out efforts to provide it with favorable policies, quality personnel resources and funds.

- the Bank gave full play to the role of financial methods. ICBC Liangshan Branch and Jinyang County signed a cooperation agreement to jointly develop a risk compensation mechanism, providing credit support and financial services for small and micro enterprises, individuals and farmers in Jinyang County.
- the Bank increased fund input. During the reporting period, the Bank released RMB79.97 million to Jinyang County, more than three times the sum of funds in the past three years.
- the Bank placed emphasis on prominent problem and provided transport subsidy. The Bank made coordinated efforts to settle leading agricultural enterprises in Jinyang County, and forged an industrial architecture in which cooperatives, family farms and farmers can closely cooperate with each other based on a stable cooperative relationship, so as to give development a fundamental trust.
- the Bank coordinated efforts to attract leading enterprises to settle in. The Bank made coordinated efforts to settle leading agricultural enterprises in Jinyang County, and forged an industrial architecture in which cooperatives, family farms and farmers can closely cooperate with each other based on a stable cooperative relationship, so as to give development a fundamental trust.
- the Bank focused efforts to ensure rural poor people do not have to worry about food and clothing and have access to compulsory education, basic medical services and safe housing. It input RMB1.3 million to sponsor poor students, train rural school teachers and award those who made outstanding contributions. It released another RMB3 million to build hope primary schools and assist students so that they can receive education in schools nearby.
Coordinating financial resources and creating a powerful synergy with both domestic and overseas efforts

The Bank creatively applied the "Bank+" mode for poverty alleviation

- The Bank joined hands with a number of institutions, applied pilot feed cost and meteorological index insurance products to livestock and poultry breeding and characteristic planting industries in the four counties and cities, thereby reducing their operational risks and stabilizing income for local farmers and enterprises. During the reporting period, the Bank input RMB3.5 million worth of insurance fees, benefiting 16 leading enterprises in breeding and planting industries in four counties and cities, as well as 455 registered poor households.

- The Bank gave full play to its rich customer resource

  Based on its understanding of the four counties and cities’ needs in introducing enterprises, the Bank grasped their demands in attracting investment and business and formulated a project reserve list. It staged "E-Intelligent think tank", a self-developed no-charge service platform, to release quality information distribution channel for impoverished areas and help them in resource matchmaking. Through this way, the Bank assisted four counties and cities in going out and attracting enterprises, meanwhile, the Bank invited quality enterprises to pay field surveys. In 2019, four agricultural leading enterprises settled in four counties and cities, bringing an investment of RMB579 million.

- The Bank further tapped into its strength in globalization

  The Bank integrated domestic and overseas resources and organized 15 overseas institutions to donate over RMB3.10 million to targeted counties and cities of poverty alleviation by themselves, introducing external customers' public resources or other means. ICBC (Asia) and Dubai (DIFC) Branch granted RMB70.00 million cross-border loans to Sichuan Bazhong Transportation (Group) Co., Ltd., Dazhou Central Hospital and other poverty alleviation projects to support their local project construction. The Bank also actively brought in training resources from foreign-funded peers to provide education support for targeted counties of poverty alleviation.

Stimulating both supply and demand to strengthen consumption-based poverty alleviation

- On the supply side, in dealing with problems in poverty-stricken areas such as dispersed agricultural products, low level of standardization, and merchants failing to meet the access threshold of large e-commerce platforms, the Bank made full use of its e-commerce platform, and implemented a quick access mechanism for merchants in poor areas, so that they can settle in the platform in a short period of time. Meanwhile, such merchants were exempted from service charge and security margins.

  To stimulate demand, the Bank strove to build direct channels to enable the purchase of poverty-alleviation agricultural products via e-commerce platforms. It joined efforts with external customers, set up online purchase zones on e-commerce banking platforms and strengthened linkage between production and sales, and purchased a large number of agricultural products from counties in poverty. The Bank fully motivated merchants and dealerships on e-commerce platforms to buy products for poverty alleviation and broaden sales channels for such products.

Carrying out recruitment to alleviate poverty through employment

- The Bank continued to recruit impoverished college students. It stipulated that a full-time college-to-university degree is the least education level requirement for college students who come from registered poor households or receive national scholarships for poor students. For the past three years, the Bank has recruited a total of 1,482 college students from poor households.

In November 2019, Liao Lin, Senior Executive Vice President of the Bank, went to Yunnan to attend the Targeted Poverty Alleviation Seminar of Central Financial Institutions

Li Xingke, the Major Secretary of Lijiaogou Village, Wanyuan City, dispatched by the Bank, visited underprivileged children

KICB caring creek bridge in Wanyuan City, Sichuan
Helping those who have no access to fundamental education and healthcare

Upholding the people-oriented approach, the Bank focused efforts to help those who have no access to fundamental healthcare and education, which is conducive in the long run.

With respect to poverty alleviation through education, the Bank made great efforts in brand sponsorship projects such as the Candle Program and the Sailing Program for training and commending 800 excellent teachers and extending financial support to 420 college students, and providing long-term company and assistance for 500 outstanding students at the stage of compulsory education from impoverished households. Meanwhile, the Bank introduced Tsinghua University and NetEase Online Open Courses to provide high-quality education and training resources to the poverty-stricken areas through satellite television and Internet.

With respect to poverty alleviation through healthcare, the Bank joined hands with Beijing Tongren Hospital and other medical institutions to test eyesight for 800 children, and archived their test result. It worked together with the China Population Welfare Foundation to launch a project to facilitate healthcare access in rural communities, upgraded clinics and trained doctors for impoverished areas to improve the primary-level healthcare system.

Tubishiluo and Tubiaxia, sisters from registered poor households in Jinyang County, both received financial support from the Bank regarding college tuition. Tubishiluo, the elder one, got into college with high scores and Tubiaxia, the younger one, now works in ICBC Liangshan Branch through the 2019 recruitment program targeted for impoverished college students. Thanks to the Bank’s poverty alleviation efforts based on education and employment, the two sisters and their family have shaken off poverty.

Yang Kaisheng, former President of the Bank, supported poverty alleviation with his camera and donated books worthy RMB400 thousand in the name of “a retired employee of ICBC” to over 20 primary schools in Tongjiang County, Nanjiang County, Wanyuan City and Jinyang County of Sichuan Province, which were the poverty alleviation targets of the Bank.

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Domestic Public Welfare Undertakings

Hours of voluntary activities 194,876 Hours
Number of voluntary activities 9,746 Quantity
Person-times of volunteer activities 112,714 Person-times

The fifth session of "Eyes Care Action"

In August, the Bank, together with volunteers and medical teams, performed preliminary vision screening for more than 40,000 children from 38 schools in Usha in October, the "Eyes Care Action" group, composed of medical personnel and volunteers, checked the eyesight of 830 children from 27 schools in Wanyuan City, and conducted follow-up eye exams on 9,300 children from Usha who failed the preliminary screening. More than 100 employee volunteers from the Bank’s 28 institutions joined this public welfare campaign.

The third session of "ICBC Scholarship" campaign

During 99 Giving Day, the Bank and China Youth Development Foundation launched the third session of "ICBC Scholarship" campaign on the Tencent Public Welfare platform to publicize and raise funds for students at the stage of compulsory education who come from impoverished households in counties of the Bank’s targeted poverty alleviation. Through fund raising and matching, a total of RMB683,000 was raised during this campaign and forwarded to 683 poverty-stricken students in Wanyuan City in October.
“ICBC Vision Care” – Lifeline Express

“ICBC Vision Care” is the Bank’s social welfare brand project, which includes a series of public welfare activities. “Lifeline Express” is one of the well-known ones.

“Lifeline Express”, a hospital train project, was initiated by China Lifeline Express Foundation, with a view to treating patients suffering from cataract in poverty-stricken areas. During the reporting period, the Bank donated RMB4 million to “ICBC Vision Care – Lifeline Express Jilin Siping Station”, to perform free surgery on 1,221 cataract patients there to help them regain sight. Based on this, the Bank, for the ninth time, was awarded Vision Care Contribution Award at China Lifeline Express Foundation’s 2019 Award Ceremony.

The Bank has cumulatively donated RMB26.4 million through the hospital train project since 2008, carried out medical treatment campaigns in eight provinces including Guizhou, Inner Mongolia, Yunnan, Henan, Shanxi, Jilin, Gansu, and Sichuan, and helped more than 11,000 impoverished cataract patients regain their sight. In addition, the Bank donated for the building of four ophthalmology centers in Hohhot, Inner Mongolia, Chuxiong, Yunnan, Bazhong, Sichuan and Siping, Jilin, to improve medical devices and treatment there, thus giving local people a “Lifeline Express” that will never drive away.

The Bank also set up a social welfare donation channel on internet banking and ICBC Mall.

On the occasion of the 48th “June 5” World Environment Day, the Bank rolled out a public welfare plogging activity themed “ICBC Youth Power – Promoting Green Finance in Campus”. About 5,500 young volunteers from the Bank and more than 17,000 college students took part in this activity by means of running, organizing flash mobs or charity fairs, with an aim to raise public awareness of environmental protection. Meanwhile, in response to the theme for 2019 World Environment Day, “Beat Air Pollution”, the Bank published the Environmental Protection Proposal, and called on people to not dump the waste into the river, not use phosphorus laundry detergent, not throw away used batteries; use less plastic bags, paper napkins, and disposable wooden chopsticks; and promote the idea of environmental protection to their family for once, participate in one environmental protection campaign and do their parts in environmental protection.

A blood donation campaign organized by ICBC Liaoning Fuxin Branch

ICBC Tibet Qingzheng Sub-branch carried out volunteer activity at Joyce Nursing House

ICBC Guizhou Provincial Branch dispatched a team composed of young volunteers to Pu’an County, Qianxi Nanzhou, Guizhou, for financial knowledge publicity. The team provided local people with financial knowledge regarding anti-financial fraud, anti-money laundering, and anti-counterfeit money, as well as safety tips for using cards. They taught local people how to recognize counterfeit money, gave examples related to such scenarios as salary remittance and lack of money to buy cars, and used easy-to-understand language to help them understand financial knowledge that is useful in their daily life, so as to help them keep their money safe.

On 30 September 2019, the 15th Love Around Library sponsored by ICBC-AXA was put into service in Ancient City Hope Primary School, Xuyi County, Jiangsu
**Overseas Public Welfare Undertakings**

**Charity sale**

Tokyo Branch made active efforts to carry out charity fairs and targeted donations, raising RMB23,000 to support local environmental improvement projects. It also mobilized other institutions to join its course and as a result, RMB10,000 was donated to help solve problems facing local residents by improving local transportation and education. The Branch organized the “2019 ICBC Table Tennis Friendly Match.”

**Charity activities**

ICBC (Thai) carried out charity campaigns for two consecutive years, through which financial support was extended to over 70 outstanding college students who come from impoverished households in Thailand, in an endeavor to help them get better academic performance by easing their financial burdens. The photo showcases the person in charge of ICBC (Thai) granting financial aid to poor college students in October 2019.

During the reporting period ICBC (Argentina) actively devoted itself in social welfare undertakings and rolled out a raft of charity donation campaigns. It set up a “donation box” on each office floor, gave more than 500 school supplies to six institutions in February and March, and provided over 400 toys for free to five institutions during Christmas. In cooperation with public welfare groups including non-governmental non-profit organizations, ICBC (Argentine) organized crop harvest volunteer campaign, and assisted farmers in harvesting and selling agricultural products in four primary areas. Further, ICBC (Argentina) proactively organized volunteers to donate blood and help poor households in improving their living environment.

In August 2019, tropical storm Podul left six provinces in central-south Laos flooded after its passage, caused serious damage to local residents’ property and life. Vientiane Branch raised USD180,000 for disaster alleviation, of which USD150,000 was donated by the Branch and USD30,000 by its employees.

**Charity donation**

Tokyo Branch made active efforts to carry out charity fairs and targeted donations, raising RMB23,000 to support local environmental improvement projects. It also mobilized other institutions to join its course and as a result, RMB256,000 was donated to help solve problems facing local residents by improving local transportation and education. The Branch organized the “2019 ICBC Table Tennis Friendly Match.”

ICBC (Thai) carried out charity campaigns for two consecutive years, through which financial support was extended to over 70 outstanding college students who come from impoverished households in Thailand, in an endeavor to help them get better academic performance by easing their financial burdens. The photo showcases the person in charge of ICBC (Thai) granting financial aid to poor college students in October 2019.
The year 2019 marked the 70th anniversary of the founding of the People's Republic of China and witnessed the advancement and achievements in the reform and development. In the year, we continued to apply the new development philosophy, and employed financial instruments and forces to help solve the problems of imbalanced, insufficient economic and social development, demonstrating the performance of responsibilities as a large state-owned bank on all side.

It's a good time to set sail and do something great. The year 2020 is the final year for completing the building of a moderately prosperous society and the 13th Five-Year Plan and also the year for the Bank to implement the strategic guidance of its Three-Year Plan. We will follow the general principle of pursuing progress while ensuring stability, implement the new development philosophy, carry out the principles of "Party building and strict governance, customer first and service for the real economy", value creation driven by technology, global operation with an international vision, transformation and reform for pragmatic progress, risk control and talent as foundations", forge ahead with determination, advance reforms and innovations, achieve high-quality, sustainable development with strong support to the high-quality development of economy, continue to enhance the adaptability, competitiveness and inclusiveness of providing financial services to entities, work with relevant stakeholders for a common cause, promote continuous, coordinated development between enterprises and the economy, society and environment, and break new ground in the building of a world-class modern financial enterprise with.

Audited by KPMG Huaxhen (Special General Partnership). Other data are mainly of the year 2019 and sourced from internal systems and statistics of branches of the Bank. The units in this report, unless otherwise specified, are denominated in RMB.

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 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and complied with the applicable requirements of International Standard on Quality Control to maintain a comprehensive system of quality control.

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

Contact

Corporate Social Responsibility Report 2019

Audit

In an engagement to which the extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, there may be a lower level of assurance is provided. In addition, our work was not undertaken for the purpose of ensuring the effectiveness of ICBC's systems and procedures.

Conclusions

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the SR Report of ICBC for the year ended 31 December 2019 is not presented fairly, in all material respects, in accordance with the GRI's Sustainability Reporting Standards (GRI Standards), the disclosure recommendations of the SSE Guidelines and SEMH's Environmental, Social and Governance Reporting Guide.

Summary of work performed
### GRI Standards 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: General Disclosures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Organizational Profile</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-1</td>
<td>Name of the organization</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>GRI 102-2</td>
<td>Activities, brands, products, and services</td>
<td>10</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>10</td>
<td></td>
</tr>
<tr>
<td>GRI 102-5</td>
<td>Ownership and legal form</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>GRI 102-6</td>
<td>Markets served</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>GRI 102-7</td>
<td>Scale of the organization</td>
<td>10, 17, 28, 29</td>
<td></td>
</tr>
<tr>
<td>GRI 102-8</td>
<td>Information on employees and other workers</td>
<td>B1.1 20, 28, 29, 87</td>
<td></td>
</tr>
<tr>
<td>GRI 102-9</td>
<td>Supply chain</td>
<td>B5.2 23, 60, 73</td>
<td></td>
</tr>
<tr>
<td>GRI 102-10</td>
<td>Significant changes to the organization and its supply chain</td>
<td>28, 29</td>
<td></td>
</tr>
<tr>
<td>GRI 102-11</td>
<td>Precautionary Principle or approach</td>
<td>85, 86, 111, 112</td>
<td></td>
</tr>
<tr>
<td>GRI 102-12</td>
<td>External initiatives</td>
<td>14, 26, 54, 99</td>
<td></td>
</tr>
<tr>
<td>GRI 102-13</td>
<td>Membership of associations</td>
<td>14</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 from senior decision-maker</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>GRI 102-15</td>
<td>Key impacts, risks, and opportunities</td>
<td>16, 130</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>10</td>
<td></td>
</tr>
<tr>
<td>GRI 102-17</td>
<td>Mechanisms for advice and concerns about ethics</td>
<td>15, 30, 41</td>
<td></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 15 of 2019 Annual Report (H share)</td>
<td></td>
</tr>
<tr>
<td>GRI 102-19</td>
<td>Delegating authority</td>
<td>14, 15</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>11, 14, 15, 16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-22</td>
<td>Composition of the highest governance body and its committees</td>
<td>Please refer to chapter 15 of 2019 Annual Report (H share)</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 102-23</td>
<td>Chair of the highest governance body</td>
<td>Please refer to chapter 15 of 2019 Annual Report (H share)</td>
<td></td>
</tr>
<tr>
<td>GRI 102-25</td>
<td>Conflicts of interest</td>
<td>26, 27</td>
<td></td>
</tr>
<tr>
<td>GRI 102-26</td>
<td>Role of highest governance body in setting purpose, values, and strategy</td>
<td>14, 15, 26</td>
<td></td>
</tr>
<tr>
<td>GRI 102-27</td>
<td>Collective knowledge of highest governance body</td>
<td>14, 15, 26</td>
<td></td>
</tr>
<tr>
<td>GRI 102-28</td>
<td>Evaluating the highest governance body’s performance</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>GRI 102-29</td>
<td>Identifying and managing economic, environmental, and social impacts</td>
<td>14-16, 26</td>
<td></td>
</tr>
<tr>
<td>GRI 102-30</td>
<td>Effectiveness of risk management processes</td>
<td>18, 85, 86, 111, 112</td>
<td></td>
</tr>
<tr>
<td>GRI 102-31</td>
<td>Review of economic, environmental, and social topics</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>GRI 102-32</td>
<td>Highest governance body’s role in sustainability reporting</td>
<td>14, 15</td>
<td></td>
</tr>
<tr>
<td>GRI 102-33</td>
<td>Communicating critical concerns</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>GRI 102-34</td>
<td>Nature and total number of critical concerns</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-35</td>
<td>Remuneration policies</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholder Engagement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-40</td>
<td>List of stakeholder groups</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-41</td>
<td>Collective bargaining agreements</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-42</td>
<td>Identifying and selecting stakeholders</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-43</td>
<td>Approach to stakeholder engagement</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-44</td>
<td>Key topics and concerns raised</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td><strong>Reporting Practice</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102-45</td>
<td>Entities included in the consolidated financial statements</td>
<td>Please refer to chapter 15 of 2019 Annual Report (H share)</td>
<td></td>
</tr>
<tr>
<td>GRI 102-46</td>
<td>Defining report content and topic Boundaries</td>
<td>Back page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-47</td>
<td>List of material topics</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>GRI 102-48</td>
<td>Restatements of information</td>
<td>Back Page</td>
<td></td>
</tr>
<tr>
<td>GRI 102-49</td>
<td>Changes in reporting</td>
<td>16</td>
<td></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>Back Page</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 102-54</td>
<td>Claims of reporting in accordance with the GRI Standards</td>
<td></td>
<td>131</td>
</tr>
<tr>
<td>GRI 102-55</td>
<td>GRI content index</td>
<td></td>
<td>132-135</td>
</tr>
<tr>
<td>GRI 102-56</td>
<td>External assurance</td>
<td></td>
<td>131</td>
</tr>
<tr>
<td>GRI 103:Management Approach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>GRI 103-2</td>
<td>The management approach and its components</td>
<td></td>
<td>11,14,15,16</td>
</tr>
<tr>
<td>GRI 201:Economic Performance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 201-1</td>
<td>Direct economic value generated and distributed</td>
<td></td>
<td>72,73</td>
</tr>
<tr>
<td>GRI 201-2</td>
<td>Financial implications and other risks and opportunities due to climate change</td>
<td></td>
<td>18,19,74-77</td>
</tr>
<tr>
<td>GRI 202:Market Presence</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 202-2</td>
<td>Proportion of senior management hired from the local community</td>
<td></td>
<td>87,119</td>
</tr>
<tr>
<td>GRI 203:Indirect Economic Impacts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 203-1</td>
<td>Infrastructure investments and services supported</td>
<td></td>
<td>50,52,53,56,105</td>
</tr>
<tr>
<td>GRI 203-2</td>
<td>Significant indirect economic impacts</td>
<td></td>
<td>B8 B8.1 B8.2 23,50-56,120,121</td>
</tr>
<tr>
<td>GRI 204:Procurement Practice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>B5</td>
<td>73</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B6</td>
<td>60</td>
</tr>
<tr>
<td>GRI 205:Anti-corruption</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 205-2</td>
<td>Communication and training about anti-corruption policies and procedures</td>
<td>B7.2</td>
<td>36</td>
</tr>
<tr>
<td>GRI 205-3</td>
<td>Confirmed incidents of corruption and actions taken</td>
<td>B7</td>
<td>36</td>
</tr>
<tr>
<td>GRI 301:Materials</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 301-1</td>
<td>Materials used by weight or volume</td>
<td></td>
<td>A3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,13,18,79</td>
</tr>
<tr>
<td>GRI 302:Energy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 302-1</td>
<td>Energy consumption within the organization</td>
<td></td>
<td>A2.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,13</td>
</tr>
<tr>
<td>GRI 302-4</td>
<td>Reduction of energy consumption</td>
<td></td>
<td>A2.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,13</td>
</tr>
<tr>
<td>GRI 302-5</td>
<td>Reductions in energy requirements of products and services</td>
<td></td>
<td>78,79</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A2 A2.2 A2.4</td>
<td>12,13</td>
</tr>
<tr>
<td>GRI 305:Emissions</td>
<td></td>
<td></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 305-1</td>
<td>Direct (Scope 1) GHG emissions</td>
<td></td>
<td>A1.1</td>
</tr>
<tr>
<td>GRI 305-2</td>
<td>Energy indirect (Scope 2) GHG emissions</td>
<td></td>
<td>A1.2</td>
</tr>
<tr>
<td>GRI 305-3</td>
<td>Other indirect (Scope 3) GHG emissions</td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>GRI 305-5</td>
<td>Reduction of GHG emissions</td>
<td></td>
<td>A1.5</td>
</tr>
<tr>
<td>GRI 305-7</td>
<td>Nitrogen oxides (NOx), sulfur oxides (SOX), and other significant air emissions</td>
<td></td>
<td>19</td>
</tr>
<tr>
<td>GRI 306:Effluents and Waste</td>
<td></td>
<td>A1.3 A1.4</td>
<td>A1.6</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 401:Employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 401-1</td>
<td>New employee hires and employee turnover [This Standard includes a Standard Interpretation on how to calculate the rates of new employee hires and employee turnover]</td>
<td>B1.1</td>
<td>115</td>
</tr>
<tr>
<td>GRI 401-2</td>
<td>Benefits provided to full-time employees that are not provided to temporary or part-time employees</td>
<td>B1 B2</td>
<td>113-119</td>
</tr>
<tr>
<td>GRI 404:Training and Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 404-1</td>
<td>Average hours of training per year per employee</td>
<td></td>
<td>B3.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13,20</td>
</tr>
<tr>
<td>GRI 404-2</td>
<td>Programs for upgrading employee skills and transition assistance programs</td>
<td>B3</td>
<td>13,20</td>
</tr>
<tr>
<td>GRI 404-3</td>
<td>Percentage of employees receiving regular performance and career development reviews</td>
<td>B3</td>
<td>33</td>
</tr>
<tr>
<td>GRI 405:Diversity and Equal Opportunity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 405-1</td>
<td>Diversity of governance bodies and employees</td>
<td></td>
<td>B1.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13,20</td>
</tr>
<tr>
<td>GRI 408:Child Labor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 408-1</td>
<td>Operations and suppliers at significant risk for incidents of child labor</td>
<td>B4 B4.1 B4.2</td>
<td>137</td>
</tr>
<tr>
<td>GRI 409:Forced or Compulsory Labor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 409-1</td>
<td>Operations and suppliers at significant risk for incidents of forced or compulsory labor</td>
<td>B4 B4.1 B4.2</td>
<td>137</td>
</tr>
<tr>
<td>GRI 412:Human Rights Assessment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 412-2</td>
<td>Employee training on human rights policies or procedures</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>GRI 414:Supplier Social Assessment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 414-1</td>
<td>New suppliers that were screened using social criteria</td>
<td></td>
<td>23,73</td>
</tr>
</tbody>
</table>
B2.1 Number and rate of work-related fatalities. 
B2.2 Description of occupational health and safety measures adopted, how they are implemented and monitored.

B2.3 General Disclosure Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.

B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).

B3.2 The average training hours completed per employee by gender and employee category.

B4 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.

B4.1 Description of measures to review employment practices to avoid child and forced labour.

B4.2 Description of steps taken to eliminate such practices when discovered.

B5 General Disclosure Policies on managing environmental and social risks of the supply chain.

B5.1 Number of suppliers by geographical region.

B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.

B6 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising/labelling and privacy matters relating to products and services provided and methods of redress.

B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.

B6.2 Number of products and service related complaints received and how they are dealt with.

B6.3 Description of practices relating to observing and protecting intellectual property rights.

B6.4 Description of quality assurance process and recall procedures.

B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.

B7 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.

B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.

B8 General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.

B8.1 Focus areas of contribution (e.g. education, environment, health, culture, sport).

B8.2 Resources contributed (e.g. money or time) to the focus area.

B8.3 The average training hours completed per employee by gender and employee category.

B9 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

B9.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.

B9.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.

B10 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

B10.1 Description of measures to review employment practices to avoid child and forced labour.

B10.2 Description of steps taken to eliminate such practices when discovered.

B11 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to corruption.

B11.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.

B11.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.

B12 General Disclosure Information on: (a) the policies; and/or compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.

B12.1 Number and rate of work-related fatalities.

B12.2 Lost days due to work injury.
Thank you for reading the 2019 Corporate Social Responsibility Report of Industrial and Commercial Bank of China Limited. ICBC has published Corporate Social Responsibility Reports for consecutive thirteen years. In order to better satisfy your need, provide more valuable information for you and all relevant stakeholders, improve our performance of corporate social responsibility and enhance our ability to fulfill our social responsibility, we sincerely hope that you would provide your valuable opinions and feedback regarding this report to us via the following means:

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Post code: 100140

1. What is your overall evaluation for the report?
   □ Very good □ Good □ General □ Poor

2. What is your evaluation for ICBC's performance of its social responsibility on the economic level?
   □ Very good □ Good □ General □ Poor

3. What is your evaluation for ICBC's performance of its social responsibility on the environmental level?
   □ Very good □ Good □ General □ Poor

4. What is your evaluation for ICBC's performance of its social responsibility on the social level?
   □ Very good □ Good □ General □ Poor

5. Do you think the report can truly represent the influence on economy, environment and society of the social responsibility practice of ICBC?
   □ Yes □ So so □ No

6. What do you think of the clarity, correctness and completeness of the information, data and statistics in the report?
   □ Very good □ Good □ General □ Poor

7. Is this report reader-friendly from your perspective in terms of its contents, structure and formatting?
   □ Very good □ Good □ General □ Poor

8. Which of the following stakeholder do you belong to?
   □ Government □ Regulator □ Shareholder and Investor □ Client
   □ Supplier and Partner □ Employee □ Community public □ Others

9. What are your opinions and suggestions on corporate social responsibility of ICBC and this report?

Note: Please add "V" in the corresponding "□ ."